

FAIRFIELD CITY SCHOOL DISTRICT

Single Audit Reports

Year Ended June 30, 2008



Mary Taylor, CPA
Auditor of State

Board of Education
Fairfield City School District
211 Donald Drive
Fairfield, Ohio 45014

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

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

January 22, 2009

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FAIRFIELD CITY SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2008

<u>Federal Grantor/Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Federal Revenues</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>				
<i>(Passed through Ohio Department of Education)</i>				
Food Donation	n/a	10.550	\$ 139,912	139,912
Team Nutrition	n/a	10.574	600	600
Nutrition Cluster:				
School Breakfast Program	05PU-2008	10.553	73,000	73,000
National School Lunch Program	LLP4-2008	10.555	<u>592,643</u>	<u>592,643</u>
Nutrition Cluster Total			<u>665,643</u>	<u>665,643</u>
Total U.S. Department of Agriculture			<u>806,155</u>	<u>806,155</u>
<u>U.S. Department of Education:</u>				
American History Grant	n/a	84.215	262,032	263,232
<i>(Passed through Ohio Department of Education)</i>				
Title I Grants to Local Educational Agencies	C1S1-2007	84.010	8,125	35,697
Title I Grants to Local Educational Agencies	C1S1-2008	84.010	<u>399,219</u>	<u>356,164</u>
			<u>407,344</u>	<u>391,861</u>
Special Education Cluster:				
Special Education - Grants to States	6BSF-2007	84.027	347,411	333,601
Special Education - Grants to States	6BSF-2008	84.027	1,734,805	1,748,876
Special Education - Preschool Grants	PGS1-2007	84.173	10,564	1,540
Special Education - Preschool Grants	PGS1-2008	84.173	<u>20,949</u>	<u>41,455</u>
Special Education Cluster Total			<u>2,113,729</u>	<u>2,125,472</u>
Safe and Drug-Free Schools and Communities - State Grants	DRS1-2007	84.186	5,054	1,997
Safe and Drug-Free Schools and Communities - State Grants	DRS1-2008	84.186	<u>17,894</u>	<u>23,395</u>
			<u>22,948</u>	<u>25,392</u>
State Grants for Innovative Programs	C2S1-2008	84.298	23,549	23,579
Education Technology State Grants	TJS1-2007	84.318	658	398
Education Technology State Grants	TJS1-2008	84.318	<u>391</u>	<u>3,970</u>
			<u>1,049</u>	<u>4,368</u>
Comprehensive School Reform Demonstration	RFCC	84.332	745	-
English Language Acquisition Grants	T3S1/T3S2	84.365	27,586	1,904
English Language Acquisition Grants	T3S1/T3S2	84.365	<u>43,721</u>	<u>68,101</u>
			<u>71,307</u>	<u>70,005</u>
Improving Teacher Quality State Grants	TRS1-2007	84.367	24,377	17,383
Improving Teacher Quality State Grants	TRS1-2008	84.367	<u>166,738</u>	<u>189,329</u>
			<u>191,115</u>	<u>206,712</u>
Total U.S. Department of Education			<u>3,093,818</u>	<u>3,110,621</u>
Total Federal Awards			\$ <u>3,899,973</u>	<u>3,916,776</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The schedule of expenditures of federal awards is a summary of the activity of the School District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Education
Fairfield City School District:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairfield City School District (the "School District") as of and for the year ended June 30, 2008, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 15, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

Compliance And Other Matters

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

This report is intended solely for the information and use of the School District's management, others within the entity, the Ohio Auditor of State and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Clark, Schaefer, Haskett & Co.

Cincinnati, Ohio
December 15, 2008

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

To the Board of Education
Fairfield City School District:

Compliance

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

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

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

Internal Control Over Compliance

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

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

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material compliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the 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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of and for the year ended June 30, 2008, and have issued our report thereon dated December 15, 2008. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the School District's management, the Ohio Auditor of State and federal awarding agencies and pass-through entities, and is not intended to be and should be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
December 15, 2008

FAIRFIELD CITY SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2008

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none
Noncompliance material to the financial statements noted?	none

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none
Type of auditors’ report issued on compliance for major programs:	unqualified
Any audit findings that are required to be reported in accordance with 510(a) of Circular A-133?	no

Identification of major programs:

Special Education Cluster:
CFDA 84.027 – Special Education – Grants to States
CFDA 84.173 – Special Education – Preschool Grants

Dollar threshold to distinguish between Type A and Type B Programs:	\$300,000
Auditee qualified as low-risk audtee?	yes

Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

None.

Section IV – Summary of Prior Audit Findings and Questioned Costs

Finding 2007-1 – Audit Adjustments

During the course of our audit, we identified a number of misstatements in the financial statements for the year under audit that were not initially identified by the School District's internal control. Throughout the year, the School District maintains its books and records on the cash-basis of accounting and converts its financial statements at year-end to generally accepted accounting principles. The audit adjustments were necessary to correct errors in the School District's conversion process.

Status: Corrected in current year.

Comprehensive Annual Financial Report



Fairfield City School District Fairfield, Ohio

For the Fiscal Year Ended
June 30, 2008

**Fairfield City School District
Fairfield, Ohio**

**Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2008**

**Prepared By:
Office Of The Treasurer
Nancy Lane, Treasurer**

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INTRODUCTORY SECTION



Fairfield City Schools

Treasurer's Office

211 Donald Drive • Fairfield, Ohio 45014-3095
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December 15, 2008

TO THE CITIZENS AND BOARD OF EDUCATION OF THE FAIRFIELD CITY SCHOOL DISTRICT:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Fairfield City School District (District) for the fiscal year ended June 30, 2008. This report, prepared by the Treasurer's office, includes an opinion from the Clark, Schaefer, Hackett and Co. and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report was prepared in conformance with generally accepted accounting principals as set forth by the Governmental Accounting Standards Board (GASB). This report will provide the taxpayers of the Fairfield City School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be available upon request to taxpayers, financial rating services, banking institutions and other interested parties.

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

The District provides a full range of programs and services for its students and citizens. These include elementary and secondary course offerings at the general, vocational and college preparatory levels; as well as a broad range of co-curricular and extra-curricular activities to compliment the students' curricular program.

In addition to these general activities, the District acts as the fiscal agent for State funds distributed to non-public parochial schools located within the District boundaries. This activity is included in the District's reporting entity as Auxiliary Services, a special revenue fund, because the District has administrative involvement in the programs. The schools served are: Fairfield Educational Building, Hamilton-Middletown 7th Day Adventist, Lavalley, Sacred Heart and Cincinnati Christian. While these organizations are similar in operations and services provided, each is distinct and separate entities whose financial statements are not included in this report.

ECONOMIC CONDITION AND OUTLOOK

The District is located in Southwestern Ohio between the cities of Cincinnati and Dayton. The District is located in Butler County, Ohio, along the Interstate 75 corridor, which is one of the fastest growing areas in population and in job creation in the State of Ohio. In addition, new water and sewer construction has opened up vacant parcels for new residential and light industrial development in the district. Housing and per capita income levels are very favorable relative to the state with per capita income growth outpacing the state during the last census period.

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

THE DISTRICT AND ITS FACILITIES

The District serves an area of 37.9 square miles, encompassing the City of Fairfield and Fairfield Township. The total District population has increased from 38,707 in 1980 to 49,373 in 1990 to 57,902 in 2000 according to census information.

The District also operates a variety of other facilities, including: a central administration building, a maintenance building, a bus compound, and several sports fields.

In 1994, the District passed a 44.4 million dollar bond issue, which was used to build a new high school, a new elementary school and make additions to existing elementary schools.

During the 2007-2008 school year, the District served 10,117 students enrolled in 1 kindergarten center, 5 elementary schools, 1 intermediate school, 1 middle school, 1 freshman school and 1 comprehensive high school. This enrollment increased by 80 students from the 2006-2007 school year. The preliminary enrollment for the 2008-2009 school year is 10,195 an increase of 70 students.

ORGANIZATION OF THE SCHOOL DISTRICT

The Board of Education of the Fairfield City School District is a five member body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code. The Board: (1) serves as the taxing authority, contracting body and policy maker, (2) ensures that all the general laws of the State of Ohio are followed in the expenditures of the District's tax dollars, (3) approves the annual appropriation resolution and tax budget.

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

<u>Board Member</u>	<u>Term</u>	<u>Years on Board</u>
Mrs. Diana Bailey	01/01/08 – 12/31/10	.5
Mr. Arnold Engel	01/01/06 – 12/31/09	2.5
Mr. Jerome Kearns	01/01/08 – 12/31/10	.5
Dr. Mark Morris	01/01/06 – 12/31/09	2.5
Mr. Dan Murray	01/01/06 – 12/31/09	2.5

The Superintendent is the chief executive officer of the District, responsible directly to the Board for all educational and support operations. Mrs. Catherine Milligan was appointed as Superintendent on July 1, 2007. Effective August 1, 2008, the Board has awarded Mrs. Milligan a three year contract. Mrs. Milligan received a B.S. Degree from Baldwin Wallace College and M. Ed. degrees from Miami University and the College of Mount St. Joseph. Prior to being named Superintendent, Mrs. Milligan served the District in various teaching and administrative positions from 1973 until her retirement as Assistant Superintendent in 2002.

The Treasurer is the chief financial officer of the District, responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets and investing idle funds as specified by Ohio Law. Mrs. Nancy Lane was appointed Treasurer on January 6, 2005. Her contract expires at the Organizational Meeting in January 2011. Mrs. Lane received her B.A. degree from Wilmington College and had been employed by the District as the Payroll Supervisor since July 1996.

EMPLOYEE RELATIONS

The District has 1,125 full and part-time employees. This number has increased slightly over the past few years as various programs and services have been expanded to meet the changing needs of students and the community. There are two organizations representing the certificated and classified employees. The District's administrative employees are not currently represented.

The Fairfield Classroom Teachers Association (FCTA), an affiliate of the Ohio Education Association (OEA), represents all certificated employees of the District. The collective bargaining agreement between the FCTA and the District expired on August 31, 2008.

Classified employees are represented by the Ohio Association of Public School Employees (OAPSE), an affiliate of the American Federation of State, County and Municipal Employees (AFSCME). There are four local chapters of OAPSE. Chapter 205 represents the bus drivers and chauffeurs. Chapter 378 represents clerks, secretaries, educational assistants, and data entry personnel. Chapter 568 represents cooks, custodians, crossing guards, electricians, maintenance, and food service aides. Chapter 727 represents head cooks and head custodians. Chapters 205, 378 and 568 negotiate as one unit, while Chapter 727 negotiates separately with the Board. The collective bargaining agreements with all four chapters expired on June 30, 2008.

MAJOR CURRENT AND FUTURE INITIATIVES

Interest Based and Traditional Bargaining

The District continues to utilize interest-based collective bargaining to negotiate the master contract with the Fairfield Classroom Teachers' Association. Traditional bargaining is being used with the four OAPSE chapters. There have now been three three-year master contracts successfully bargained with each of the classified unions and four three-year master contracts with the FCTA. The bargaining teams were trained and facilitated by the Federal Mediation and Conciliation Services. The district has been asked to present at the national Federal Mediation and Conciliation Services conference regarding its success with this process.

Strategic Plan

The District's third 5-year Strategic Plan, for 2006-2010, was adopted by the Board of Education at the June 16, 2006, board meeting. The new district-wide vision statement is as follows: excellence, preparation for life, opportunities for all. The plan is expected to be monitored by a steering committee that is comprised of staff, parents and community members. This steering committee meets approximately four times per year and gathers information from five action teams: Instruction, Community Connectedness, Family Ownership, Facilities, and Innovations. More detailed information regarding this plan is available on the District's website www.fairfieldcityschools.com.

Relevant Financial Policies

In June of 2006, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2007 and will be eliminated by 2009. The tax on telephone and telecommunication property will begin being phased out in 2009 and will be eliminated by 2011. The tax is being phased out by reducing the assessment rate on the property each year. In the first five years, the District will be reimbursed fully for the lost revenue; in the following seven years, the reimbursements will be phased out.

Curriculum Initiatives

The curriculum focus for 2007-2008 was adoption of a new Language Arts series, K-12, including intervention materials. It has been eleven years since our last adoption and a new series was badly needed. The research, as well as our professional development, highlighted our need for new materials. Our reading teachers had learned so much about how children learn to read, but many of the pieces were missing in our old series, as well as non-fiction literature, which research says is critical for developing readers. Our District allowed teachers to pilot the core programs for consideration, and visit schools who were showing success by using the intervention materials. This process took the better part of a school year to review, pilot, discuss and choose the appropriate programs for grades K-6.

The secondary teachers also reviewed a new language arts program that they are piloting this fall. In addition to the core program, they also reviewed intervention programs that will help with the older students who are struggling readers.

The Science Instructional Specialist focused on implementing the core science programs and science instructional materials purchased to meet the Ohio State Standards. Our District expects all science teachers to use an inquiry-based system for teaching science, however, this approach requires high quality, on-going professional development. This was provided for each grade level and department as they received new materials.

Our Math Instructional Specialist continued the implementation of the Connected Math Program for grades 6-8, focusing on grades 6 and 7. In addition, together with teachers, she examined rigorous math intervention programs that would support our problem-based core mathematics programs. In addition, several of our principals, together with some of their lead math teachers, took training in Lenses on Learning, which shows administrators how to coach for student learning in mathematics classrooms.

Many of our Social Studies teachers remain involved with the Teaching American History grant. (TAH) This has given them an opportunity to network and collaborate with colleagues in other school districts as well as benefit from the technical assistance provided by the professors and personnel at Miami University, OH.

The District remains involved with the Racial Equity Consortium to try to close the achievement gap. This consortium has really helped us focus on the issues of race that enter the field of education. The members of the team are collaborating and committing to help all students in Fairfield be successful. The membership will grow in 2008-2009, based on the work of the consortium in 2007-2008.

The 2007-2008 school year was a successful year for Fairfield City Schools. We received the rating of "Excellent", as determined by the accountability system of the state of Ohio. All of our buildings have shown improvement, with 6 out of the 10 being rated "Excellent" and two "Excellent with Distinction".

FINANCIAL INFORMATION

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

INTERNAL ACCOUNTING AND BUDGETARY CONTROL

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

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

At the beginning of each fiscal year, the Board adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. Appropriations are monitored, changed and amended/adopted on a monthly basis.

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

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

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

CASH MANAGEMENT

The Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently investing available cash in obligations collateralized by the United States Government, or the State of Ohio issued instruments or insured by the Federal Deposit Insurance Corporation [FDIC]. The total amount of earnings on investments was \$997,999 for the year ended June 30, 2008.

The cash management program is designed to minimize cash on hand and maximize investment holdings. All investments are spread among available investment options to insure maximum interest rates. For more information on the cash management of the District see Note 3 in the Notes to the Basic Financial Statements.

RISK MANAGEMENT

The District continues to protect its assets through a comprehensive insurance program. A schedule of insurance in force at June 30, 2008 is included in Note 13 in the Notes to the Basic Financial Statements.

INDEPENDENT AUDIT

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Clark, Schaefer, Hackett and Company performed the audit for the fiscal year ended June 30, 2008. The auditor's unqualified opinion rendered on the District's basic financial statements is included in the financial section of this Comprehensive Annual Financial 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 District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a 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.

ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence on Financial Reporting for the fiscal year ended June 30, 2007, to the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008, will again conform to ASBO's principles and standards as well, and will be submitted to ASBO for review.

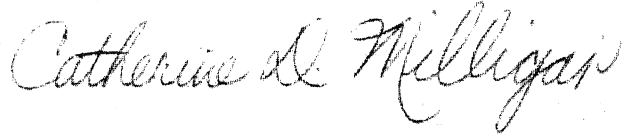
ACKNOWLEDGEMENTS

The preparation of this report was made possible by the dedication and efforts of the entire staff of the Treasurer's Office. The support and commitment to excellence by the Fairfield Board of Education and the citizens of the District was vital to the successful issuance of this report and the continuing efforts being made to improve our financial management and reporting.

Respectfully Submitted,



Nancy L. Lane
Treasurer



Catherine D. Milligan
Superintendent

Fairfield City School District, Ohio
List Of Principal Officials
June 30, 2008

Board Of Education

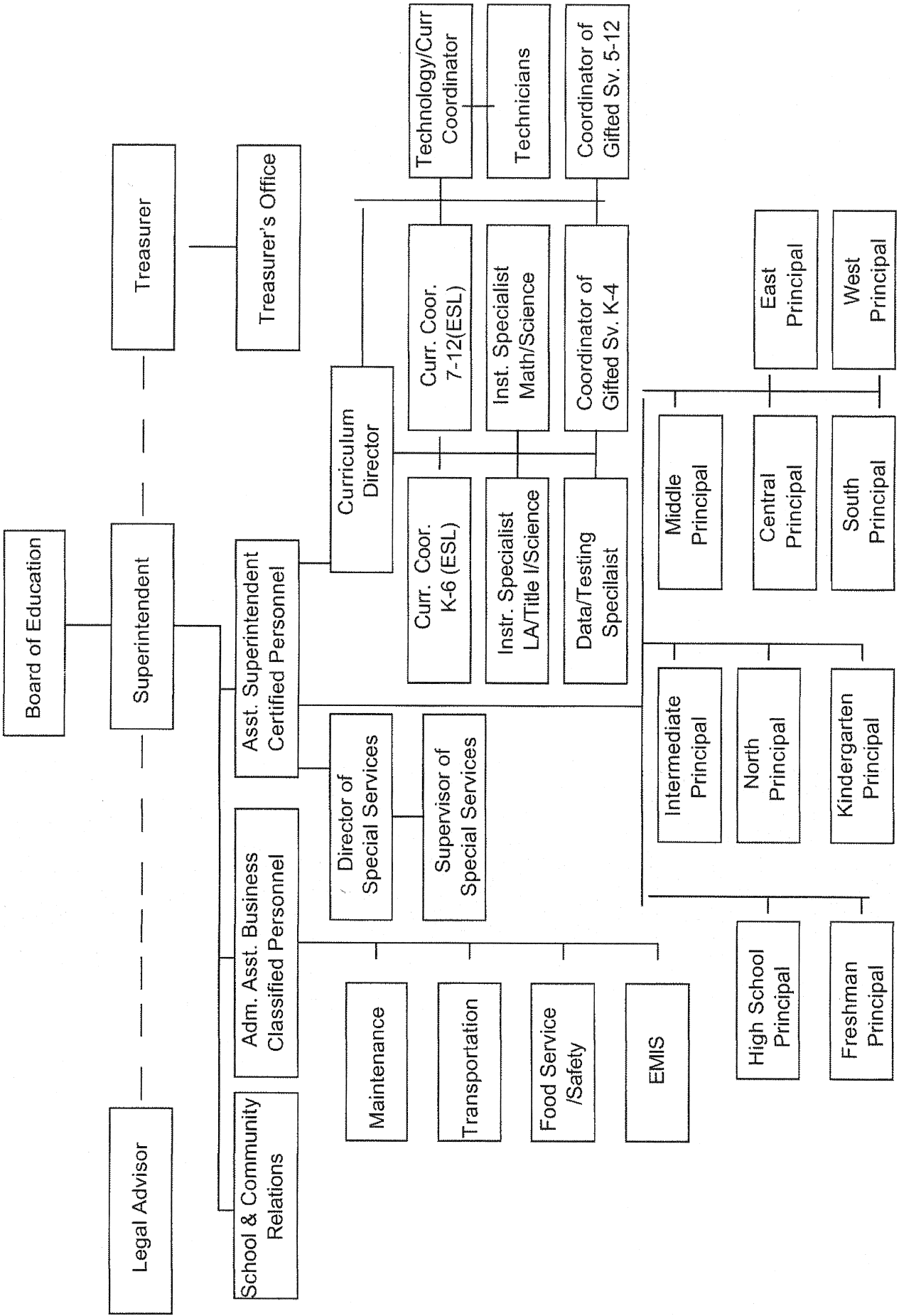
President	Mark Morris
Vice President	Dan Murray
Board Member	Arnold Engel
Board Member	Diana Bailey
Board Member	Jerome Kearns

Administrative Officials

Superintendent	Mrs. Catherine D. Milligan
Assistant Superintendent*	Mr. Paul Otten
Treasurer	Mrs. Nancy L. Lane
Business Director*	Mr. Chad Lewis
Curriculum Director	Mrs. Bonnie Fitzharris

* - Employed as of July 1, 2008

Fairfield City School District



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairfield 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

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

FAIRFIELD CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2007

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

Grome E. Brendel

President

John H. Messer

Executive Director

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Fairfield City School District:

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairfield City School District 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 December 15, 2008 on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing* and should be considered in assessing the results of our audit.

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cincinnati, oh 45202

www.cshco.com
p. 513.241.3111
f. 513.241.1212

The management's discussion and analysis and the budgetary information on pages 3 through 10 and 48 through 50, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
December 15, 2008

**FAIRFIELD CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2008
(Unaudited)**

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

Financial Highlights

Key financial highlights for 2008 are as follows:

- Net assets of governmental activities increased \$4,790,665 which represents a 15% increase from 2007.
- General revenues accounted for \$78,620,162 in revenue or 86% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$12,606,346 or 14% of total revenues of \$91,226,508 .
- The District had \$86,435,843 in expenses related to governmental activities; \$12,606,346 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$78,620,162 were also used to provide for these programs.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statements of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. The General Fund is the only major fund of the District.

Government-wide Financial Statements

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the questions, "How did we do financially during 2008?" The Government-wide Financial Statements answers this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Government-wide Financial Statements, the overall financial position of the District is presented in the following manner:

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

Fund Financial Statements

The analysis of the District's major funds begins on the balance sheet. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds.

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

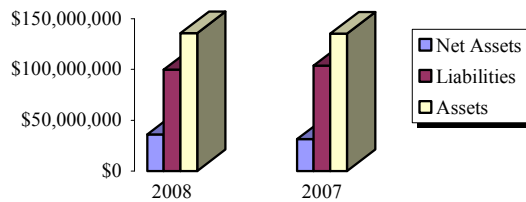
Fiduciary Funds Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District as a Whole

As stated previously, the Statement of Net Assets looks at the District as a whole. Table 1 provides a summary of the District's net assets for 2008 compared to 2007:

Table 1
Net Assets

	Governmental Activities	
	2008	2007
Assets:		
Current and Other Assets	\$74,100,747	\$74,066,132
Capital Assets	61,753,621	61,106,406
Total Assets	135,854,368	135,172,538
Liabilities:		
Other Liabilities	58,764,882	61,184,493
Long-Term Liabilities	40,975,759	42,664,983
Total Liabilities	99,740,641	103,849,476
Net Assets:		
Invested in Capital Assets, Net of Related Debt	29,477,654	26,245,449
Restricted	4,459,138	4,570,706
Unrestricted	2,176,935	506,907
Total Net Assets	\$36,113,727	\$31,323,062



Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2008, the District's assets exceeded liabilities by \$36,113,727 .

At year-end, capital assets represented 45% of total assets. Capital assets include land, buildings and improvements, and equipment. Capital assets, net of related debt to acquire the assets at June 30, 2008, was \$29,477,654 .These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net assets, \$4,459,138 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Net assets of governmental activities increased \$4,790,665 from 2007 to 2008, which represents an overall improvement in financial position. Current assets remained relatively consistent from 2007 to 2008. Total liabilities decreased mainly due to the District making regularly scheduled debt payments for fiscal year 2008 and the amount of unearned revenue decreased from 2007. Investments in capital assets net of debt increased from the prior year due to the decrease in the debt related to the capital assets.

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

Table 2
Changes in Net Assets

	Governmental Activities	
	2008	2007
Revenues:		
Program Revenues		
Charges for Services and Sales	\$5,372,240	\$5,065,194
Operating Grants and Contributions	7,170,760	6,880,980
Capital Grants and Contributions	63,346	167,006
General Revenues		
Property Taxes	46,090,741	46,487,401
Grants and Entitlements not Restricted to Specific Programs	29,692,522	28,214,761
Other	2,836,899	2,725,968
Total Revenues	91,226,508	89,541,310
Program Expenses		
Instruction	45,547,460	43,856,265
Support Services:		
Pupil and Instructional Staff	9,798,486	9,305,691
School Administrative, General		
Administration, Fiscal and Business	7,769,958	7,650,853
Operations and Maintenance	7,454,299	7,690,945
Pupil Transportation	6,959,582	5,513,928
Central	148,655	117,993
Operation of Non-Instructional Services	5,352,173	5,497,353
Extracurricular Activities	1,629,087	1,549,636
Interest and Fiscal Charges	1,776,143	1,847,061
Total Program Expenses	86,435,843	83,029,725
Change in Net Assets	4,790,665	6,511,585
Net Assets Beginning of Year	\$31,323,062	\$24,811,477
Net Assets End of Year	\$36,113,727	\$31,323,062

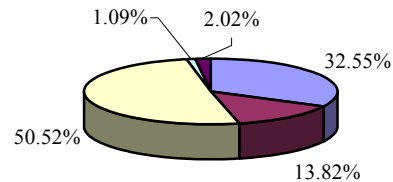
Of the total governmental activities revenues of \$91,226,508, \$12,606,346 is from program revenue. This means that the government relies on general revenues to fund the majority of the cost of services provided to the citizens. Of those general revenues, \$46,090,741 (59%) comes from property tax levies and \$29,692,522 (38%) is from state funding. This District's operations are reliant upon its property tax levy and the state's foundation program.

The District revenues are mainly from two sources. Property taxes levied for general purposes and grants and entitlements comprised 83% of the District's revenues for governmental activities.

The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus Ohio districts do not collect additional property tax revenue on the increased value of homes that is due to appreciation and must regularly return to the voters to maintain a constant level of service. Property taxes made up 51% of revenue for governmental activities for the District in fiscal year 2008.

<u>Revenue Sources</u>	<u>2008</u>	<u>Percent of Total</u>
General Grants	\$29,692,522	32.55%
Program Revenues	12,606,346	13.82%
General Tax Revenues	46,090,741	50.52%
Investment Earnings	997,999	1.09%
Other Revenues	1,838,900	2.02%
	<u>\$91,226,508</u>	<u>100.00%</u>



Instruction comprises 52.70% of governmental program expenses. Support services expenses were 37.17% of governmental program expenses. All other program expenses including interest expense were 10.13%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Property tax revenue remained relatively consistent from 2007 to 2008. Grants and entitlements increased from the prior year due to the District receiving more grants monies in 2008 than 2007. Instruction, pupil and instructional staff expenses increased over the prior year due to increases of personnel costs and general inflationary factors. Pupil transportation increased from the prior year due to the increased cost of transporting students (fuel, etc.) to and from the District.

Governmental Activities

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2008	2007	2008	2007
Instruction	\$45,547,460	\$43,856,265	(\$40,976,657)	(\$39,510,691)
Support Services:				
Pupil and Instructional Staff	9,798,486	9,305,691	(8,114,898)	(7,695,457)
School Administrative, General				
Administration, Fiscal and Business	7,769,958	7,650,853	(7,552,684)	(7,460,092)
Operations and Maintenance	7,454,299	7,690,945	(7,232,477)	(7,471,420)
Pupil Transportation	6,959,582	5,513,928	(6,662,732)	(5,183,914)
Central	148,655	117,993	(146,478)	(117,993)
Operation of Non-Instructional Services	5,352,173	5,497,353	(62,819)	(387,292)
Extracurricular Activities	1,629,087	1,549,636	(1,304,609)	(1,242,625)
Interest and Fiscal Charges	1,776,143	1,847,061	(1,776,143)	(1,847,061)
Total Expenses	<u>\$86,435,843</u>	<u>\$83,029,725</u>	<u>(\$73,829,497)</u>	<u>(\$70,916,545)</u>

The District's Funds

The District has one major governmental fund: the General Fund. Assets of the general fund comprised \$62,801,558 (84%) of the total \$74,537,554 governmental funds assets.

General Fund: Fund balance at June 30, 2008 was \$9,242,243 an increase in fund balance of \$2,061,785 from 2007. The primary reasons for the increase in fund balance were increases in revenues in lieu of taxes, grant monies received and the increase in tuition and fees charged by the District.

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2008, the District amended its general fund budget at times, however none were significant. The District's budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. During the course of the year, the District revised the budget in an attempt to deal with unexpected changes in revenues and expenditures.

For the General Fund, the final budgeted revenue was \$74,328,062 and the original budgeted revenue was \$72,100,606. The difference was \$2,227,456. Of this difference, most was due to a conservative estimate of tax and grant revenue.

The District's final budgeted revenue and expenditures when compared to the actual revenue and expenditures did not have any significant variances. The District's ending unobligated actual fund balance for the General fund was \$16,344,373.

Capital Assets and Long-Term Obligations

Capital Assets

At the fiscal year end, the District had \$61,753,621 invested in land, buildings and improvements, and equipment. Table 4 shows fiscal 2008 balances compared to 2007:

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

	Governmental Activities	
	2008	2007
Land	\$3,803,351	\$3,803,351
Buildings and Improvements	54,620,337	54,568,925
Equipment	3,329,933	2,734,130
Total Net Capital Assets	<u>\$61,753,621</u>	<u>\$61,106,406</u>

Overall, capital assets increased due to the District purchasing new technology (computers, etc.) for use through-out the District.

See note 6 in the notes to the basic financial statements for further details on the District's capital assets.

Long-Term Obligations

At June 30, 2008, the District had \$31,880,655 in bonds outstanding, \$1,979,664 due within one year. Table 5 summarizes bonds outstanding.

Table 5
Outstanding Debt, at Year End

	Governmental Activities	
	2008	2007
General Obligation Bonds:		
1994 School Improvement I	\$3,000,000	\$3,000,000
1997 Refunding	249,814	689,814
2001 School Improvement Refunding	28,630,841	30,400,841
Total Bonds	<u>\$31,880,655</u>	<u>\$34,090,655</u>

See note 7 in the notes to the basic financial statements for further details on the District's outstanding debt.

For the Future

Externally, the Ohio Supreme Court found the State of Ohio in March 1997, to be operating an unconstitutional educational system, one that was neither “adequate” nor “equitable.” Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. In May of 2000, the Ohio Supreme Court again ruled that, while the State had made some progress, the current funding system for schools is far too dependent on property taxes which are inherently not “equitable” nor “adequate”. The Court directed the Governor and the legislature to address the fundamental issues creating the inequities. In 2001, the Ohio legislature crafted a school-funding program to address the Court’s concerns.

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

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

With no major increases in state funding projected, the District must increase revenues by submitting an operating levy to the community in the near future. At this time, the Board has not set the date and amount for the levy. Even though the District is projecting a slight increase in enrollment, the need for increased revenues is projected for fiscal year 2009. This increased funding will be needed to provide all students a quality education. Financially, the future of the District is not without challenges. Management must diligently plan future expenditures.

The District has committed itself to financial excellence for many years. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1993 and the GFOA Budget Award since 1993.

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

Contacting the District’s Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District’s finances and to show the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Nancy Lane, Treasurer/CFO at Fairfield City School District, 211 Donald Drive, Fairfield, Ohio 45014.

Fairfield City School District, Ohio
Statement of Net Assets
June 30, 2008

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$21,521,935
Restricted Cash and Investments	203,843
Receivables:	
Taxes	51,034,400
Accounts	107,482
Interest	67,242
Intergovernmental	1,138,579
Inventory	27,266
Nondepreciable Capital Assets	3,803,351
Depreciable Capital Assets, Net	<u>57,950,270</u>
 Total Assets	 <u>135,854,368</u>
Liabilities:	
Accounts Payable	672,134
Accrued Wages and Benefits	9,557,745
Accrued Interest Payable	170,663
Unearned Revenue	48,364,340
Long-Term Liabilities:	
Due Within One Year	3,046,721
Due In More Than One Year	<u>37,929,038</u>
 Total Liabilities	 <u>99,740,641</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	29,477,654
Restricted for:	
Special Revenue	496,982
Debt Service	2,338,012
Capital Projects	1,420,301
Set-Aside	203,843
Unrestricted	<u>2,176,935</u>
 Total Net Assets	 <u>\$36,113,727</u>

See accompanying notes to the basic financial statements.

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Fairfield City School District, Ohio
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	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction:					
Regular	\$35,856,155	\$554,624	\$545,793	\$0	(\$34,755,738)
Special	7,839,474	565,987	2,821,450	0	(4,452,037)
Vocational	362,479	0	15,425	0	(347,054)
Other	1,489,352	0	67,524	0	(1,421,828)
Support Services:					
Pupil	3,876,054	81,480	1,266,843	0	(2,527,731)
Instructional Staff	5,922,432	0	335,265	0	(5,587,167)
General Administration	17,135	0	0	0	(17,135)
School Administration	6,012,534	0	185,228	0	(5,827,306)
Fiscal	1,412,813	0	0	0	(1,412,813)
Business	327,476	0	32,046	0	(295,430)
Operations and Maintenance	7,454,299	136,637	85,185	0	(7,232,477)
Pupil Transportation	6,959,582	237	233,267	63,346	(6,662,732)
Central	148,655	0	2,177	0	(146,478)
Operation of Non-Instructional Services	5,352,173	3,708,797	1,580,557	0	(62,819)
Extracurricular Activities	1,629,087	324,478	0	0	(1,304,609)
Interest and Fiscal Charges	1,776,143	0	0	0	(1,776,143)
Total Governmental Activities	<u>\$86,435,843</u>	<u>\$5,372,240</u>	<u>\$7,170,760</u>	<u>\$63,346</u>	<u>(73,829,497)</u>

General Revenues:

Property Taxes Levied for:

General Purposes	39,598,190
Debt Service Purposes	3,930,692
Capital Projects Purposes	2,561,859
Grants and Entitlements not Restricted to Specific Programs	29,692,522
Payment in Lieu of Taxes	1,143,259
Unrestricted Contributions	2,225
Investment Earnings	997,999
Refunds and Reimbursements	5,478
Other Revenues	687,938

Total General Revenues 78,620,162

Change in Net Assets 4,790,665

Net Assets Beginning of Year 31,323,062

Net Assets End of Year \$36,113,727

See accompanying notes to the basic financial statements.

Fairfield City School District, Ohio
Balance Sheet
Governmental Funds
June 30, 2008

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$16,913,150	\$4,608,785	\$21,521,935
Restricted Cash and Investments	203,843	0	203,843
Receivables:			
Taxes	45,141,893	5,892,507	51,034,400
Accounts	38,703	68,779	107,482
Interest	67,162	80	67,242
Intergovernmental	0	1,138,579	1,138,579
Interfund	436,807	0	436,807
Inventory	0	27,266	27,266
Total Assets	62,801,558	11,735,996	74,537,554
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	332,710	339,424	672,134
Accrued Wages and Benefits	8,698,664	859,081	9,557,745
Compensated Absences	704,991	57,310	762,301
Interfund Payable	0	436,807	436,807
Deferred Revenue	43,822,950	6,021,041	49,843,991
Total Liabilities	53,559,315	7,713,663	61,272,978
Fund Balances:			
Reserved for Encumbrances	484,613	364,590	849,203
Reserved for Inventory	0	27,266	27,266
Reserved for Property Tax Advances	1,092,785	183,286	1,276,071
Reserved for Set-Aside	203,843	0	203,843
Unreserved, Undesignated, Reported in:			
General Fund	7,461,002	0	7,461,002
Special Revenue Funds	0	357,151	357,151
Debt Service Funds	0	2,088,238	2,088,238
Capital Projects Funds	0	1,001,802	1,001,802
Total Fund Balances	9,242,243	4,022,333	13,264,576
Total Liabilities and Fund Balances	\$62,801,558	\$11,735,996	\$74,537,554

See accompanying notes to the basic financial statements.

Fairfield City School District, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Assets of Governmental Activities
 June 30, 2008

Total Governmental Fund Balance		\$13,264,576
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		61,753,621
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	1,167,831	
Intergovernmental	<u>311,820</u>	
		1,479,651
In the statement of net assets interest payable is accrued when incurred, whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		(170,663)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences	<u>(7,937,491)</u>	
		(7,937,491)
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(32,275,967)</u>
Net Assets of Governmental Activities		<u>\$36,113,727</u>

See accompanying notes to the basic financial statements.

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

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$39,713,843	\$6,184,192	\$45,898,035
Revenue in Lieu of Taxes	1,143,259	0	1,143,259
Tuition and Fees	1,120,611	0	1,120,611
Investment Earnings	996,850	1,149	997,999
Intergovernmental	31,238,539	5,632,901	36,871,440
Extracurricular Activities	118,615	284,726	403,341
Charges for Services	0	3,711,767	3,711,767
Other Revenues	454,461	377,702	832,163
Total Revenues	74,786,178	16,192,437	90,978,615
Expenditures:			
Current:			
Instruction:			
Regular	34,095,101	785,542	34,880,643
Special	6,856,123	1,027,787	7,883,910
Vocational	87,176	0	87,176
Other	1,474,263	15,089	1,489,352
Support Services:			
Pupil	2,306,605	1,622,496	3,929,101
Instructional Staff	5,664,471	291,035	5,955,506
General Administration	17,135	0	17,135
School Administration	5,802,175	175,491	5,977,666
Fiscal	1,273,956	99,610	1,373,566
Business	296,425	32,046	328,471
Operations and Maintenance	7,578,005	493	7,578,498
Pupil Transportation	5,695,130	1,399,729	7,094,859
Central	144,190	2,195	146,385
Operation of Non-Instructional Services	1,817	5,233,262	5,235,079
Extracurricular Activities	1,358,680	249,180	1,607,860
Capital Outlay	2,200	1,438,128	1,440,328
Debt Service:			
Principal Retirement	84,484	2,500,506	2,584,990
Interest and Fiscal Charges	0	1,750,561	1,750,561
Total Expenditures	72,737,936	16,623,150	89,361,086
Excess of Revenues Over (Under) Expenditures	2,048,242	(430,713)	1,617,529
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	275	0	275
Transfers In	13,268	0	13,268
Transfers (Out)	0	(13,268)	(13,268)
Total Other Financing Sources (Uses)	13,543	(13,268)	275
Net Change in Fund Balance	2,061,785	(443,981)	1,617,804
Fund Balance Beginning of Year	7,180,458	4,466,314	11,646,772
Fund Balance End of Year	\$9,242,243	\$4,022,333	\$13,264,576

See accompanying notes to the basic financial statements.

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

Net Change in Fund Balance - Total Governmental Funds \$1,617,804

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

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

Capital assets used in governmental activities	2,651,889	
Depreciation Expense	<u>(1,935,075)</u>	716,814

Governmental funds only report the disposal of assets to the
 extent proceeds are received from the sale. In the statement
 of activities, a gain or loss is reported for each disposal. The
 amount of the proceeds must be removed and the gain or loss
 on the disposal of capital assets must be recognized. This is the
 amount of the difference between the proceeds and the gain or loss. (69,599)

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

Delinquent Property Taxes	192,706	
Intergovernmental	<u>55,187</u>	247,893

Repayment of bond and capital lease principal is an expenditure in the
 governmental funds, but the repayment reduces long-term
 liabilities in the statement of net assets. 2,584,990

In the statement of activities interest expense is accrued when incurred,
 whereas in governmental funds an interest expenditure is reported
 when due. (25,582)

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	<u>(281,655)</u>	
		<u>(281,655)</u>

Change in Net Assets of Governmental Activities \$4,790,665

See accompanying notes to the basic financial statements.

Fairfield City School District, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$4,008	\$186,794
Receivables:		
Accounts	0	17,892
Interest	2	0
Total Assets	<u>4,010</u>	<u>204,686</u>
Liabilities:		
Accounts Payable	0	5,517
Other Liabilities	0	199,169
Total Liabilities	<u>0</u>	<u>\$204,686</u>
Net Assets:		
Held in Trust	<u>4,010</u>	
Total Net Assets	<u>\$4,010</u>	

See accompanying notes to the basic financial statements.

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

	<u>Private Purpose Trust</u>
Additions:	
Donations	\$150
Investment Earnings	<u>24</u>
Total Additions	<u>174</u>
Deductions:	
Scholarships	<u>130</u>
Total Deductions	<u>130</u>
Change in Net Assets	44
Net Assets Beginning of Year	<u>3,966</u>
Net Assets End of Year	<u><u>\$4,010</u></u>

See accompanying notes to the basic financial statements.

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FAIRFIELD CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2008

1. DESCRIPTION OF THE DISTRICT

The Fairfield City School District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code.

The District operates under a locally elected five member Board form of government and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. This Board controls the District's instructional and support facilities staffed by approximately 484 non-certificated personnel and approximately 641 certificated full time teaching and administrative personnel to provide services to students and other community members.

The District is the 17th largest in the State of Ohio (among 613 Districts) in terms of enrollment (ADM) and the 2nd largest in Butler County. It currently operates 1 kindergarten center, 5 elementary schools (serving grades 1 - 4), 1 intermediate school (serving grades 5-6), 1 middle school (serving grades 7 - 8), 1 freshman school (serving grade 9), and 1 comprehensive high school (serving grades 10 - 12). The District services an area of 38 square miles.

REPORTING ENTITY

The reporting entity is comprised of the primary government, which consists of all funds, departments, boards and agencies that are not legally separate from the District. This includes general operations, food service, and student related activities of the District.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

MEASUREMENT FOCUS

Government-wide Financial Statements

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

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net assets. Fiduciary Funds are not included in entity-wide statements.

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The private purpose trust is reported using the economic resources measurement focus.

FUND ACCOUNTING

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting

entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories governmental and fiduciary.

Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following is the District's major governmental fund:

General Fund - The general fund is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodian in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has two agency funds. The agency fund (student activities) is used to account for assets and liabilities generated by student managed activities. The fund accounts for sales and other revenue generating activities by student activity programs, which have students involved in the management of the program. The agency fund (unclaimed monies) is used to account for funds that belong to others as a result of outstanding checks over one year old. The District's only trust fund is a private purpose trust which accounts for scholarship programs for students.

BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the actual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, included property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes available for advance, grants and interest.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2008, but which were levied to finance fiscal year 2009 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Unearned Revenue

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

Expenses/Expenditures

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

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

EQUITY IN POOLED CASH AND INVESTMENTS

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as “Equity in Pooled Cash and Investments” on the financial statements.

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

Following Ohio statutes, the Board has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue during fiscal year 2008 credited to the General Fund amounted to \$996,850 and \$1,149 credited to Other Governmental Funds.

INVENTORY

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

CAPITAL ASSETS

General capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of 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 updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of one thousand dollars (\$1,000). The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	30 - 50 years
Building Improvements	10 - 30 years
Furniture and Equipment	5 - 10 years
Vehicles	5 - 10 years

COMPENSATED ABSENCES

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the expenditures for unpaid compensated absences are recognized when due. The related liability is recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. Compensated absences are reported in governmental funds only if they have matured.

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

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How earned	Not Eligible	Not Eligible	10-25 days for each Service year depending on length of service.
Maximum Accumulation	Not Applicable	Not Applicable	25 days
Vested	Not Applicable	Not Applicable	As Earned
Termination Entitlement	Not Applicable	Not Applicable	Paid upon Termination
<u>Sick Leave</u>			
How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	330 days according to bargaining agreements	360 days	330 days according to bargaining agreements
Vested	As Earned	As Earned	As Earned
Termination Entitlement	Per Contract	Per Contract	Per Contract

NET ASSETS

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

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the District's \$4,459,138 in restricted net assets, none were restricted by enabling legislation.

INTERFUND ACTIVITY

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

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column on the Statement of Net Assets.

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

FUND EQUITY

Reserved fund balances indicate a portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, inventory, budgetary set-asides and property taxes. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute. The unreserved portion of fund equity, reflected for the Governmental Funds, is available for use within the specific purpose of those funds.

ESTIMATES

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

RESTRICTED ASSETS

Restricted assets in the general fund represent equity in pooled cash and investments set aside to establish a budget stabilization reserve. A corresponding fund balance reserve has also been established.

3. EQUITY IN POOLED CASH AND INVESTMENTS

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds, and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of June 30, 2008, \$18,467,315 of the District's bank balance of \$18,667,315 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

Investments

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

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Money Market Funds	\$23,821	0.00
Federal Home Loan Bank	2,040,715	0.67
Federal Home Loan Bank - Discount Note	119,445	0.07
Federal Home Loan Mortgage	740,163	1.32
Federal Home Loan Mortgage - Discount Note	437,656	0.91
Freddie Mac	192,288	0.87
Freddie Mac – Discount Note	74,388	0.22
Fannie Mae	368,334	0.67
U.S. Treasury Notes	125,353	0.48
Federal National Mortgage Association - Discount Note	39,792	0.08
Discount Commercial Paper	44,734	0.12
	<u>\$4,206,689</u>	
Portfolio Weighted Average Maturity		0.77

Interest rate risk - In accordance with the investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to three years.

Credit Risk – It is the District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The District’s investments in Money Market Funds, Federal Home Loan Bank, Federal Home Loan Bank - Discount Note, Federal Home Loan Mortgage, Federal Home Loan Mortgage - Discount Note, Freddie Mac, Freddie Mac – Discount Note, Fannie Mae, Federal National Mortgage Association - Discount Note and Discount Commercial Paper were rated AAA by Standard & Poor’s and Fitch Ratings and Aaa by Moody’s Investors Service. U.S. Treasury Notes are not rated.

Concentration of credit risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities. The District has invested less than 1% of the District’s investments in Money Market Funds, 48% in Federal Home Loan Bank, 3% in Federal Home Loan Bank - Discount Note, 18% in Federal Home Loan Mortgage, 10% in Federal Home Loan Mortgage - Discount Note, 5% in Freddie Mac, 2% in Freddie Mac – Discount Notes, 9% in Fannie Mae, 3% in U.S. Treasury Notes, 1% in Federal National Mortgage Association - Discount Note and 1% in Discount Commercial Paper.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District’s securities are registered in the name of the District.

4. PROPERTY TAXES

Real property taxes collected in 2008 were levied after April 1, 2007 on the assessed values as of January 1, 2007, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. A re-evaluation of real property is required to be completed no less than every six years, with a statistical update ever third year. The most recent re-evaluation was completed in January 2002.

Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 25 percent of true value (as defined). Each business was eligible to receive a \$10,000 exemption in assessed value which was reimbursed by the State.

The tangible personal property tax will phase out over a four-year period starting with tax year 2006 and ending with no tax due in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing machinery and equipment first reportable on the 2006 and subsequent year returns is not subject to the personal property tax.

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

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

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

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2008. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2008 on the fund statements. The entire amount of delinquent taxes receivable is recognized as a revenue on the government-wide financial statements. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available to finance current year operations. The receivable is, therefore, offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2008, was \$1,092,785 for General Fund, \$183,286 for Other Governmental Funds, and is recognized as revenue, with a corresponding reserve to fund balance since the Board did not appropriate these receivables for fiscal year 2008 operations.

The assessed value, by property classification, upon which taxes collected in 2008 were based as follows:

	<u>Amount</u>
Tangible and Public Utility Personal	\$98,644,980
Real Estate	<u>1,363,966,000</u>
Total	<u><u>\$1,462,610,980</u></u>

5. RECEIVABLES

Receivables at June 30, 2008, consisted of taxes, accounts (rent and student fees), intergovernmental, interest and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities:	<u>Amounts</u>
Public School Pre-School	\$31,048
Entry Year Grant	16,800
Title VI B Pre-School	652,848
Title III	32,247
Title VI	847
Title I	11,736
Drug Free Schools	6,593
Pre-School Disabilities	27,290
Classroom Size Reduction	43,750
Miscellaneous Federal	210,472
Food Service	104,948
Total	<u><u>\$1,138,579</u></u>

6. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$3,803,351	\$0	\$0	\$3,803,351
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	68,315,630	837,451	0	69,153,081
Equipment	<u>24,460,671</u>	<u>1,814,438</u>	<u>2,294,324</u>	<u>23,980,785</u>
Totals at Historical Cost	<u>96,579,652</u>	<u>2,651,889</u>	<u>2,294,324</u>	<u>96,937,217</u>
Less Accumulated Depreciation:				
Buildings and Improvements	13,746,705	786,039	0	14,532,744
Equipment	<u>21,726,541</u>	<u>1,149,036</u>	<u>2,224,725</u>	<u>20,650,852</u>
Total Accumulated Depreciation	<u>35,473,246</u>	<u>1,935,075</u>	<u>2,224,725</u>	<u>35,183,596</u>
Governmental Activities Capital Assets, Net	<u>\$61,106,406</u>	<u>\$716,814</u>	<u>\$69,599</u>	<u>\$61,753,621</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$713,967
Special	110,323
Vocational	275,303
Support Services:	
Pupil	16,535
Instructional Staff	42,741
School Administration	49,409
Fiscal	11,115
Business	2,153
Operations and Maintenance	98,939
Pupil Transportation	492,936
Central	2,270
Operation of Non-Instructional Services	107,222
Extracurricular Activities	12,162
Total Depreciation Expense	<u>\$1,935,075</u>

7. LONG-TERM LIABILITIES

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

	Interest Rate	Beginning Balance	Issued	Retired	Ending Balance	Due In One Year
Governmental Activities:						
Bonds:						
1994 School Improvement I	7.3157%	\$3,000,000	\$0	\$0	\$3,000,000	\$0
1997 Refunding	6.5702%	689,814	0	440,000	249,814	129,664
2001 School Improvement Refunding	4.8600%	30,400,841	0	1,770,000	28,630,841	1,850,000
Total Bonds		34,090,655	0	2,210,000	31,880,655	1,979,664
Capital Lease		770,302	0	374,990	395,312	158,154
Total Long Term Debt		34,860,957	0	2,584,990	32,275,967	2,137,818
Compensated Absences		7,804,026	1,205,650	309,884	8,699,792	908,903
Total Governmental Activities		<u>\$42,664,983</u>	<u>\$1,205,650</u>	<u>\$2,894,874</u>	<u>\$40,975,759</u>	<u>\$3,046,721</u>

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid (usually general and special revenue funds). Capital lease obligations will be paid from the general fund and permanent improvement fund.

The following is a summary of the District's future annual debt service requirements for general obligations:

Fiscal Year Ending June 30	General Obligation Bonds		
	Principal	Interest	Total
2009	\$1,979,664	\$2,047,955	\$4,027,619
2010	2,265,150	752,220	3,017,370
2011	2,340,000	1,437,894	3,777,894
2012	877,711	3,011,983	3,889,694
2013	860,030	3,224,963	4,084,993
2014-2018	12,373,100	7,002,119	19,375,219
2019-2021	11,185,000	931,622	12,116,622
Total	<u>\$31,880,655</u>	<u>\$18,408,756</u>	<u>\$50,289,411</u>

8. PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the District defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the District's financial statements. On June 30, 2008, \$33.045 million of bonds outstanding are considered defeased.

9. CAPITAL LEASES

The District in prior years has entered into a capital lease for computers, computer equipment and copiers.

The lease for the computers meet the criteria of capital lease as defined by statement of Financial Accounting Standards No. 13 “Accounting for Leases”, which defines a capital lease generally as one that transfers benefits and risks of ownership to the lessee. Capital lease payments for the current and prior year copiers will be made from the General Fund and current and prior year computers and computer equipment will be made from the Permanent Improvement Fund.

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 fiscal year end.

Fiscal Year Ending June 30	Principal
2009	\$164,370
2010	114,484
2011	114,485
2012	12,245
Total Minimum Lease Payments	<u>\$405,584</u>
Amount Representing Interest	(10,272)
Present Value of Minimum Lease Payments	<u><u>\$395,312</u></u>

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

Equipment	\$1,768,390
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10. PENSION PLANS

SCHOOL EMPLOYEES RETIREMENT SYSTEM

Plan Description

The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement, disability, and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by contacting the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476 or by calling toll free (800) 878-5853 or by visiting the SERS website at www.ohsers.org.

Funding Policy

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 District rate is 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS Retirement Board. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2008, 2007, and 2006 were \$1,845,012, \$1,808,784, and \$1,729,308, respectively; 52% has been contributed for fiscal year 2008 and 100% for fiscal year 2007 and 2006.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Plan Description

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

Plan Options

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

DB Plan Benefits

Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits

Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members’ accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

Combined Plan Benefits

Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member’s defined benefit is determined by multiplying 1% of the member’s final average salary by the member’s years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

Eligible faculty of Ohio’s public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

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

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalizations, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Funding Policy

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2008, were 10% of covered payroll for members and 14% for employers. The School District's contributions to STRS for the years ended June 30, 2008, 2007, and 2006 were \$5,891,994, \$5,508,275, and \$5,186,125, respectively; 84% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

11. POST EMPLOYMENT BENEFITS

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

Plan Description

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

Medicare Part B Plan

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

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2007 (latest information available), the actuarially required allocation was .68%. School District contributions for the year ended June 30, 2008 were \$89,615, which equaled the required contributions for the year.

Health Care Plan

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

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

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2007 (the latest information available), the health care allocation was 3.32%. The actuarially required contribution (ARC), as of the December 31, 2006 annual valuation, was 11.50% of covered payroll. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities of the plan over a period not to exceed thirty years. The School District contributions for the years ended June 30, 2008, 2007, and 2006 were \$437,531, \$441,860, and \$423,680, respectively.

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

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

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

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Plan Description

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

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

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

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

Funding Policy

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contributions rate, 1% of covered payroll was allocated to post-employment health care for the year ended June 30, 2008, 2007 and 2006. The 14% employer contribution rate is the maximum rate established under Ohio law. The School District contributions for the years ended June 30, 2008, 2007, and 2006 were \$420,857, \$393,448, and \$370,438, respectively.

12. CONTINGENT LIABILITIES

GRANTS

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

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

LITIGATION

The District is involved in three lawsuits. Although the outcome of the lawsuits are not presently determinable, in the opinion of the District, these matters will not have a material adverse affect on the financial condition of the District.

District management estimates that all other potential claims, not covered by insurance of the District, resulting from all other litigation would not materially affect the financial statements of the District.

13. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During the fiscal year, the District contracted with Indiana Insurance Company for property and general liability insurance and boiler and machinery insurance.

Boiler and machinery coverage has a \$5,000 deductible. General liability is protected by Indiana Insurance Company with \$1,000,000 each occurrence, \$2,000,000 aggregate limit. Vehicles are covered by Indiana Insurance Company with a \$500 deductible. Public officials bond insurance is provided by Brower Insurance Company. The Treasurer is covered by a bond in the amount of \$20,000. The District has elected to provide employee medical and dental benefits through Butler County Health Plan. The employees share the cost of the monthly premium for the coverage with the Board.

There were no significant reductions in insurance coverage from the prior year. Also, there were no settlements that exceeded insurance coverage for the past three fiscal years.

14. JOINTLY GOVERNED ORGANIZATIONS

Southwestern Ohio Computer Association

Southwestern Ohio Computer Association (SWOCA) is a jointly governed organization among a three county consortium of school districts. The jointly governed 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. Each of the governments of these schools supports SWOCA based upon a per pupil charge dependent upon the software package utilized. SWOCA is governed by a Board of Directors consisting of the superintendents and treasurers of member school districts. The degree of control exercised by any participating school district is limited to its representation on the Board. The Board consists of one representative from each of the participating 32 school districts.

Butler Technology and Career Development Schools

The Butler Technology and Career Development Schools is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from the participating school district's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Butler Technology and Career Development School is not part of the District and its operations are not included as part of the reporting entity.

15. ACCOUNTABILITY

The following funds had a deficit in fund balance:

Special Revenue Funds:	
Title VI B Pre-school	\$47,717
Title I	55,426
Title VI	12,643
Classroom Size Reduction	4,671
Food Service	305,182
Latchkey	114,053

The deficit in fund balance was primarily due to accruals in GAAP. The general fund is liable for any deficit in these funds and will provide transfers when cash is required not when accruals occur.

16. STATUTORY RESERVES

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similar 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.

For fiscal year ended June 30, 2008, the School District was no longer required to set aside funds in the budget reserve set-aside, with the exception of refund monies received from the Bureau of Workers' Compensation, which must be spent for specified purposes.

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

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set Aside Reserve Balance as of June 30, 2007	(\$579,163)	\$0	\$203,843
Current Year Set Aside Requirements	1,428,407	1,428,407	0
Current Year Offsets	(1,362,723)	(1,468,561)	0
Qualified Disbursements	0	(30,364,196)	0
Set Aside Reserve Balance as of June 30, 2008	<u>(\$513,479)</u>	<u>(\$30,404,350)</u>	<u>\$203,843</u>
 Restricted Cash as of June 30, 2008	 <u>\$0</u>	 <u>\$0</u>	 <u>\$203,843</u>
 Carried Forward as of June 30, 2008	 <u>(\$513,479)</u>		

Although the School District had offsets and qualifying disbursements during the year that reduced the set-aside amounts to below zero for textbooks and capital acquisition, only the amount for the textbooks set-aside may be used to reduce the set-aside requirement of future years. For capital acquisition, the negative amount was a result of a bond issuance, which will be used to offset set-aside requirements in future years.

Am. Sub. Senate Bill 345 amended ORC Section 5705.29 effectively eliminating the requirement for the District to establish and maintain a budget stabilization reserve. By resolution, the Board can eliminate the reserve in accordance with the Act. As of June 30, 2008, the Board had not acted on the Senate Bill requirements to eliminate the reserve balance.

17. INTERFUND TRANSACTIONS

Interfund transactions at June 30, 2008, consisted of the following interfund receivables, interfund payables, transfers in and transfers out:

	Interfund		Transfers	
	<u>Receivable</u>	<u>Payable</u>	<u>In</u>	<u>Out</u>
General Fund	\$436,807	\$0	\$13,268	\$0
Other Governmental Funds	0	436,807	0	13,268
 Total All Funds	 <u>\$436,807</u>	 <u>\$436,807</u>	 <u>\$13,268</u>	 <u>\$13,268</u>

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

18. PRIOR PERIOD ADJUSTMENT

The Miscellaneous Federal Fund beginning fund balance was restated due to the elimination of the Telecom Act Fund.

	<u>Telecom Act</u>	<u>Miscellaneous Federal</u>
Fund Balance, June 30, 2007	\$12,526	(\$655)
Restatement Due to Elimination	<u>(12,526)</u>	<u>12,526</u>
Restated Fund Balance, June 30, 2007	<u><u>\$0</u></u>	<u><u>\$11,871</u></u>

19. CHANGE IN ACCOUNTING PRINCIPLE

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

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

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

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REQUIRED SUPPLEMENTARY INFORMATION

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

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$38,263,470	\$39,445,571	\$39,445,571	\$0
Tuition and Fees	1,087,310	1,120,901	1,120,901	0
Investment Earnings	1,024,864	1,056,526	1,056,526	0
Intergovernmental	30,302,386	31,238,539	31,238,539	0
Extracurricular Activities	115,067	118,622	118,622	0
Other Revenues	1,307,509	1,347,903	1,347,903	0
Total Revenues	72,100,606	74,328,062	74,328,062	0
Expenditures:				
Current:				
Instruction:				
Regular	32,173,393	33,755,318	33,755,318	0
Special	6,489,835	6,808,833	6,808,833	0
Vocational	82,792	86,862	86,862	0
Other	1,433,427	1,503,885	1,503,885	0
Support Services:				
Pupil	2,131,095	2,235,846	2,235,846	0
Instructional Staff	5,336,166	5,598,458	5,598,458	0
General Administration	16,756	17,580	17,580	0
School Administration	5,481,680	5,751,124	5,751,124	0
Fiscal	1,222,006	1,282,072	1,282,072	0
Business	292,694	307,081	307,081	0
Operations and Maintenance	7,447,990	7,814,085	7,814,085	0
Pupil Transportation	5,504,840	5,775,422	5,775,422	0
Central	139,484	146,340	146,340	0
Operation of Non-Instructional Services	1,732	1,817	1,817	0
Extracurricular Activities	1,296,813	1,360,556	1,360,556	0
Capital Outlay	2,097	2,200	2,200	0
Debt Service:				
Principal Retirement	84,484	84,484	84,484	0
Total Expenditures	69,137,284	72,531,963	72,531,963	0
Excess of Revenues Over (Under) Expenditures	2,963,322	1,796,099	1,796,099	0
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	267	275	275	0
Advances In	289,537	298,482	298,482	0
Advances (Out)	(416,342)	(436,807)	(436,807)	0
Transfers In	12,870	13,268	13,268	0
Transfers (Out)	(390)	(409)	(409)	0
Total Other Financing Sources (Uses)	(114,058)	(125,191)	(125,191)	0
Net Change in Fund Balance	2,849,264	1,670,908	1,670,908	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,673,465	14,673,465	14,673,465	0
Fund Balance End of Year	\$17,522,729	\$16,344,373	\$16,344,373	\$0

See accompanying notes to the required supplementary information.

FAIRFIELD CITY SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For The Year Ended June 30, 2008

1. BUDGETARY PROCESS

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Board. The legal level of control has been established by Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. During the course of fiscal 2008, the District amended its budget at several times, however none were significant.

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

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Board during the year. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance

	<u>General</u>
GAAP Basis	\$2,061,785
Revenue Accruals	(458,116)
Expenditure Accruals	978,595
Transfers Out	(409)
Advances In	298,482
Advances Out	(436,807)
Encumbrances	<u>(772,622)</u>
Budget Basis	<u><u>\$1,670,908</u></u>

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

FUND DESCRIPTIONS

NONMAJOR GOVERNMENTAL FUNDS

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

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

SPRING RECOGNITION: To account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

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

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

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

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

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

SCHOOLNET ONENET: To account for state funds related to the District's SchoolNet OneNet program.

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

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

POVERTY BASED ASSISTANCE: To account for funds, which are used for poverty based assistance.

SCHOOL SECURITY: To account for state funds provided for security of equipment.

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

TITLE III: Federal grant used to account for federal monies provided to support the District's ESL population.

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

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

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

PRE-SCHOOL DISABILITIES: This program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

CLASSROOM SIZE REDUCTION: To account for federal funds to be used for classroom size reduction.

MISCELLANEOUS FEDERAL: To account for federal funds related to Goals 2000, Raising the Bar and the Assistive Technology Infusion programs.

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

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

LATCHKEY: To account for all revenues and expenses related to the operation of the Latchkey Program for the District students.

NUTRITION EDUCATION & TRAINING PROGRAM: To account for funds related to the operation of the nutrition education & training program for the District.

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

CAPITAL PROJECTS FUND: The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

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

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,145,139	\$2,088,238	\$1,375,408	\$4,608,785
Receivables:				
Taxes	0	4,426,176	1,466,331	5,892,507
Accounts	68,779	0	0	68,779
Interest	80	0	0	80
Intergovernmental	1,138,579	0	0	1,138,579
Inventory	27,266	0	0	27,266
Total Assets	2,379,843	6,514,414	2,841,739	11,735,996
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	173,372	0	166,052	339,424
Accrued Wages and Benefits	859,081	0	0	859,081
Compensated Absences	57,310	0	0	57,310
Interfund Payable	436,807	0	0	436,807
Deferred Revenue	311,820	4,315,915	1,393,306	6,021,041
Total Liabilities	1,838,390	4,315,915	1,559,358	7,713,663
Fund Balances:				
Reserved for Encumbrances	157,036	0	207,554	364,590
Reserved for Inventory	27,266	0	0	27,266
Reserved for Property Tax Advances	0	110,261	73,025	183,286
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	357,151	0	0	357,151
Debt Service Funds	0	2,088,238	0	2,088,238
Capital Projects Funds	0	0	1,001,802	1,001,802
Total Fund Balances	541,453	2,198,499	1,282,381	4,022,333
Total Liabilities and Fund Balances	\$2,379,843	\$6,514,414	\$2,841,739	\$11,735,996

Fairfield City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008

	Public School Support	Spring Recognition	Extracurricular Student Activities	Auxiliary Services
Assets:				
Equity in Pooled Cash and Investments	\$220,210	\$51,238	\$55,468	\$177,034
Receivables:				
Accounts	6,827	1,850	428	0
Interest	0	0	0	80
Intergovernmental	0	0	0	0
Inventory	0	0	0	0
Total Assets	<u>227,037</u>	<u>53,088</u>	<u>55,896</u>	<u>177,114</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	10,421	7,500	7,495	29,445
Accrued Wages and Benefits	0	0	0	54,901
Compensated Absences	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>10,421</u>	<u>7,500</u>	<u>7,495</u>	<u>84,346</u>
Fund Balances:				
Reserved for Encumbrances	38,229	20,392	29,793	5,537
Reserved for Inventory	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	<u>178,387</u>	<u>25,196</u>	<u>18,608</u>	<u>87,231</u>
Total Fund Balances	<u>216,616</u>	<u>45,588</u>	<u>48,401</u>	<u>92,768</u>
Total Liabilities and Fund Balances	<u>\$227,037</u>	<u>\$53,088</u>	<u>\$55,896</u>	<u>\$177,114</u>

Management Information	Public School Pre-School	Entry Year Grant	SchoolNet OneNet	SchoolNet Professional Development	Ohio Reads	Poverty Based Assistance
\$0	\$0	\$0	\$11,483	\$559	\$835	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	31,048	16,800	0	0	0	0
0	0	0	0	0	0	0
0	31,048	16,800	11,483	559	835	0
0	0	0	11,483	477	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	16,085	0	0	0	0
0	0	0	0	0	0	0
0	0	16,085	11,483	477	0	0
0	0	0	0	56	0	0
0	0	0	0	0	0	0
0	31,048	715	0	26	835	0
0	31,048	715	0	82	835	0
\$0	\$31,048	\$16,800	\$11,483	\$559	\$835	\$0

Continued

Fairfield City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008

	School Security	Title VI B Pre-School	Title III	Title I
Assets:				
Equity in Pooled Cash and Investments	\$15,687	\$35,250	\$2,921	\$45,840
Receivables:				
Accounts	0	0	0	0
Interest	0	0	0	0
Intergovernmental	0	652,848	32,247	11,736
Inventory	0	0	0	0
Total Assets	15,687	688,098	35,168	57,576
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	0	11,079	870	6,855
Accrued Wages and Benefits	10,738	342,631	0	98,010
Compensated Absences	0	51,262	0	0
Interfund Payable	0	49,321	26,495	2,788
Deferred Revenue	0	281,522	7,803	5,349
Total Liabilities	10,738	735,815	35,168	113,002
Fund Balances:				
Reserved for Encumbrances	86	24,171	2,050	2,453
Reserved for Inventory	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	4,863	(71,888)	(2,050)	(57,879)
Total Fund Balances	4,949	(47,717)	0	(55,426)
Total Liabilities and Fund Balances	\$15,687	\$688,098	\$35,168	\$57,576

Title VI	Drug Free Schools	Pre-School Disabilities	Classroom Size Reduction	Miscellaneous Federal	Food Service	Uniform School Supply
\$111	\$250	\$0	\$986	\$417	\$91,693	\$409,861
0	0	0	0	0	13,588	29,571
0	0	0	0	0	0	0
847	6,593	27,290	43,750	210,472	104,948	0
0	0	0	0	0	27,266	0
<u>958</u>	<u>6,843</u>	<u>27,290</u>	<u>44,736</u>	<u>210,889</u>	<u>237,495</u>	<u>439,432</u>
124	0	0	906	59	77,310	5,847
12,517	0	0	16,503	0	243,874	0
0	0	0	0	0	6,048	0
113	5,752	20,506	23,574	4,872	215,445	0
847	1,091	6,784	8,424	0	0	0
<u>13,601</u>	<u>6,843</u>	<u>27,290</u>	<u>49,407</u>	<u>4,931</u>	<u>542,677</u>	<u>5,847</u>
0	250	0	77	0	14,938	2,788
0	0	0	0	0	27,266	0
<u>(12,643)</u>	<u>(250)</u>	<u>0</u>	<u>(4,748)</u>	<u>205,958</u>	<u>(347,386)</u>	<u>430,797</u>
<u>(12,643)</u>	<u>0</u>	<u>0</u>	<u>(4,671)</u>	<u>205,958</u>	<u>(305,182)</u>	<u>433,585</u>
<u>\$958</u>	<u>\$6,843</u>	<u>\$27,290</u>	<u>\$44,736</u>	<u>\$210,889</u>	<u>\$237,495</u>	<u>\$439,432</u>

Continued

Fairfield City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008

	Latchkey	Nutrition Education & Training Program	Total Nonmajor Special Revenue Funds
Assets:			
Equity in Pooled Cash and Investments	\$24,696	\$600	\$1,145,139
Receivables:			
Accounts	16,515	0	68,779
Interest	0	0	80
Intergovernmental	0	0	1,138,579
Inventory	0	0	27,266
Total Assets	41,211	600	2,379,843
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	3,501	0	173,372
Accrued Wages and Benefits	79,907	0	859,081
Compensated Absences	0	0	57,310
Interfund Payable	71,856	0	436,807
Deferred Revenue	0	0	311,820
Total Liabilities	155,264	0	1,838,390
Fund Balances:			
Reserved for Encumbrances	16,216	0	157,036
Reserved for Inventory	0	0	27,266
Unreserved, Undesignated, Reported in: Special Revenue Funds	(130,269)	600	357,151
Total Fund Balances	(114,053)	600	541,453
Total Liabilities and Fund Balances	\$41,211	\$600	\$2,379,843

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$0	\$3,704,377	\$2,479,815	\$6,184,192
Investment Earnings	1,149	0	0	1,149
Intergovernmental	4,989,706	388,782	254,413	5,632,901
Extracurricular Activities	284,726	0	0	284,726
Charges for Services	3,711,767	0	0	3,711,767
Other Revenues	377,702	0	0	377,702
Total Revenues	9,365,050	4,093,159	2,734,228	16,192,437
Expenditures:				
Current:				
Instruction:				
Regular	436,087	0	349,455	785,542
Special	1,027,787	0	0	1,027,787
Other	15,089	0	0	15,089
Support Services:				
Pupil	1,622,496	0	0	1,622,496
Instructional Staff	291,035	0	0	291,035
School Administration	175,491	0	0	175,491
Fiscal	0	59,599	40,011	99,610
Business	32,046	0	0	32,046
Operations and Maintenance	493	0	0	493
Pupil Transportation	4,301	0	1,395,428	1,399,729
Central	2,195	0	0	2,195
Operation of Non-Instructional Services	5,233,262	0	0	5,233,262
Extracurricular Activities	249,180	0	0	249,180
Capital Outlay	0	0	1,438,128	1,438,128
Debt Service:				
Principal Retirement	0	2,210,000	290,506	2,500,506
Interest and Fiscal Charges	0	1,740,974	9,587	1,750,561
Total Expenditures	9,089,462	4,010,573	3,523,115	16,623,150
Excess of Revenues Over (Under) Expenditures	275,588	82,586	(788,887)	(430,713)
Other Financing Sources (Uses):				
Transfers (Out)	(13,268)	0	0	(13,268)
Total Other Financing Sources (Uses)	(13,268)	0	0	(13,268)
Net Change in Fund Balance	262,320	82,586	(788,887)	(443,981)
Fund Balance Beginning of Year	279,133	2,115,913	2,071,268	4,466,314
Fund Balance End of Year	\$541,453	\$2,198,499	\$1,282,381	\$4,022,333

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

	Public School Support	Spring Recognition	Extracurricular Student Activities	Auxiliary Services
Revenues:				
Investment Earnings	\$0	\$0	\$0	\$1,124
Intergovernmental	0	0	0	739,358
Extracurricular Activities	78,864	0	205,862	0
Charges for Services	2,970	0	0	0
Other Revenues	254,192	99,238	23,522	0
Total Revenues	336,026	99,238	229,384	740,482
Expenditures:				
Current:				
Instruction:				
Regular	0	86,206	0	0
Special	0	0	0	0
Other	0	0	0	14,949
Support Services:				
Pupil	348,369	0	0	0
Instructional Staff	0	6,076	0	0
School Administration	0	0	0	0
Business	0	0	0	0
Operations and Maintenance	493	0	0	0
Pupil Transportation	994	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	692,970
Extracurricular Activities	0	0	249,180	0
Total Expenditures	349,856	92,282	249,180	707,919
Excess of Revenues Over (Under) Expenditures	(13,830)	6,956	(19,796)	32,563
Other Financing Sources (Uses):				
Transfers (Out)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	(13,830)	6,956	(19,796)	32,563
Fund Balance Beginning of Year, Restated	230,446	38,632	68,197	60,205
Fund Balance End of Year	\$216,616	\$45,588	\$48,401	\$92,768

Management Information	Public School Pre-School	Entry Year Grant	SchoolNet OneNet	SchoolNet Professional Development	Ohio Reads	Poverty Based Assistance
\$0	\$0	\$0	\$0	\$0	\$0	\$0
32,046	31,048	16,800	30,000	2,970	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
32,046	31,048	16,800	30,000	2,970	0	0
0	0	16,084	41,483	0	3,138	0
0	0	0	0	0	0	0
0	0	0	0	0	0	140
0	0	0	0	0	0	0
0	0	17	0	3,825	0	0
0	0	0	0	0	0	0
32,046	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
32,046	0	16,101	41,483	3,825	3,138	140
0	31,048	699	(11,483)	(855)	(3,138)	(140)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	31,048	699	(11,483)	(855)	(3,138)	(140)
0	0	16	11,483	937	3,973	140
\$0	\$31,048	\$715	\$0	\$82	\$835	\$0

Continued

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

	School Security	Title VI B Pre-School	Title III	Title I
Revenues:				
Investment Earnings	\$0	\$0	\$0	\$0
Intergovernmental	89,568	2,137,706	68,966	407,309
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Other Revenues	750	0	0	0
Total Revenues	90,318	2,137,706	68,966	407,309
Expenditures:				
Current:				
Instruction:				
Regular	0	0	44,095	8,125
Special	0	667,364	0	360,423
Other	0	0	0	0
Support Services:				
Pupil	78,439	1,144,893	0	7,800
Instructional Staff	8,693	89,719	23,372	30,147
School Administration	750	174,741	0	0
Business	0	0	0	0
Operations and Maintenance	0	0	0	0
Pupil Transportation	0	3,307	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	38,260	1,499	971
Extracurricular Activities	0	0	0	0
Total Expenditures	87,882	2,118,284	68,966	407,466
Excess of Revenues Over (Under) Expenditures	2,436	19,422	0	(157)
Other Financing Sources (Uses):				
Transfers (Out)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	2,436	19,422	0	(157)
Fund Balance Beginning of Year, Restated	2,513	(67,139)	0	(55,269)
Fund Balance End of Year	\$4,949	(\$47,717)	\$0	(\$55,426)

Title VI	Drug Free Schools	Pre-School Disabilities	Classroom Size Reduction	Miscellaneous Federal	Food Service	Uniform School Supply
\$0	\$0	\$0	\$0	\$0	\$25	\$0
23,549	24,099	41,455	203,641	331,428	809,163	0
0	0	0	0	0	0	0
0	0	0	0	0	2,347,701	598,129
0	0	0	0	0	0	0
<u>23,549</u>	<u>24,099</u>	<u>41,455</u>	<u>203,641</u>	<u>331,428</u>	<u>3,156,889</u>	<u>598,129</u>
22,822	0	0	94,429	119,705	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	42,995	0	0	0	0
0	20,481	0	104,735	3,970	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	2,195	0	0	0	0	0
1,519	1,423	0	0	398	3,190,047	445,438
0	0	0	0	0	0	0
<u>24,341</u>	<u>24,099</u>	<u>42,995</u>	<u>199,164</u>	<u>124,073</u>	<u>3,190,047</u>	<u>445,438</u>
<u>(792)</u>	<u>0</u>	<u>(1,540)</u>	<u>4,477</u>	<u>207,355</u>	<u>(33,158)</u>	<u>152,691</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(13,268)</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(13,268)</u>	<u>0</u>	<u>0</u>
<u>(792)</u>	<u>0</u>	<u>(1,540)</u>	<u>4,477</u>	<u>194,087</u>	<u>(33,158)</u>	<u>152,691</u>
<u>(11,851)</u>	<u>0</u>	<u>1,540</u>	<u>(9,148)</u>	<u>11,871</u>	<u>(272,024)</u>	<u>280,894</u>
<u>(\$12,643)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$4,671)</u>	<u>\$205,958</u>	<u>(\$305,182)</u>	<u>\$433,585</u>

Continued

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

	Latchkey	Nutrition Education & Training Program	Total Nonmajor Special Revenue Funds
Revenues:			
Investment Earnings	\$0	\$0	\$1,149
Intergovernmental	0	600	4,989,706
Extracurricular Activities	0	0	284,726
Charges for Services	762,967	0	3,711,767
Other Revenues	0	0	377,702
Total Revenues	<u>762,967</u>	<u>600</u>	<u>9,365,050</u>
Expenditures:			
Current:			
Instruction:			
Regular	0	0	436,087
Special	0	0	1,027,787
Other	0	0	15,089
Support Services:			
Pupil	0	0	1,622,496
Instructional Staff	0	0	291,035
School Administration	0	0	175,491
Business	0	0	32,046
Operations and Maintenance	0	0	493
Pupil Transportation	0	0	4,301
Central	0	0	2,195
Operation of Non-Instructional Services	860,737	0	5,233,262
Extracurricular Activities	0	0	249,180
Total Expenditures	<u>860,737</u>	<u>0</u>	<u>9,089,462</u>
Excess of Revenues Over (Under) Expenditures	<u>(97,770)</u>	<u>600</u>	<u>275,588</u>
Other Financing Sources (Uses):			
Transfers (Out)	0	0	(13,268)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(13,268)</u>
Net Change in Fund Balance	(97,770)	600	262,320
Fund Balance Beginning of Year, Restated	<u>(16,283)</u>	<u>0</u>	<u>279,133</u>
Fund Balance End of Year	<u><u>(\$114,053)</u></u>	<u><u>\$600</u></u>	<u><u>\$541,453</u></u>

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

	Public School Support Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$79,107	\$79,107	\$0
Charges for Services	2,970	2,970	0
Other Revenues	251,492	251,492	0
Total Revenues	333,569	333,569	0
Expenditures:			
Current:			
Support Services:			
Pupil	389,174	389,174	0
Operations and Maintenance	493	493	0
Pupil Transportation	1,419	1,419	0
Total Expenditures	391,086	391,086	0
Net Change in Fund Balance	(57,517)	(57,517)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	230,403	230,403	0
Fund Balance End of Year	\$172,886	\$172,886	\$0

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

	Spring Recognition Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$97,388	\$97,388	\$0
Total Revenues	97,388	97,388	0
Expenditures:			
Current:			
Instruction:			
Regular	109,710	109,710	0
Support Services:			
Instructional Staff	6,167	6,167	0
Total Expenditures	115,877	115,877	0
Excess of Revenues Over (Under) Expenditures	(18,489)	(18,489)	0
Other financing sources (uses):			
Advances (Out)	(1,018)	(1,018)	0
Total Other Financing Sources (Uses)	(1,018)	(1,018)	0
Net Change in Fund Balance	(19,507)	(19,507)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	42,855	42,855	0
Fund Balance End of Year	\$23,348	\$23,348	\$0

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

	Extracurricular Student Activities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$205,786	\$205,786	\$0
Other Revenues	23,522	23,522	0
Total Revenues	<u>229,308</u>	<u>229,308</u>	<u>0</u>
Expenditures:			
Current:			
Extracurricular Activities	<u>277,022</u>	<u>277,022</u>	<u>0</u>
Total Expenditures	<u>277,022</u>	<u>277,022</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(47,714)</u>	<u>(47,714)</u>	<u>0</u>
Other financing sources (uses):			
Transfers In	26,800	26,800	0
Transfers (Out)	<u>(26,800)</u>	<u>(26,800)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(47,714)	(47,714)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>69,919</u>	<u>69,919</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$22,205</u></u>	<u><u>\$22,205</u></u>	<u><u>\$0</u></u>

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

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,143	\$1,143	\$0
Intergovernmental	739,359	739,359	0
Total Revenues	<u>740,502</u>	<u>740,502</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Other	14,950	14,950	0
Operation of Non-Instructional Services	802,431	802,431	0
Total Expenditures	<u>817,381</u>	<u>817,381</u>	<u>0</u>
Net Change in Fund Balance	(76,879)	(76,879)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>219,151</u>	<u>219,151</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$142,272</u></u>	<u><u>\$142,272</u></u>	<u><u>\$0</u></u>

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

	Management Information Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$32,046	\$32,046	\$0
Total Revenues	32,046	32,046	0
Expenditures:			
Current:			
Support Services:			
Business	32,046	32,046	0
Total Expenditures	32,046	32,046	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Public School Pre-School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Special	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Entry Year Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$28,900	\$28,900	\$0
Total Revenues	28,900	28,900	0
Expenditures:			
Current:			
Instruction:			
Regular	16,084	16,084	0
Support Services:			
Instructional Staff	17	17	0
Total Expenditures	16,101	16,101	0
Excess of Revenues Over (Under) Expenditures	12,799	12,799	0
Other financing sources (uses):			
Advances In	16,085	16,085	0
Advances (Out)	(28,884)	(28,884)	0
Total Other Financing Sources (Uses)	(12,799)	(12,799)	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

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

	SchoolNet OneNet Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$30,000	\$30,000	\$0
Total Revenues	30,000	30,000	0
Expenditures:			
Current:			
Instruction:			
Regular	41,482	41,482	0
Total Expenditures	41,482	41,482	0
Net Change in Fund Balance	(11,482)	(11,482)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	11,482	11,482	0
Fund Balance End of Year	\$0	\$0	\$0

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

	SchoolNet Professional Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,970	\$2,970	\$0
Total Revenues	2,970	2,970	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	3,882	3,882	0
Total Expenditures	3,882	3,882	0
Net Change in Fund Balance	(912)	(912)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	937	937	0
Fund Balance End of Year	\$25	\$25	\$0

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

	Ohio Reads Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	3,137	3,137	0
Total Expenditures	3,137	3,137	0
Net Change in Fund Balance	(3,137)	(3,137)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,973	3,973	0
Fund Balance End of Year	\$836	\$836	\$0

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

	Poverty Based Assistance Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Other	140	549	(409)
Total Expenditures	140	549	(409)
Excess of Revenues Over (Under) Expenditures	(140)	(549)	(409)
Other financing sources (uses):			
Transfers In	409	409	0
Total Other Financing Sources (Uses)	409	409	0
Net Change in Fund Balance	269	(140)	(409)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	140	140	0
Fund Balance End of Year	\$409	\$0	(\$409)

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

	School Security Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$90,068	\$90,068	\$0
Other Revenues	750	750	0
Total Revenues	<u>90,818</u>	<u>90,818</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupil	73,291	73,291	0
Instructional Staff	8,693	8,693	0
School Administration	750	750	0
Total Expenditures	<u>82,734</u>	<u>82,734</u>	<u>0</u>
Net Change in Fund Balance	8,084	8,084	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>7,517</u>	<u>7,517</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$15,601</u></u>	<u><u>\$15,601</u></u>	<u><u>\$0</u></u>

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

	Title VI B Pre-School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,082,216	\$2,082,216	\$0
Total Revenues	2,082,216	2,082,216	0
Expenditures:			
Current:			
Instruction:			
Special	712,805	712,805	0
Support Services:			
Pupil	1,092,800	1,092,800	0
Instructional Staff	96,476	96,476	0
School Administration	173,546	173,546	0
Pupil Transportation	3,307	3,307	0
Operation of Non-Instructional Services	38,793	38,793	0
Total Expenditures	2,117,727	2,117,727	0
Excess of Revenues Over (Under) Expenditures	(35,511)	(35,511)	0
Other financing sources (uses):			
Advances In	49,321	49,321	0
Advances (Out)	(45,855)	(45,855)	0
Total Other Financing Sources (Uses)	3,466	3,466	0
Net Change in Fund Balance	(32,045)	(32,045)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	32,045	32,045	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$71,307	\$71,307	\$0
Total Revenues	71,307	71,307	0
Expenditures:			
Current:			
Instruction:			
Regular	47,979	47,979	0
Support Services:			
Instructional Staff	23,446	23,446	0
Operation of Non-Instructional Services	1,500	1,500	0
Total Expenditures	72,925	72,925	0
Excess of Revenues Over (Under) Expenditures	(1,618)	(1,618)	0
Other financing sources (uses):			
Advances In	26,495	26,495	0
Advances (Out)	(27,868)	(27,868)	0
Transfers In	980	980	0
Transfers (Out)	(980)	(980)	0
Total Other Financing Sources (Uses)	(1,373)	(1,373)	0
Net Change in Fund Balance	(2,991)	(2,991)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,991	2,991	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$408,088	\$408,088	\$0
Total Revenues	408,088	408,088	0
Expenditures:			
Current:			
Instruction:			
Regular	8,125	8,125	0
Special	352,017	352,017	0
Support Services:			
Pupil	9,450	9,450	0
Instructional Staff	30,607	30,607	0
Operation of Non-Instructional Services	971	971	0
Total Expenditures	401,170	401,170	0
Excess of Revenues Over (Under) Expenditures	6,918	6,918	0
Other financing sources (uses):			
Advances In	2,788	2,788	0
Advances (Out)	(14,190)	(14,190)	0
Total Other Financing Sources (Uses)	(11,402)	(11,402)	0
Net Change in Fund Balance	(4,484)	(4,484)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	41,015	41,015	0
Fund Balance End of Year	<u>\$36,531</u>	<u>\$36,531</u>	<u>\$0</u>

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

	Title VI Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$23,549	\$23,549	\$0
Total Revenues	23,549	23,549	0
Expenditures:			
Current:			
Instruction:			
Regular	22,184	22,184	0
Operation of Non-Instructional Services	1,508	1,508	0
Total Expenditures	23,692	23,692	0
Excess of Revenues Over (Under) Expenditures	(143)	(143)	0
Other financing sources (uses):			
Advances In	113	113	0
Transfers In	30	30	0
Transfers (Out)	(30)	(30)	0
Total Other Financing Sources (Uses)	113	113	0
Net Change in Fund Balance	(30)	(30)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	28	28	0
Fund Balance End of Year	(\$2)	(\$2)	\$0

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

	Drug Free Schools Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$22,948	\$22,948	\$0
Total Revenues	22,948	22,948	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	21,775	21,775	0
Central	2,195	2,195	0
Operation of Non-Instructional Services	1,673	1,673	0
Total Expenditures	25,643	25,643	0
Excess of Revenues Over (Under) Expenditures	(2,695)	(2,695)	0
Other financing sources (uses):			
Advances In	5,752	5,752	0
Advances (Out)	(5,329)	(5,329)	0
Total Other Financing Sources (Uses)	423	423	0
Net Change in Fund Balance	(2,272)	(2,272)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,272	2,272	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Pre-School Disabilities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$31,512	\$31,512	\$0
Total Revenues	31,512	31,512	0
Expenditures:			
Current:			
Support Services:			
Pupil	42,995	42,995	0
Total Expenditures	42,995	42,995	0
Excess of Revenues Over (Under) Expenditures	(11,483)	(11,483)	0
Other financing sources (uses):			
Advances In	20,507	20,507	0
Advances (Out)	(9,024)	(9,024)	0
Total Other Financing Sources (Uses)	11,483	11,483	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

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

	Classroom Size Reduction Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$191,115	\$191,115	\$0
Total Revenues	191,115	191,115	0
Expenditures:			
Current:			
Instruction:			
Regular	96,423	96,423	0
Support Services:			
Instructional Staff	111,272	111,272	0
Total Expenditures	207,695	207,695	0
Excess of Revenues Over (Under) Expenditures	(16,580)	(16,580)	0
Other financing sources (uses):			
Advances In	23,574	23,574	0
Advances (Out)	(8,218)	(8,218)	0
Total Other Financing Sources (Uses)	15,356	15,356	0
Net Change in Fund Balance	(1,224)	(1,224)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,227	1,227	0
Fund Balance End of Year	\$3	\$3	\$0

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

	Miscellaneous Federal Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$263,581	\$263,581	\$0
Total Revenues	263,581	263,581	0
Expenditures:			
Current:			
Instruction:			
Regular	263,291	263,291	0
Support Services:			
Instructional Staff	3,970	3,970	0
Operation of Non-Instructional Services	398	398	0
Total Expenditures	267,659	267,659	0
Excess of Revenues Over (Under) Expenditures	(4,078)	(4,078)	0
Other financing sources (uses):			
Advances In	4,872	4,872	0
Advances (Out)	(1,452)	(1,452)	0
Transfers (Out)	(13,268)	(13,268)	0
Total Other Financing Sources (Uses)	(9,848)	(9,848)	0
Net Change in Fund Balance	(13,926)	(13,926)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,284	14,284	0
Fund Balance End of Year	\$358	\$358	\$0

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

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$25	\$25	\$0
Intergovernmental	684,846	684,846	0
Charges for Services	2,343,966	2,343,966	0
Total Revenues	3,028,837	3,028,837	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	3,088,134	3,088,134	0
Total Expenditures	3,088,134	3,088,134	0
Excess of Revenues Over (Under) Expenditures	(59,297)	(59,297)	0
Other financing sources (uses):			
Advances In	215,445	215,445	0
Advances (Out)	(156,644)	(156,644)	0
Total Other Financing Sources (Uses)	58,801	58,801	0
Net Change in Fund Balance	(496)	(496)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	502	502	0
Fund Balance End of Year	\$6	\$6	\$0

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

	Uniform School Supply Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$585,872	\$585,872	\$0
Total Revenues	585,872	585,872	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	531,079	531,079	0
Total Expenditures	531,079	531,079	0
Net Change in Fund Balance	54,793	54,793	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	346,433	346,433	0
Fund Balance End of Year	\$401,226	\$401,226	\$0

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

	Latchkey Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$761,297	\$761,297	\$0
Total Revenues	<u>761,297</u>	<u>761,297</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	883,481	883,481	0
Total Expenditures	<u>883,481</u>	<u>883,481</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(122,184)</u>	<u>(122,184)</u>	<u>0</u>
Other financing sources (uses):			
Advances In	71,857	71,857	0
Transfers In	70,120	70,120	0
Transfers (Out)	<u>(70,120)</u>	<u>(70,120)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>71,857</u>	<u>71,857</u>	<u>0</u>
Net Change in Fund Balance	(50,327)	(50,327)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>56,568</u>	<u>56,568</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$6,241</u></u>	<u><u>\$6,241</u></u>	<u><u>\$0</u></u>

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

	Nutrition Education & Training Program Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$600	\$600	\$0
Total Revenues	600	600	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	600	600	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$600	\$600	\$0

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

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$3,676,843	\$3,676,843	\$0
Intergovernmental	388,782	388,782	0
Total Revenues	<u>4,065,625</u>	<u>4,065,625</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	59,599	59,599	0
Debt Service:			
Principal Retirement	2,210,000	2,210,000	0
Interest and Fiscal Charges	1,740,974	1,740,974	0
Total Expenditures	<u>4,010,573</u>	<u>4,010,573</u>	<u>0</u>
Net Change in Fund Balance	55,052	55,052	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,033,186</u>	<u>2,033,186</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$2,088,238</u></u>	<u><u>\$2,088,238</u></u>	<u><u>\$0</u></u>

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

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,461,840	\$2,461,840	\$0
Intergovernmental	254,414	254,414	0
Total Revenues	<u>2,716,254</u>	<u>2,716,254</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	426,230	425,960	270
Support Services:			
Fiscal	40,011	40,011	0
Pupil Transportation	1,395,428	1,395,428	0
Capital Outlay	1,821,503	1,821,503	0
Debt Service:			
Principal Retirement	290,506	290,506	0
Interest and Fiscal Charges	9,587	9,587	0
Total Expenditures	<u>3,983,265</u>	<u>3,982,995</u>	<u>270</u>
Net Change in Fund Balance	(1,267,011)	(1,266,741)	270
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,270,821</u>	<u>2,270,821</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,003,810</u>	<u>\$1,004,080</u>	<u>\$270</u>

FUND DESCRIPTIONS

NONMAJOR FUNDS

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

PRIVATE PURPOSE TRUST: To account for donations received by the District in a trustee capacity. Used for scholarships.

AGENCY FUND – UNCLAIMED MONIES: To account for funds that belong to others as a result of outstanding checks over one year old.

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

Fairfield City School District, Ohio
Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2008

	Unclaimed Monies			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$27,490	\$8,303	\$0	\$35,793
Total Assets	<u>27,490</u>	<u>8,303</u>	<u>0</u>	<u>35,793</u>

Liabilities:				
Other Liabilities	27,490	8,303	0	35,793
Total Liabilities	<u>\$27,490</u>	<u>\$8,303</u>	<u>\$0</u>	<u>\$35,793</u>

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$118,861	\$230,423	\$198,283	\$151,001
Receivables:				
Accounts	323	17,892	323	17,892
Total Assets	<u>119,184</u>	<u>248,315</u>	<u>198,606</u>	<u>168,893</u>

Liabilities:				
Accounts Payable	4,253	5,517	4,253	5,517
Other Liabilities	114,931	242,798	194,353	163,376
Total Liabilities	<u>\$119,184</u>	<u>\$248,315</u>	<u>\$198,606</u>	<u>\$168,893</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$146,351	\$238,726	\$198,283	\$186,794
Receivables:				
Accounts	323	17,892	323	17,892
Total Assets	<u>146,674</u>	<u>256,618</u>	<u>198,606</u>	<u>204,686</u>

Liabilities:				
Accounts Payable	4,253	5,517	4,253	5,517
Other Liabilities	142,421	251,101	194,353	199,169
Total Liabilities	<u>\$146,674</u>	<u>\$256,618</u>	<u>\$198,606</u>	<u>\$204,686</u>

STATISTICAL SECTION

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STATISTICAL SECTION

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

CONTENTS

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

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

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

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

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

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

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Governmental Activities						
Invested in Capital Assets, Net of Related Debt	\$20,902,211	\$21,570,632	\$22,908,188	\$24,317,899	\$26,245,449	\$29,477,654
Restricted	2,438,988	2,867,558	2,659,736	4,440,838	4,570,706	4,459,138
Unrestricted	(5,332,637)	(8,474,935)	(7,651,687)	(3,947,260)	506,907	2,176,935
Total Net Assets	\$18,008,562	\$15,963,255	\$17,916,237	\$24,811,477	\$31,323,062	\$36,113,727

Source: District Records

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

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Expenses						
Governmental Activities:						
Instruction	\$41,503,349	\$43,328,693	\$42,058,146	\$42,123,037	\$43,856,265	\$45,547,460
Pupil	3,416,375	3,478,770	3,480,637	3,621,552	3,684,731	3,876,054
Instructional Staff	3,841,480	5,144,223	4,698,600	4,965,046	5,620,960	5,922,432
General Administration	28,263	16,609	19,433	26,619	19,313	17,135
School Administration	4,973,469	5,338,349	5,351,477	5,186,685	5,965,687	6,012,534
Fiscal	1,168,919	1,310,808	1,356,920	1,261,085	1,326,001	1,412,813
Business	329,539	353,440	338,799	361,273	339,852	327,476
Operation and Maintenance	6,887,083	6,759,627	6,666,556	8,855,622	7,690,945	7,454,299
Pupil Transportation	4,409,121	5,451,797	5,227,177	5,288,352	5,513,928	6,959,582
Central	167,298	142,874	90,831	116,583	117,993	148,655
Operation of Non-Instructional Services	786,815	4,443,516	4,865,039	4,583,566	5,497,353	5,352,173
Extracurricular Activities	1,730,593	1,601,544	1,294,759	1,474,640	1,549,636	1,629,087
Interest and Fiscal Charges	2,280,456	2,184,076	2,077,167	1,964,883	1,847,061	1,776,143
Total Expenses	71,522,760	79,554,326	77,525,541	79,828,943	83,029,725	86,435,843
Program Revenues						
Governmental Activities:						
Charges for Services						
Instruction	645,341	961,488	843,709	780,632	879,400	1,120,611
Pupil	125,167	1,289,446	53,779	53,442	77,193	81,480
Instructional Staff	765	40,701	0	0	0	0
Operation and Maintenance	117,850	133,527	174,391	137,930	146,716	136,637
Pupil Transportation	61	630	882	106	301	237
Operation of Non-Instructional Services	0	0	3,284,501	3,411,037	3,654,573	3,708,797
Extracurricular Activities	100,394	1,036,141	289,023	324,079	307,011	324,478
Operating Grants and Contributions	2,999,253	4,031,923	4,609,654	4,573,108	6,880,980	7,170,760
Capital Grants and Contributions	371,354	69,562	155,397	104,394	167,006	63,346
Total Program Revenues	4,360,185	7,563,418	9,411,336	9,384,728	12,113,180	12,606,346
Net (Expense)/Revenue	(\$67,162,575)	(\$71,990,908)	(\$68,114,205)	(\$70,444,215)	(\$70,916,545)	(\$73,829,497)

Source: District Records

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

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Net (Expense)/Revenue	(\$67,162,575)	(\$71,990,908)	(\$68,114,205)	(\$70,444,215)	(\$70,916,545)	(\$73,829,497)
General Revenues and Other Changes in Net Assets						
Governmental Activities:						
Taxes						
Property Taxes Levied for General Purposes	29,958,722	32,751,029	34,987,263	40,201,504	40,308,060	39,598,190
Property Taxes Levied for Debt Service Purposes	3,542,027	3,443,929	3,213,058	3,621,206	3,696,292	3,930,692
Property Taxes Levied for Capital Projects Purposes	876,679	1,735,554	2,265,014	2,576,990	2,483,049	2,561,859
Grants and Entitlements Not Restricted to Specific Programs	28,186,225	28,957,635	28,196,910	29,087,081	28,214,761	29,692,522
Payment in Lieu of Taxes	376,955	1,216,215	683,216	791,423	994,346	1,143,259
Unrestricted Contributions	0	0	0	0	0	2,225
Investment Earnings	256,118	142,386	205,894	617,638	1,018,113	997,999
Refunds and Reimbursements	0	0	0	0	0	5,478
Other Revenues	660,548	1,267,747	515,832	443,613	713,509	687,938
Total General Revenues	63,857,274	69,514,495	70,067,187	77,339,455	77,428,130	78,620,162
Change in Net Assets	(\$3,305,301)	(\$2,476,413)	\$1,952,982	\$6,895,240	\$6,511,585	\$4,790,665

Source: District Records

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

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$8,700,977	\$5,013,447	\$5,705,976	\$2,189,574	\$1,387,739	\$1,446,879	\$1,604,568	\$1,214,637	\$1,238,468	\$1,781,241
Unreserved	(94,415)	962,236	1,630,683	3,357,823	933,099	(3,129,833)	(2,628,419)	1,665,233	5,941,990	7,461,002
Total General Fund	8,606,562	5,975,683	7,336,659	5,547,397	2,320,838	(1,682,954)	(1,023,851)	2,879,870	7,180,458	9,242,243
All Other Governmental Funds										
Reserved	1,653,194	671,198	850,368	337,703	234,687	1,065,208	1,153,071	751,404	723,666	575,142
Unreserved, Reported in:										
Special Revenue Funds	462,244	562,197	723,835	842,403	442,509	870,359	584,676	850,756	148,794	357,151
Debt Service Funds	690,937	1,113,160	2,210,212	1,898,083	1,981,092	1,717,392	1,761,462	1,933,867	2,033,186	2,088,238
Capital Project Funds	(389,748)	(1,297,975)	(1,087,023)	(715,259)	(233,900)	(786,058)	(197,591)	849,752	1,560,668	1,001,802
Total all Other Governmental Funds	\$2,416,627	\$1,048,580	\$2,697,392	\$2,362,930	\$2,424,388	\$2,866,901	\$3,301,618	\$4,385,779	\$4,466,314	\$4,022,333

Source: District Records

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues:										
Taxes	\$34,762,894	\$26,355,842	\$33,800,513	\$29,569,175	\$33,896,678	\$36,600,251	\$41,269,469	\$45,958,652	\$46,479,452	\$45,898,035
Revenue in Lieu of Taxes	0	0	0	0	0	0	0	791,423	994,346	1,143,259
Tuition and Fees	470,788	737,369	634,581	330,711	626,921	804,328	843,709	780,632	879,400	1,120,611
Investment Earnings	708,626	838,703	984,299	466,820	256,118	142,386	205,894	617,638	1,018,113	997,999
Intergovernmental	22,594,020	24,670,990	26,951,947	30,062,525	32,096,869	33,082,542	32,921,716	33,673,083	35,178,537	36,871,440
Extracurricular Activities	203,277	254,512	239,826	248,135	245,129	247,177	344,551	377,780	384,960	403,341
Charges for Services	0	0	0	0	0	2,280,253	3,284,501	3,548,814	3,654,573	3,711,767
Other Revenues	1,328,406	1,019,383	1,468,651	1,233,622	1,042,748	2,620,610	1,346,320	649,210	860,317	832,163
Total Revenues	\$60,068,011	\$53,876,799	\$64,079,817	\$61,910,988	\$68,164,463	\$75,777,547	\$80,216,160	\$86,397,232	\$89,449,698	\$90,978,615

Source: District Records

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Instruction	\$27,448,830	\$30,311,134	\$33,211,989	\$35,088,673	\$39,560,090	\$40,829,325	\$40,131,380	\$41,776,394	\$42,356,936	\$44,341,081
Pupil	2,317,519	2,802,856	2,832,868	2,841,695	3,341,899	3,489,144	3,351,415	3,682,891	3,695,433	3,929,101
Instructional Staff	3,155,361	2,892,821	3,280,604	3,594,709	3,807,828	5,020,642	4,648,400	4,982,688	5,587,977	5,955,506
General Administration	20,420	26,607	34,753	16,742	28,263	16,609	19,433	26,619	19,313	17,135
School Administration	4,633,624	3,935,390	4,450,744	4,347,554	4,927,439	5,330,936	5,374,172	5,304,798	5,965,911	5,977,666
Fiscal	530,299	997,086	1,010,075	1,111,352	1,158,176	1,301,736	1,400,212	1,248,272	1,294,636	1,373,566
Business	534,937	214,558	310,803	303,342	306,891	342,420	344,165	348,585	353,825	328,471
Operation and Maintenance	5,271,078	5,733,525	6,242,870	6,122,779	6,770,366	6,719,235	6,390,886	8,948,519	7,719,362	7,578,498
Pupil Transportation	2,821,999	3,694,962	3,758,922	3,785,348	5,002,869	4,980,290	4,892,542	5,067,358	5,471,039	7,094,859
Central	41,412	151,564	129,012	152,527	163,255	140,618	89,054	119,389	114,962	146,385
Operation of Non-Instructional Services	380,091	441,103	619,118	481,477	825,416	4,180,304	4,714,290	4,551,228	5,582,868	5,235,079
Extracurricular Activities	1,279,487	1,337,934	1,365,182	1,430,422	1,736,373	1,592,845	1,287,028	1,485,249	1,546,327	1,607,860
Capital Outlay	2,868,597	1,409,575	345,025	331,938	0	1,826,604	1,702,522	130,068	1,337,450	1,440,328
Debt Service										
Principal Retirement	986,099	1,032,940	1,041,000	2,025,000	1,720,414	2,047,149	2,188,619	2,388,565	2,807,953	2,584,990
Interest and Fiscal Charges	3,110,077	3,060,189	2,167,204	2,401,670	2,293,264	2,192,115	2,086,146	1,974,910	1,856,279	1,750,561
Total Expenditures	\$55,399,830	\$58,042,244	\$60,800,169	\$64,035,228	\$71,642,543	\$80,009,972	\$78,620,264	\$82,035,533	\$85,710,271	\$89,361,086

Debt Service as a Percentage of Noncapital Expenditures

	7.76%	7.26%	5.32%	6.96%	5.70%	5.42%	5.54%	5.41%	5.54%	5.00%
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Source: District Records

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other Financing Sources (Uses)	\$114,123	\$163,202	\$0	\$0	\$310,036	\$256,795	\$0	\$550,429	\$640,742	\$0
Issuance of Capital Leases	0	0	38,245,781	0	0	0	0	0	0	0
Proceeds of Refunding Bonds	0	0	(38,245,781)	0	0	0	0	0	0	0
Payments to Refunded Bond Escrow Agent	0	0	33,187	0	0	0	0	0	0	0
Proceeds of Refunding Bonds - Premium	230,925	3,317	423	516	2,250	7,234	75,400	75,754	954	275
Proceeds from Sale of Capital Assets	3,491,067	5,463,611	3,932,401	2,906,306	1,904,643	799,745	449,565	451,623	447,398	13,268
Transfers In	(3,491,067)	(5,463,611)	(4,232,035)	(2,906,306)	(1,904,643)	(799,745)	(449,565)	(451,623)	(447,398)	(13,268)
Transfers (Out)										
Total Other Financing Sources (Uses)	345,048	166,519	(266,024)	516	312,286	264,029	75,400	626,183	641,696	275
Net Change in Fund Balances	\$5,013,229	(\$3,998,926)	\$3,013,624	(\$2,123,724)	(\$3,165,794)	(\$3,968,396)	\$1,671,296	\$4,987,882	\$4,381,123	\$1,617,804

Source: District Records

Fairfield City School District, Ohio
 Assessed Value and Actual Value of Taxable Property
 Last Ten Calendar Years
 Schedule 8

Calendar Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total Assessed Value (1)	Total Estimated Actual Value	Total Direct Rate
	Assessed Value (1)		Assessed Value (1)		Assessed Value (1)				
1998	\$773,080,200		\$92,145,900		\$45,340,120		\$910,566,220	\$2,601,617,771	54.00
1999	797,087,180		88,645,232		46,049,910		931,782,322	2,662,235,206	54.00
2000	891,492,700		95,496,050		46,448,790		1,033,437,540	2,952,678,686	54.00
2001	934,248,580		87,858,027		43,228,880		1,065,335,487	3,043,815,677	54.00
2002	974,458,300		97,874,411		32,940,510		1,105,273,221	3,157,923,489	54.00
2003	1,157,170,240		92,877,207		33,286,990		1,283,334,437	3,666,669,820	54.00
2004	1,190,539,390		95,963,033		33,773,000		1,320,275,423	3,772,215,494	54.00
2005	1,213,766,140		101,330,894		34,880,370		1,349,977,404	3,857,078,297	58.66
2006	1,314,161,003		109,712,328		37,765,448		1,461,638,779	4,176,110,797	58.60
2007	1,339,581,800		88,627,648		32,599,680		1,460,809,128	4,173,740,366	58.60

Source: County Auditor

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

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

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

Fairfield City School District, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Calendar Years
 Schedule 9

Calendar Year	District Direct Rates	Overlapping Rates				
		Butler County	City of Fairfield	Fairfield Township	Butler County Joint Vocational School	Fairfield Township Fire District
1998	54.00	8.00	5.00	7.00	1.93	0.00
1999	54.00	8.00	5.00	7.00	1.93	0.00
2000	54.00	8.00	4.00	7.00	1.93	0.00
2001	54.00	8.00	5.94	13.00	1.93	0.00
2002	54.00	9.00	5.94	12.00	1.93	0.00
2003	54.00	9.00	5.94	12.00	1.93	0.00
2004	54.00	9.00	5.94	12.00	1.93	0.00
2005	58.66	8.74	5.94	7.19	1.93	5.00
2006	58.60	9.44	5.94	7.19	1.93	5.00
2007	58.60	10.95	5.94	7.19	1.93	5.00

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Fairfield City School District, Ohio
Principal Property Tax Payers
Current and Three Calendar Years Ago (1)
Schedule 10

2007		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Cincinnati Gas and Electric	\$26,489,470	1.81%
Cincinnati Financial	16,913,280	1.16%
Sam Boymel TR	9,720,740	0.67%
Ohio Casualty Insurance	7,533,520	0.52%
Fath-Village Park Apt.	5,709,930	0.39%
TGM Camelot Inc	5,260,550	0.36%
Teachers Retirement System	5,105,830	0.35%
Rajole LLC	4,917,700	0.34%
Meijer Stores LTD PRT	4,691,700	0.32%
Prologis	4,513,070	0.31%
	<u>\$90,855,790</u>	<u>6.23%</u>

2004		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Cincinnati Gas and Electric	\$24,047,350	1.78%
Cincinnati Financial	29,708,460	2.20%
Sam Boymel TR	11,012,190	0.82%
Ohio Casualty Insurance	8,050,020	0.60%
Cincinnati Bell Telephone	7,527,310	0.56%
Fath-Village Park Apt.	7,317,110	0.54%
Alliance TP Portfolio LTD	5,243,500	0.39%
TGM Camelot Inc	5,009,330	0.37%
Teachers Retirement System	5,045,490	0.37%
Sisters of Mercy of Hamilton	11,873,720	0.88%
	<u>\$114,834,480</u>	<u>8.51%</u>

Source: County Auditor

(1) - Current and three calendar years ago information only available. Information from nine years prior is not available.

Fairfield City School District, Ohio
Property Tax Levies and Collections
Last Ten Calendar Years
Schedule 11

Calendar Year (1)	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1998	\$26,779,589	\$25,463,240	95.08%	\$572,190	\$26,035,430	97.22%
1999	26,906,274	26,602,692	98.87%	719,216	27,321,908	101.54%
2000	29,675,294	29,465,697	99.29%	544,961	30,010,658	101.13%
2001	31,344,392	30,090,084	96.00%	769,186	30,859,270	98.45%
2002	31,800,460	30,919,285	97.23%	852,116	31,771,401	99.91%
2003	34,128,644	34,175,938	100.14%	962,068	35,138,006	102.96%
2004	36,880,825	35,653,905	96.67%	998,758	36,652,663	99.38%
2005	42,045,555	40,206,341	95.63%	1,047,051	41,253,392	98.12%
2006	45,102,342	42,920,843	95.16%	1,244,972	44,165,815	97.92%
2007	50,827,933	46,901,606	92.28%	1,441,525	48,343,131	95.11%

Source: County Auditor

(1) - Per county auditor, amounts in earlier years based on fiscal years; amounts have been readjusted to reflect calendar year.

Fairfield City School District, Ohio
 Outstanding Debt by Type
 Last Ten Fiscal Years
 Schedule 12

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita
	General Obligation Bonds	Capital Leases			
1999	\$48,247,814	\$364,509	\$48,612,323	0.53%	\$147
2000	47,325,814	253,569	47,579,383	0.50%	143
2001	46,280,655	0	46,280,655	0.48%	137
2002	44,255,655	0	44,255,655	0.45%	131
2003	42,650,655	194,622	42,845,277	0.42%	125
2004	40,795,655	259,268	41,054,923	0.38%	119
2005	38,780,655	85,649	38,866,304	0.35%	111
2006	36,585,555	442,513	37,028,068	0.32%	105
2007	34,090,655	770,302	34,860,957	N/A	97
2008	31,880,655	395,312	32,275,967	N/A	N/A

Source: District Records

N/A - Information not available

(1) - On the calendar year basis

Fairfield City School District, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2008
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Butler County	\$72,294,680	18.33%	\$13,251,615
City of Fairfield	24,825,000	98.81%	24,529,583
Fairfield Township	8,110,000	99.04%	8,032,144
Butler Technology & Career Center Joint Vocational School	6,000,000	20.84%	1,250,400
Subtotal, Overlapping Debt	111,229,680		47,063,741
District Direct Debt	31,880,655	99.95%	31,864,715
Total Direct and Overlapping Debt	\$143,110,335		\$78,928,456

Source: Ohio Municipal Advisory Council

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

Fairfield City School District, Ohio
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Schedule 14

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value (1)	\$1,460,809,128
Debt limit (9% of assessed value)	131,472,822
Debt applicable to limit	<u>31,880,655</u>
Legal debt margin	<u>\$99,592,167</u>

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$81,950,960	\$83,860,409	\$93,009,379	\$95,880,194	\$99,474,590	\$115,500,099	\$118,824,788	\$121,497,966	\$131,547,490	\$131,472,822
Total Net Debt Applicable to Limit	48,247,814	47,325,814	46,280,655	45,255,655	42,650,655	40,795,655	38,780,655	36,585,655	36,585,655	31,880,655
Legal Debt Margin	<u>\$33,703,146</u>	<u>\$36,534,595</u>	<u>\$46,728,724</u>	<u>\$50,624,539</u>	<u>\$56,823,935</u>	<u>\$74,704,444</u>	<u>\$80,044,133</u>	<u>\$84,912,311</u>	<u>\$94,961,835</u>	<u>\$99,592,167</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	58.87%	56.43%	49.76%	47.20%	42.88%	35.32%	32.64%	30.11%	27.81%	24.25%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2008 is calendar year 2007)

Fairfield City School District, Ohio
 Demographic and Economic Statistics
 Last Ten Calendar Years
 Schedule 15

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (Thousands of Dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
1998	328,265	\$8,560,958	\$26,079	3.6%
1999	330,751	9,087,357	27,475	3.3%
2000	333,698	9,547,252	28,608	3.2%
2001	336,629	9,729,127	28,881	3.2%
2002	339,071	9,938,473	29,273	4.5%
2003	341,909	10,285,549	30,014	4.5%
2004	345,119	10,844,563	31,332	4.3%
2005	348,655	11,080,584	31,662	5.2%
2006	353,386	11,707,628	33,130	5.6%
2007	357,888	N/A	N/A	5.1%

Sources:

- (1) - Population estimates provided by U.S. Census Bureau for Butler County
- (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Butler County
- (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Butler County
- (4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

N/A - Information not available

Fairfield City School District, Ohio
 Major Employers (1)
 Current Fiscal Year (2)
 Schedule 16

<u>Major Employers (3)</u>	<u>Type</u>
AK Steel Holding Corp	Mfg
Amylin Pharmaceuticals Inc	Mfg
Armor Holdings Inc	Mfg
Butler County Government	Govt
Cincinnati Financial Corp	Ins
Cornerstone Brands Inc	Trade
Fairfield City Bd of Ed	Govt
Ft Hamilton Memorial Hospital	Serv
Hamilton City Bd of Ed	Govt
Lakota Local Bd of Ed	Govt
Liberty Mutual/Ohio Casualty Corp	Ins
Mercy Regional Hospital	Serv
Miami University	Govt
Middletown Regional Health System	Serv

Source: Ohio Department of Development

(1) - For all of Butler County

(2) - Only current fiscal year information available

(3) - In alphabetical order only

Fairfield City School District, Ohio
 Full-Time Equivalent District Employees by Type
 Last Seven Fiscal Years (1)
 Schedule 17

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Instruction							
Regular Teaching	368.67	377.16	369.50	355.94	376.84	373.91	378.05
Special Education Teaching	69.80	70.62	73.52	73.03	83.40	83.40	88.67
Vocational Education Teaching	3.00	3.00	4.00	0.00	0.00	0.00	0.00
Tutor/Small Group Instructor	0.00	0.00	0.00	1.00	0.00	1.26	0.00
Educational Service Personnel Teacher	57.67	55.33	54.80	51.33	40.74	38.67	39.03
Supplemental Service Teacher (Special Education)	0.00	1.00	4.00	4.00	3.00	3.00	5.10
Total Instruction	499.14	507.11	505.82	485.30	503.98	500.24	510.85
Support Services							
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Superintendent	1.00	2.00	1.00	1.00	1.00	0.00	0.00
Assistant Principal	15.00	13.00	15.00	14.00	15.00	15.00	15.00
Principals	9.00	9.00	10.00	10.00	10.00	10.00	10.00
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Supervisors/Directors	8.00	8.00	8.00	8.00	8.00	12.00	11.00
Treasurer	1.00	1.00	1.00	0.00	1.00	1.00	1.00
Coordinator	1.00	2.00	5.00	5.00	5.00	7.00	8.00
Curriculum Specialist	5.00	6.20	3.00	3.00	3.00	4.00	4.00
Counseling	11.33	11.33	12.50	11.00	11.00	10.75	10.75
Librarian/Media	7.00	7.00	7.00	6.50	6.50	6.50	6.50
Remedial Specialist	17.76	14.63	17.17	15.67	18.50	22.60	22.00
Psychologist	7.50	8.50	9.50	6.70	10.70	11.50	11.50
Publicity Relations	1.00	2.00	1.00	1.00	1.00	1.00	1.00
Registered Nursing	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Physical Therapist	0.00	1.00	1.00	1.00	1.40	1.40	1.40
Speech and Language Therapist	7.68	10.48	9.15	8.81	10.34	10.20	11.20
Occupational Therapist	1.00	1.00	1.20	1.20	1.20	1.80	1.80
Occupational Therapist Assistant	0.00	0.00	0.00	0.00	1.00	2.00	2.00
Computer Operating	0.00	0.00	0.00	0.00	5.00	5.00	5.00
Bookkeeping	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Clerical	47.00	49.82	48.25	45.57	48.25	47.25	47.00
Messenger	0.00	1.00	1.00	1.00	1.00	0.00	0.00
Records Managing	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Teaching Aide	105.49	117.29	98.75	98.36	114.46	117.87	113.12

Source: State Department of Education

(1) - Only information for last seven fiscal years available from District records

Fairfield City School District, Ohio
 Full-Time Equivalent District Employees by Type
 Last Seven Fiscal Years (1)
 Schedule 17 (continued)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
Support Services (continued)							
Telephone Operator	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Other Office/Clerical	0.00	0.00	17.46	14.64	14.32	14.95	15.83
Electrician	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Other Crafts and Trades	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Dispatching	0.00	0.00	0.00	0.00	0.00	1.00	1.00
Vehicle Operator (other than busses)	6.45	7.39	7.60	8.00	7.94	6.76	7.76
Vehicle Operator (busses)	73.44	80.19	78.24	67.33	76.81	80.68	80.62
Custodian	82.69	88.32	80.94	77.94	82.94	83.94	80.94
Guard/Watchman	1.00	0.50	0.00	0.00	1.00	3.00	4.00
Monitoring	0.00	0.00	0.88	0.88	0.88	0.88	0.88
Groundskeeping	1.00	1.00	1.00	1.00	1.00	0.00	0.00
Attendant	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Professional - Other	0.00	0.00	0.00	0.00	0.00	1.00	1.00
Other Service Worker/Laborer	1.00	1.00	1.00	1.00	1.00	0.00	0.00
Total Support Services	433.34	464.65	457.64	429.60	480.24	501.08	496.30
Operation of Non-Instructional Services							
Food Service	38.12	50.00	38.82	38.05	37.42	38.29	38.86
Total Operation of Non-Instructional Services	38.12	50.00	38.82	38.05	37.42	38.29	38.86
Extracurricular Activities							
Athletic Trainer	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Total Extracurricular Activities	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Grand Total	971.60	1,022.76	1,002.28	952.95	1,021.64	1,039.61	1,046.01

Source: State Department of Education

(1) - Only information for last seven fiscal years available from District records

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Fairfield City School District, Ohio
 Operating Statistics
 Last Ten Fiscal Years
 Schedule 18

Fiscal Year	Enrollment	Operating Expenditure (1)	Expenses (2)	Cost Per Pupil (3)	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
1999	8,946	\$48,435,057	N/A	\$5,957	6.66%	N/A	N/A	N/A
2000	9,108	52,539,540	N/A	6,304	5.83%	N/A	N/A	N/A
2001	8,973	57,246,940	N/A	6,859	8.80%	N/A	N/A	N/A
2002	9,169	59,276,620	N/A	6,895	0.52%	491	19	7.90%
2003	9,239	67,628,865	\$71,522,760	7,584	9.99%	513	18	10.37%
2004	9,467	73,944,104	79,554,326	7,842	3.40%	508	19	12.20%
2005	9,575	72,642,977	77,525,541	7,662	(2.30%)	498	19	10.30%
2006	9,820	77,541,990	79,828,943	8,313	8.50%	506	19	11.90%
2007	10,045	79,708,589	83,029,725	7,882	(5.18%)	500	20	11.00%
2008	10,117	83,585,207	86,435,843	8,190	3.91%	513	20	18.50%

Source: District Records

(1) - Operating Expenditure is Total Expenditures minus Capital Outlay and Debt Service from Schedule 6

(2) - Expenses is Total Expenses from Schedule 2

(3) - From Ohio Department of Education

N/A - Information not available

Fairfield City School District, Ohio
 School Building Information
 Last Ten Fiscal Years
 Schedule 19

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<u>School</u>										
<u>Elementary:</u>										
Central Elementary (1929)										
Square feet	76,643	76,643	76,643	76,643	76,643	76,643	76,643	76,643	76,643	76,643
Capacity	663	663	663	663	663	663	663	663	663	663
Enrollment	606	558	547	541	543	559	581	593	612	615
Percent of Capacity (1)	91%	84%	83%	82%	82%	84%	88%	89%	92%	93%
North Elementary (1956)										
Square feet	80,440	80,440	80,440	80,440	80,440	80,440	80,440	80,440	80,440	80,440
Capacity	666	666	666	666	666	666	666	666	666	666
Enrollment	433	471	528	570	554	547	585	620	628	668
Percent of Capacity (1)	65%	71%	79%	86%	83%	82%	88%	93%	94%	100%
South Elementary (1972)										
Square feet	86,643	86,643	86,643	86,643	86,643	86,643	86,643	86,643	86,643	86,643
Capacity	747	747	747	747	747	747	747	747	747	747
Enrollment	593	590	560	550	502	500	505	473	478	496
Percent of Capacity (1)	79%	79%	75%	74%	67%	67%	68%	63%	64%	66%
West Elementary (1955)										
Square feet	77,081	77,081	77,081	77,081	77,081	77,081	77,081	77,081	77,081	77,081
Capacity	667	667	667	667	667	667	667	667	667	667
Enrollment	677	685	655	638	604	578	591	600	606	612
Percent of Capacity (1)	101%	103%	98%	96%	91%	87%	89%	90%	91%	92%
East Elementary (1996)										
Square feet	87,414	87,414	87,414	87,414	87,414	87,414	87,414	87,414	87,414	87,414
Capacity	756	756	756	756	756	756	756	756	756	756
Enrollment	477	468	460	460	587	618	616	637	658	634
Percent of Capacity (1)	63%	62%	61%	61%	78%	82%	81%	84%	87%	84%
Intermediate Junior High (1978)										
Square feet	159,478	159,478	159,478	159,478	159,478	159,478	159,478	159,478	159,478	159,478
Capacity	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256
Enrollment	1,323	1,352	1,339	1,474	1,488	1,455	1,413	1,422	1,491	1,471
Percent of Capacity (1)	105%	108%	107%	117%	118%	116%	113%	113%	119%	117%

Source: District Records

(1) - Enrollment divided by Capacity

Fairfield City School District, Ohio
 School Building Information
 Last Ten Fiscal Years
 Schedule 19 (continued)

School	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Elementary (continued):										
Kindergarten Center (1977)										
Square feet	29,488	29,488	29,488	29,488	29,488	29,488	29,488	29,488	29,488	29,488
Capacity	472	472	472	472	472	472	472	472	472	472
Enrollment	314	331	333	367	358	386	350	413	433	400
Percent of Capacity (1)	67%	70%	71%	78%	76%	82%	74%	88%	92%	85%
Junior High School:										
Middle (1961)										
Square feet	154,897	154,897	154,897	154,897	154,897	154,897	154,897	154,897	154,897	154,897
Capacity	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099
Enrollment	1,344	1,387	1,243	1,388	1,472	1,559	1,539	1,436	1,518	1,503
Percent of Capacity (1)	122%	126%	113%	126%	134%	142%	140%	131%	138%	137%
High School:										
Freshman Building (1952)										
Square feet	93,064	93,064	93,064	93,064	93,064	93,064	93,064	93,064	93,064	93,064
Capacity	557	557	557	557	557	557	557	557	557	557
Enrollment	688	704	733	759	726	751	819	669	813	799
Percent of Capacity (1)	124%	126%	132%	136%	130%	135%	147%	120%	146%	143%
Fairfield High School (1996)										
Square feet	330,978	330,978	330,978	330,978	330,978	330,978	330,978	330,978	330,978	330,978
Capacity	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Enrollment	1,875	1,902	1,949	1,960	1,966	2,009	1,982	1,844	2,375	2,460
Percent of Capacity (1)	94%	95%	97%	98%	98%	100%	99%	92%	119%	123%

Source: District Records

(1) - Enrollment divided by Capacity

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Mary Taylor, CPA
Auditor of State

FAIRFIELD CITY SCHOOL DISTRICT
BUTLER 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
FEBRUARY 3, 2009