



Mary Taylor, CPA  
Auditor of State





# Dave Yost • Auditor of State

January 11, 2011

The attached audit report was completed and prepared for release prior to the commencement of my term of office on January 10, 2011. Thus, I am certifying this audit report for release under the signature of my predecessor.

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

DAVE YOST  
Auditor of State

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**FAIRBORN CITY SCHOOL DISTRICT  
GREENE COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Schedule of Federal Awards Receipts and Expenditures For the Fiscal Year Ended June 30, 2010 .....	1
Notes to the Schedule of Federal Awards Receipts and Expenditures For the Fiscal Year Ended June 30, 2010 .....	2
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	3
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133 .....	5
Schedule of Findings.....	7
Schedule of Prior Audit Findings .....	10

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**FAIRBORN CITY SCHOOL DISTRICT  
GREENE COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i>	<b>Federal CFDA</b>	<b>Non-Cash</b>		<b>Non-Cash</b>	
<b>Program Title</b>	<b>Number</b>	<b>Receipts</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Disbursements</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>					
<i>Passed Through Ohio Department of Education</i>					
Child Nutrition Cluster:					
Non-Cash Assistance (Food Distribution):					
National School Lunch Program	10.555		\$88,329		\$87,546
Cash Assistance:					
School Breakfast Program	10.553	\$305,307		\$305,307	
National School Lunch Program	10.555	786,848		786,848	
Summer Food Service Program for Children	10.559	8,869		8,869	
Total Child Nutrition Cluster		<u>1,101,024</u>	<u>88,329</u>	<u>1,101,024</u>	<u>87,546</u>
ARRA - Child Nutrition Discretionary Grants Limited Availability	10.579	30,708		25,959	
Team Nutrition Grants	10.574	(54)			
Fresh Fruit and Vegetable Program	10.582	7,915		6,353	
Total U.S. Department of Agriculture		<u>1,139,593</u>	<u>88,329</u>	<u>1,133,336</u>	<u>87,546</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>					
<i>Passed Through Ohio Department of Education</i>					
Title 1, Part A Cluster:					
Title I Grants to Local Educational Agencies	84.010	1,315,977		1,295,944	
ARRA - Title I Grants to Local Educational Agencies	84.389	228,087		217,353	
Total Title 1, Part A Cluster		<u>1,544,064</u>		<u>1,513,297</u>	
Special Education Cluster (IDEA):					
Special Education Grants to States	84.027	908,676		1,025,751	
Special Education Preschool Grants	84.173	40,460		42,039	
ARRA - Special Education Grants to States	84.391	514,995		512,185	
ARRA - Special Education Preschool Grants	84.392	33,242		33,242	
Total Special Education Cluster (IDEA)		<u>1,497,373</u>		<u>1,613,217</u>	
Safe and Drug-Free Schools and Communities State Grants	84.186	17,782		17,782	
Education Technology State Grants	84.318	5,984		9,355	
English Language Acquisition Grants	84.365	12,893		12,920	
Improving Teacher Quality State Grants	84.367	254,395		260,550	
School Improvement Grants	84.377	24,711		23,103	
ARRA - Education for Homeless Children and Youth	84.387	21,697		18,623	
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants	84.394	1,116,688		800,925	
<b>Direct Aid</b>					
Impact Aid	84.041	301,615		301,615	
Total U.S. Department of Education		<u>4,797,202</u>		<u>4,571,387</u>	
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					
<i>Passed Through Cleveland State University</i>					
Learn and Serve America School and Community Based Programs	94.004	5,227		9,342	
Total Corporation for National and Community Service		<u>5,227</u>		<u>9,342</u>	
Total		<u>\$5,942,022</u>	<u>\$88,329</u>	<u>\$5,714,065</u>	<u>\$87,546</u>

The accompanying notes are an integral part of this schedule.

**FAIRBORN CITY SCHOOL DISTRICT  
GREENE COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2010**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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

**NOTE D - MATCHING REQUIREMENTS**

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.





# Mary Taylor, CPA

Auditor of State

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

Fairborn City School District  
Greene County  
306 East Whittier Avenue  
Fairborn, Ohio 45324

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fairborn City School District, Greene County, (the County) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 14, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider findings 2010-001 and 2010-002 described in the accompanying schedule of findings to be material weaknesses.

### **Compliance and Other Matters**

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2010-001.

We also noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 14, 2010.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the District's responses and, accordingly, we express no opinion on them.

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



**Mary Taylor, CPA**  
Auditor of State

December 14, 2010



# Mary Taylor, CPA

## Auditor of State

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

Fairborn City School District  
Greene County  
306 East Whittier Avenue  
Fairborn, Ohio 45324

To the Board of Education:

#### Compliance

We have audited the compliance of Fairborn City School District, Greene County, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Fairborn City School District's major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the Fairborn City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2010.

#### Internal Control Over Compliance

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

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**Internal Control Over Compliance  
(Continued)**

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

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

We noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 14, 2010.

**Federal Awards Receipts and Expenditures Schedule**

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Fairborn City School District (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 14, 2010. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Mary Taylor, CPA**  
Auditor of State

December 14, 2010

**FAIRBORN CITY SCHOOL DISTRICT  
GREENE COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2010**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Special Education Cluster (CFDA # 84.027, 84.173, 84.391 and 84.392)  Title I Cluster (CFDA # 84.010 and 84.389)  ARRA – State Fiscal Stabilization Fund (SFSF) (CFDA # 84.394)
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

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

**FINDING NUMBER 2010-001**

**SET ASIDES - NONCOMPLIANCE AND MATERIAL WEAKNESS**

**Ohio Rev. Code Sections 3315.17 and .171 (textbooks); 3315.18 and .181 (capital); 3317.012 (adjusts base cost); 3317.02 (defines formula amount)** require every city, local, exempted village and joint vocational school district, to establish two reserves:

- 1) Textbooks and instructional materials reserve and 2) Capital (acquisition) and maintenance reserve

The reserves are to be accounted for in the school district's general fund using any reasonable accounting method. The capital acquisition and textbooks reserves have several of the same characteristics including:

- The reserves must be calculated and set-aside annually.
- If the set-aside amount is not spent in one year it is carried forward to the next year.
- The reserve must be represented by (restricted) cash at year-end.
- The amount of the required reserve may be reduced (offset) by resources received during the fiscal year whose use is restricted to the purpose of one of the reserves.
- School districts must be able to provide a list of qualified expenditures for audit purposes.
- School districts must be able to document calculation of fiscal year-end reserve balances.

**Ohio Admin Code section 3301-92-01 (G) and 3301-92-02 (G)** provides guidance on allowable expenditures for the reserve accounts.

During fiscal year 2010, the District improperly calculated its reserve accounts. Qualifying disbursements for textbooks reserve were not rolled up properly from the BUDLED report. This resulted in an overstatement of qualifying disbursements and understatement in the textbook reserve in the amount of \$181,806. Additionally, the District did not include all required expenditures for the capital reserve. Head custodian and bus maintenance worker salaries and fringe benefits were used in the calculation. The payment of a salary for a maintenance worker such as an electrician or maintenance supervisors are not automatically qualifying expenditures for the capital and maintenance set aside. However, the portion of the salaries paid to a maintenance worker, electrician, or a supervisor paid from the general fund that is directly related to preventative maintenance, periodic repairs and replacement of parts, structural components and other activities needed to maintain an asset is a qualifying expenditure provided it is substantiated through a work order. The qualifying expenditures for capital and maintenance reserve were originally reported to be \$793,589. However, after the Treasurer recalculated the amount using allowable expenditures, the qualifying expenditures were actually \$828,318. There was no effect on the capital acquisition reserve as the qualifying disbursements exceeded the current year set aside requirement in both cases. The capital acquisition reserve was reported at \$0.

The variance in the textbook reserve amount was determined to be material to the financial statements and an audit adjustment was required to properly present the reserved fund balance and restricted cash and cash equivalents in the general fund and restricted for state mandates in the government wide statements. The qualifying disbursement and reserve amounts were also adjusted in the notes to the financial statements.

Policies and procedures should be established to verify that qualifying expenditures for reserve calculation are calculated in accordance with Ohio Admin Code § 3301-92-01 and 3301-92-02. Failure to do so could result in material misstatements on the financial statements and the District spending money reserved for textbooks and capital purposes on unallowable items.

**FINDING NUMBER 2010-001**

**Official's Response:** The District will be following the guidance of ODE and use either; 1) The amount provided or, 2) Perform the calculation as outlined in SB345, whichever method is to the betterment of the District. For fiscal year 2010, the GAAP firm just reported incorrectly in the financials.

**FINDING NUMBER 2010-002**

**DUE FROM OTHER GOVERNMENTS - MATERIAL WEAKNESS**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Measurable means the amount of the transaction can be determined and available means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end. **Government Accounting Standards Board Statement number 33, paragraph 24** in part states that if a provider government has a biennial budgetary process, each year of the biennium should be considered a separate applicable period. In those circumstances, the provider and the recipients should allocate one-half of the resources appropriated for the biennium to each applicable period, unless the provider specifies a different allocation.

The District received four American Reinvestment Recovery Act (ARRA) grants from the Federal government. All ARRA grants have a two year grant period. Therefore, the District should have only used one-half of the allocations per the Ohio Department of Education's Comprehensive Continuous Improvement Plan when calculating intergovernmental receivables. However, the District used the entire two year grant allocation amount in their calculation of receivable. Additionally, the District did not use the proper allocation amounts for IDEA Part B receivables. These issues resulted in an overstatement of intergovernmental receivables, intergovernmental revenue and deferred revenue for non-major governmental funds in the amounts of \$904,603, \$113,495 and \$791,108 respectively. Intergovernmental receivable and revenue were overstated by \$904,603 in the entity wide statements. The misstatements were determined to be material and audit adjustments were required to correctly present the financial statements.

Policies and procedures should be established and implemented to verify that the District properly allocates its receivables at year end to either revenue or deferred revenue based on whether the receivable was available to fund the liabilities of the current fiscal year. Failure to do so could result in material misstatements on the District's financial statements.

**Official's Response:** The amounts that were reported and submitted were calculated by the firm that performed the GAAP conversion. The District will address this with the undetermined conversion firm for fiscal year 2011.

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

None

**FAIRBORN CITY SCHOOL DISTRICT  
GREENE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2010**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2009-001	Misstatement relating to intergovernmental receivable/ deferred revenue	No	Repeated as finding number 2010-002



Fairborn City School District  
Greene County, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2010

Prepared By:  
Fairborn City School District's  
Treasurer's Office

**INTRODUCTORY**

**SECTION**

***Fairborn City School District  
Greene County, Ohio  
June 30, 2010***

*Table of Contents*

<b>I. Introductory Section</b>	<b><u>Page</u></b>
Table of Contents	i
Letter of Transmittal	v
Principal Officials	x
Organizational Chart	xi
<b>II. Financial Section</b>	
Independent Accountants' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	13
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – General Fund	20
Statement of Fiduciary Net Assets – Fiduciary Fund	22
Notes to the Basic Financial Statements	23

***Fairborn City School District***  
***Greene County, Ohio***

*Table of Contents*

Combining Statements and Individual Fund Schedules:

Combining Statements – Nonmajor Funds:

Fund Descriptions	53
Combining Balance Sheet – Nonmajor Governmental Funds	56
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	57
Combining Balance Sheet – Nonmajor Special Revenue Funds	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	64

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

Food Service	69
Special Trust	70
Uniform School Supplies	71
Public School Support	72
Other Grant	73
District Managed Activities	74
Auxiliary Services	75
Education Management Information Systems	76
State Public Preschool Grant	77
Early Entry Grant	78
OneNet Ohio	79
Parity Aid Grant	80
Miscellaneous State Grants	81
Title VI-B Grant	82
Fiscal Stabilization Grant	83
Title II-D Grant	84
Comprehensive School Reform Grant	85
Stimulus School Improvement Subsidy Grant	86
Nutritional Education Grant	87
Title III Grant	88
Title I Grant	89
Drug-Free Grant	90
EHA Preschool Grant	91
Improving Teacher Quality Grant	92

***Fairborn City School District  
Greene County, Ohio***

*Table of Contents*

	Miscellaneous Federal Grants	93
	Bond Retirement	94
	Building	95
	Permanent	96
	Combining Statement of Changes in Assets and Liabilities – Agency Fund	97
<b>III.</b>	<b>Statistical Section</b>	
	Descriptions	99
	Net Assets by Component – Last Four Years	100
	Changes in Net Assets – Last Four Years	101
	Fund Balances, Governmental Funds – Last Four Years	102
	Changes in Fund Balances, Governmental Funds – Last Four Years	103
	Assessed and Estimated Actual Value of Taxable Property - Last Ten Collection (Calendar) Years	105
	Property Tax Rates (Per \$1,000 of Assessed Valuation)	
	- Direct and Overlapping Governments	
	- Last Ten Collection (Calendar) Years	106
	Property Tax Levies and Collections – Real and Public Utility Property - Last Ten Collection (Calendar) Years	107
	Top Ten Principal Taxpayers – Real and Personal Property – Current Year and Nine Years Ago	108
	Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita and Personal Income- Last Ten Fiscal Years	109
	Computation of Direct and Overlapping Debt	110
	Computation of Legal Debt Margin – Last Ten Years	112
	Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	114
	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Government Expenditures - Last Ten Fiscal Years	115
	Demographic Statistics - Last Ten Calendar Years	116
	Principal Employers – Current Year and Four Years Ago	117

***Fairborn City School District  
Greene County, Ohio***

*Table of Contents*

Full Time Equivalent School Employees by Function/Program – Current Year	118
Operating Statistics – Last Ten Fiscal Years	119
School Building Information (1) – Last Ten Fiscal Years	120
School Building Information (2) – Last Ten Fiscal Years	121
Miscellaneous Statistical Data	122



# Fairborn City Schools

306 E. Whittier Avenue, Fairborn, Ohio 45324  
(937) 878-3961 Fax (937) 879-8180 Email: [boe@fairborn.k12.oh.us](mailto:boe@fairborn.k12.oh.us)

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Dave Scarberry Superintendent	Eric Beavers Treasurer	Gary Walker Student Services Certified Personnel	Denny Morrison Curriculum and Instruction	Ed Gibbons Business Affairs Classified Personnel	Pam Gayheart Public Relations Grant Writer
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December 14, 2010

Citizens of Fairborn  
Members of the School Board

We are pleased to submit the Fairborn City School District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010. Management's discussion and analysis (MD&A) immediately follows the independent accountants' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

This report is culmination of the efforts of many people. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to set forth fairly the financial position of the District's operations, and that all disclosures necessary to enable the reader to gain maximum understanding of the District's financial affairs have been included.

## **District Profile**

The Fairborn City School district is located in Fairborn, Ohio. The Fairborn City School District is rated "Effective" on the Ohio Department of Education report card. Fairborn City Schools also serves the children from Wright-Patterson Air Force Base. Fairborn Primary School serves grades Pre-K-3; Fairborn Intermediate School serves grades 4-5; Baker Middle School serves grades 6, 7, and 8. Fairborn High School serves grades 9-12. Fairborn offers excellent special education, gifted, and college prep classes. Fairborn works closely with Wright State University and Wright-Patterson Air Force Base to enhance the educational opportunities for our students and staff. We are approximately 15 miles from the city of Dayton and approximately 60 miles from Columbus, Ohio. Fairborn has an outstanding teaching staff which includes 12 National Board Certified teachers. Fairborn High School is rated "Effective" on the Ohio Department of Education report card; Baker Middle School is rated "Effective;" Fairborn Intermediate School is rated "Continuous Improvement;" and Fairborn Primary School is rated "Excellent." We offer an excellent educational environment supported by an outstanding staff and administration! Fairborn offers small hometown values with caring teachers and parents.

**District Statistics**

Official enrollment for 2009-2010 school year	4,626 students
Pupil/Teacher Ratio in grades K-12	15:1
Students qualifying as economically disadvantaged	43.7%

**Board of Education**

The operations of the Fairborn City School District are managed by the Board of Education (the Board) which is made up of five citizens who are elected by school District's voters to serve four-year terms. The Board is a body politic and corporate as defined by Ohio Revised Code Section 3313.02, and derives its authority from federal and state law. The Board's major function is to develop operating policies that will best service the needs of the students. In addition, the Board acts as the taxing authority, contracting body, the approver of the annual appropriations resolution and tax budget, as well as insuring that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars. The Board employs the Superintendent to execute policies and provide leadership to the staff. The Board also employs the Treasurer to act as Chief Financial Officer to maintain financial records and invest funds of the District as specified by Ohio law.

<u>Board Members</u>	<u>Term Ends December 31st of</u>
Tess Little President	2011
Dave Taylor Vice President	2011
Tom Swaim	2013
Angie Botkin	2011
Bob Carico	2013

**Enrollment**

Enrollment for the Fairborn City School District was 4,626 students for 2009-2010

Five Points Elementary School	1,627
Palmer/South Elementary School	649
Baker Middle School	951
Fairborn High School	1,399

**District Report Card**

On the 2010 report card, Fairborn City School District received an effective rating having met 16 of 26 indicators. The District has improved its rating from improvement status during 2004 to 2009. This rating is given by the Ohio Department of Education based on student's performance on the achievement tests in the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> grades, the Ohio Graduation Tests in 10<sup>th</sup> grade, student attendance rate and the graduation rate.

This Ohio system uses four components to determine the District's designation:



**State Indicators:** A district meets a state indicator by all student groups scoring at or above the proficient level on tests. The two non-test indicators are graduation and attendance rates. Fairborn met 16 of 26 indicators.

**Performance Index Score:** The performance index score reflects the achievement of every tested student. The score is a weighted average of all tested subjects in grades 3, 4, 5, 6, 7, 8, and 10. The most weight is given to the advanced students (1.2), and the weights decrease for each subsequent performance level. This creates a scale of 0 to 120 points, with 100 being the goal. Fairborn's performance index score is 92.2 which is an improvement from 91.1 in 2008-2009 and 91.7 in 2007-2008.

**Adequate Yearly Progress (AYP):** The final goal is for all students to reach the proficient level in reading and mathematics by 2013-14. Until then, yearly goals are set requiring a specific percentage of students in 10 student groups, such as African American, Hispanic, and Caucasian students, to reach proficiency in these subjects. For the district to meet AYP, goals for each student group must be met. If any goal is missed, the district does not meet AYP for the year. Fairborn did not meet AYP for the 2009/2010 school year.

**Value-Added Measure:** In 2007-2008, the Ohio Department of Education added a Value-Added Measure to the goals for districts to achieve. This added measure also resulted in a new category being available for districts to be assigned – Excellent with Distinction. The value-added rating demonstrates the progress the district has made with its students since the previous school year. For 2009-2010, Fairborn was above the expected growth for this indicator.

## **Major Initiatives**

### **Continuous Improvement:**

The District works with the Ohio Department of Education State Support team and has to submit academic improvement plans yearly with goals/timelines and strategies for all curricular areas. This information is posted within the CCIP on the Ohio Department of Education website and must be approved yearly. The focus this year is on adequate yearly progress and achievement in the core areas of reading and math. At each grade level, teachers are utilizing data to improve instruction and delivery.

### **Curriculum Initiatives:**

- Project Lead the Way STEM (Science, Technology, Engineering and Math) curriculum at Baker Middle School and Fairborn High School with focus on key STEM academic areas.
- All-Day Kindergarten for all children in Fairborn.

### **Comprehensive Gifted Services:**

- “No Excuses University” to focus on college readiness and exposure at all grade levels and commitment to be the first district in the state of Ohio to be in the “No Excuses University” network.
- Parent University to expose parents to academic assistance, social service needs, web/internet safety and other pertinent topics (open to all grade levels in district).
- Read Naturally and Study Island computer programs to assist students in core areas of reading and math at the elementary levels.

**Technology Initiatives:**

- Computer labs at all schools in the district.
- Smart Boards (ENO) technology at Fairborn Primary School 38 smart boards.
- Fairborn Intermediate School: 35 smart boards.
- Engineering Tech class offered at FHS via Greene County Career Center.
- Communication efforts via "E-Communication" Progress Book for parents, Face Book and Twitter.
- Website communication at all levels.
- Commitment to professional development at all levels to assist teaching staff with technology in the classroom.

**FINANCIAL INFORMATION****Accounting Controls**

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 cash basis system of accounting as prescribed by the Ohio Auditor of State. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, as more fully described in the notes to the financial statements, provides for a modified accrual basis of accounting for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Agency Funds and for full accrual basis of accounting for Government-Wide statements. More information about the District's financial position can be attained by reading the management's discussion and analysis.

**Budgetary Controls**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

**Internal Controls**

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

**Cash Management**

The School District Treasurer is in charge of the School District's cash management program. All School District cash is pooled for investment purposes. Longer term investments consist of Certificates of Deposit insured by the Federal Deposit Insurance Corporation or protected by either pledged collateral held in trust by the Federal Reserve Bank or pooled collateral and United States Agency Obligations. During 2010, the

School District earned \$198,107 in General Fund interest. A majority of the School District's deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of the public funds on deposit not covered by FDIC insurance. Trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions hold the collateral. The School District regularly reviews the market value of the pool to ensure that adequate collateral is being provided.

### **Significant Accounting Policies**

The District derived over 97% of its general fund revenue from three sources: Intergovernmental revenue, property and other local taxes and the school income tax. The District has flexibility with these revenues sources and does not place any specific restrictions on them. The District's policy is to allow the management the ability to properly manage the School's finances along prescribed Ohio Revised Code standards.

### **Single Audit Act**

As a recipient of federal and state financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to the those programs. This internal control structure is subject to periodic evaluation by management of the District.

The results of the District's single audit for the fiscal year ended June 30, 2010 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

### **Independent Audit**

Included in this report is Auditor of State's unqualified opinion rendered on the District's basic financial statements as of and for the year ended June 30, 2010. An independent audit of the District's financial statements is part of the annual preparation of a CAFR. This annual independent audit will continue to review, comment on and thereby strengthen the District's accounting and budgetary control.

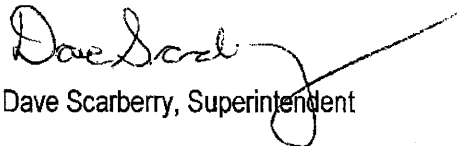
### **Acknowledgments**

The preparation of this report in made possible through the dedicated service and efforts of the Treasurer and his staff, Fraunfelter Accounting Service and the Auditor of State. Appreciation is also extended to the District's Board of Education and the Fairborn School community for its continuing support.

Sincerely,



Eric Beavers, Treasurer



Dave Scarberry, Superintendent

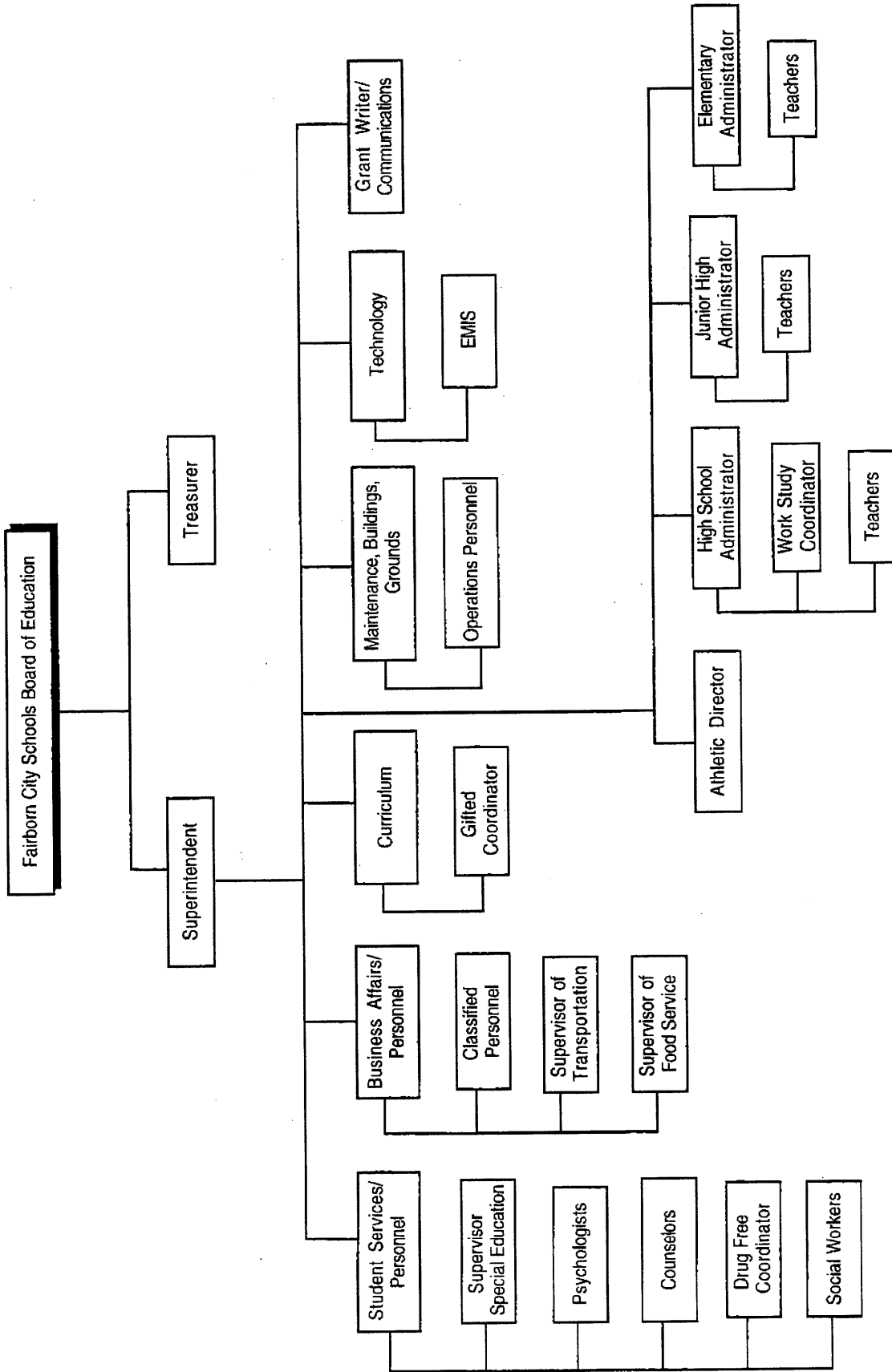
**Fairborn City School District  
List of Principal Officials**

Mr. Dave Scarberry	Superintendent
Mr. Eric Beavers	Treasurer
Mr. Dennis Morrison	Office of Curriculum/Instruction
Mr. Ed Gibbons	Director of Business Affairs/Classified Personnel
Mrs. Pam Gayheart	Public Relations/Grants
Mr. Roger Pankake	Maintenance Supervisor
Mrs. Paula Montgomery	Child Nutrition Supervisor
Mrs. Charlotte Tinglestad	Transportation Supervisor
Mr. Gary Walker	Office of Student Services/ Certified Personnel and Special Education
Ms. Nancy Beers	Gifted Services

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**Board of Education Members**

Mrs. Tess Little	President
Mr. Dave Taylor	Vice-President
Mr. Tom Swaim	
Mrs. Angie Botkin	
Mr. Bob Carico	



[Adoption date: April 10, 2003]

CROSS REF.: CCB, Staff Relations and Lines of Authority

Fairborn City School District, Fairborn, Ohio

**FINANCIAL**

**SECTION**



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Fairborn City School District  
Greene County  
306 East Whittier Avenue  
Fairborn, Ohio 45324

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fairborn City School District, Greene County, Ohio (the District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Fairborn City School District, Greene County, Ohio, as of June 30, 2010, and the respective changes in financial position thereof and the budgetary comparison for the General 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 14, 2010, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

One First National Plaza / 130 W. Second St. / Suite 2040 / Dayton, OH 45402

Telephone: (937) 285-6677 (800) 443-9274 Fax: (937) 285-6688

[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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

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



**Mary Taylor, CPA**  
Auditor of State

December 14, 2010



***Fairborn City School District  
Greene County, Ohio  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010  
(unaudited)***

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The management's discussion and analysis of Fairborn City School District's financial performance provides an overall review of the financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the financial statements and financial statements to enhance their understanding of the School District's financial performance.

***Financial Highlights***

Key financial highlights for 2010 are as follows:

- Total liabilities exceeded total assets at the close of the most recent fiscal year by \$0.06 million for governmental activities. This is down from the previous fiscal year amount of \$0.28 million
- The School District reduced the long term liabilities by \$1.12 million from 2009.
- General revenues accounted for \$43.35 million in revenue or 85.40 percent of all revenues. Program specific revenues in charges for services and grants and contributions accounted for \$7.41 million or 14.60 percent of \$50.76 million in total revenues.
- At the end of the current fiscal year, cash and cash equivalents of \$7.87 million accounted for 28.79 percent of total assets, excluding capital assets, which is an decrease of \$0.28 million from 2009.
- The School District had \$51.10 million in expenses relating to governmental activities; only \$7.41 million of these expenses were offset by program specific revenues. General revenues and beginning net assets were not adequate to cover the \$43.69 million net expense of governmental programs.
- Among major funds, the general fund had \$42.05 million in revenues and \$42.04 in expenditures. The bond retirement fund had a year end balance of \$0.94 million.

***Overview of the Financial Statements***

The discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the School District's finances, in a manner similar to private-sector business.

***Fairborn City School District***  
***Greene County, Ohio***  
***Management's Discussion and Analysis***  
***For the Fiscal Year Ended June 30, 2010***  
***(unaudited)***

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The *statement of net assets* presents information on all the School District's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave.)

Both of the government-wide financial statements distinguish functions of the School District that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The government-wide financial statements can be found on pages 13-15 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.

*Governmental funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School District's near-term financing requirements.

***Fairborn City School District  
Greene County, Ohio  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010  
(unaudited)***

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Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School District's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental activities statement of net assets and statement of activities.

The School District maintains twenty-nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and the statement of fund revenues, expenditures and changes in fund balance for the general fund and bond retirement fund (as elected to display), which are considered major funds. Data from the other twenty-seven governmental funds are combined into a single, aggregate presentation.

The School District adopts an annual appropriation budget for all of its governmental funds. Budgetary comparison statement has been provided for the major fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 16-20 of this report.

*Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's own programs. The accounting used for fiduciary funds is much like that used for governmental funds. The basic fiduciary fund financial statement can be found on page 22 of this report.

*Notes to the Financial Statements.* The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 23 of this report.

**Fairborn City School District**  
**Greene County, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2010**  
**(unaudited)**

**Government-Wide Financial Analysis**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Table 1 provides a comparison of the School District's net assets from 2009 to 2010.

*Table 1*  
Net Assets

	2009	2010	Change
<b>Assets</b>			
Current and Other Assets	\$27,597,728	\$27,320,443	(\$277,285)
Capital Assets, net of Accumulated depreciation	15,605,226	14,231,401	(1,373,825)
<b>Total Assets</b>	<b>43,202,954</b>	<b>41,551,844</b>	<b>(1,651,110)</b>
<b>Liabilities</b>			
Long-term Liabilities	21,801,430	20,683,453	(1,117,977)
Other Liabilities	21,122,372	20,928,936	(193,436)
<b>Total Liabilities</b>	<b>42,923,802</b>	<b>41,612,389</b>	<b>(1,311,413)</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	(2,483,687)	(2,942,849)	(459,162)
Restricted	2,570,773	2,400,300	(170,473)
Unrestricted	192,066	482,004	289,938
<b>Total Net Assets</b>	<b>\$279,152</b>	<b>(\$60,545)</b>	<b>(\$339,697)</b>

The decrease in capital assets is attributed to recognizing \$1.47 million in depreciation expense compared to very few additions during the current fiscal year. The School District also recognized decrease in the other categories on the statement of net assets as they paid down the long term liabilities through the normal debt schedules. The other liabilities decreased as the School District paid their invoices in a very timely manner for year end therefore reducing the trade payables.

**Fairborn City School District**  
**Greene County, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2010**  
**(unaudited)**

Table 2 compares total revenues for fiscal year 2009 to fiscal year 2010.

Table 2 Total Revenues			
	2009	2010	Change
<b>Program Revenues</b>			
Charges for Services	\$1,539,122	\$1,399,203	(\$139,919)
Operating Grants and Contributions	4,782,528	6,010,524	1,227,996
<b>Total Program Revenues</b>	<b>6,321,650</b>	<b>7,409,727</b>	<b>1,088,077</b>
<b>General Revenues</b>			
Property Taxes	18,547,518	18,042,975	(504,543)
Income Taxes	3,279,080	3,074,800	(204,280)
Unrestricted Grants and Contributions	22,310,367	21,492,871	(817,496)
Payment in Lieu of Taxes	168,364	249,048	80,684
Investment Earnings	222,689	203,274	(19,415)
Miscellaneous	362,700	287,367	(75,333)
<b>Total General Revenues</b>	<b>44,890,718</b>	<b>43,350,335</b>	<b>(1,540,383)</b>
<b>All Revenues</b>	<b>\$51,212,368</b>	<b>\$50,760,062</b>	<b>(\$452,306)</b>

For fiscal year 2010, the School District had \$11,156 (increased from \$11,027 in 2009) in revenue per pupil ratio. This compares with the School District's \$11,211 expenditure per pupil. The School District received 44.68 percent of the Department of Education's cost to educate a child as calculated through the state funding formula. The local tax payer was responsible for contributing over 41.60 percent of the School District's total revenues for the fiscal year through property or income taxes.

The largest change was in operating grants as the School District was involved in several ARRA stimulus grant programs that are administered through the Ohio Department of Education. The School District saw the remaining items all decrease, other than payment in lieu of taxes, as the economic situation has impacted the various School District revenue sources.

**Fairborn City School District**  
**Greene County, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2010**  
**(unaudited)**

Table 3 compares total program expenses for fiscal year 2009 with fiscal year 2010.

Table 3  
Total Program Expense

	2009	2010	Change
<b>Program Expenses</b>			
<i>Instruction</i>			
Regular	\$19,727,212	\$20,421,702	\$694,490
Special	6,433,409	7,764,930	1,331,521
Other	2,641,460	2,721,666	80,206
<i>Support Services:</i>			
Pupils	2,688,975	3,012,393	323,418
Instructional Staff	2,394,743	2,577,781	183,038
Board of Education	62,140	88,334	26,194
Administration	2,983,340	3,297,261	313,921
Fiscal	818,631	889,301	70,670
Business	193,254	252,085	58,831
Operation and Maintenance of Plant	3,920,872	3,946,521	25,649
Pupil Transportation	2,400,947	2,429,108	28,161
Central	517,335	488,535	(28,800)
Operation on Non-Instructional Services	121,085	59,516	(61,569)
Food Service	1,524,090	1,626,743	102,653
Extracurricular Activities	780,470	734,210	(46,260)
Interest and Fiscal Charges	834,156	789,673	(44,483)
Total Expenses	<u>48,042,119</u>	<u>51,099,759</u>	<u>3,057,640</u>
Change in Net Assets	<u>3,170,249</u>	<u>(339,697)</u>	<u>(\$3,509,946)</u>
Ending Net Assets	<u>\$279,152</u>	<u>(\$60,545)</u>	

Despite the slight decrease in revenues and the School District being able to increase the cash balances, the majority of expense line items all increased. The School District realized large increased in the instruction line items as the School District incurred more expenses related to the ARRA grant monies. The School District was able to reduce costs in some of the line items through tighter budgetary controls.

*Fairborn City School District  
Greene County, Ohio  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010  
(unaudited)*

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***The Major Funds***

The School District's major funds start on page 16. These funds are accounted for using the modified accrual basis of accounting, focusing on the near term financial resources of the School District. The major funds account for 85.75% of the \$50.75 million in total revenue and 86.33% percent of the \$50.62 million in total expenditures. The general fund and bond retirement fund received a majority of their revenues from property taxes and intergovernmental revenues. Revenues were less than expenditures in the general fund creating year end fund balances of \$2.38 million, and bond retirement year end fund balance was \$0.94 million.

The general fund recognized a (\$0.25) million change in fund balance for the fiscal year as the School District expended the majority of the monies on personnel costs related to instruction related activities (61.53%) and did realize less revenue than the prior year due to changes in the economy reducing the property and income tax revenues.

The bond retirement fund finished slightly in the red for the fiscal year resulting in a fund balance of \$0.94 million. The School District received \$1.27 million in property taxes related to the bond levy during the year.

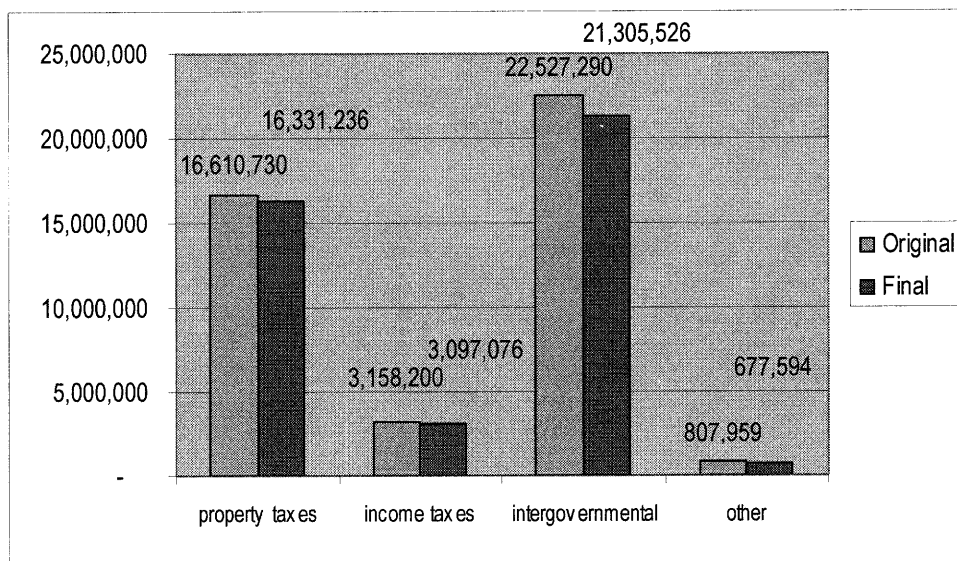
The School District's nonmajor funds consist of the grant funds and certain operational units, such as, food services, School District athletics or school supplies. For the nonmajor revenue, the grant monies make up over 85 percent of the amount with 9 percent of the revenue derived from the lunchroom operations (excluding the grant revenue). Those nonmajor funds, as a group, saw an increase in their fund balance by \$0.39 million.

**Fairborn City School District  
Greene County, Ohio  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2010  
(unaudited)**

**General Fund Budgetary**

Graph 1 depicts the change from the original to the final general fund revenue budget for the fiscal year ended June 30, 2010.

*Graph 1  
Original Budget versus Final Budget for General Fund Revenues*



The School District had a total decrease of \$1,692,747 from original to final budgets for revenues mainly through the changes at the State level impacting the School District's state aid. The actual revenue results were only \$34,519 different from the final budget levels

Table 4 examines the major changes from the original to the final general fund expenditures budget for the fiscal year ended June 30, 2010. The School District was very detailed in the original budget figures but saw the need to reduce the final budget based on controlling support service costs.

*Table 4  
Original to Final Budget for Expenditures*

	Original	Final	Change
Instruction	\$26,567,800	\$26,317,368	(\$250,432)
Support Services	16,580,467	16,173,097	(407,370)
Other	628,761	632,460	3,699



**Fairborn City School District**  
**Greene County, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2010**  
**(unaudited)**

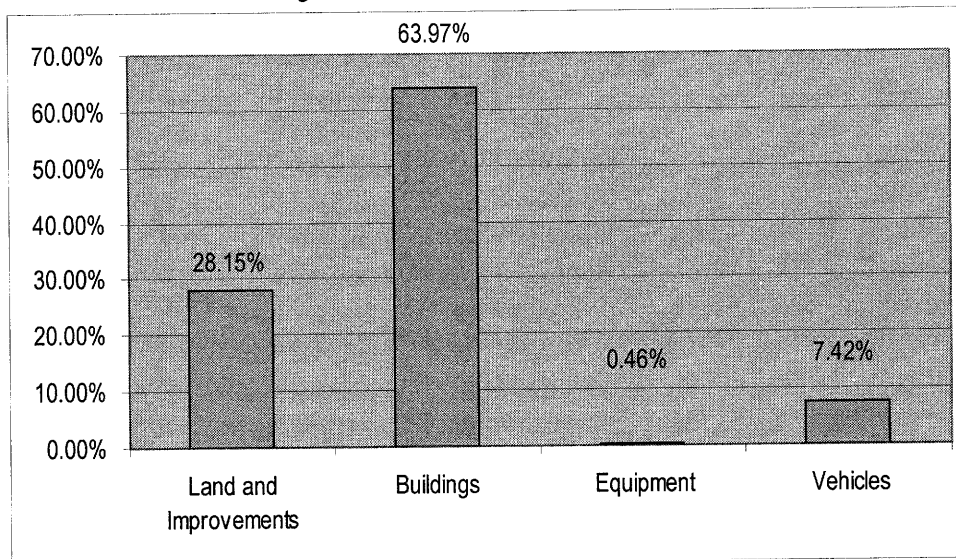
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For comparison of actual amounts to final budgets, the School District was able to project within (\$0.86) million. The largest variance in the expenditures resulted from the School District not expending all the funds expected for changes to the student transportation and not having to update as many maintenance items as originally anticipated.

**Capital Assets**

At the end of the fiscal year, the School District had \$14.23 million invested in land, buildings and improvements, furniture and equipment, and vehicles less accumulated depreciation. For more information on the amounts that make up the School District's capital assets and related accumulated depreciation review Note 8 to the basic financial statements. Graph 2 shows the breakdown of the individual classes for net capital assets:

*Graph 2*  
*Percentage of Book Value Capital Assets by Class*



**Fairborn City School District**  
**Greene County, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2010**  
**(unaudited)**

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**Debt Administration**

The School District retired \$0.93 million of the general obligation bonds and energy conservation notes during the fiscal year. The School District's overall legal debt margin was \$43,409,159.

For more information on the School District's long term debt obligations review Note 13 to the basic financial statements.

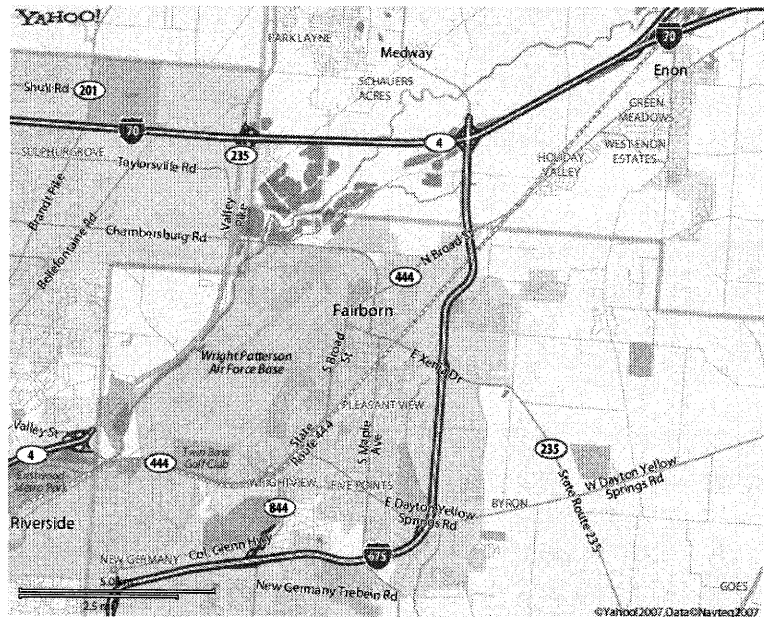
**Other items impacting the financial strength of the School District**

The School District is located along a stretch of Interstate 675 that is seeing expansion and development towards the southern end of the District. This development should continue to move north and increase property values in the District. Although the School District continued to see the enrollment decline by 58 students from 2009 to 2010 and a decrease in the income tax revenue from last year, which has been in place since 1990, total general fund revenues decreased over \$2.2 million (budgetary basis) from last year. The School District is feeling the economic impact and will need to evaluate options for additional revenue in future years. The financial condition for the School District is still strong based on all the factors.

**Request for Information**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Treasurer, Fairborn City Schools, 306 E. Whittier Ave., Fairborn, Ohio 45324.

Treasurer  
Fairborn City School District



**Fairborn City School District  
Greene County, Ohio  
Statement of Net Assets  
June 30, 2010**

	Primary Government Governmental Activities
<b><u>Assets</u></b>	
Equity in Pooled Cash and Investments	\$7,072,599
Receivables:	
Property Taxes	16,889,997
Income Taxes	1,345,471
Payments in Lieu of Taxes	208,706
Accounts	37,274
Accrued Interest Receivable	12,215
Intergovernmental	693,225
Materials and Supplies Inventory	19,945
Prepaid Items	69,056
Issuance Costs	177,877
Restricted Cash and Cash Equivalents	794,078
Nondepreciable Capital Assets	299,675
Depreciable Capital Assets	13,931,726
Total Assets	41,551,844
<b><u>Liabilities</u></b>	
Payables:	
Accounts	256,109
Intergovernmental	1,443,212
Interest	63,358
Salaries and Employee Benefits	4,504,295
Unearned Revenue	14,661,962
Noncurrent Liabilities:	
Due within one year	1,297,150
Due in more than one year	19,386,303
Total Liabilities	41,612,389
<b><u>Net Assets</u></b>	
Invested in capital assets, net of related debt	(2,942,849)
Restricted for:	
Debt Service	935,806
Grants	299,405
State Mandates	794,078
Permanent Fund:	
Expendable	69,276
Nonexpendable	140,000
Capital Improvements	161,735
Unrestricted	482,004
Total Net Assets	(\$60,545)

See accompanying notes to the basic financial statements

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**Fairborn City School District**  
**Greene County, Ohio**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2010**

<b>Function/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		<b>Net (Expense) Revenue and</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Changes in Net Assets</b>
				<b>Governmental Activities</b>
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$20,421,702	\$553,271	\$294,711	(\$19,573,720)
Special	7,764,930	0	2,716,485	(5,048,445)
Other	2,721,666	0	403,125	(2,318,541)
<b>Support Services:</b>				
Pupils	3,012,393	0	123,420	(2,888,973)
Instructional Staff	2,577,781	0	1,055,517	(1,522,264)
Board of Education	88,334	0	0	(88,334)
Administration	3,297,261	36,591	147,190	(3,113,480)
Fiscal	889,301	0	0	(889,301)
Business	252,085	0	0	(252,085)
Operation and Maintenance of Plant	3,946,521	0	0	(3,946,521)
Pupil Transportation	2,429,108	0	0	(2,429,108)
Central	488,535	0	17,315	(471,220)
Operation of Non-Instructional Services	59,516	0	72,870	13,354
Food Service	1,626,743	640,190	1,167,256	180,703
Extracurricular Activities	734,210	169,151	12,635	(552,424)
Interest and Fiscal Charges	789,673	0	0	(789,673)
<b>Total Primary Government</b>	<b>\$51,099,759</b>	<b>\$1,399,203</b>	<b>\$6,010,524</b>	<b>(43,690,032)</b>

<b>General Revenues:</b>	
Property Taxes	18,042,975
Payment in Lieu of Taxes	249,048
Income taxes	3,074,800
Grants and Contributions not restricted to specific programs	21,492,871
Unrestricted investment earnings	203,274
Miscellaneous	287,367
<b>Total General Revenues</b>	<b>43,350,335</b>
<b>Changes in Net Assets</b>	<b>(339,697)</b>
<b>Net Assets-Beginning</b>	<b>279,152</b>
<b>Net Assets-Ending</b>	<b>(\$60,545)</b>

See accompanying notes to the basic financial statements

**Fairborn City School District**  
**Greene County, Ohio**  
**Balance Sheet - Governmental Funds**  
**June 30, 2010**

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b><u>Assets</u></b>				
Equity in Pooled Cash and Investments	\$4,105,989	\$818,329	\$2,148,281	\$7,072,599
Receivables:				
Property and Other Taxes	15,661,799	1,228,198	0	16,889,997
Income Taxes	1,345,471	0	0	1,345,471
Payments in Lieu of Taxes	193,968	14,738	0	208,706
Accounts	33,947	0	3,327	37,274
Interfund	35,114	0	0	35,114
Accrued Interest	12,215	0	0	12,215
Intergovernmental	22,819	0	670,406	693,225
Prepaid Items	69,056	0	0	69,056
Materials and Supplies Inventory	1,744	0	18,201	19,945
Restricted Assets:				
Cash and Cash Equivalents	794,078	0	0	794,078
<b>Total Assets</b>	<b>22,276,200</b>	<b>2,061,265</b>	<b>2,840,215</b>	<b>27,177,680</b>
<b><u>Liabilities and Fund Balances</u></b>				
<b><u>Liabilities</u></b>				
Payables:				
Accounts	167,848	0	88,261	256,109
Due to Local Governments	1,255,760	0	187,452	1,443,212
Salaries and Employee Benefits	3,919,358	0	584,937	4,504,295
Interfund	0	0	35,114	35,114
Deferred Revenue	14,557,421	1,125,459	157,749	15,840,629
<b>Total Liabilities</b>	<b>19,900,387</b>	<b>1,125,459</b>	<b>1,053,513</b>	<b>22,079,359</b>
<b><u>Fund Balances:</u></b>				
Reserved for:				
Encumbrances	270,360	0	134,076	404,436
Inventory	1,744	0	18,201	19,945
Property Taxes	1,484,830	117,477	0	1,602,307
Textbooks and Instructional Materials	794,078	0	0	794,078
Unreserved, reported in:				
General	(175,199)	0	0	(175,199)
Debt Service	0	818,329	0	818,329
Special Revenue	0	0	1,271,529	1,271,529
Capital Projects	0	0	155,250	155,250
Permanent Fund	0	0	207,646	207,646
<b>Total Fund Balances</b>	<b>2,375,813</b>	<b>935,806</b>	<b>1,786,702</b>	<b>5,098,321</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$22,276,200</b>	<b>\$2,061,265</b>	<b>\$2,840,215</b>	<b>\$27,177,680</b>

See accompanying notes to the basic financial statements

**Fairborn City School District**  
**Greene County, Ohio**  
**Reconciliation of Total Governmental Fund Balances to**  
**Net asset of Governmental Activities**  
**June 30, 2010**

<b>Total Governmental Fund Balances</b>	<b>\$5,098,321</b>
<b><i>Amounts reported for governmental activities in the statement of net assets are different because:</i></b>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	14,231,401
Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	1,178,667
Bond issuance costs are amortized over the life of the bonds and are not reported in the funds.	177,877
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(20,746,811)</u>
<b>Net Assets of Governmental Activities</b>	<b><u><u>(\$60,545)</u></u></b>

See accompanying notes to the basic financial statements

**Fairborn City School District**  
**Greene County, Ohio**  
**Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2010**

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$16,578,002	\$1,265,279	\$0	\$17,843,281
Income Taxes	3,113,953	0	0	3,113,953
Payment in Lieu of Taxes	193,968	14,738	0	208,706
Intergovernmental	21,308,654	184,217	6,150,775	27,643,646
Charges for Services	99,837	0	639,819	739,656
Tuition and Fees	274,500	0	133,232	407,732
Interest	198,107	0	5,167	203,274
Rent	36,591	0	0	36,591
Gifts and Donations	1,450	0	130,561	132,011
Extracurricular Activities	63,723	0	150,286	214,009
Miscellaneous	185,130	0	26,936	212,066
<b>Total Revenues</b>	<b>42,053,915</b>	<b>1,464,234</b>	<b>7,236,776</b>	<b>50,754,925</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	18,552,565	0	487,683	19,040,248
Special	5,114,769	0	2,684,211	7,798,980
Other	2,201,329	0	527,438	2,728,767
Support Services:				
Pupils	2,901,275	0	146,273	3,047,548
Instructional Staff	1,567,741	0	1,025,426	2,593,167
Board of Education	88,334	0	0	88,334
Administration	3,187,180	0	133,943	3,321,123
Fiscal	879,322	23,193	0	902,515
Business	239,801	0	0	239,801
Operation and Maintenance of Plant	3,943,625	0	3,909	3,947,534
Pupil Transportation	2,353,339	0	435	2,353,774
Central	392,680	0	90,499	483,179
Operation of Non-Instructional Services	0	0	1,694,355	1,694,355
Extracurricular Activities	622,822	0	115,101	737,923
Capital Outlay	0	0	6,600	6,600
Debt Service:				
Principal Retirement	0	850,000	0	850,000
Interest and Fiscal Charges	0	785,166	0	785,166
<b>Total Expenditures</b>	<b>42,044,782</b>	<b>1,658,359</b>	<b>6,915,873</b>	<b>50,619,014</b>
Excess (Deficiency) of Revenues Over Expenditures	9,133	(194,125)	320,903	135,911
<b>Other Financing Sources (Uses):</b>				
Transfers - In	0	183,875	71,001	254,876
Transfers - Out	(254,876)	0	0	(254,876)
<b>Total Other Financing Sources (Uses)</b>	<b>(254,876)</b>	<b>183,875</b>	<b>71,001</b>	<b>0</b>
Net Change in Fund Balances	(245,743)	(10,250)	391,904	135,911
Fund Balances - beginning	2,625,977	946,056	1,398,811	4,970,844
Decrease in Inventory	(4,421)	0	(4,013)	(8,434)
<b>Fund Balances - ending</b>	<b>\$2,375,813</b>	<b>\$935,806</b>	<b>\$1,786,702</b>	<b>\$5,098,321</b>

See accompanying notes to the basic financial statements



**Fairborn City School District**  
**Greene County, Ohio**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances of Governmental Funds to the**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2010**

<b>Net Change in Governmental Fund Balances</b>	<b>\$135,911</b>
<b>Amounts reported in governmental activities</b>	
<b>in the statement of activities are different because:</b>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(1,373,825)
Repayment of long-term obligations is reported as an expenditure in governmental funds, then the repayment reduces long-term liabilities in the statement of net assets. In the current year, this amount is:	925,126
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(69,989)
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures/revenues in governmental funds.	<u>43,080</u>
<b>Change in net assets of governmental activities</b>	<b><u><u>(\$339,697)</u></u></b>

See accompanying notes to the basic financial statements

**Fairborn City School District**  
**Greene County, Ohio**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$16,610,730	\$16,331,236	\$16,270,982	(\$60,254)
Income Taxes	3,158,200	3,097,076	3,097,076	0
Intergovernmental	22,527,290	21,305,526	21,325,236	19,710
Tuition and Fees	189,700	192,700	274,300	81,600
Interest	190,000	98,000	78,789	(19,211)
Rent	25,000	25,000	36,591	11,591
Extracurricular Activities	61,150	61,150	63,723	2,573
Charges for Services	50,500	80,500	99,837	19,337
Gifts and Donations	500	500	1,450	950
Miscellaneous	291,109	219,744	197,967	(21,777)
<b>Total Revenues</b>	<b>43,104,179</b>	<b>41,411,432</b>	<b>41,445,951</b>	<b>34,519</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	18,959,888	18,752,757	18,624,012	128,745
Special	5,110,097	5,200,797	5,209,746	(8,949)
Student Intervention Services	22,815	22,815	21,800	1,015
Other	2,475,000	2,340,999	2,200,327	140,672
Support Services:				
Pupils	2,904,913	2,907,286	2,904,073	3,213
Instructional Staff	1,576,128	1,580,058	1,539,824	40,234
Board of Education	113,500	113,500	89,000	24,500
Administration	3,205,162	3,200,020	3,108,237	91,783
Fiscal	909,849	909,849	904,977	4,872
Business	255,915	260,848	244,603	16,245
Operation and Maintenance of Plant	4,476,668	4,076,405	3,977,442	98,963
Pupil Transportation	2,642,057	2,621,357	2,401,545	219,812
Central	496,275	503,774	431,040	72,734
Extracurricular Activities	628,761	632,460	609,392	23,068
<b>Total Expenditures</b>	<b>43,777,028</b>	<b>43,122,925</b>	<b>42,266,018</b>	<b>856,907</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(672,849)	(1,711,493)	(820,067)	891,426
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	1,000	1,000	0	(1,000)
Refund of Prior Year Expenditures	15,000	13,000	11,941	(1,059)
Insurance Recoveries	25,000	25,000	2,692	(22,308)
Advances In	26,000	26,000	26,000	0
Advances Out	0	(35,514)	(35,514)	0
Transfers In	1,228,228	1,128,228	1,128,228	0
Transfers Out	(1,474,811)	(1,383,104)	(1,383,104)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(179,583)</b>	<b>(225,390)</b>	<b>(249,757)</b>	<b>(24,367)</b>
<b>Net Change in Fund Balance</b>	<b>(852,432)</b>	<b>(1,936,883)</b>	<b>(1,069,824)</b>	<b>867,059</b>
Fund Balances at Beginning of Year	5,035,556	5,035,556	5,035,556	0
Prior Year Encumbrances Appropriated	312,160	312,160	312,160	0
<b>Fund Balance at End of Year</b>	<b>\$4,495,284</b>	<b>\$3,410,833</b>	<b>\$4,277,892</b>	<b>\$867,059</b>

See accompanying notes to the basic financial statements

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**Fairborn City School District  
Greene County, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2010**

	<u>Agency</u>
<b><u>Assets</u></b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$144,892</u>
Total Assets	<u><u>144,892</u></u>
<b><u>Liabilities</u></b>	
Due to Students	<u>144,892</u>
Total Liabilities	<u><u>\$144,892</u></u>

See accompanying notes to the basic financial statements

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Fairborn City School District (the "School District") has grown from a union of the Fairborn, Osborn and Bath Township schools, which took place when the town of Osborn was moved. The earliest school records available are of Bath Township schools' purchase of land on September 1, 1856. The oldest historical record of the Osborn schools is a meeting of the Board of Education of July 27, 1906. The early history of the Fairborn school system consists of a log schoolhouse, one room up and two rooms down, in 1873. When consolidation of the three school systems was suggested there was much of the usual opposition. However, consolidation passed by a small majority and the school year 1923 started under the new plan.

Today the School District operates under the current standards prescribed by the Ohio Department of Education as provided in division (D) of sections 3301.07 and 119.01 of the Ohio Revised Code. The School District is established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charge and further mandated by state and/or federal agencies.

Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service, and student related activities of the School District.

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

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY (continued)

The School District is associated with five jointly governed organizations and one public entity risk pool. These organizations include the Southwestern Ohio Educational Purchasing Council, Miami Valley Special Education Regional Resource Center, Southwestern Ohio Instructional Technology Association, Greene County Career Center, Metropolitan Dayton Educational Cooperative Association, and the Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan. These organizations are presented in Notes 16 and 17 of the financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-wide and fund financial statements:

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The effect of inter-fund activity has been removed from these statements. *Governmental activities*, normally are supported by taxes and intergovernmental revenues, and are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The School District has no business-type activities.

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

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is expected to be liquidated with expendable, available resources. However, expenditures related to compensated absences and debt service are recorded only when payment is due.

Property taxes, grants and entitlements, tuition, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when cash is received by the School District.

*Fund Accounting*

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The School District employs the use of two categories of funds: governmental and fiduciary.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

*Governmental Funds*

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose 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 School District reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Bond Retirement Fund* accounts for the retirement of specific general governmental short and long term obligations. All revenues derived from general or special levies, either within or exceeding the ten-mill limitation, which is levied for debt charges on bonds or loans, shall be paid in this fund. For 2010, this fund does not meet the requirements of the major fund test but the School District has elected to present it as a major fund since it is critical to show the activity of this fund separately.

Additionally, the School District reports the following fund type:

*Fiduciary Agency Fund* reporting focuses on net assets and changes in net assets. The School District maintains one fiduciary fund: Student Activities Agency. The Student Activities fund was established to account for revenues generated by student managed activities. The School District's agency fund is custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.



Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary Process:

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than the agency fund, are legally required to be budgeted and appropriated. The legal level of budgetary control for all funds is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget:

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing or increased tax rates. By no later than January 20, the Board-adopted budget is filed with the Greene County Budget Commission for rate determination.

Estimated Resources:

The County Budget Commission certifies its actions to the School District by March 1. As part of this certification, the School District receives the official certificate of estimated resources which indicates the projected receipts of each fund. On or about July 1 this certificate is amended to include any unencumbered balances from the preceding fiscal year. Prior to June 30, the School District must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. Budget receipts as shown in the accompanying financial statements do not include July 1 unencumbered fund balances. However, those fund balances are available for appropriations.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Appropriations:

A temporary appropriation measure to control cash disbursements may be passed on or about July 1 of each year for the period July 1 to September 30. An annual appropriation measure must be passed by October 1 of each year for the period July 1 to June 30. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

Lapsing of Appropriations:

The School District is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be re-appropriated.

Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the statement of net assets and fund balance sheet.

During fiscal year 2010, investments were limited to funds invested in United States treasury obligations, money market mutual funds, and the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value that is based on quoted market prices. Investment contracts and money market investments that have a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2010.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund, during fiscal year 2010 amounted to \$198,107, \$131,318 was assigned from other funds. The lunchroom, special trust, district managed activities, auxiliary services (special revenue funds), building capital projects fund and permanent fund also received interest of \$2,135; \$26; \$98; \$41; \$180 and \$2,687 respectively.

Inventory

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2010 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure in the year in which services are consumed.

Capital Assets and Depreciation

Capital assets, which include land, land improvements, building and improvements, furniture and equipment, and vehicles are reported on the government-wide financial statements. Capital assets are defined by the School District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if actual amounts were not available. Donated capital assets are recorded at estimated fair market value at the date of donation. The School District reviewed possible infrastructure assets (roads, bridges, culverts, etc.) which could be required to be capitalized. The School District has no infrastructure assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets of the School District are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life:</u>
Land Improvements	15-20
Building and Improvements	20-40
Furniture and Equipment	5-15
Vehicles	8

Interfund Assets/Liabilities

Short-term interfund loans are classified as "inter-fund receivables" and "inter-fund payables." These amounts are eliminated on the statement of net assets within the consolidated columns.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy.

The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. The School District records a liability for accumulated unused sick leave for employees after ten years of service or at age fifty-five or upon retirement from STRS or SERS.

Expenditures or liabilities related to compensated absences are reported in governmental funds only if they are due for payment as matured leave payable. The entire liability is reported on the government-wide statement of net assets.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported on the government-wide financial statements. In general, governmental fund payables and accrued liabilities are reported on the governmental fund financial statements when the liability is incurred. However, compensated absences and debt service expenditures are recorded as expenditures only when payment is due.

Interfund Activity

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

Fund Balance Reserves and Designations

The School District records reservations for those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, inventory, property taxes and textbooks and instructional materials. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

When both restricted and unrestricted resources are available for use, it is the School District's policy to use the restricted resources first, and then unrestricted resources, as they are needed.

Net Assets

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

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Revenues

Deferred revenues arise 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, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenues. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenues. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Exchange/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.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6.)

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reconciliation of government-wide and fund financial statements

*Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:*

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this (\$20,746,811) difference are as follows:

Long Term Debt Payable	(\$16,074,987)
General Obligation Bonds - Premium	(1,277,140)
Accrued Interest Payable	(63,358)
Compensated Absences	<u>(3,331,326)</u>
Net Adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at	<u><u>(\$20,746,811)</u></u>

Another element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds." The details of the \$14,231,401 difference are as follows:

Capital Assets	\$44,659,448
Accumulated Depreciation	<u>(30,428,047)</u>
Net Adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$14,231,401</u></u>

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

*Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities:*

An element of that reconciliation states that "Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures/revenues in governmental funds." The details of this \$43,080 are as follows:

Change in Leave Balances	\$56,021
Net interest accrual on Long Term Debt	5,956
Amount amortized on Bonds Issuance Costs	(10,463)
Change in Inventory	(8,434)
Net Adjustment - current financial resources focus to reduce <i>fund balance</i> - total governmental funds to arrive at <i>net assets</i> - governmental activities	\$43,080

Another element of that reconciliation states that "Capital additions are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense." The details of this (\$1,373,825) are as follows:

Current capital additions	\$98,611
Capital deletions	(116,150)
Accumulated depreciation removed	116,150
Depreciation Expense	(1,472,436)
Net Adjustment - capital assets to increase <i>fund balance</i> - total governmental funds to arrive at <i>net assets</i> - governmental activities	(\$1,373,825)



Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Another element of that reconciliation states that "Repayment of long-term obligations is reported as an expenditure in governmental funds, the repayment reduce the long-term liabilities in the statement of net assets." The details of this \$925,126 are as follows:

Principal reduction on debt	\$850,000
Net change on general obligation bond premium	75,126
	-----
Net Adjustment - capital assets to increase <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	\$925,126
	-----

NOTE 3 - ACCOUNTABILITY

At June 30, 2010, the following funds had deficit fund balances:

Fund	Amount
Non-Major Governmental Funds	
Other Grants	\$2,013
State Public Preschool Grant	3,621
Title VI-B Grant	59,089
Title I Grant	6,227
Drug Free Act Gant	54
EHA Preschool Grant	16,588
Improving Teacher Quality Grant	5,174

The deficits in these funds were created by the application of generally accepted accounting principles.

NOTE 4 - BUDGET TO GAAP RECONCILIATION

Budgetary Basis of Accounting

While the School 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 and described above is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) - General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 4 - BUDGET TO GAAP RECONCILIATION (continued)

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 (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the General Fund GAAP and budgetary basis statements.

Excess of Revenues and Other Financing Sources  
Over Expenditures and Other Financing Uses

GAAP Basis	(\$245,743)
Adjustments:	
Revenue Accrual	(605,272)
Expenditure Accrual	262,652
Encumbrances	(471,947)
Advances	(9,514)
Budget Basis	(\$1,069,824)

NOTE 5 - DEPOSITS AND INVESTMENTS

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

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

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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

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

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Interim deposits in duly authorized depositories of the School District, provided those deposits are properly insured or collateralized as required by law;
4. Bond and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

6. The State Treasurer's investment pool (STAR Ohio);
7. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days; and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time.

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "*Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements.*"

**Deposits** At year end, the bank balance was \$2,138,958:

1. \$296,384 was covered by federal depository insurance; and
2. \$1,842,574 was covered by pooled collateral held by the institution but not in the School District's name.

**Investments** The School District's investments are required to be categorized to give an indication of the level of risk assumed by the School District at year end. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The money market mutual funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Investment Type:	Fair Value	Maturity	
		Less than OneYear	1-5 Years
U.S Treasury Notes	\$4,037,281	\$0	\$4,037,281
STAR Ohio	2,051,751	2,051,751	0
	<u>\$6,089,032</u>	<u>\$2,051,751</u>	<u>\$4,037,281</u>

*Interest Rate Risk* - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the School District manages its exposure to decline in fair values by limiting the weighted average maturity of its investment portfolio.

*Credit Risk* - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The School District has investments in Star Ohio and U.S. Treasury Notes. Below are the credit ratings of the School District's investments:

Security	Rating Agency	
	Moody's	Standard & Poor's
Star Ohio	NA	AAAm
U.S. Treasury Notes	Aaa	AAA

*Concentration of Credit Risk* - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single user. Star Ohio comprised of 34% of the School District's investments, and U.S. Treasury Notes comprised 66% of the School District's investments.

*Custodial Credit Risk* is the risk that in the event of the failure of the counterparty, the School 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 School District's securities are secured.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2010 for real and public utility property taxes represents collections of calendar 2009 taxes.

2010 real property taxes are levied after April 1, 2010, on the assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 2010 public utility property taxes became a lien December 31, 2009, are levied after April 1, 2010, and are collected in 2010 with real property taxes.

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

The assessed values upon which fiscal year 2010 taxes were collected are:

	2009 Second- Half Collections		2010 First- Half Collection	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$627,657,240	96.17%	\$626,843,810	97.47%
Public Utility Personal	14,930,910	2.29	14,642,410	2.28
Tangible Personal Property	10,050,836	1.54	1,606,450	0.25
Total Assessed Value	<u>\$652,638,986</u>	<u>100.00%</u>	<u>\$643,092,670</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$51.90		\$51.80	

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 6 - PROPERTY TAXES (continued)

The School District receives property taxes from Greene, Montgomery, and Clark Counties. The County Auditors periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the county by June 30, 2010, are available to finance fiscal year 2010 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including Fairborn City School District. The County Auditor periodically remits to the School District its portion of taxes. Accrued property taxes receivable represents delinquent taxes outstanding and real property and public utility taxes which became measurable as of June 30, 2010. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. 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, 2010, was \$1,484,830 in the general fund and \$117,477 in the debt service fund, respectively.

NOTE 7 – RECEIVABLES

Receivables at June 30, 2010 consisted of property taxes, income taxes, payment in lieu of taxes, interfund, accrued interest, accounts (rent, tuition, and student fees), and intergovernmental. 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:

Fund Description	Amounts
General Fund	
CAFS (medicare reimbursement)	\$22,819
Nonmajor Governmental Funds:	
Food Service	4,426
Auxiliary Services	6,512
State Public Preschool Grant	17,635
Title VI-B Grant	260,900
Title II-D Grant	4,688
Comprehensive School Reform Grant	4,172
Title III Grant	3,134
Title I Grant	246,360
Preschool Grant	13,356
Reducing Class Size Grant	105,109
Miscellaneous Federal Grants	4,114
Total Nonmajor Governmental Funds	670,406
Total	\$693,225

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance 07/01/09	Increases	Decreases	Balance 6/30/10
<b>Governmental Activities</b>				
Capital Assets, not being depreciated				
Land	\$299,675	\$0	\$0	\$299,675
Capital Assets, being depreciated				
Land Improvements	7,490,760	0	0	7,490,760
Buildings and Improvements	27,922,579	0	0	27,922,579
Furniture and Equipment	4,528,377	66,611	0	4,594,988
Vehicles	4,435,596	32,000	(116,150)	4,351,446
Total at Historical Cost	<u>44,676,987</u>	<u>98,611</u>	<u>(116,150)</u>	<u>44,659,448</u>
Accumulated Depreciation				
Land Improvements	(3,443,454)	(340,190)	0	(3,783,644)
Buildings and Improvements	(18,077,217)	(741,909)	0	(18,819,126)
Furniture and Equipment	(4,267,997)	(261,124)	0	(4,529,121)
Vehicles	(3,283,093)	(129,213)	116,150	(3,296,156)
Total Accumulated Depreciation	<u>(29,071,761)</u>	<u>(1,472,436)</u>	<u>116,150</u>	<u>(30,428,047)</u>
Governmental Activities				
Capital Assets, Net	<u>\$15,605,226</u>	<u>(\$1,373,825)</u>	<u>\$0</u>	<u>\$14,231,401</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,262,015
Support Services:	
Instructional Staff	13,881
Administration	45,951
Business	3,528
Operation and Maintenance of Plant	6,072
Pupil Transportation	125,693
Central	933
Food Services	14,363
Total Depreciation Expense	<u>\$1,472,436</u>



Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 9 - RISK MANAGEMENT

The School District is exposed to various risks related to torts, theft of, damage to, and destruction of assets, error and omissions, injuries to employees and natural disasters. During fiscal year 2010, the School District carried property and general liability insurance and boiler and machinery insurance.

Professional liability is protected by the Selective Insurance Company, with \$1,000,000 each occurrence, and \$3,000,000 in annual aggregate limit. An additional "umbrella" policy through Genesis Insurance Company has \$5,000,000 per occurrence and \$5,000,000 aggregate limit.

The School District contracted with Selective Insurance Company for building and property insurance. Commercial property is insured at a limit of \$115,687,988 with a \$1,000 deductible on everything except boiler and machinery that have a \$3,500 deductible.

Automobile liability is also covered by Selective Insurance Company for replacement cost with a \$1,000 comprehensive deductible, \$1,000 collision deductible, and combined single limit each accident of \$1,000,000.

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in insurance coverage from last year.

NOTE 10 – DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

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

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending June 30, 2010, the allocation to pension and death benefits is 12.78%. The remaining 1.22% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009 and 2008 were \$729,913, \$504,102 and \$535,739 respectively; 75 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

B. State Teachers Retirement System

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

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

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

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

Funding Policy - For the fiscal year ended June 30, 2010 plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2009, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$2,850,150, \$2,666,605, and \$2,603,873 respectively; 83 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008. Contributions to the DC and Combined Plans for fiscal year 2010 were \$156,241 made by the School District and \$111,600 made by the plan members.

NOTE 11 – POSTEMPLOYMENT BENEFITS

A. School Employee Retirement System

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 2010 was \$96.40 for most participants, but could as high as \$353.60 per month depending on their income. 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 2010, the actuarially required allocation is .76%. School District contributions for the years ended June 30, 2010, 2009 and 2008 were \$43,406, \$41,593 and \$38,601, respectively; 75 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 11 – POSTEMPLOYMENT BENEFITS (continued)

**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 HMOs, PPOs, Medicare Advantage 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 105(e). 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. For the year ended June 30, 2010, the health care allocation is .46%. 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 2010, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund.

The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$146,747, \$325,574, and \$332,262 respectively; 75 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

B. State Teachers Retirement System

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

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 11 – POSTEMPLOYMENT BENEFITS (continued)

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$219,242, \$205,077, and \$200,298 respectively; 83 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

NOTE 12 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vested vacation and sick leave amounts are derived from negotiated agreements and State laws. Classified employees and Administrators earn ten to twenty days of vacation per year, depending upon length of service. Employees may accumulate and carry over up to two years vacation accumulation. At the time of separation, an employee is entitled to compensation at the current rate of pay for all unused vacation accrued for the immediately preceding two years in addition to the prorated portion of earned but unused vacation leave for the current year. Teachers do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 252 days for teachers and administrators and 243 days for the classified staff. Upon retirement with a minimum of ten years of service with the School District or employees who attain age 55 or retire through STRS or SERS payment is made for thirty-three percent of the employee's accumulated sick leave up to a maximum of 84 days for teachers and administrators and 81 days for classified staff.

Life Insurance

The School District provides life insurance and accidental death insurance to most employees through Unum Life Insurance Company of America.

Employee Medical/Dental Benefits

The School District has elected to provide employee medical/surgical benefits through Anthem. The School District pays 90% of family or single plans with the exception of 9 month employees. For employees working less than 10 months the board pays 90% for a single plan and 50% of a family plan. The School District provides 100% of the cost dental insurance to employees.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 13 - LONG TERM DEBT

Debt obligations of the School District at June 30, 2010 consisted of the following:

	Principal Outstanding 6/30/09	Additions	Deductions	Principal Outstanding 6/30/10	Amount Due within One Year
General Improvement Bonds 4.7 – 4.95%	\$1,160,000	\$0	\$565,000	\$595,000	\$595,000
General Improvement Bonds Refunded 4 – 5.25%	14,944,987	0	135,000	14,809,987	140,000
General Improvement Bond Premium	1,352,266	0	75,126	1,277,140	75,126
Energy Conservation Improvement Bonds 3.5-4.6%	820,000	0	150,000	670,000	155,000
Compensated Absences	3,524,177	888,970	1,081,821	3,331,326	332,024
<b>Total Long Term Obligations</b>	<b>\$21,801,430</b>	<b>\$888,970</b>	<b>\$2,006,947</b>	<b>\$20,683,453</b>	<b>\$1,297,150</b>

General improvement bonds issued August 1, 2000, with a variable interest rate of 4.7 – 4.95% to be paid from the debt service fund with the final maturity being during fiscal year 2027. In May 2006, these bonds were partially refunded and now have a variable interest rate of 4.0% to 5.25% with a final maturity date of 12/1/2026. A significant savings will be seen by the School District with this refunded issue.

Energy Conservation Improvement bonds were issued February 28, 2002 for \$1,705,000 at a variable interest rate of 3.5 – 4.6% for the purpose of the improvement and renovation of buildings. The bonds were issued for a twelve year period with a final maturity during fiscal year 2014.

All debt issues will be retired from the Debt Service Fund. Compensated absences will be paid from the funds from which the employees' salaries are paid. The School District's overall legal debt margin was \$43,409,159, the energy conservation loan debt margin was \$5,117,834 with an unvoted debt margin of \$643,093 at June 30, 2010.

The annual requirements to amortize all debt outstanding as of June 30, 2010 are as follows:

Year Ending June 30,	Principal	Interest	Total
2011	\$ 890,000	\$ 744,377	\$ 1,634,377
2012	935,000	704,251	1,639,251
2013	965,000	664,831	1,629,831
2014	238,977	1,421,407	1,660,384
2015	41,010	1,425,233	1,466,243
2016-2020	4,565,000	2,684,247	7,249,247
2021-2025	5,715,000	1,426,875	7,141,875
2026-2027	2,725,000	137,875	2,862,875
<b>Total</b>	<b>\$16,074,987</b>	<b>\$ 9,209,096</b>	<b>\$25,284,083</b>

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 14 - INTERFUND BALANCE/TRANSFERS

Interfund balances at June 30, 2010, consist of the following individual receivables and payables:

	Transfers In	Transfers Out	Interfund Receivable	Interfund Payable
Major Funds				
General	\$0	\$254,876	\$35,114	\$0
Debt Service	183,875	0	0	0
Non-Major Governmental				
Special Revenue Funds	71,001	0	0	35,114
Total	<u>\$254,876</u>	<u>\$254,876</u>	<u>\$35,114</u>	<u>\$35,114</u>

The interfund activity from the general fund to the others funds were to cover timing differences in the various grants funds and balances in the debt service fund. The School District expects to receive the grant monies within one year and advances will be repaid to the general fund.

NOTE 15 - SET-ASIDE CALCULATIONS AND FUND RESERVES

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

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

	Textbooks	Capital Acquisition
Set-aside Cash Balance as of June 30, 2009	\$974,869	\$0
Current Year Set-aside Requirement	728,228	728,228
Qualifying Disbursements	(909,019)	(828,318)
Offsets	0	0
Total	<u>\$794,078</u>	<u>(\$100,090)</u>
Set-aside Cash Balance carried forward	<u>\$794,078</u>	<u>\$0</u>

The District did not calculate set aside amounts in accordance with ORC 3315.17, 3315.171, 3315.18, 3315.181, 3317.012, and 3317.02. Audit adjustments were required to correctly present the amounts.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 16 -JOINTLY GOVERNED ORGANIZATIONS

Southwestern Ohio Educational Purchasing Council (SOEPC)

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing council made up of over 126 public school districts in 18 counties. The purpose of the council is to obtain reduced prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the general fund. The School District paid \$459,100 to SOEPC for the year ended June 30, 2010. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, 303 Corporate Center, Suite 208, Vandalia, OH 45377.

Miami Valley Special Education Regional Resource Center

The Miami Valley Special Education Regional Resource Center (SERRC) is a special education service center, which selects its own board, adopts its own budget and receives Federal and State grants for its operation. The jointly-governed organization was formed for the purpose of initiating, expanding and improving special education programs and services for children with disabilities and their parents. The SERRC is governed by a board of 38 members made up of the 38 superintendents, 6 parent mentors, 12 special education directors, and one university. Some entities have more than one voting delegate. Financial information can be obtained from Joni Shoemaker, at the Montgomery County Educational Service Center, 200 S Keowee Street, Dayton, Ohio 45402.

Southwestern Ohio Instructional Technology Association (SOITA)

The Southwestern Ohio Instructional Technology Association (SOITA) is a not-for-profit corporation. The purpose of the corporation is to serve the educational needs of the area through television programming for the advancement of educational programs.

The Board of Trustees is comprised of twenty-one representatives of SOITA member schools or institutions. Nineteen representatives are elected from within the counties by the qualified members within the counties, i.e., Auglaize, Brown, Butler, Champaign, Clark, Clermont, Clinton, Darke, Fayette, Greene, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby, and Warren. Montgomery, Greene and Butler Counties elect two representatives per area. All others elect one representative per area. One at-large non-public representative is elected by the non-public school SOITA members from within the State assigned SOITA service area. One at-large higher education representative is elected by higher education SOITA members from within the State assigned SOITA service area.



Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS (continued)

All member districts are obligated to pay all fees, charges, or other assessments as established by the SOITA. Upon dissolution, the net assets shall be distributed to the federal government, or to a state or local government, for a public purpose. Payments to SOITA are made from the general fund. The School District paid \$2,615 to SOITA for the year ended June 30, 2010. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Larry Pouge, who serves as Director, at 150 East Sixth Street, Franklin, Ohio 45005.

Greene County Career Center

The Greene County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the seven participating Districts' elected Boards, which possesses its own budgeting and taxing authority. To obtain financial information, write to the Greene County Career Center, Judy Geers, who serves as Treasurer, at 2960 W. Enon Rd., Xenia, OH 45385.

Metropolitan Dayton Educational Cooperative Association

The School District is a participant in the Metropolitan Dayton Educational Cooperative Association (MDECA) which is a computer consortium. MDECA is an association of public Districts within the boundaries of Montgomery, Miami and Darke Counties, and the Cities of Dayton, Troy, Fairborn, and Greenville. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member Districts.

The governing board of MDECA consists of seven Superintendents of member Districts, with six of the Superintendents elected by majority vote of all member Districts except Montgomery County Educational Service Center. The seventh Superintendent is from the Montgomery County Educational Service Center. The School District paid \$95,719 for these services for the year ended June 30, 2010. Financial information can be obtained from Jerry Woodyard, who serves as director, at 201 Riverside Drive, Suite 1C, Dayton, Ohio 45405.

NOTE 17 - INSURANCE PURCHASING POOL

The School District is a member of the Southwestern Ohio Educational Purchasing Council Workers' Compensation Group Rating Plan (SOEPC). The cooperative council contracts with Comp Management to provide an insurance purchasing pool for workers compensation. The School District is penalty rated due to a large number of claims and therefore does not receive the low rate. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, 303 Corporate Center, Suite 208, Vandalia, OH 45377.

Fairborn City School District  
Greene County, Ohio  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2010

NOTE 18 - CONTINGENCIES

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2010.

NOTE 19 – PERMANENT FUND BALANCE

The School District's permanent fund consists of many different donations established for a variety of purposes. The permanent fund includes donor-restricted endowment funds. Net assets associated with the permanent fund are classified and reported based on the existence or absence of donor-imposed restrictions. Any additional School Board restrictions are reported in expendable net assets under the permanent fund.

The School District records the annual income of the permanent fund as expendable net assets and appropriated for expenditure upon meeting other donor restrictions. The School District reports the original and any future permanently restricted donor funds as nonexpendable net assets that are used to generate interest income that is available for expenditure.

The School District has a spending policy with respect to expendable amounts available for distribution within the permanent fund. The School District has typically expended less than the interest earned; however, all expendable funds could be distributed as long as the other donor restrictions have been satisfied.

The following table shows the changes in the expendable and nonexpendable net assets of the permanent fund during the fiscal year:

	Net Assets	
	Expendable	Nonexpendable
Beginning Balance - June 30, 2009	\$67,779	\$140,000
Contributions:		
Interest	2,687	0
Additional gifts (unrestricted)	25	0
Deductions:		
Instructional assistance	1,215	0
Ending Balance - June 30, 2010	<u>\$69,276</u>	<u>\$140,000</u>

***Fairborn City School District***  
***Fund Descriptions***  
***Special Revenue Funds***

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes. The following are descriptions of the School District's nonmajor special revenue funds:

***Nonmajor Special Revenue Funds***

**Food service** – It accounts for all food service charges for services, state and federal grants specific to the fund service activity, as well as related food service expenditures.

**Special Trust** – A fund used to account for contributions received by the School District that are eligible for use in all School District programs.

**Uniform School Supplies** – A fund provided to account for the purchase and sale of school supplies as adopted by the board of education for use in the schools of the district. Profit derived from such sale is to be used for school purposes or activities in connection with the School District.

**Public School Support** – This fund is used 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.

**Other Grant** – This fund accounts for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

**District Managed Activities** – This fund accounts for those student activity programs that have student participation in the activity, but do not have student management of the programs.

**Auxiliary Services** - A fund used to account for monies which provide services and materials to pupils attending non-public schools within the School District.

**Educational Management Information Systems** – This fund accounts for hardware and software development, or other costs associated with the requirements of the management information system.

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

**Early Entry Program** – To implement entry-year programs pursuant to division (T) of section 3317.024 of the Revised Code.

**OneNet Ohio** – A fund provided to account for money appropriated for Ohio Educational Computer Network Connections.

***Fairborn City School District***  
***Fund Descriptions***  
***Nonmajor Special Revenue Funds (continued)***

**Parity Aid** - A fund use to account for monies appropriated for poverty based assistance as part of the state foundation system. Programs include are academic intervention, all-day kindergarten, class-size reduction, Limited English Proficient students, professional development, dropout prevention, and community outreach.

**Miscellaneous State Grants** – This fund accounts for various monies received from State agencies that are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

**Title VI-B Grant** – This fund accounts for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

**Fiscal Stabilization Grant** – This fund accounts for federal stimulus funds that are provided through the Ohio Department of Education in an effort to help offset general fund costs.

**Title II-D Grant** – To improve State academic achievement through technology in schools; to assist student in becoming technologically literate by the end of eighth grade, and; to encourage effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

**Comprehensive School Reform Grant** - To provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children through this program.

**Stimulus School Improvement Subsidy Grant** - School Improvement funds are provided to school district buildings through a competitive process in amounts ranging from \$50,000 to \$2,000,000 per year for three years for implementing a school improvement plan that is focused on the specific reasons that caused the building to be identified for school improvement under the No Child Left Behind Act. Districts and buildings must use the Ohio Improvement Process as approved in the Differentiated Accountability proposal approved by the U.S. Department of Education.

**Nutrition Education Grant** - To encourage the effective dissemination of scientifically valid information to children participating or eligible to participate in the school lunch and related nutrition programs.

**Title III Grant** - This fund accounts for the School to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

***Fairborn City School District***  
***Fund Descriptions***  
***Nonmajor Special Revenue Funds (continued)***

**Title I Grant** – This fund accounts for federal funds expended for services provided to meet special educational needs of educationally deprived children.

**Drug-Free Grant** – This fund accounts for federal funds used to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

**EHA Preschool Grant** – The Preschool Grant 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.

**Improving Teacher Quality Grant** – This fund accounts for federal funds to be used to support the teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

**Miscellaneous Federal Grants** – This fund accounts for the proceeds of specific federal grants that are legally restricted to expenditures for specific purposes.

***Capital Projects Funds***

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, and for major renovation projects including equipment purchases. The following is a description of the School District's nonmajor capital project fund:

**Building Fund** – A fund used to account for the receipts and expenditures related to all special bond funds in the district. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities in real property.

***Permanent Fund***

Permanent funds report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs--that is, for the benefit of the school district or its students/citizenry.

**Permanent Fund** – The School District accounts for donations and contributions that help generate interest income that the School District can provide to students while maintaining the principal balance.

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Balance Sheet - Nonmajor Governmental Funds**  
**June 30, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Investments	\$ 1,779,800	\$ 159,205	\$ 209,276	\$ 2,148,281
Receivables:				
Accounts	3,327	0	0	3,327
Intergovernmental	670,406	0	0	670,406
Materials and Supplies Inventory	18,201	0	0	18,201
<b>Total Assets</b>	<b>2,471,734</b>	<b>159,205</b>	<b>209,276</b>	<b>2,840,215</b>
<b><u>Liabilities and Fund Balances</u></b>				
<b><u>Liabilities:</u></b>				
Payables:				
Accounts	88,201	60	0	88,261
Due to Local Governments	187,452	0	0	187,452
Salaries and Employee Benefits	584,937	0	0	584,937
Interfund	35,114	0	0	35,114
Deferred Revenue	157,749	0	0	157,749
<b>Total Liabilities</b>	<b>1,053,453</b>	<b>60</b>	<b>0</b>	<b>1,053,513</b>
<b><u>Fund Balances:</u></b>				
Reserved for:				
Encumbrances	128,551	3,895	1,630	134,076
Inventory	18,201	0	0	18,201
Unreserved, reported in:				
Special Revenue	1,271,529	0	0	1,271,529
Capital Projects	0	155,250	0	155,250
Permanent	0	0	207,646	207,646
<b>Total Fund Balances</b>	<b>1,418,281</b>	<b>159,145</b>	<b>209,276</b>	<b>1,786,702</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,471,734</b>	<b>\$ 159,205</b>	<b>\$ 209,276</b>	<b>\$ 2,840,215</b>

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Intergovernmental	\$6,150,775	\$0	\$0	\$6,150,775
Charges for Services	639,819	0	0	639,819
Interest	2,300	180	2,687	5,167
Tuition and Fees	133,232	0	0	133,232
Gifts and Donations	20,536	110,000	25	130,561
Extracurricular Activities	150,286	0	0	150,286
Miscellaneous	26,936	0	0	26,936
<b>Total Revenues</b>	<b>7,123,884</b>	<b>110,180</b>	<b>2,712</b>	<b>7,236,776</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	486,468	0	1,215	487,683
Special	2,684,211	0	0	2,684,211
Other	527,438	0	0	527,438
Support Services:				
Pupils	146,273	0	0	146,273
Instructional Staff	1,025,426	0	0	1,025,426
Administration	133,943	0	0	133,943
Operation and Maintenance of Plant	3,808	101	0	3,909
Pupil Transportation	435	0	0	435
Central	90,499	0	0	90,499
Operation of Non-Instructional Services	1,694,355	0	0	1,694,355
Extracurricular Activities	115,101	0	0	115,101
Capital Outlay	0	6,600	0	6,600
<b>Total Expenditures</b>	<b>6,907,957</b>	<b>6,701</b>	<b>1,215</b>	<b>6,915,873</b>
Excess of Revenues Over Expenditures	215,927	103,479	1,497	320,903
<b>Other Financing Sources</b>				
Transfers - In	71,001	0	0	71,001
<b>Total Other Financing Sources</b>	<b>71,001</b>	<b>0</b>	<b>0</b>	<b>71,001</b>
<b>Net Change in Fund Balances</b>	<b>286,928</b>	<b>103,479</b>	<b>1,497</b>	<b>391,904</b>
Fund Balances - beginning	1,135,366	55,666	207,779	1,398,811
Change in inventory	(4,013)	0	0	(4,013)
<b>Fund Balances - ending</b>	<b>\$ 1,418,281</b>	<b>\$ 159,145</b>	<b>\$ 209,276</b>	<b>\$ 1,786,702</b>

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds**  
**June 30, 2010**

	<u>Food Service</u>	<u>Special Trust</u>	<u>Uniform School Supplies</u>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Investments	\$ 1,150,678	\$ 10,716	\$ 105,497
Receivables:			
Accounts	0	0	650
Intergovernmental	4,426	0	0
Materials and Supplies Inventory	<u>18,201</u>	<u>0</u>	<u>0</u>
 Total Assets	 <u><u>1,173,305</u></u>	 <u><u>10,716</u></u>	 <u><u>106,147</u></u>
<b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Payables:			
Accounts	5,044	0	7,228
Due to Local Governments	31,922	0	0
Salaries and Employee Benefits	23,977	0	0
Interfund	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u><u>60,943</u></u>	<u><u>0</u></u>	<u><u>7,228</u></u>
<b><u>Fund Balances:</u></b>			
Reserved for:			
Encumbrances	0	1,000	18,695
Inventory	18,201	0	0
Unreserved, reported in:			
Special Revenue (Deficit)	<u>1,094,161</u>	<u>9,716</u>	<u>80,224</u>
 Total Fund Balances (Deficit)	 <u><u>1,112,362</u></u>	 <u><u>10,716</u></u>	 <u><u>98,919</u></u>
 Total Liabilities and Fund Balances	 <u><u>\$ 1,173,305</u></u>	 <u><u>\$ 10,716</u></u>	 <u><u>\$ 106,147</u></u>



**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds**  
**June 30, 2010**

Public School Support	Other Grant	District Managed Activities	Auxiliary Services	Educational Management Information Systems	State Public Preschool
\$ 31,405	\$ 866	\$ 36,896	\$ 34,733	\$ 9,876	\$ 1,464
2,677	0	0	0	0	0
0	0	0	6,512	0	17,635
0	0	0	0	0	0
<u>34,082</u>	<u>866</u>	<u>36,896</u>	<u>41,245</u>	<u>9,876</u>	<u>19,099</u>
65	2,879	5,302	1,535	0	0
0	0	0	0	5,282	4,944
0	0	0	0	2,952	17,776
1,000	0	0	0	0	0
0	0	0	0	0	0
<u>1,065</u>	<u>2,879</u>	<u>5,302</u>	<u>1,535</u>	<u>8,234</u>	<u>22,720</u>
5,269	0	9,511	6,735	214	0
0	0	0	0	0	0
<u>27,748</u>	<u>(2,013)</u>	<u>22,083</u>	<u>32,975</u>	<u>1,428</u>	<u>(3,621)</u>
<u>33,017</u>	<u>(2,013)</u>	<u>31,594</u>	<u>39,710</u>	<u>1,642</u>	<u>(3,621)</u>
<u>\$ 34,082</u>	<u>\$ 866</u>	<u>\$ 36,896</u>	<u>\$ 41,245</u>	<u>\$ 9,876</u>	<u>\$ 19,099</u>

(continued)

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds**  
**June 30, 2010**  
**(continued)**

	<u>Early Entry Programs</u>	<u>Parity Aid</u>	<u>Miscellaneous State Grants</u>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Investments	\$ 701	\$ 489	\$ 10,615
Receivables:			
Accounts	0	0	0
Intergovernmental	0	0	0
Materials and Supplies Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u><u>701</u></u>	<u><u>489</u></u>	<u><u>10,615</u></u>
<b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Payables:			
Accounts	0	0	0
Due to Local Governments	0	0	0
Salaries and Employee Benefits	0	0	0
Interfund	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
<b><u>Fund Balances:</u></b>			
Reserved for:			
Encumbrances	0	0	0
Inventory	0	0	0
Unreserved, reported in:			
Special Revenue (Deficit)	<u>701</u>	<u>489</u>	<u>10,615</u>
Total Fund Balances (Deficit)	<u><u>701</u></u>	<u><u>489</u></u>	<u><u>10,615</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 701</u></u>	<u><u>\$ 489</u></u>	<u><u>\$ 10,615</u></u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds**  
**June 30, 2010**

Title VI-B Grant	Fiscal Stablization Grant	Title II-D Grant	Comprehensive School Reform Grant	Title III Grant	Title I Grant
\$ 2,838	\$ 315,764	\$0	\$ 8,851	\$0	\$ 46,238
0	0	0	0	0	0
260,900	0	4,688	4,172	3,134	246,360
0	0	0	0	0	0
<u>263,738</u>	<u>315,764</u>	<u>4,688</u>	<u>13,023</u>	<u>3,134</u>	<u>292,598</u>
63,092	1,327	0	0	0	0
54,061	36,804	0	2,007	0	42,836
175,674	111,895	0	6,771	0	203,029
30,000	0	0	0	0	0
0	0	4,688	4,172	0	52,960
<u>322,827</u>	<u>150,026</u>	<u>4,688</u>	<u>12,950</u>	<u>0</u>	<u>298,825</u>
2,652	72,184	0	0	0	5,101
0	0	0	0	0	0
<u>(61,741)</u>	<u>93,554</u>	<u>0</u>	<u>73</u>	<u>3,134</u>	<u>(11,328)</u>
<u>(59,089)</u>	<u>165,738</u>	<u>0</u>	<u>73</u>	<u>3,134</u>	<u>(6,227)</u>
<u>\$ 263,738</u>	<u>\$ 315,764</u>	<u>\$ 4,688</u>	<u>\$ 13,023</u>	<u>\$ 3,134</u>	<u>\$ 292,598</u>

(continued)

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds**  
**June 30, 2010**  
**(continued)**

	<u>Drug-Free Grant</u>	<u>EHA Preschool Grant</u>	<u>Improving Teacher Quality</u>
<b><u>Assets:</u></b>			
Equity in Pooled Cash and Investments	\$0	\$ 2,882	\$ 6,954
Receivables:			
Accounts	0	0	0
Intergovernmental	0	13,356	105,109
Materials and Supplies Inventory	<u>0</u>	<u>0</u>	<u>0</u>
 Total Assets	 <u>0</u>	 <u>16,238</u>	 <u>112,063</u>
 <b><u>Liabilities and Fund Balances</u></b>			
<b><u>Liabilities:</u></b>			
Payables:			
Accounts	0	0	1,729
Due to Local Governments	54	2,994	6,548
Salaries and Employee Benefits	0	11,269	31,594
Interfund	0	0	0
Deferred Revenue	0	18,563	77,366
Total Liabilities	<u>54</u>	<u>32,826</u>	<u>117,237</u>
 <b><u>Fund Balances:</u></b>			
Reserved for:			
Encumbrances	0	113	7,077
Inventory	0	0	0
Unreserved, reported in:			
Special Revenue (Deficit)	<u>(54)</u>	<u>(16,701)</u>	<u>(12,251)</u>
 Total Fund Balances (Deficit)	 <u>(54)</u>	 <u>(16,588)</u>	 <u>(5,174)</u>
 Total Liabilities and Fund Balances	 <u>\$ -</u>	 <u>\$ 16,238</u>	 <u>\$ 112,063</u>

**Fairborn City School District  
Greene County, Ohio  
Combining Balance Sheet - Nonmajor Special Revenue Funds  
June 30, 2010**

Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 2,337	\$ 1,779,800
0	3,327
4,114	670,406
0	18,201
6,451	2,471,734
0	88,201
0	187,452
0	584,937
4,114	35,114
0	157,749
4,114	1,053,453
0	128,551
0	18,201
2,337	1,271,529
2,337	1,418,281
\$ 6,451	\$ 2,471,734

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2010**

	Food Service	Special Trust	Uniform School Supplies	Public School Support	Other Grant
<b>Revenues:</b>					
Intergovernmental	\$1,167,256	\$0	\$2,900	\$0	\$0
Charges for Services	639,819	0	0	0	0
Tuition and Fees	0	0	133,232	0	0
Interest	2,135	26	0	0	0
Gifts and Donations	0	0	0	7,901	0
Extracurricular Activities	0	0	0	45,702	0
Miscellaneous	371	0	0	25,659	0
<b>Total Revenues</b>	<b>1,809,581</b>	<b>26</b>	<b>136,132</b>	<b>79,262</b>	<b>0</b>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	0	1,500	140,577	99,358	2,879
Special	0	0	0	0	0
Other	0	0	0	0	0
Support Services:					
Pupils	0	0	0	0	75
Instructional Staff	0	0	0	0	0
Administration	0	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0	0
Pupil Transportation	0	0	0	433	0
Central	0	0	0	100	0
Operation of Non-Instructional Services	1,634,839	365	0	0	0
Extracurricular Activities	0	0	0	0	0
<b>Total Expenditures</b>	<b>1,634,839</b>	<b>1,865</b>	<b>140,577</b>	<b>99,891</b>	<b>2,954</b>
Excess (deficiency) of Revenues Over (Under) Expenditures	174,742	(1,839)	(4,445)	(20,629)	(2,954)
<b>Other Financing Sources</b>					
Transfers - In	0	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>174,742</b>	<b>(1,839)</b>	<b>(4,445)</b>	<b>(20,629)</b>	<b>(2,954)</b>
Fund Balances (Deficit) - beginning	941,633	12,555	103,364	53,646	941
Change in Inventory	(4,013)	0	0	0	0
<b>Fund Balances (Deficit) - ending</b>	<b>\$1,112,362</b>	<b>\$10,716</b>	<b>\$98,919</b>	<b>\$33,017</b>	<b>(\$2,013)</b>

**Fairborn City School District  
Greene County, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2010**

District Managed Activities	Auxiliary Services	Educational Management Information Systems	State Public Preschool	Early Entry Programs	OneNet Ohio
\$0	\$72,870	\$8,170	\$142,291	\$0	\$9,145
0	0	0	0	0	0
0	0	0	0	0	0
98	41	0	0	0	0
12,635	0	0	0	0	0
104,584	0	0	0	0	0
844	0	0	0	62	0
<u>118,161</u>	<u>72,911</u>	<u>8,170</u>	<u>142,291</u>	<u>62</u>	<u>9,145</u>
0	0	0	82,850	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	14,683	0	0
0	0	0	23,559	0	0
0	0	0	0	0	0
3,808	0	0	0	0	0
0	0	0	0	0	0
0	0	81,254	0	0	9,145
0	48,856	0	0	0	0
115,101	0	0	0	0	0
<u>118,909</u>	<u>48,856</u>	<u>81,254</u>	<u>121,092</u>	<u>0</u>	<u>9,145</u>
(748)	24,055	(73,084)	21,199	62	0
<u>1,000</u>	<u>0</u>	<u>70,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,000</u>	<u>0</u>	<u>70,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
252	24,055	(3,084)	21,199	62	0
31,342	15,655	4,726	(24,820)	639	0
0	0	0	0	0	0
<u>\$31,594</u>	<u>\$39,710</u>	<u>\$1,642</u>	<u>(\$3,621)</u>	<u>\$701</u>	<u>\$0</u>

(continued)

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2010**  
**(continued)**

	Parity Aid	Miscellaneous State Grants	Title VI-B Grant	Fiscal Stablization Grant
<b>Revenues:</b>				
Intergovernmental	\$0	\$20,461	\$1,619,377	\$1,116,688
Charges for Services	0	0	0	0
Tuition and Fees	0	0	0	0
Interest	0	0	0	0
Gifts and Donations	0	0	0	0
Extracurricular Activities	0	0	0	0
Miscellaneous	0	0	0	0
<b>Total Revenues</b>	<b>0</b>	<b>20,461</b>	<b>1,619,377</b>	<b>1,116,688</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	8,604	45,864	0	85,922
Special	0	2,956	1,164,906	251,182
Other	1,468	0	0	525,970
Support Services:				
Pupils	0	0	50,098	0
Instructional Staff	783	10,819	375,338	87,526
Administration	0	0	72,300	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
<b>Total Expenditures</b>	<b>10,855</b>	<b>59,639</b>	<b>1,662,642</b>	<b>950,600</b>
Excess (deficiency) of Revenues Over (Under) Expenditures	(10,855)	(39,178)	(43,265)	166,088
<b>Other Financing Uses</b>				
Transfers - In	0	0	1	0
<b>Total Other Financing Uses</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>(10,855)</b>	<b>(39,178)</b>	<b>(43,264)</b>	<b>166,088</b>
Fund Balances (Deficit) - beginning	11,344	49,793	(15,825)	(350)
Change in Inventory	0	0	0	0
<b>Fund Balances (Deficit) - ending</b>	<b>\$489</b>	<b>\$10,615</b>	<b>(\$59,089)</b>	<b>\$165,738</b>



**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2010**

Title II-D Grant	Comprehensive School Reform Grant	Stimulus School Improvement Subsidy Grant	Nutrition Education Grant	Title III Grant	Title I Grant
\$5,993	\$55,828	\$2,468	\$0	\$16,026	\$1,570,463
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
<u>5,993</u>	<u>55,828</u>	<u>2,468</u>	<u>0</u>	<u>16,026</u>	<u>1,570,463</u>
5,993	0	0	0	12,921	0
0	0	0	0	0	1,257,492
0	0	0	0	0	0
0	0	2,468	0	0	28,030
0	55,755	0	54	0	166,216
0	0	0	0	0	61,643
0	0	0	0	0	0
0	0	0	0	0	2
0	0	0	0	0	0
0	0	0	0	0	10,295
0	0	0	0	0	0
<u>5,993</u>	<u>55,755</u>	<u>2,468</u>	<u>54</u>	<u>12,921</u>	<u>1,523,678</u>
0	73	0	(54)	3,105	46,785
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	73	0	(54)	3,105	46,785
0	0	0	54	29	(53,012)
0	0	0	0	0	0
<u>\$0</u>	<u>\$73</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,134</u>	<u>(\$6,227)</u>

(continued)

**Fairborn City School District**  
**Greene County, Ohio**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2010**  
**(continued)**

	Drug-Free Grant	EHA Preschool Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>					
Intergovernmental	\$17,782	\$60,848	\$252,876	\$9,333	\$6,150,775
Charges for Services	0	0	0	0	639,819
Tuition and Fees	0	0	0	0	133,232
Interest	0	0	0	0	2,300
Gifts and Donations	0	0	0	0	20,536
Extracurricular Activities	0	0	0	0	150,286
Miscellaneous	0	0	0	0	26,936
<b>Total Revenues</b>	<b>17,782</b>	<b>60,848</b>	<b>252,876</b>	<b>9,333</b>	<b>7,123,884</b>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	0	0	0	0	486,468
Special	0	5,544	0	2,131	2,684,211
Other	0	0	0	0	527,438
Support Services:					
Pupils	17,727	33,192	0	0	146,273
Instructional Staff	0	32,996	261,807	10,573	1,025,426
Administration	0	0	0	0	133,943
Operation and Maintenance of Plant	0	0	0	0	3,808
Pupil Transportation	0	0	0	0	435
Central	0	0	0	0	90,499
Operation of Non-Instructional Services	0	0	0	0	1,694,355
Extracurricular Activities	0	0	0	0	115,101
<b>Total Expenditures</b>	<b>17,727</b>	<b>71,732</b>	<b>261,807</b>	<b>12,704</b>	<b>6,907,957</b>
Excess (deficiency) of Revenues Over (Under) Expenditures	55	(10,884)	(8,931)	(3,371)	215,927
<b>Other Financing Uses</b>					
Transfers - In	0	0	0	0	71,001
<b>Total Other Financing Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>71,001</b>
<b>Net Change in Fund Balances</b>	<b>55</b>	<b>(10,884)</b>	<b>(8,931)</b>	<b>(3,371)</b>	<b>286,928</b>
Fund Balances (Deficit) - beginning	(109)	(5,704)	3,757	5,708	1,135,366
Change in Inventory	0	0	0	0	(4,013)
<b>Fund Balances (Deficit) - ending</b>	<b>(\$54)</b>	<b>(\$16,588)</b>	<b>(\$5,174)</b>	<b>\$2,337</b>	<b>\$1,418,281</b>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Food Service Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$999,096	\$999,096	\$1,171,852	\$172,756
Charges for Services	632,300	632,300	641,982	9,682
Interest	5,000	5,000	2,135	(2,865)
Miscellaneous	1,000	1,000	371	(629)
<b>Total Revenues</b>	<b>1,637,396</b>	<b>1,637,396</b>	<b>1,816,340</b>	<b>178,944</b>
<b><u>Expenditures:</u></b>				
Current:				
Operation of Non-Instructional Services	2,432,018	2,087,018	1,649,356	437,662
<b>Total Expenditures</b>	<b>2,432,018</b>	<b>2,087,018</b>	<b>1,649,356</b>	<b>437,662</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(794,622)	(449,622)	166,984	616,606
<b><u>Other Financing Sources:</u></b>				
Refund of Prior Year Expenditures	0	0	11	11
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>11</b>
<b>Net Change in Fund Balance</b>	<b>(794,622)</b>	<b>(449,622)</b>	<b>166,995</b>	<b>616,617</b>
Fund Balances at Beginning of Year	946,864	946,864	946,864	0
Prior Year Encumbrances Appropriated	18,566	18,566	18,566	0
<b>Fund Balances at End of Year</b>	<b>\$170,808</b>	<b>\$515,808</b>	<b>\$1,132,425</b>	<b>\$616,617</b>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Special Trust			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Interest	115	20	26	6
Total Revenues	115	20	26	6
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	3,071	3,071	2,500	571
Operation of Non- Instructional Services	3,173	3,173	365	2,808
Total Expenditures	6,244	6,244	2,865	3,379
Net Change in Fund Balance	(6,129)	(6,224)	(2,839)	3,385
Fund Balances at Beginning of Year	12,306	12,306	12,306	0
Prior Year Encumbrances Appropriated	250	250	250	0
Fund Balances at End of Year	<u>\$6,427</u>	<u>\$6,332</u>	<u>\$9,717</u>	<u>\$3,385</u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Uniform School Supplies			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$0	\$2,900	\$2,900
Tuition and Fees	142,300	134,800	135,430	630
<b>Total Revenues</b>	<b>142,300</b>	<b>134,800</b>	<b>138,330</b>	<b>3,530</b>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	147,985	182,984	165,616	17,368
<b>Total Expenditures</b>	<b>147,985</b>	<b>182,984</b>	<b>165,616</b>	<b>17,368</b>
Excess of Revenues Over (Under) Expenditures	(5,685)	(48,184)	(27,286)	20,898
<b><u>Other Financing Sources:</u></b>				
Refund of Prior Year Expenditures	0	0	62	62
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>62</b>	<b>62</b>
<b>Net Change in Fund Balance</b>	<b>(5,685)</b>	<b>(48,184)</b>	<b>(27,224)</b>	<b>20,960</b>
Fund Balances at Beginning of Year	88,731	88,731	88,731	0
Prior Year Encumbrances Appropriated	15,169	15,169	15,169	0
<b>Fund Balances at End of Year</b>	<b>\$98,215</b>	<b>\$55,716</b>	<b>\$76,676</b>	<b>\$20,960</b>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Public School Support			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Extracurricular Activities	\$65,400	\$40,400	\$45,702	\$5,302
Gifts and Donations	3,600	3,600	7,901	4,301
Miscellaneous	44,450	38,950	29,404	(9,546)
<b>Total Revenues</b>	<b>113,450</b>	<b>82,950</b>	<b>83,007</b>	<b>57</b>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	132,852	129,312	102,264	27,048
Support Services:				
Operation and Maintenance of Plant	500	500	0	500
Pupil Transportation	600	600	433	167
Central	200	200	100	100
<b>Total Expenditures</b>	<b>134,152</b>	<b>130,612</b>	<b>102,797</b>	<b>27,815</b>
Excess of Revenues Over Expenditures	(20,702)	(47,662)	(19,790)	27,872
<b><u>Other Financing Sources:</u></b>				
Advances In	0	0	1,000	1,000
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>
<b>Net Change in Fund Balance</b>	<b>(20,702)</b>	<b>(47,662)</b>	<b>(18,790)</b>	<b>28,872</b>
Fund Balances at Beginning of Year	45,977	45,977	45,977	0
Prior Year Encumbrances Appropriated	1,837	1,837	1,837	0
<b>Fund Balances at End of Year</b>	<b>\$27,112</b>	<b>\$152</b>	<b>\$29,024</b>	<b>\$28,872</b>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Other Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Gifts and Donations	\$0	\$2,900	\$0	(\$2,900)
Total Revenues	0	2,900	0	(2,900)
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	867	3,767	0	3,767
Support Services:				
Pupils	75	75	75	0
Total Expenditures	942	3,842	75	3,767
Net Change in Fund Balance	(942)	(942)	(75)	867
Fund Balances at Beginning of Year	942	942	942	0
Fund Balances at End of Year	\$0	\$0	\$867	\$867

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	District Managed Activities			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Interest	\$550	\$550	\$98	(\$452)
Extracurricular Activities	113,425	102,125	104,584	2,459
Gifts and Donations	4,000	13,500	12,635	(865)
Miscellaneous	550	550	844	294
Total Revenues	<u>118,525</u>	<u>116,725</u>	<u>118,161</u>	<u>1,436</u>
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Operation and Maintenance of Plant	7,000	7,000	3,808	3,192
Extracurricular Activities	142,715	141,051	120,525	20,526
Total Expenditures	<u>149,715</u>	<u>148,051</u>	<u>124,333</u>	<u>23,718</u>
Excess of Revenues (Under) Expenditures	(31,190)	(31,326)	(6,172)	25,154
<b><u>Other Financing Sources:</u></b>				
Refund of Prior Year Expenditures	0	0	70	70
Transfers In	0	0	1,000	1,000
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>1,070</u>	<u>1,070</u>
Net Change in Fund Balance	(31,190)	(31,326)	(5,102)	26,224
Fund Balances at Beginning of Year	29,812	29,812	29,812	0
Prior Year Encumbrances Appropriated	1,538	1,538	1,538	0
Fund Balances at End of Year	<u>\$160</u>	<u>\$24</u>	<u>\$26,248</u>	<u>\$26,224</u>



**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Auxiliary Services			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$69,100	\$68,397	\$66,358	(\$2,039)
Interest	0	33	41	8
Total Revenues	69,100	68,430	66,399	(2,031)
<b><u>Expenditures:</u></b>				
Operation of Non- Instructional Services	92,471	106,900	79,748	27,152
Total Expenditures	92,471	106,900	79,748	27,152
Net Change in Fund Balance	(23,371)	(38,470)	(13,349)	25,121
Fund Balances at Beginning of Year	1,340	1,340	1,340	0
Prior Year Encumbrances Appropriated	38,471	38,471	38,471	0
Fund Balances at End of Year	<u>\$16,440</u>	<u>\$1,341</u>	<u>\$26,462</u>	<u>\$25,121</u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Educational Management Information Systems			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$13,500	\$8,170	\$8,170	\$0
Total Revenues	13,500	8,170	8,170	0
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Central	94,542	90,682	81,020	9,662
Total Expenditures	94,542	90,682	81,020	9,662
Excess of Revenues Over Expenditures	(81,042)	(82,512)	(72,850)	9,662
<b><u>Other Financing Sources:</u></b>				
Transfers In	70,000	70,000	70,000	0
Net Change in Fund Balance	(11,042)	(12,512)	(2,850)	9,662
Fund Balances at Beginning of Year	12,512	12,512	12,512	0
Fund Balances at End of Year	\$1,470	\$0	\$9,662	\$9,662

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	State Public Preschool Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$22,291	\$142,291	\$124,656	(\$17,635)
Total Revenues	22,291	142,291	124,656	(17,635)
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	93,703	93,703	91,360	2,343
Support Services:				
Pupils	25,890	25,890	14,408	11,482
Instructional Staff	25,061	25,061	19,787	5,274
Total Expenditures	144,654	144,654	125,555	19,099
Net Change in Fund Balance	(122,363)	(2,363)	(899)	1,464
Fund Balances at Beginning of Year	2,363	2,363	2,363	0
Fund Balances (Deficit) at End of Year	(\$120,000)	\$0	\$1,464	\$1,464

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Early Entry Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Fund Balances at Beginning of Year	\$700	\$700	\$700	\$0
Fund Balances at End of Year	\$700	\$700	\$700	\$0

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	OneNet Ohio			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$9,145	\$9,145	\$0
Total Revenues	0	9,145	9,145	0
<b><u>Expenditures:</u></b>				
Support Services:				
Central	0	9,145	9,145	0
Total Expenditures	0	9,145	9,145	0
Net Change in Fund Balance	0	0	0	0
Fund Balances at Beginning of Year	0	0	0	0
Fund Balances at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Parity Aid Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Total Revenues	\$0	\$0	\$0	\$0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	23,676	19,056	22,571	(3,515)
Other	45,675	50,295	46,511	3,784
Support Services:				
Instructional Staff	1,002	1,002	783	219
Total Expenditures	70,353	70,353	69,865	488
Net Change in Fund Balance	(70,353)	(70,353)	(69,865)	488
Fund Balances at Beginning of Year	70,128	70,128	70,128	0
Prior Year Encumbrances Appropriated	225	225	0	225
Fund Balances at End of Year	\$0	\$0	\$263	\$713

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	<u>Miscellaneous State Grants</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Intergovernmental	\$25,948	\$28,904	\$20,461	(\$8,443)
Total Revenues	<u>25,948</u>	<u>28,904</u>	<u>20,461</u>	<u>(8,443)</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	42,271	57,570	45,864	11,706
Special	0	2,956	2,956	0
Support Services:				
Instructional Staff	<u>31,389</u>	<u>16,089</u>	<u>12,839</u>	<u>3,250</u>
Total Expenditures	<u>73,660</u>	<u>76,615</u>	<u>61,659</u>	<u>14,956</u>
Net Change in Fund Balance	(47,712)	(47,711)	(41,198)	6,513
Fund Balances at Beginning of Year	43,604	43,604	43,604	0
Prior Year Encumbrances Appropriated	<u>8,209</u>	<u>8,209</u>	<u>8,209</u>	<u>0</u>
Fund Balances at End of Year	<u><u>\$4,101</u></u>	<u><u>\$4,102</u></u>	<u><u>\$10,615</u></u>	<u><u>\$6,513</u></u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Title VI-B Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$2,252,647	\$2,286,810	\$1,423,688	(\$863,122)
Total Revenues	<u>2,252,647</u>	<u>2,286,810</u>	<u>1,423,688</u>	<u>(863,122)</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Special	1,711,143	1,741,264	1,108,484	632,780
Support Services:				
Pupils	75,261	75,261	50,404	24,857
Instructional Staff	467,047	471,136	371,974	99,162
Administration	86,282	86,235	72,819	13,416
Total Expenditures	<u>2,339,733</u>	<u>2,373,896</u>	<u>1,603,681</u>	<u>770,215</u>
Excess of Revenues Over Expenditures	(87,086)	(87,086)	(179,993)	(92,907)
<b><u>Other Financing Sources:</u></b>				
Transfers In	0	0	1	1
Advances In	0	0	30,000	30,000
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>30,001</u>	<u>30,001</u>
Net Change in Fund Balance	(87,086)	(87,086)	(149,992)	(62,906)
Fund Balances at Beginning of Year	85,236	85,236	85,236	0
Prior Year Encumbrances Appropriated	1,850	1,850	1,850	0
Fund Balances (Deficit) at End of Year	<u>\$0</u>	<u>\$0</u>	<u>(\$62,906)</u>	<u>(\$62,906)</u>



**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Fiscal Stabilization Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$511,045	\$1,116,688	\$1,116,688	\$0
Total Revenues	511,045	1,116,688	1,116,688	0
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	0	167,474	90,053	77,421
Special	225,213	295,570	241,538	54,032
Other	215,832	554,124	448,839	105,285
Support Services:				
Instructional Staff	70,000	99,520	93,929	5,591
Total Expenditures	511,045	1,116,688	874,359	242,329
Net Change in Fund Balance	0	0	242,329	242,329
Fund Balances at Beginning of Year	0	0	0	0
Fund Balances at End of Year	\$0	\$0	\$242,329	\$242,329

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Title II-D Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$10,681	\$5,993	(\$4,688)
Total Revenues	0	10,681	5,993	(4,688)
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	0	6,240	5,993	247
Special	0	2,039	0	2,039
Support Services:				
Instructional Staff	0	2,402	0	2,402
Total Expenditures	0	10,681	5,993	4,688
Net Change in Fund Balance	0	0	0	0
Fund Balances at Beginning of Year	0	0	0	0
Fund Balances at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Comprehensive School Reform Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$60,000	\$55,828	(\$4,172)
Total Revenues	0	60,000	55,828	(4,172)
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Instructional Staff	0	60,000	46,977	13,023
Total Expenditures	0	60,000	46,977	13,023
Net Change in Fund Balance	0	0	8,851	8,851
Fund Balances at Beginning of Year	0	0	0	0
Fund Balances at End of Year	\$0	\$0	\$8,851	\$8,851

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	<u>Stimulus School Improvement Subsidy Grant</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$2,468	\$2,468	\$0
Total Revenues	0	2,468	2,468	0
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Instructional Staff	0	2,468	2,468	0
Total Expenditures	0	2,468	2,468	0
Net Change in Fund Balance	0	0	0	0
Fund Balances at Beginning of Year	0	0	0	0
Fund Balances at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Nutrition Education Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$0	\$0	(\$54)	(\$54)
Total Revenues	0	0	(54)	(54)
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Pupils	54	54	0	54
Total Expenditures	54	54	0	54
Net Change in Fund Balance	(54)	(54)	(54)	0
Fund Balances at Beginning of Year	54	54	54	0
Fund Balances at End of Year	\$0	\$0	\$0	\$0

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Title III Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$1,725	\$17,779	\$12,892	(\$4,887)
Total Revenues	1,725	17,779	12,892	(4,887)
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	13,912	17,807	12,920	4,887
Total Expenditures	13,912	17,807	12,920	4,887
Net Change in Fund Balance	(12,187)	(28)	(28)	0
Fund Balances at Beginning of Year	28	28	28	0
Fund Balances (Deficit) at End of Year	<u>(\$12,159)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Title I Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$2,167,748	\$2,269,442	\$1,532,177	(\$737,265)
Total Revenues	<u>2,167,748</u>	<u>2,269,442</u>	<u>1,532,177</u>	<u>(737,265)</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Special	1,752,099	1,769,290	1,254,447	514,843
Support Services:				
Pupils	34,363	34,425	18,623	15,802
Instructional Staff	353,858	390,478	167,862	222,616
Administration	49,400	63,754	57,615	6,139
Pupil Transportation	8,291	8,291	17	8,274
Operation of Non- Instructional Services	<u>21,552</u>	<u>21,288</u>	<u>12,119</u>	<u>9,169</u>
Total Expenditures	<u>2,219,563</u>	<u>2,287,526</u>	<u>1,510,683</u>	<u>776,843</u>
Excess of Revenues Over Expenditures	(51,815)	(18,084)	21,494	39,578
<b><u>Other Financing Uses:</u></b>				
Advances Out	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>0</u>
Total Other Financing Uses	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>0</u>
Net Change in Fund Balance	(57,815)	(24,084)	15,494	39,578
Fund Balances at Beginning of Year	9,364	9,364	9,364	0
Prior Year Encumbrances Appropriated	<u>16,282</u>	<u>16,282</u>	<u>16,282</u>	<u>0</u>
Fund Balances (Deficit) at End of Year	<u><u>(\$32,169)</u></u>	<u><u>\$1,562</u></u>	<u><u>\$41,140</u></u>	<u><u>\$39,578</u></u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Drug-Free Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$17,782	\$17,782	\$17,782	\$0
Total Revenues	17,782	17,782	17,782	0
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Pupils	17,782	17,782	17,782	0
Total Expenditures	17,782	17,782	17,782	0
Net Change in Fund Balance	0	0	0	0
Fund Balances at Beginning of Year	0	0	0	0
Fund Balances at End of Year	\$0	\$0	\$0	\$0



**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	EHA Preschool Grant			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Intergovernmental	\$87,093	\$96,365	\$73,702	(\$22,663)
Total Revenues	87,093	96,365	73,702	(22,663)
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Special	21,495	23,156	9,265	13,891
Support Services:				
Pupils	2,505	35,446	33,341	2,105
Instructional Staff	34,116	42,029	32,790	9,239
Administration	200	200	0	200
Total Expenditures	58,316	100,831	75,396	25,435
Net Change in Fund Balance	28,777	(4,466)	(1,694)	2,772
Fund Balances at Beginning of Year	4,072	4,072	4,072	0
Prior Year Encumbrances Appropriated	394	394	394	0
Fund Balances at End of Year	\$33,243	\$0	\$2,772	\$2,772

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	<u>Improving Teacher Quality Grant</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Intergovernmental	\$362,291	\$399,540	\$254,395	(\$145,145)
Total Revenues	<u>362,291</u>	<u>399,540</u>	<u>254,395</u>	<u>(145,145)</u>
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Instructional Staff	375,405	412,653	269,355	143,298
Total Expenditures	<u>375,405</u>	<u>412,653</u>	<u>269,355</u>	<u>143,298</u>
Excess of Revenues Over (Under) Expenditures	(13,114)	(13,113)	(14,960)	(1,847)
<b><u>Other Financing Uses:</u></b>				
Advances Out	(20,000)	(20,000)	(20,000)	0
Total Other Financing Uses	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>0</u>
Net Change in Fund Balance	(33,114)	(33,113)	(34,960)	(1,847)
Fund Balances at Beginning of Year	10,526	10,526	10,526	0
Prior Year Encumbrances Appropriated	<u>22,588</u>	<u>22,588</u>	<u>22,588</u>	<u>0</u>
Fund Balances (Deficit) at End of Year	<u>\$0</u>	<u>\$1</u>	<u>(\$1,846)</u>	<u>(\$1,847)</u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2010**

	<u>Miscellaneous Federal Grants</u>			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Intergovernmental	\$11,030	\$11,590	\$5,219	(\$6,371)
Total Revenues	<u>11,030</u>	<u>11,590</u>	<u>5,219</u>	<u>(6,371)</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Special	2,141	2,141	2,131	10
Support Services:				
Instructional Staff	<u>12,260</u>	<u>12,820</u>	<u>10,573</u>	<u>2,247</u>
Total Expenditures	<u>14,401</u>	<u>14,961</u>	<u>12,704</u>	<u>2,257</u>
Excess of Revenues Over (Under) Expenditures	(3,371)	(3,371)	(7,485)	(4,114)
<b><u>Other Financing Sources:</u></b>				
Advances In	<u>0</u>	<u>0</u>	<u>4,114</u>	<u>4,114</u>
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>4,114</u>	<u>4,114</u>
Net Change in Fund Balance	(3,371)	(3,371)	(3,371)	0
Fund Balances at Beginning of Year	2,346	2,346	2,346	0
Prior Year Encumbrances Appropriated	<u>3,362</u>	<u>3,362</u>	<u>3,362</u>	<u>0</u>
Fund Balances at End of Year	<u><u>\$2,337</u></u>	<u><u>\$2,337</u></u>	<u><u>\$2,337</u></u>	<u><u>\$0</u></u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Major Debt Service Fund**  
**For the Fiscal Year Ended June 30, 2010**

	Bond Retirement			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Property and Other Local Taxes	\$1,294,495	\$1,255,075	\$1,254,857	(\$218)
Intergovernmental	166,050	166,050	169,479	3,429
Total Revenues	<u>1,460,545</u>	<u>1,421,125</u>	<u>1,424,336</u>	<u>3,211</u>
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Fiscal	24,850	24,850	23,193	1,657
Debt Service:				
Principal Retirement	850,000	850,000	850,000	0
Interest and Fiscal Charges	801,558	801,558	785,166	16,392
Total Expenditures	<u>1,676,408</u>	<u>1,676,408</u>	<u>1,658,359</u>	<u>18,049</u>
Excess of Revenues Over (Under) Expenditures	(215,863)	(255,283)	(234,023)	21,260
<b><u>Other Financing Sources:</u></b>				
Transfers In	183,875	183,875	183,875	0
Total Other Financing Sources	<u>183,875</u>	<u>183,875</u>	<u>183,875</u>	<u>0</u>
Net Change in Fund Balance	(31,988)	(71,408)	(50,148)	21,260
Fund Balances at Beginning of Year	868,476	868,476	868,476	0
Fund Balances at End of Year	<u><u>\$836,488</u></u>	<u><u>\$797,068</u></u>	<u><u>\$818,328</u></u>	<u><u>\$21,260</u></u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Capital Projects Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Building			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Interest	\$500	\$500	\$180	(\$320)
Gifts and Donations	0	109,600	110,000	400
Total Revenues	500	110,100	110,180	80
<b><u>Expenditures:</u></b>				
Current:				
Support Services:				
Operation and Maintenance of Plant	3,289	3,289	41	3,248
Capital Outlay	50,000	50,000	10,555	39,445
Total Expenditures	53,289	53,289	10,596	42,693
Net Change in Fund Balance	(52,789)	56,811	99,584	42,773
Fund Balances at Beginning of Year	55,666	55,666	55,666	0
Fund Balances at End of Year	<u>\$2,877</u>	<u>\$112,477</u>	<u>\$155,250</u>	<u>\$42,773</u>

**Fairborn City School District**  
**Greene County, Ohio**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Nonmajor Permanent Funds**  
**For the Fiscal Year Ended June 30, 2010**

	Permanent Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b><u>Revenues:</u></b>				
Interest	\$1,730	\$1,730	\$2,687	\$957
Gifts and Donations	500	500	25	(475)
Total Revenues	<u>2,230</u>	<u>2,230</u>	<u>2,712</u>	<u>482</u>
<b><u>Expenditures:</u></b>				
Current:				
Instruction:				
Regular	2,715	2,715	2,715	0
Support Services:				
Instructional Staff	1,000	1,000	0	1,000
Operation of Non- Instructional Services	<u>200</u>	<u>200</u>	<u>130</u>	<u>70</u>
Total Expenditures	<u>3,915</u>	<u>3,915</u>	<u>2,845</u>	<u>1,070</u>
Net Change in Fund Balance	(1,685)	(1,685)	(133)	1,552
Fund Balances at Beginning of Year	<u>207,780</u>	<u>207,780</u>	<u>207,780</u>	<u>0</u>
Fund Balances at End of Year	<u><u>\$206,095</u></u>	<u><u>\$206,095</u></u>	<u><u>\$207,647</u></u>	<u><u>\$1,552</u></u>

**Fairborn City School District  
Greene County, Ohio  
Combining Statement of Changes  
in Assets and Liabilities  
Agency Fund  
For the Year Ended June 30, 2010**

	<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2010</u>
<b><u>Assets:</u></b>				
Equity in Pooled Cash and Cash Equivalents	\$ 152,041	\$ 144,892	\$ 152,041	\$ 144,892
Total Assets	<u>152,041</u>	<u>144,892</u>	<u>152,041</u>	<u>144,892</u>
<b><u>Liabilities:</u></b>				
Due to Students	<u>152,041</u>	<u>144,892</u>	<u>152,041</u>	<u>144,892</u>
Total Liabilities	<u>\$ 152,041</u>	<u>\$ 144,892</u>	<u>\$ 152,041</u>	<u>\$ 144,892</u>

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**STATISTICAL**

**SECTION**

**Fairborn City School District  
Greene County, Ohio  
Statistical Section Descriptions  
June 30, 2010**

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

<b><u>Contents</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial performance and situation have changed over time.	100-104
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax and income tax.	105-108
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	109-115
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within in which the School District's financial activities takes place.	116-117
<b>Operating Information</b> These schedules contain operational data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	118-122

**Fairborn City School District, Greene County, Ohio**  
 Net Assets by Component  
 Last Four Years  
*(accrual basis of accounting)*

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$ (2,942,849)	\$ (2,483,687)	\$ (2,696,080)	\$ (2,678,543)
Restricted	2,400,300	2,570,773	2,044,737	1,270,304
Unrestricted (Deficit)	<u>482,004</u>	<u>192,066</u>	<u>(2,239,754)</u>	<u>(209,892)</u>
<i>Total Governmental Activities Net Assets</i>	<u>\$ (60,545)</u>	<u>\$ 279,152</u>	<u>\$ (2,891,097)</u>	<u>\$ (1,618,131)</u>

Note: The School District's first fiscal year reporting under GAAP was 2007. The information presented before that was only cash basis and not a relevant comparison.

**Fairborn City School District, Greene County, Ohio**  
 Changes in Net Assets  
 Last Four Years  
 (accrual basis of accounting)

	2010	2009	2008	2007
<b>Expenses</b>				
Governmental Activities:				
Instruction:				
Regular	\$ 20,421,702	\$ 19,727,212	\$ 18,858,206	\$ 19,684,944
Special	7,764,930	6,433,409	5,963,581	5,434,523
Other	2,721,666	2,641,460	2,633,687	2,848,272
Support Services:				
Pupils	3,012,393	2,688,975	2,628,819	2,430,921
Instructional Staff	2,577,781	2,394,743	2,225,863	2,117,220
Administration	3,297,261	2,983,340	3,094,280	2,842,651
Fiscal	889,301	818,631	837,617	809,520
Operation and Maintenance of Plant	3,946,521	3,920,872	3,757,405	3,419,228
Pupil Transportation	2,429,108	2,400,947	2,598,453	2,456,688
Other	828,954	772,729	864,131	747,690
Operation of Non-Instructional Services	59,516	121,085	123,925	183,117
Food Service	1,626,743	1,524,090	1,600,064	1,403,278
Extracurricular Activities	734,210	780,470	772,539	853,214
Interest and Fiscal Charges	789,673	834,156	880,203	975,421
<b>Total Governmental Activities Expenses</b>	<b>51,099,759</b>	<b>48,042,119</b>	<b>46,838,773</b>	<b>46,206,687</b>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
Instruction	553,271	730,524	490,513	562,578
Support Services	36,591	24,550	21,394	0
Other	809,341	784,048	816,356	827,098
Operating Grants and Contributions				
Instruction	3,414,321	2,348,271	1,747,143	2,027,538
Support Services	1,343,442	1,256,069	978,288	1,079,758
Other	1,252,761	1,178,188	1,341,560	1,000,841
<b>Total Governmental Activities Program Revenues</b>	<b>7,409,727</b>	<b>6,321,650</b>	<b>5,395,254</b>	<b>5,497,813</b>
<b>Net (Expense)/Revenue</b>	<b>(43,690,032)</b>	<b>(41,720,469)</b>	<b>(41,443,519)</b>	<b>(40,708,874)</b>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities:				
Property Taxes	18,042,975	18,547,518	16,096,260	14,201,085
Income Taxes	3,074,800	3,279,080	3,505,546	3,827,437
Payments in Lieu of Taxes	249,048	168,364	148,712	-
Grants and Entitlements not Restricted				
to Specific Programs	21,492,871	22,310,367	21,509,794	20,448,402
Investment Earnings	203,274	222,689	336,931	471,838
Miscellaneous	287,367	362,700	182,045	268,625
<b>Total Governmental Activities</b>	<b>43,350,335</b>	<b>44,890,718</b>	<b>41,779,288</b>	<b>39,217,387</b>
<b>Change in Net Assets</b>	<b>\$ (339,697)</b>	<b>\$ 3,170,249</b>	<b>\$ 335,769</b>	<b>\$ (1,491,487)</b>

Note: The School District's first fiscal year reporting under GAAP was 2007. The information presented before that was only cash basis and not a relevant comparison.

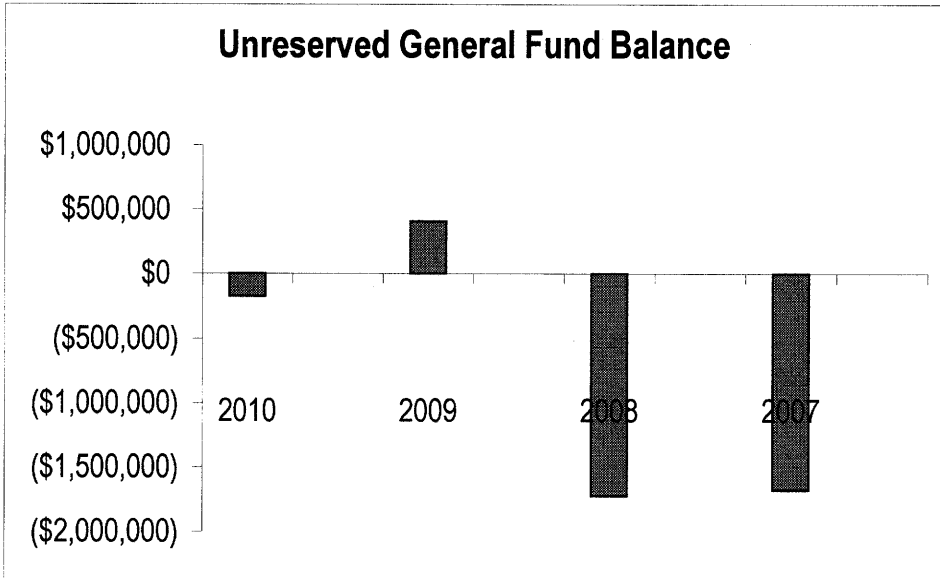
**Fairborn City School District, Greene County, Ohio**

Fund Balances, Governmental Funds

Last Four Years

(modified accrual basis of accounting)

	2010	2009	2008	2007
<b>General Fund</b>				
Reserved	\$2,551,012	\$2,220,701	\$1,764,171	\$1,143,707
Unreserved	(175,199)	405,276	(1,720,073)	(1,676,002)
<b>Total General Fund</b>	<b>2,375,813</b>	<b>2,625,977</b>	<b>44,098</b>	<b>(532,295)</b>
<b>All Other Governmental Funds</b>				
Reserved	269,754	187,814	148,204	252,720
Undesignated, Reported in:				
Special Revenue funds	1,271,529	1,025,131	1,000,112	1,084,900
Debt Service funds	818,329	868,477	882,180	857,063
Permanent Improvement funds	207,646	207,779	212,138	208,384
Capital Projects funds	155,250	55,666	88,044	122,780
<b>Total All Other Governmental Funds</b>	<b>2,722,508</b>	<b>2,344,867</b>	<b>2,330,678</b>	<b>2,525,847</b>
<b>Total Governmental Funds</b>	<b>\$5,098,321</b>	<b>\$4,970,844</b>	<b>\$2,374,776</b>	<b>\$1,993,552</b>



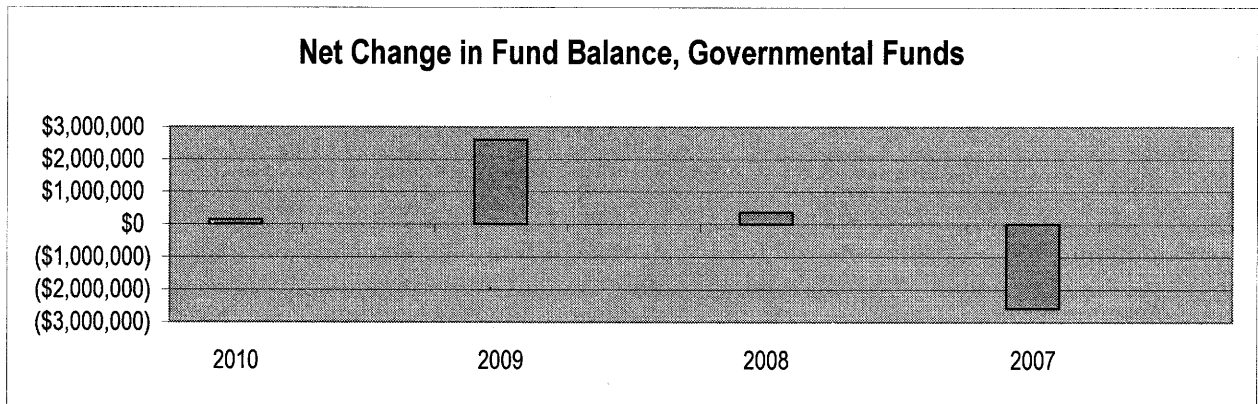
Note: The School District's first fiscal year reporting under GAAP was 2007. The information presented before that was only cash basis and not a relevant comparison.

**Fairborn City School District, Greene County, Ohio**  
 Changes in Fund Balances, Governmental Funds  
 Last Four Years  
 (modified accrual basis of accounting)

	2010	2009	2008	2007
<b>Revenues</b>				
Property and Other Local Taxes	\$17,843,281	\$18,201,335	\$16,240,618	\$13,808,512
Income Taxes	3,113,953	3,301,518	3,446,917	3,465,180
Payment in Lieu of Taxes	208,706	168,364	148,712	-
Intergovernmental	27,643,646	26,760,274	25,499,548	24,499,314
Charges for Services	739,656	874,877	730,351	646,066
Tuition and Fees	407,732	403,809	332,398	489,483
Interest	203,274	222,689	336,931	471,838
Rent	36,591	24,550	21,394	3,893
Gifts and Donations	132,011	11,608	18,342	33,514
Extracurricular Activities	214,009	230,665	241,760	252,832
Miscellaneous	212,066	292,546	109,279	193,559
<i>Total Revenues</i>	<u>50,754,925</u>	<u>50,492,235</u>	<u>47,126,250</u>	<u>43,864,191</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	19,040,248	18,368,146	17,837,820	18,453,760
Special	7,798,980	6,419,877	5,964,468	5,379,224
Vocational/Other	2,728,767	2,638,844	2,626,172	2,849,186
Support Services				
Pupils	3,047,548	2,660,959	2,594,307	2,399,931
Instructional Staff	2,593,167	2,397,545	2,178,131	2,163,821
Administration	3,321,123	2,954,197	2,953,320	2,739,382
Fiscal	902,515	818,843	830,250	808,322
Operation and Maintenance of Plant	3,947,534	3,916,147	3,707,844	3,442,331
Pupil Transportation	2,353,774	2,716,881	2,931,055	2,499,436
Other	811,314	817,848	867,518	742,523
Operation of Non-Instructional Services	1,694,355	1,624,306	1,720,134	1,565,107
Extracurricular Activities	737,923	743,750	694,185	768,000
Capital Outlay	6,600	32,953	55,915	455,126
Debt service:				
Principal Retirement	850,000	962,036	924,635	1,190,420
Interest and Fiscal Charges	785,166	827,316	870,738	979,309
<i>Total Expenditures</i>	<u>50,619,014</u>	<u>47,899,648</u>	<u>46,756,492</u>	<u>46,435,878</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>135,911</u>	<u>2,592,587</u>	<u>369,758</u>	<u>(2,571,687)</u>

**Fairborn City School District, Greene County, Ohio**  
 Changes in Fund Balances, Governmental Funds  
 Last Four Years  
*(modified accrual basis of accounting)*

	2010	2009	2008	2007
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Assets	\$ -	\$ 6,668	\$ 480	\$ 3,450
Transfers In	254,876	729,800	389,000	980,000
Transfers Out	(254,876)	(729,800)	(389,000)	(980,000)
<i>Total Other Financing Sources (Uses)</i>	-	6,668	480	3,450
<i>Net Change in Fund Balances</i>	<u>\$135,911</u>	<u>\$2,599,255</u>	<u>\$370,238</u>	<u>(\$2,568,237)</u>
Debt Service as a Percentage of Noncapital Expenditures	3.2%	3.8%	3.9%	4.8%



Note: The School District's first fiscal year reporting under GAAP was 2007. The information presented before that was only cash basis and not a relevant comparison.

**Fairborn City School District, Greene County, Ohio**  
 Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Collection (Calendar) Years (1)

District Fiscal Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total		Direct Rate (2)	Ratio (3)
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2001	\$ 427,682,700	\$ 1,221,950,571	\$ 43,520,639	\$ 174,082,556	\$ 27,992,970	\$ 79,979,914	\$ 499,196,309	\$ 1,476,013,041	\$ 44.64	33.82%
2002	438,423,030	1,252,637,229	39,955,534	159,822,136	21,356,220	61,017,771	499,734,784	1,473,477,136	44.70	33.92%
2003	510,022,180	1,457,206,229	38,670,135	154,680,540	22,373,890	89,495,560	571,066,205	1,701,382,329	44.70	33.56%
2004	519,758,640	1,485,024,686	36,853,664	147,414,656	21,484,640	85,938,560	578,096,944	1,718,377,902	44.40	33.64%
2005	528,797,690	1,510,850,543	37,644,672	150,578,688	21,203,900	84,815,600	587,646,262	1,746,244,831	44.40	33.65%
2006	572,292,480	1,635,121,371	35,189,681	140,758,724	18,636,530	74,546,120	626,118,691	1,850,426,215	44.20	33.84%
2007	580,847,560	1,659,964,457	24,411,963	97,647,852	18,559,220	21,090,023	623,818,743	1,778,302,332	44.20	35.08%
2008	587,998,830	1,679,996,657	18,428,237	73,712,948	14,565,610	16,551,830	620,992,677	1,770,261,435	52.50	35.08%
2009	627,657,240	1,793,306,400	10,050,836	40,203,344	14,930,910	16,966,943	652,638,986	1,850,476,687	51.90	35.27%
2010	626,843,810	1,790,982,314	1,606,450	6,425,800	14,642,410	16,639,102	643,092,670	1,814,047,216	51.80	35.45%

Source: Greene County Auditor

- (1) County Auditor property tax records are maintained on a calendar year basis.
- (2) The direct rate presented is only Greene County
- (3) Ratio represents total assessed value/total estimated actual value.



**Fairborn City School District, Greene County, Ohio**  
**Property Tax Rates (Per \$1,000 of Assessed Value)**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

District Fiscal Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Greene County Rates:</b>										
Green County	\$ 10.33	\$ 10.33	\$ 10.33	\$ 10.07	\$ 11.30	\$ 12.30	\$ 11.55	\$ 11.55	\$ 11.50	\$ 12.25
Fairborn CSD	44.64	44.70	44.70	44.40	44.40	44.20	44.20	52.50	51.90	51.80
Green County JVS	3.45	3.45	3.45	3.45	3.45	3.45	3.45	3.45	3.45	3.45
Bath Township	10.60	10.60	10.60	8.60	10.60	10.60	10.60	13.60	13.60	13.60
City of Fairborn	9.73	9.60	9.40	9.50	9.50	9.50	9.50	9.48	9.50	9.50
Health District	0.30	0.30	0.50	0.50	5.00	0.50	0.50	0.50	0.50	0.50
<b>Total Greene County</b>	<b>79.05</b>	<b>78.98</b>	<b>78.98</b>	<b>76.52</b>	<b>84.25</b>	<b>80.55</b>	<b>79.80</b>	<b>91.08</b>	<b>90.45</b>	<b>91.10</b>

Source: Greene County Auditor

**Fairborn City School District, Greene County, Ohio**  
 Property Tax Levies and Collections - Real and Public Utility Property  
 Last Ten Collection (Calendar) Years

District Fiscal Year	Taxes Levied for the Calendar Year (1)	Collected within the Calendar Year of the Levy		Collections from Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes (3)	Percent of Outstanding Delinquent Taxes to Tax Levied
		Amount (2)	Percentage of Levy		Amount	Percent of Levy		
2001	\$ 13,759,741	\$ 12,549,862	91.21%	\$ 293,086	\$ 12,842,948	\$ 1,299,317	9.44%	
2002	13,656,366	12,927,791	94.66%	262,204	13,189,995	886,570	6.49%	
2003	14,624,382	13,845,701	94.68%	303,139	14,148,840	698,830	4.78%	
2004	14,936,283	14,030,366	93.93%	414,731	14,445,097	955,066	6.39%	
2005	14,963,537	13,686,291	91.46%	349,919	14,036,210	1,392,389	9.31%	
2006	15,531,002	13,843,581	89.14%	372,042	14,215,623	1,418,085	9.13%	
2007	15,359,421	13,768,150	89.64%	400,404	14,168,554	844,983	5.50%	
2008	18,724,802	17,020,126	90.90%	567,541	17,587,667	1,661,341	8.87%	
2009	19,734,660	17,897,356	90.69%	675,761	18,573,117	1,465,125	7.42%	
2010	19,870,957	17,935,393	90.26%	873,014	18,808,407	1,028,224	5.17%	

Source: Greene County Auditor

- (1) Taxes levied and collected are presented on a cash basis.
- (2) State reimbursements of rollback and homestead exemptions are included.
- (3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

**Fairborn City School District, Greene County, Ohio**  
 Top Ten Principal Taxpayers  
 Real and Personal Property

Current Year and Nine Years Ago

Name of Taxpayer	2010 (1)			2001		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Dayton Power and Light Co.	\$ 8,629,910	1	1.34%	\$ 17,683,820	1	3.54%
Charter Woods, LLC	6,547,140	2	1.02%			0.00%
Wright Executive Hotel	5,743,050	3	0.89%			0.00%
MG - Mapleview LTD	4,221,630	4	0.66%	4,105,940	8	0.82%
2377 Commerce Center Blvd.	3,617,500	5	0.56%			0.00%
Miami Valley Publishing	3,209,870	6	0.50%	5,475,576	5	1.10%
Campus Village Wright State LLC	3,265,050	7	0.51%			0.00%
NATDayton LLC	3,254,990	8	0.51%			0.00%
Shoppes at V G LTD	2,987,100	9	0.46%			0.00%
Highland Apartments	2,967,300	10	0.46%			0.61%
Southdown Inc.			0.00%	3,038,180	10	0.61%
Roberts, Inc			0.00%	12,457,630	2	2.50%
Ohio Bell			0.00%	7,574,910	3	1.52%
All Industries Inc.			0.00%	5,930,000	4	1.19%
IDS Life Insurance Company			0.00%	5,053,210	6	1.01%
Fairborn Commerce Center			0.00%	4,978,560	7	1.00%
			0.00%	3,876,360	9	0.78%
<b>Total</b>	<b>\$ 44,443,540</b>		<b>6.91%</b>	<b>\$ 70,174,186</b>		<b>14.06%</b>
<b>Total Assessed Valuation</b>	<b>\$ 643,092,670</b>			<b>\$ 499,196,309</b>		

Source: Greene County Auditor's Office

(1) The information for this was taken from the City of Fairborn's 2009 CAFR

**Fairborn City School District, Greene County, Ohio**  
**Ratio of Net General Bonded Debt to Assessed Value**  
**And Net Bonded Debt per Capita and Personal Income**  
**Last Ten Fiscal Years**

Year	Population (1)	Total Assessed Value	Gross Bonded Debt (2)	Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value (%) (3)	Ratio of Net Bonded Debt to Estimated Value (%) (3)	Net Bonded Debt per Capita	Net Bonded Debt per Personal Income
2001	32,054	\$ 499,196,309	\$ 19,430,000	\$ 881,401	18,548,599	3.72%	1.26%	\$ 579	\$ 4,548
2002	32,054	499,734,784	19,425,000	261,262	19,163,738	3.83%	1.30%	598	4,463
2003	32,054	571,066,205	19,385,000	89,751	19,295,249	3.38%	1.13%	602	4,289
2004	32,054	578,096,944	19,240,000	933,929	18,306,071	3.17%	1.07%	571	4,100
2005	32,054	587,646,262	18,790,000	763,995	18,026,005	3.07%	1.03%	562	3,924
2006	32,054	626,118,691	15,614,987	1,141,205	14,473,782	2.31%	0.78%	452	3,170
2007	32,054	623,818,743	18,917,505	857,063	18,060,442	2.90%	1.02%	563	3,633
2008	32,054	620,992,677	18,202,378	949,579	17,252,799	2.78%	0.97%	538	3,377
2009	32,054	652,638,986	17,457,253	946,056	16,511,197	2.53%	0.89%	515	3,067
2010	32,054	643,092,670	16,682,127	935,806	15,746,321	2.45%	0.87%	491	NA

Sources: (1) Population within the City of Fairborn from the 2000 census.

(2) Gross bonded indebtedness does not include short term bond anticipation notes

(3) Ratio is less than \$0 and therefore not presented as such

**Fairborn City School District, Greene County, Ohio**  
 Computation of Direct and Overlapping Debt  
 June 30, 2010

<u>Governmental Unit</u>	<u>Gross General Obligation Bonds (1)</u>	<u>Percent Applicable to District (2)</u>	<u>Amount Applicable to District</u>
Direct:			
Fairborn City School District	\$ 16,682,127	100%	\$ 16,682,127
Overlapping:			
Clark County	16,755,000	0.04%	6,702
Greene County	41,077,639	17.43%	7,159,832
Montgomery County (3)	42,360,304	0.31%	131,317
Dayton City	56,284,054	0.63%	354,590
Fairborn City	12,777,677	89.93%	11,490,965
Riverside City	1,292,510	6.69%	86,469
Total Overlapping	<u>170,547,184</u>		<u>19,229,875</u>
Total Direct and Overlapping Debt	<u>\$ 187,229,311</u>		<u>\$ 35,912,002</u>

Source: The School District's financial records and annual audited reports for overlapping entities.

- (1) Only reflects bonded debt, overlapping entities as of December 31, 2009
- (2) The percent applicable was square mileage within the jurisdiction
- (3) Montgomery County information as of December 31, 2008

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**Fairborn City School District, Greene County, Ohio**  
 Computation of Legal Debt Margin  
 Last Ten Years

	2010	2009	2008
Assessed Valuation of District	\$ 643,092,670	\$ 652,638,986	\$ 620,992,677
<u>Overall Direct Debt Limit</u>			
Direct Debt Limitation 9% of assessed valuation (1)	\$ 57,878,340	\$ 58,737,509	\$ 55,889,341
Amount available in Debt Service Fund	935,806	946,056	949,579
Gross Indebtedness	16,074,987	18,277,253	19,287,378
Less Exempt Debt: Energy Conservation Notes	(670,000)	(820,000)	(965,000)
Net Indebtedness	15,404,987	17,457,253	18,322,378
Legal Debt Margin within 9% Limitation	<u>\$ 43,409,159</u>	<u>\$ 42,226,312</u>	<u>\$ 38,516,542</u>
Total Net Debt Applicable to the Limit as a Percentage of the Limit	26.19%	29.25%	32.24%
<u>Energy Conservation Debt Limitation</u>			
Debt Limitation 0.9% of assessed valuation (1)	\$ 5,787,834	\$ 5,873,751	\$ 5,588,934
Net Debt within 0.9% Limitation	670,000	820,000	965,000
Energy Conservation Debt Margin	<u>\$ 5,117,834</u>	<u>\$ 5,053,751</u>	<u>\$ 4,623,934</u>
<u>Unvoted Direct Debt Limitation</u>			
Unvoted Debt Limitation 0.1% of assessed valuation (1)	<u>\$ 643,093</u>	<u>\$ 652,639</u>	<u>\$ 620,993</u>

Source: School District records

- (1) Ohio Bond Law sets a limit of 9% for overall debt, 0.9% for Energy Conservation measures and 1/10 of 1% for unvoted debt.

Note: The School District did not complete GAAP financial statements until fiscal year 2007.

2007	2006	2005	2004	2003	2002	2001
\$ 623,818,743	\$ 626,118,691	\$ 587,646,262	\$ 578,096,944	\$ 571,066,205	\$ 499,734,784	\$ 499,196,309
\$ 56,143,687	\$ 56,350,682	\$ 52,888,164	\$ 52,028,725	\$ 51,395,958	\$ 44,976,131	\$ 44,927,668
926,812	1,141,205	763,959	933,929	671,273	261,282	881,401
20,257,505	17,225,921	20,791,534	21,622,133	22,397,733	22,510,366	21,055,966
(1,105,000)	(1,265,934)	(1,551,534)	(1,832,133)	(2,107,733)	(2,340,366)	(790,966)
19,152,505	15,959,987	19,240,000	19,790,000	20,290,000	20,170,000	20,265,000
\$ 37,917,994	\$ 41,531,900	\$ 34,412,123	\$ 33,172,654	\$ 31,777,231	\$ 25,067,413	\$ 25,544,069
33.56%	27.76%	35.86%	37.37%	38.97%	44.59%	44.24%
\$ 5,614,369	\$ 5,635,068	\$ 5,288,816	\$ 5,202,872	\$ 5,139,596	\$ 4,497,613	\$ 4,492,767
1,105,000	1,265,934	1,551,534	1,832,133	2,107,733	2,340,366	790,966
\$ 4,509,369	\$ 4,369,134	\$ 3,737,282	\$ 3,370,739	\$ 3,031,863	\$ 2,157,247	\$ 3,701,801
\$ 623,819	\$ 626,119	\$ 587,646	\$ 578,097	\$ 571,066	\$ 499,735	\$ 499,196



**Fairborn City School District, Greene County, Ohio**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds	Energy Conservation Notes	Capital Leases	Total Primary Government	Percentage of Personal Income (a)	Percentage of Taxable Property Value (b)	Per Capita (a)
2001	\$ 20,265,000	\$ 790,966	\$ -	\$ 21,055,966	492.85%	4.22%	656.89
2002	20,170,000	2,340,366	-	22,510,366	517.19%	4.50%	702.26
2003	20,290,000	2,107,733	-	22,397,733	495.53%	3.92%	698.75
2004	19,790,000	1,832,133	-	21,622,133	460.72%	3.74%	674.55
2005	19,240,000	1,551,534	-	20,791,534	434.22%	3.54%	648.64
2006	15,959,987	1,265,934	84,036	17,309,957	351.46%	2.76%	540.02
2007	19,152,505	1,105,000	56,671	20,314,176	390.17%	3.26%	633.75
2008	18,322,378	965,000	27,036	19,314,414	358.32%	3.11%	602.56
2009	17,457,253	820,000	-	18,277,253	321.09%	2.80%	570.20
2010	16,682,127	670,000	-	17,352,127	NA	2.70%	541.34

Source: School District financial records

(a) Personal Income and population figures can be found on the Demographics Table

(b) Taxable Property Values can be found on the Assessed and Estimated Actual Value of Taxable Property Table

Note: The School District did not complete GAAP financial statements until fiscal year 2007.

**Fairborn City School District, Greene County, Ohio**  
Ratio of Annual Debt Service Expenditures  
For General Bonded Debt to Total General Government Expenditures  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Principal(1)</u>	<u>Interest(1)</u>	<u>Total Debt Service</u>	<u>Total Expenditures</u>	<u>Ratio of Debt Service to General Expenditures (%)</u>
2001	\$ 610,600	\$ 1,623,620	\$ 2,234,220	\$ 44,602,216	5.01%
2002	250,600	1,199,031	1,449,631	47,806,655	3.03%
2003	882,633	1,213,678	2,096,311	48,573,217	4.32%
2004	775,600	1,189,191	1,964,791	47,119,396	4.17%
2005	830,600	1,153,918	1,984,518	41,688,572	4.76%
2006	860,600	666,307	1,526,907	45,082,745	3.39%
2007	1,163,055	973,387	2,136,442	46,435,878	4.60%
2008	895,000	867,044	1,762,044	46,756,492	3.77%
2009	935,000	826,164	1,761,164	47,899,648	3.68%
2010	850,000	785,166	1,635,166	50,619,014	3.23%

Source: School District financial records

(1) Does not include capital lease payments recorded in the general fund

Note: The School District did not complete GAAP financial statements until fiscal year 2007.

Fairborn City School District, Greene County, Ohio  
 Demographic Statistics  
 Last Ten Calendar Years

Year	City of Fairborn		School Enrollment (2)	Personal Income (4) (in 000s)	Personal Income Per Capita (4)	Unemployment Rate Greene County (3)
	Population (1)	Enrollment (2)				
2000	32,054	5,710	\$ 4,272,286	\$ 28,832	3.70%	
2001	32,054	5,601	4,352,395	29,107	5.20	
2002	32,054	5,548	4,519,917	29,845	5.70	
2003	32,054	5,329	4,693,132	30,638	5.40	
2004	32,054	4,829	4,788,234	30,810	5.70	
2005	32,054	4,624	4,925,113	21,545	5.40	
2006	32,054	4,432	5,206,513	33,044	5.40	
2007	32,054	4,409	5,390,237	33,988	6.20	
2008	32,054	4,647	5,692,242	35,720	7.50	
2009	32,054	4,707	NA	NA	10.70	

Sources: (1) City of Fairborn records

(2) School District records which is presented as the following June 30 information from ODE data bank, excludes preschool.

(3) Ohio Bureau of Employment Services as of December

(4) Information provided by Bureau of Economic Analysis: Regional Economic Accounts

Note: The year is based on a December 31 year end for population and personal income; therefore, it runs a six months behind the other columns.

**Fairborn City School District, Greene County, Ohio**  
 Principal Employers  
 Current Year and Four Years Ago

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**2009**

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Employer	Employees
Wright State University	5,969
Teleperformance USA Inc.	1,140
Fairborn City Schools	905
Wright-Patt Credit Union (2)	254
City of Fairborn	253
Ball Aerospace	199
Morris Home Furniture Co.	178
I Supply	175
Ali Industries	156
MVPC Acquisitions LLC	144
<b>Total</b>	<b>9,373</b>

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**2005**

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Employer	Employees
Wright Patterson AFB	22,000
Wright State University	2,200
Fairborn City Schools	550
Teleperformance USA Inc.	400
Logtec (2)	300
Ball Aerospace	260
Wright-Patt Credit Union (2)	260
City of Fairborn	260
Computer Sciences Corp.	250
Northrop Grumman	240
<b>Total</b>	<b>26,720</b>

**Source: City of Fairborn Community Development Division**

- (1) Information prior to 2005 is unavailable
- (2) Donates corporate headquarters
- (3) Wright Patterson AFB normally is the largest employer. This information was not available for 2009.

Note: Total employment within the City for either year is unavailable. The Ohio Department of Taxation collects income taxes on all residents within the School District boundaries but that information is very difficult to gather; therefore, using the City of Fairborn's information is the most reliable information.

**Fairborn City School District, Greene County, Ohio**  
 Full-Time Equivalent School Employees by Function/Program  
 Current Fiscal Years

<u>Function/program</u>	<u>2010</u>
Current:	
Instruction:	
Regular	234
Special	56
Student Intervention/Other	19
Support Services	
Pupils	95
Instructional Staff	5
Administration	93
Fiscal	4
Operation and Maintenance of Plant	36
Pupil Transportation	53
Other	
Food Service	32
Extracurricular Activities	<u>147</u>
Totals:	<u><u>774</u></u>

**Source:** Fairborn City School District Payroll Department

**Method:** Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee

Note: The information for prior year could not be easily gathered.

**Fairborn City School District, Greene County, Ohio**  
**Operating Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Enrollment	Operating Expenditures (1)	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Economically Disadvantaged Percentage
2001	5,815	42,980,113	6,941	NA	319	18.2:1	30.2%
2002	5,716	50,588,111	7,341	5.8%	318	18:1	32.5%
2003	5,555	52,170,933	8,199	11.7%	315	17.6:1	29.4%
2004	5,429	48,498,255	8,105	-1.1%	311	17.5:1	28.1%
2005	4,941	39,941,124	8,105	0.0%	304	16.3:1	31.8%
2006	4,749	43,604,035	8,696	7.3%	306	15.5:1	33.3%
2007	4,576	44,869,603	9,530	9.6%	308	14.9:1	36.6%
2008	4,415	44,671,333	9,512	-0.2%	302	14.6:1	37.5%
2009	4,450	46,458,237	9,593	0.9%	305	14.6:1	43.0%
2010	4,626	48,702,571	10,053		309	15:1	43.7%

(1) Operating expenditures for all funds only on a cash basis.

**Source:** Fairborn City School District Payroll Department

**Fairborn City School District, Greene County, Ohio**  
 School Building Information  
 Last Four Fiscal Years

	Fiscal Year			
	2010	2009	2008	2007
<b>CAPITAL ASSETS USED BY FUNCTION</b>				
Current:				
Instruction:				
Regular	\$ 1,262,015	\$ 1,252,827	\$ 1,227,308	\$ 1,228,518
Support Services				
Instructional Staff	13,881	13,881	24,635	24,635
Administration	45,951	73,141	84,700	84,090
Business	3,528	3,528	3,528	3,528
Operation and Maintenance of Plant	6,072	6,072	10,174	7,514
Pupil Transportation	125,693	121,693	243,227	166,604
Central	933	933	2,015	933
Food Service	14,363	14,363	16,276	14,363
Extracurricular Activities	-	-	85,451	85,214
Totals	<u>\$ 1,472,436</u>	<u>\$ 1,486,438</u>	<u>\$ 1,697,314</u>	<u>\$ 1,615,399</u>

Note: The School District did not complete GAAP financial statements until fiscal year 2007.

	Fiscal Year			
	2010	2009	2008	2007
<b>COST PER STUDENT</b>				
Current:				
Instruction:				
Regular	\$ 4,318	\$ 4,166	\$ 4,046	\$ 4,164
Special	1,769	1,456	1,353	1,214
Vocational/Other	619	599	596	643
Support Services				
Pupils	691	604	588	542
Instructional Staff	588	544	494	488
Administration	753	670	670	618
Fiscal	205	186	188	182
Operation and Maintenance of Plant	895	888	841	777
Pupil Transportation	534	616	665	564
Other	184	185	197	168
Operation of Non-Instructional Services	382	366	388	353
Extracurricular Activities	167	169	157	173
Capital Outlay	1	7	13	103
Debt service:				
Principal Retirement	193	218	210	269
Interest and Fiscal Charges	178	188	197	221
Totals	<u>\$ 11,477</u>	<u>\$ 10,862</u>	<u>\$ 10,603</u>	<u>\$ 10,479</u>

Note: The School District did not complete GAAP financial statements until fiscal year 2007.

Source: School District Financial Records

**Fairborn City School District, Greene County, Ohio**

School Building Information

Last Ten Fiscal Years

	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<b>Black Lane Elementary</b>										
Square Feet	29,375	29,375	29,375	29,375	closed					
Enrollment	354	366	332	315						
<b>East Elementary</b>										
Square Feet	54,923	54,923	54,923	54,923	now part of Baker Middle School					
Enrollment	516	494	449	439						
<b>Five Points Elementary</b>										
Square Feet	129,036	129,036	129,036	129,036	129,036	129,036	129,036	129,036	129,036	129,036
Enrollment	1,307	1,233	1,284	1,226	1,540	1,546	1,335	1,402	1,443	1,661
<b>Palmer/South Elementary</b>										
Square Feet	82,058	82,058	89,884	89,884	89,884	89,884	89,884	89,884	89,884	89,884
Enrollment	759	743	695	674	707	640	630	649	643	642
<b>Wright Elementary</b>										
Square Feet	23,261	23,261	23,261	23,261	23,261	23,261	23,261	23,261	23,261	23,261
Enrollment	270	283	241	265						
<b>Baker Middle School</b>										
Square Feet	122,677	122,677	122,677	122,677	122,677	122,677	122,677	122,677	122,677	122,677
Enrollment	890	886	889	863	1,196	1,084	990	937	957	938
<b>Fairborn High School</b>										
Square Feet	179,413	179,413	179,413	179,413	179,413	179,413	179,413	179,413	179,413	179,413
Enrollment	1,716	1,704	1,662	1,645	1,498	1,479	1,431	1,395	1,306	1,345

Source: Fairborn City School District



**Fairborn City School District, Greene County, Ohio**  
 Miscellaneous Statistical Data  
 June 30, 2010

Total Census Population	32,052
Total Estimated 2009 Population	31,782
Original Charter:	1-Jan-50
Area of District (in miles):	13.405
Number of Miles Traveled by Transportation	579420
Fleet for the Fiscal 2010 School Year:	62

Number of Meals Served by Food Service	
Department for the Fiscal 2010 School Year:	444,414

Percentage of Students with Free Lunch	55%
Percentage of Students with Reduced Lunch	8%

Student to Teacher Ratio - Classroom	16.84/1
Student to Teacher Ratio - Special Education	11.51/1

<u>Degree</u>	<u>Grade Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor	3	0.96%
Bachelor + 1	12	3.82%
Bachelor + 30	88	28.03%
Masters	145	46.18%
Masters + 20	15	4.78%
Masters + 30	51	16.24%
<b>Total</b>	<b>314</b>	<b>100.00%</b>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	109	34.72%
6 - 10	67	21.34%
11 - 15	51	16.24%
16 - 20	27	8.60%
21 - 25	30	9.55%
26 and over	30	9.55%
<b>Total</b>	<b>314</b>	<b>100.00%</b>

**Source:** Fairborn City School District

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**Mary Taylor, CPA**  
Auditor of State

**FAIRBORN CITY SCHOOL DISTRICT**

**GREENE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 11, 2011**