MONTGOMERY COUNTY, OHIO TRANSPORTATION IMPROVEMENT DISTRICT

Independent Auditors' Report on
Internal Controls and Compliance

December 31, 2008

Mary Taylor, CPA
Auditor of State

Board of Trustees
Montgomery County Transportation Improvement District
1 Chamber Plaza
Fifth and Main Streets
Dayton, Ohio 45402

We have reviewed the *Independent Auditors' Report* of the Montgomery County Transportation Improvement District, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2008 through December 31, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

June 8, 2009

88 E. Broad St. / Fifth Floor / Columbus, OH 43215-3506
Telephone: (614) 466-4514 (800) 282-0370 Fax: (614) 466-4490
www.auditor.state.oh.us

This Page is Intentionally Left Blank.

TABLE OF CONTENTS

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

To the Board of Trustees
Montgomery County, Ohio Transportation Improvement District:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Montgomery County, Ohio Transportation Improvement District (the District) as of and for the year ended December 31, 2008, which collectively comprise the District's basic financial statements and have issued our report thereon dated May 20, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described and labeled as item 2008-1 in the accompanying schedule of findings and responses to be a significant deficiency in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We consider item 2008-1 to be a material weakness.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the District in a separate letter dated May 20, 2009.

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

This report is intended solely for the information and use of management, the Board of Trustees, the Ohio Auditor of State and others within the entity, and is not intended to be and should not be used by anyone other than those specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
May 20, 2009

Financial Statement Findings

Finding 2008-1 – Audit Adjustments

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

- Net Assets. An audit adjustment was necessary to correct the District's calculations of restrictions on net assets. The District miscalculated net assets invested in capital assets, net of related debt by $1,253,032 and restricted for capital projects by $2,406,653.

We recommend the District implement reporting procedures to ensure all accounts are properly reported in the financial statements.

Management response: *Management concurs with the finding.*

MONTGOMERY COUNTY, OHIO TRANSPORTATION IMPROVEMENT DISTRICT
Schedule of Prior Audit Findings
Year Ended December 31, 2008

Finding 2007-1 – Restatement of Financial Statements

The District restated net assets of Governmental Activities and fund balance of the Austin Center Interchange Fund as of December 31, 2006 to correct errors related to the improper deferral of receivables.

Status: *No such adjustments were needed in the current year and thus, it is deemed corrected.*

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

PICTURED LEFT TO RIGHT:
STEVE STANLEY - EXECUTIVE DIRECTOR OF THE TID
ART MEYER - VICE CHAIRPERSON OF THE TID
DON PORTER - BOARD MEMBER OF THE TID
KATHY HOYNG - BOARD MEMBER - INCEPTION TO DECEMBER 2004
RON BUDZIK - CHAIRPERSON OF THE TID
JONATHAN HOLLINGSWORTH - BOARD MEMBER -
INCEPTION TO DECEMBER 31, 2007

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

PREPARED BY
SEAN FRAUNFELTER, CPA
FINANCE DIRECTOR

INTRODUCTORY

SECTION

MONTGOMERY COUNTY, OHIO TRANSPORTATION IMPROVEMENT DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

TABLE OF CONTENTS

Montgomery County Transportation
Improvement District

1 Chamber Plaza
Fifth and Main Streets
Dayton, Ohio 45402-2400

Montgomery County

May 20, 2009

Citizens of Montgomery County
Members of the Board of Trustees

We are pleased to submit the Montgomery County Transportation Improvement District's Comprehensive Annual Financial Report for the fiscal year ended December 31, 2008.

This report is a 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.

MONTGOMERY COUNTY TRANSPORTATION IMPROVEMENT DISTRICT

The mission of the Montgomery County Transportation Improvement District is to expedite projects that will improve transportation and support economic development in Montgomery County. The District was created in 2001 when the Montgomery County Commission saw the need to expedite transportation related construction projects throughout the county. The District started off with great expectations but no set project to lead its way. The District became involved with the City of Huber Heights and their interchange projects on Interstate 70. From working on that from late 2001 through 2006, the District has seen other opportunities start to present themselves with the District becoming heavily involved in the Austin Center Interchange Project, which is discussed further below.

Phone: 937-226-8240 • Fax: 937-226-8221 • Email: sstanley@mctid.org

DISTRICT ORGANIZATION AND REPORTING ENTITY

The reporting entity includes the primary government and component units and is organized to ensure the financial statements of the District are not misleading.

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

The District is associated with the following jointly governed organization: Miami Valley Regional Planning Commission, which is presented in Note 12 to the basic financial statements.

ECONOMIC CONDITION AND MAJOR INITIATIVES

Montgomery County is the fourth largest county in Ohio with a population of approximately 538,000. Its county seat and largest municipality is the City of Dayton with a population of approximately 166,000. Two of the nation's most heavily traveled interstate highways, I-75 and I-70, intersect in Montgomery County and are primary transportation and development corridors that serve and support the region.

Road Improvements

Austin Center Interchange

The District has been working with a variety of local governments; including Montgomery County, the City of Miamisburg, Miami Township, the City of Springboro, the City of Dayton, Washington Township, the City of Centerville, the Dayton-Montgomery County Port Authority, the Miami Valley Regional Planning Commission and ODOT, to modify the current Austin Pike/Miamisburg-Springboro Road overpass at Interstate 75. The participating governments have agreed to a multi-jurisdictional land use plan for the proposed interchange area.

The local governments approved the finance plan that we have been working on since 2004 relating to the Austin Center Interchange. The governments addressed three phases of the plan. First the interchange proper, which is the overpass and approximately one thousand feet east and west of the overpass. The second phase is the relocation of Byers Road and completion of the widening from Austin Road to State Route 725. The third phase is the relocation of Austin Road to the north and widening to State Route 741. The financing plan along with Miamisburg school district approval was approved in late 2005 and is being restructured based on some additional financing abilities that will benefit all the parties involved.

The District received final approval has been received from the Federal Highway Administration and Ohio Department of Transportation on the right of way plan and has started with appraisals and negotiations on the parcels that need acquired for the project. During 2007 and 2008, the District was able to acquire all the necessary parcels and relocated some of the other residents to certify the right of way to the Ohio Department of Transportation. In February 2009, the District issued over $25 million in bond anticipation notes to make the required deposit for the construction project start as managed by the Ohio Department of Transportation.

Engineering work has continued on the relocation of Byers Road to road intersect with Wood Road on the south. Austin Center Interchange will open up over 1,000 acres of developable land by 2009 in the southern portion of Montgomery County. The District did receive environmental clearance on the project in March 2009.

Kingsridge Drive Project

The District was requested by Miami Township to help improve the infrastructure surrounding the Dayton Mall area. There is significant developable land on the south side of the mall area that will bring in additional commercial development. The Township sees the need for improved road access to generate these businesses. The District and Township are working together on engineering the project including the financing aspect. In September 2008, the District issued $4.88 million in special obligation bonds to construct the proposed improvements, acquire all the remaining right of way and other necessary costs. The project is slated to finish in July 2009.

CAPITAL ASSETS

The District continued work on the Austin Center Interchange and Kingsridge project and ended the fiscal year with $14,592,926 of capital assets. For more information on the District's capital assets see Note 3 to the financial statements.

DEBT ADMINISTRATION

The District issued $4.88 million in special obligations bonds related to the Kingsridge project. For more information on the District's debt see Note 8 to the financial statements.

CASH MANAGEMENT

The District Finance Director is in charge of the District's cash management program. All 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, United States Agency Obligations and commercial paper. During 2008, the District earned $28,559 in interest. A majority of the 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 110 percent of the public funds on deposit. Trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions hold the collateral. The District regularly reviews the market value of the pool to insure that adequate collateral is being provided.

For more detailed information on the District's financial activity please refer to the Management's Discussion and Analysis starting on page 3 of the basic financial statements.

RISK MANAGEMENT

The District is adequately insured in all areas including buildings, contents, vehicles, equipment and general liability through Brower Insurance Agency. For more detailed information on the District's insurance see Note 6 to the financial statements.

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.

OTHER INFORMATION

Independent Audit

This report includes an unqualified audit report regarding the District's financial statements. Clark, Schaefer, Hackett & Co. conducted this year's audit. The Independent Auditors' Report on the basic financial statements is included in the financial section of this report.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial reporting (CAFR) for the fiscal year ended December 31, 2007. This was the fifth year the District submitted and received the award for excellence in financial reporting. In order to be awarded a Certificate of Achievement, the District must publish a clear and effective CAFR. The District feels the 2008 CAFR meets these requirements and will successfully receive the award also.

Acknowledgements

A note of sincere appreciation is extended to many hardworking and committed people who have contributed their time and effort to prepare this report. The District staff would like to extend their sincere appreciation to the hard working Board Members and those individuals at the Montgomery County Commission and Economic Development offices that made it possible for the District to achieve the success it has so far. The District would also like to thank our local government partners for their dedication and drive to see projects such as Austin Center Interchange become a reality.

Respectfully submitted,

Executive Director

Secretary/Treasurer

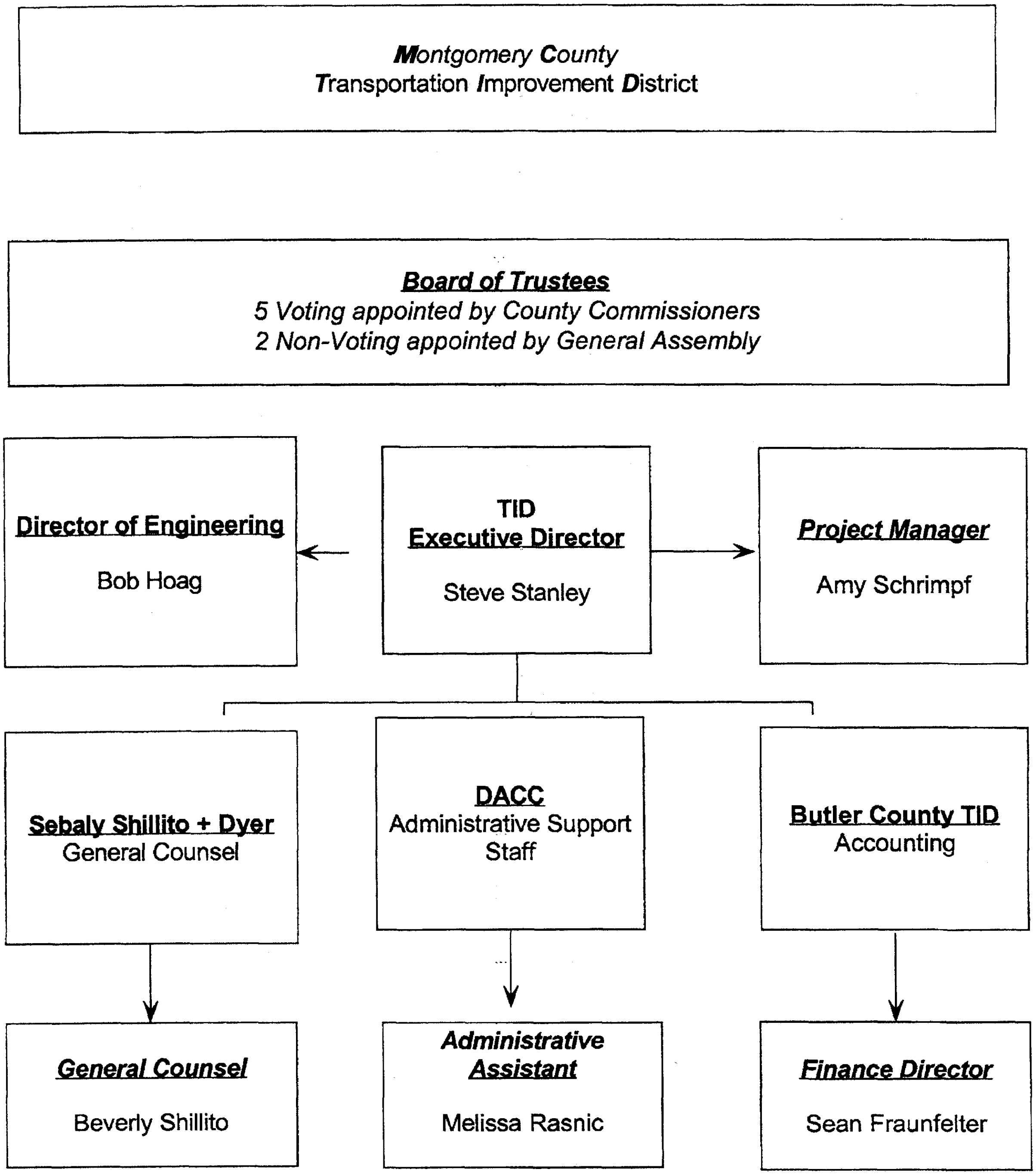
MONTGOMERY COUNTY
TRANSPORTATION IMPROVEMENT DISTRICT
2008 BOARD MEMBERS

Voting:

Ron Budzik (2008 Chairman)	Dayton Business Committee
Art Meyer, Vice-Chairperson	Dayton Power and Lighting
Eric Cluxton, Treasurer	Wells Fargo Insurance Services
Don Porter	Retired Architect
Clark Beck	Wright State

Non Voting:

Jeff Jacobson	Ohio Senate
Arlene Selzer	State Representative


Montgomery County
Transportation Improvement District
Board of Trustees
5 Voting appointed by County Commissioners
2 Non-Voting appointed by General Assembly
Director of Engineering
Bob Hoag
TID
Executive Director
Steve Stanley
Project Manager
Amy Schrimpf
Sebaly Shillito + Dyer
General Counsel
DACC
Administrative Support
Staff
Butler County TID
Accounting
General Counsel
Beverly Shillito
Administrative
Assistant
Melissa Rasnic
Finance Director
Sean Fraunfelter

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Montgomery County Transportation Improvement District, Ohio

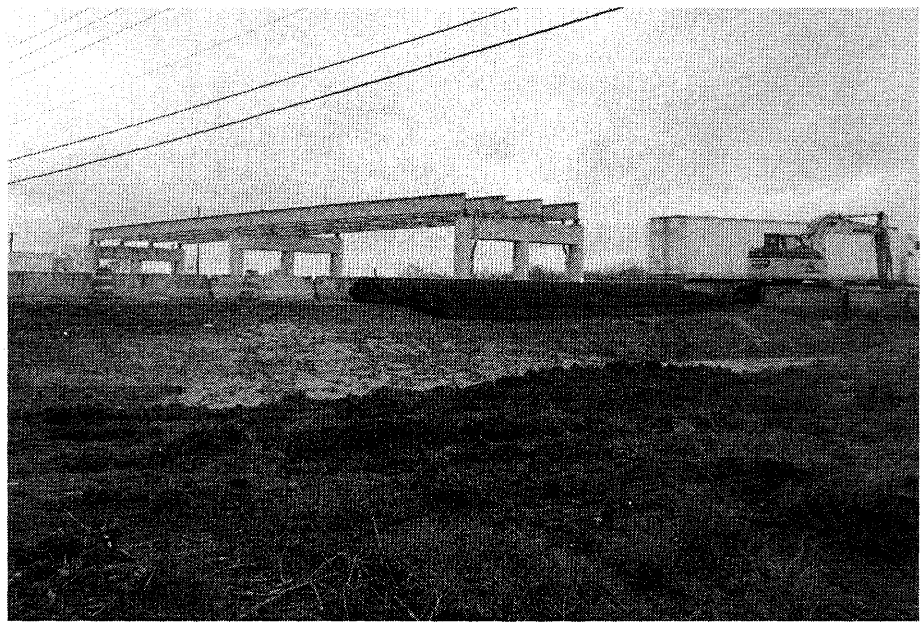
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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

President

Executive Director

FINANCIAL



Overpass on interstate 75 where Springboro-Austin Pike used to be and the site where the new Austin Center Interchange will be constructed.

SECTION

CLARK SCHAEFER HACKETT
STRENGTH IN NUMBERS

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Montgomery County, Ohio Transportation Improvement District:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Montgomery County, Ohio Transportation Improvement District (the District) as of and for the year ended December 31, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Montgomery County, Ohio Transportation Improvement District as of December 31, 2008, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2009, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and the budgetary comparison information on pages 3 through 9 and 31 through 34, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

105 east fourth street, ste. 1500
cincinnati, oh 45202

www.cshco.com
p. 513.241.3111
f. 513.241.1212

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

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
May 20, 2009

MONTGOMERY COUNTY TRANSPORTATION IMPROVEMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2008

Our discussion and analysis of the Montgomery County Transportation Improvement District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2008. Please review it in conjunction with the basic financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- The District had $16.5 million in net assets at December 31, 2008, an increase of 89.96 percent over fiscal year 2007.
- The District had $4.09 million in program expenses that were offset by $11.76 million of program revenues, which was more than enough to cover the expenses.
- Governmental fund revenues were $11.8 million for 2008 with 92.96 percent of those revenues related to reimbursements for project costs of the District.
- The General fund had a fund balance decrease during 2008 while the other major funds combined to create positive change in fund balance. That pushed the overall change for the District to $2.21 million for all governmental funds.
- The District issued the first bond in the District's history for the Kingsridge Road project totaling $4,885,000.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 11-12) provide information about the activities of the District as a whole and present a long-term view of the District's finances. Fund financial statements start on page 13. These statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most financially significant funds.

Reporting the District as a Whole

<u>The Statement of Net Assets and the Statement of Activities</u>

Our analysis of the District as a whole begins here. One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse as a result of the year's activities?" As the net assets increased by $7.83 million, the answer is very much yes. The question we hope that we are answering is, "Where is the District going and are we headed in the right direction?"

The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer those two questions. These statements include all the assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in them. One can think of the District's net assets, the difference between assets (what the District owns) and liabilities (what the District owes) as one way to measure the District financial health, or *financial position*. Over time, *increases or decreases* in the District's net assets are one indicator of whether its *financial health* is improving or deteriorating. One will need to consider other nonfinancial factors, however, such as changes in the District's jurisdiction, the availability of capital projects, and continuing local government support to assess the **overall health** of the District.

Reporting the District's Most Significant Funds

Major Funds
General
Austin Center Interchange
Kingsridge Road Project
Shovel Ready Sites Grant

Fund Financial Statements

Our analysis of the District's major funds begins on page 6. The fund financial statements begin on page 11 and provide detailed information about the most significant funds, not the District as a whole. Some funds are required to be established by State law. However, the Board establishes other funds to help control and manage money for a particular purpose (ex. various capital project funds). The District has governmental and agency funds.

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

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the 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 basic fiduciary fund financial statement can be found on page 15 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 can be found on pages 17-30 of this report.

Required Supplementary Information: The District presents budgetary information for the General fund in the required supplementary information along with notes that described the District's budgetary process. The required supplementary information can be found on pages 31-34 of this report

Individual Fund Schedules. The individual fund budgetary versus actual schedules provide more detailed information about each individual fund for the District. These schedules can be found starting on page 35 of this report.

Statistical Information. Statistical information presents a year by year comparison of how the District is doing in several areas. This information can be found starting on page 39 of this report.

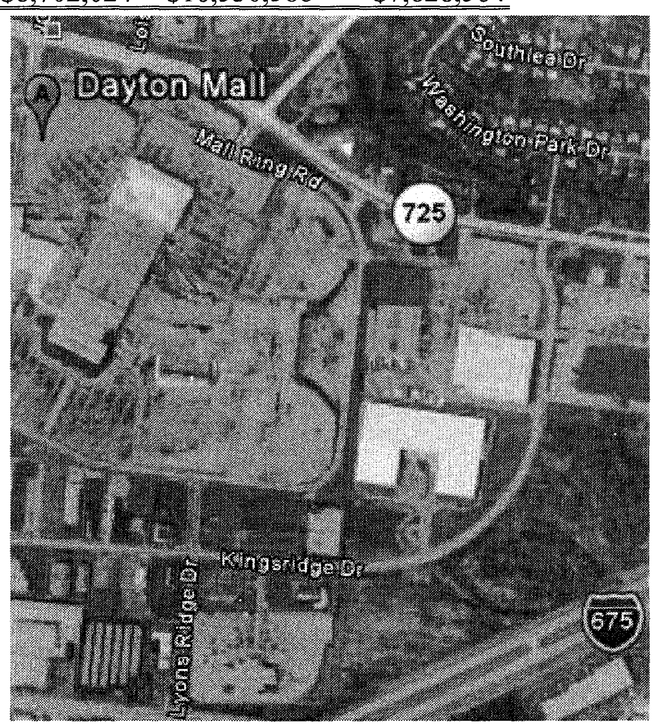
THE DISTRICT AS A WHOLE

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

Net Assets

	2007	2008	Change
Current Assets and Other Assets	$4,179,728	$7,247,490	$3,067,762
Capital Assets	4,609,921	14,592,926	9,983,005
Total Assets	8,789,649	21,840,416	13,050,767
Current Liabilities	87,625	475,357	387,732
Long-Term Liabilities	0	4,834,471	4,834,471
Total Liabilities	87,625	5,309,828	5,222,203
Net Assets:			
Invested in Capital Assets	4,609,921	11,358,499	6,748,578
Restricted	3,397,812	4,422,178	1,024,366
Unrestricted	694,291	749,911	55,620
Total Net Assets	$8,702,024	$16,530,588	$7,828,564

The District saw a 89.96 percent increase in net assets from 2007 to 2008 as the District purchased right of way for the Kingsridge Road project, also purchased all the right of way necessary for the Austin Center Interchange and received the Ohio Department of Development funds. The District started the construction on the Kingsridge Road project around the Dayton Mall.



The construction will widen Kingsridge Road from Lyons Ridge Drive to State Route 725 and align Lyons Ridge Drive with the Miami Township entrance for safety reasons on the south end of the project. The future Wal-Mart will be constructed in the southeast corner of the project with completion during 2009.

The following tables look at the change in the District's revenues and expenses from 2007 to 2008.

Statement of Activities	2007	2008	Change
Program Revenues:			
Charges for Services	$13,625	$160,625	$147,000
Capital Grants	1,488,210	11,602,053	10,113,843
General Revenues:			
Operating Grants	250,000	141,728	(108,272)
Interest	31,805	12,154	(19,651)
Other	10,084	2,500	(7,584)
Total Revenue	1,793,724	11,919,060	10,125,336
Program Expenses			
General Government	569,382	869,574	300,192
Intergovernmental	0	3,164,998	3,164,998
Interest and Fiscal Charges	367,872	55,924	(311,948)
Total Expenses	937,254	4,090,496	3,153,242
Change in Net Assets	856,470	7,828,564	6,972,094
Beginning Net Assets	7,845,554	8,702,024	856,470
Ending Net Assets	$8,702,024	$16,530,588	$7,828,564

The large change in revenues from 2007 to 2008 is in capital grants that be explained by the District receiving reimbursements from ODOT through the local participation agreement with right of way on the Austin Center project. The District is now prepared to issue debt to start the construction process on the interchange. During fiscal year 2008, the District did not receive the full Ohio Department of Development 629 Grant monies for operating purposes that was also received for 2007.

The District's program expenses saw intergovernmental expenses for 2008 as the District paid Miami Township the balance of the bonds dollars per the agreement that was entered into between the District and the Township. The Township then returned the portion of bonds dollars that had not been advanced by the Township. On the financial statements, this transaction has been eliminated so as to not double count the amounts and only the net payment to the Township for reimbursements is shown.

THE DISTRICT'S FUNDS

The following is a summary of the individual funds and an analysis of the ending fund balances.

General	$1,015,355
Austin Center Interchange	2,596,203
Kingsridge Road Project	2,629,410

The general fund balance is used to fund the other projects until certain financing obligations are received. The general fund saw a reduction of $0.15 million as the District did not receive the full allocation of Ohio Department of Development operating fund during 2008. The Austin Center Interchange project saw a fund balance decrease of $0.32 million as the District expended additional monies on the Byers Road portion of the project that will be reimbursed by the participating governments through an amendment with the Ohio Department of Transportation. The District also reported a prepaid asset for out of pocket costs that will be reimbursed through the short term note issue in February 2009.

The largest change in fund balances was in the Kingsridge Road project fund with an increase of $2.68 million. The District issued $4.88 million in special obligations bonds to help finance the construction project. The majority of the construction contract will be paid in 2009 to coordinate with the opening of a new Wal-Mart between the Dayton Mall and Interstate 675.

The District expended $14.46 million in governmental funds during the year with 71.83 percent being spent on the District's infrastructure projects.

Original and Final Budgets – General Fund

The original budget was prepared in July 2007 when the District was still not certain on how it would finance certain projects and with some known facts about revenues that would be received. The budget actually decreased certain project fees expected by the end of year as they were pushed into 2009 **(Charges for Services decreased $100,000).**

The District increased final budget expenditures by 9.33% as the District expected to spend more funds in professional services than the July 2007 estimate.

Final versus Actual Budget – General Fund

The District saw the figure for **Charges for Services** end up actually higher than the original budget as the fee taken on the Kingsridge Road Project financing occurred during the year when the final budget anticipated the fee being pushed back another year.

The District's actual expenditures were under final budget by just over 6% as the District did not incur those additional professional service costs as anticipated in the final budget amendment. The actual number was actually only 2.5% above what budgeted over eighteen months before.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The District capitalized $9.88 million in construction in progress during the year. The District will track the project expenditures as construction in progress and once the project is completed the various improvements will be dedicated to the appropriate agency. See note 3 of the financial statements for more information.

The District issued the first debt of the District during the year. The District issued $4.88 million related to the Kingsridge Road project fund. The bonds were issued for twenty years and will be repaid through an intergovernmental agreement with Miami Township. For more information, see note 8 of the financial statements.

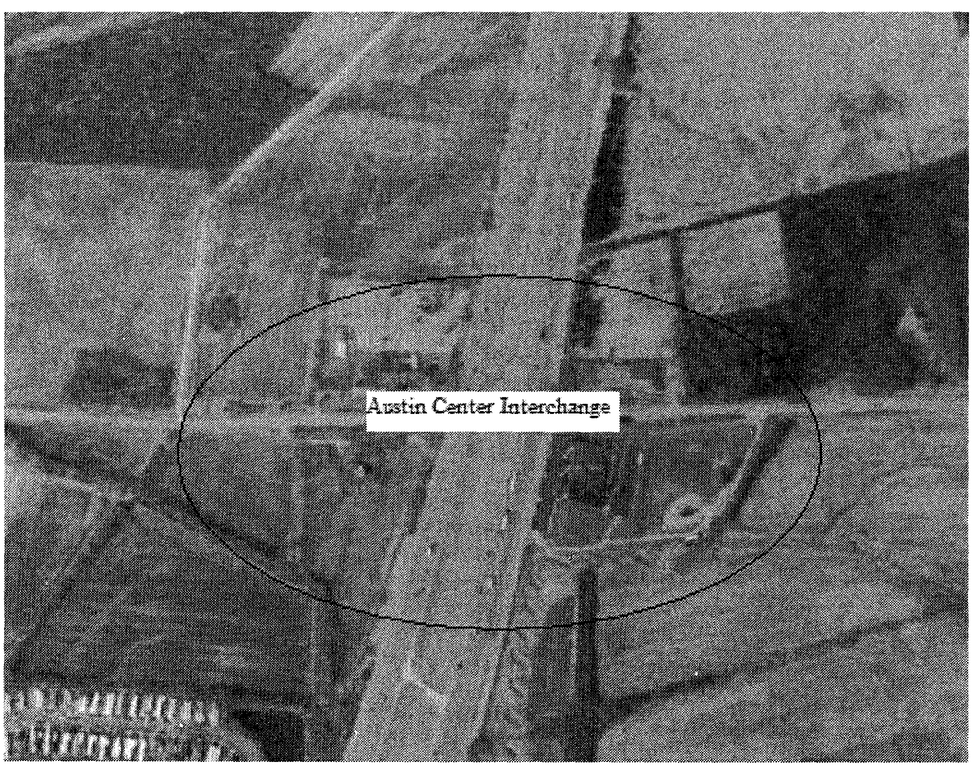
ECONOMIC FACTORS

The District was created to operate on a countywide basis. In the winter, the staff and Trustees met to discuss and reprioritize projects. The District updated the list of needed projects that covers the various areas of the county during the 2008 retreat. The County is divided by one of the major north-south interstates in the country and is a prime location for midwest companies to locate.

With the District's continued main focus on Austin Center Interchange to the south of the City of Dayton, the District has prepared the project for ODOT's construction process to start in March 2009. The area surrounding the interchange is under contract and a developer is working on a large scale master plan to provide for future development around the interchange. The District, County and other local governments have made it a priority to get this project to the point of construction and make sure the communities will benefit from the development that is expected.

The District continues to evaluate the eastern and western corridors of Montgomery County as a way to expedite economic growth throughout the county. The Interstate corridor will be a major development down the road as the District, the Miami Valley Regional Planning Commission and Department of Transportation jointly tackle this task.

It is important that the District is able to succeed in the development of the listed and future projects not only for Montgomery County and its residents, but also for the longevity of the District. The TID is currently included in the Ohio Department of Development Grant for the next two fiscal years. The District will need to generate management fees from mature projects to continue to absorb early stage costs of developing projects. With additional projects to better the transportation quality of Montgomery County, the District will be able to prosper while providing the residents with an easier way to get from one place to the next.



Request for Information

The financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Montgomery County Transportation Improvement District, 1 Chamber Plaza, Dayton, Ohio 45402-2400.

Steven B. Stanley
Executive Director

Montgomery County

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

STATEMENT OF NET ASSETS
DECEMBER 31, 2008

Assets:		
Current Assets:		
Cash and Cash Equivalents	$	414,193
Restricted Cash and Cash Equivalents		2,552,528
Prepaid Assets		327,757
Intergovernmental Receivable		144,466
Intergovernmental Loan Receivable		3,397,812
Total Current Assets		6,836,756
Noncurrent Assets:		
Deferred Charges		410,734
Capital Assets - Construction in Progress		14,592,926
Total Noncurrent Assets		15,003,660
Total Assets		21,840,416
Liabilities:		
Current Liabilities:		
Accounts Payable		171,765
Contracts Payable		246,031
Retainage Payable		33,526
Accrued Interest Payable		19,035
Current Portion of Special Obligation Bonds Payable		5,000
Total Current Liabilities		475,357
Noncurrent Liabilities:		
Special Obligation Bonds Payable		4,834,471
Total Liabilities		5,309,828
Net Assets:		
Invested in Capital Assets		11,358,499
Restricted for:		
Capital Improvements		4,422,178
Unrestricted		749,911
Total Net Assets	$	16,530,588

See accompanying notes to the financial statements

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

		Program Revenues		Net (Expense) Revenue and Change in Net Assets — Primary Government
Functions/Programs	**Expenses**	**Charges for Services**	**Capital Grants and Contributions**	**Governmental Activities**
Primary Government:				
Governmental Activities:				
General Government	$ 869,574	$ 160,625	$ 8,134,981	$ 7,426,032
Intergovernmental	3,164,998	-	3,450,667	285,669
Interest and Fiscal Charges	55,924	-	16,405	(39,519)
Total Primary Government	$ 4,090,496	$ 160,625	$ 11,602,053	7,672,182
General Revenues:				
Grants and Contributions not Restricted to Specific Programs				141,728
Unrestricted Investment Earnings				12,154
Miscellaneous				2,500
Total General Revenues				156,382
Change in Net Assets				7,828,564
Net Assets - Beginning				8,702,024
Net Assets - Ending				$ 16,530,588

See accompanying notes to the financial statements

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

BALANCE SHEET -
GOVERNMENTAL FUNDS
DECEMBER 31, 2008

	General	Austin Center Interchange	Kingsridge Road Project	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	$ 183,482	$ -	$ 230,711	$ 414,193
Receivables:				
Intergovernmental	137,716	6,750	-	144,466
Loan	-	3,397,812	-	3,397,812
Interfund Loan	848,745	-	-	848,745
Prepaid Assets	-	327,757	-	327,757
Restricted Assets:				
Cash and Cash Equivalents	-	-	2,552,528	2,552,528
Total Assets	$ 1,169,943	$ 3,732,319	$ 2,783,239	$ 7,685,501
Liabilities				
Payable:				
Accounts	$ 16,872	$ 152,363	$ 2,530	171,765
Contracts	-	128,258	117,773	246,031
Retainage	-	-	33,526	33,526
Interfund Loan	-	848,745	-	848,745
Deferred Revenue	137,716	6,750	-	144,466
Total Liabilities	154,588	1,136,116	153,829	1,444,533
Fund Balances				
Reserved for:				
Loans Receivable	-	3,397,812	-	3,397,812
Unreserved, reported in:				
General	1,015,355	-	-	1,015,355
Capital Projects (Deficit)	-	(801,609)	2,629,410	1,827,801
Total Fund Balances (Deficit)	1,015,355	2,596,203	2,629,410	6,240,968
Total Liabilities and Fund Balances	$ 1,169,943	$ 3,732,319	$ 2,783,239	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	14,592,926
Long-term receivables are not available to pay for current period expenditures and therefore are deferred in the funds.	144,466
Issuance costs associated with long term debt are not financial resources and, therefore, are not reported in the funds.	410,734
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(4,858,506)
Net Assets of Governmental Activities	$ 16,530,588

See accompanying notes to the financial statements

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	General	Austin Center Interchange	Kingsridge Road Project	Shovel Ready Sites Grant	Total Governmental Funds
Revenues:					
Intergovernmental	$ 141,728	$ 7,549,505	$ 3,450,667	$ 500,000	$ 11,641,900
Charges for Services	160,625	-	-	-	160,625
Investment Earnings	12,154	-	16,405	-	28,559
All Other	-	1,200	1,300	-	2,500
Total Revenues	314,507	7,550,705	3,468,372	500,000	11,833,584
Expenditures:					
Current:					
General Government	462,429	-	-	-	462,429
Capital Outlay	-	7,847,936	2,042,214	500,000	10,390,150
Intergovernmental	-	-	3,164,998	-	3,164,998
Debt Service:					
Interest	-	25,781	-	-	25,781
Issuance Costs	-	-	421,266	-	421,266
Total Expenditures	462,429	7,873,717	5,628,478	500,000	14,464,624
Excess (Deficiency) of Revenues Over (Under) Expenditures	(147,922)	(323,012)	(2,160,106)	-	(2,631,040)
Other Financing Sources (Uses):					
Face Value from Sale of Bonds	-	-	4,885,000	-	4,885,000
Discount on Sale of Bonds	-	-	(46,105)	-	(46,105)
Total Other Financing Sources (Uses)	-	-	4,838,895	-	4,838,895
Net Change in Fund Balances	(147,922)	(323,012)	2,678,789	-	2,207,855
Fund Balances (Deficit) - beginning	1,163,277	2,919,215	(49,379)	-	
Fund Balances (Deficit) - ending	$ 1,015,355	$ 2,596,203	$ 2,629,410	$ -	

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

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 District only reports construction in progress with no depreciation in the current period, this amount is:	9,983,005
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	85,476
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	437,228
The issuance of long term debt provides current financial resources to governmental funds, then the repayment reduces long-term liabilities in the statement of net assets. In the current year, this amount is:	(4,885,000)
Change in Net Assets of Governmental Activities	$ 7,828,564

See accompanying notes to the financial statements

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2008

	Advocacy Agency Fund
Assets:	
Cash and Cash Equivalents	$ 12,357
Total Assets	12,357
Liabilities:	
Due to Other Governments	12,357
Total Liabilities	$ 12,357

See accompanying notes to the basic financial statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Montgomery County Transportation Improvement District (the "District") is a body, both corporate and politic, created for the purpose of financing, constructing, maintaining, repairing and operating selected transportation projects. The District was specifically formed under Ohio Revised Code, Chapter 5540, as amended, and created by action of the Board of County Commissioners of Montgomery County on August 14, 2001.

The District is a jointly governed entity administered by a Board of Directors ("Board") that acts as the authoritative and legislative body of the entity. The Board is comprised of seven board members, of which five are voting and two are non-voting appointed by the County and State governments. Of the seven, three are elected as officers of the District; Chair(person), Vice-Chair(person), and Secretary-Treasurer. Each Officer serves a one-year term; there are no term limits for reappointment. No Board Members receive compensation for serving on the Board.

The Board of Directors annually appoints the Chair(person) of the Board from existing Board members. The Chair responsibilities are to preside at all meetings of the Board; to be the chief officer of the District; perform all duties commonly incident to the position of presiding officer of a board, commission or business organization and to exercise supervision over the business of the District, its officers and employees.

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity,*" and amended for provisions under GASB Statement No. 34, "*The New Reporting Model – Management's Discussion and Analysis*" in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units.

B. 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 nonfiduciary activities of the primary government.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Other items not properly included among program revenues are reported instead as *general revenues*. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. **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*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as 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 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Revenue from intergovernmental agreements and interest associated with the current fiscal period is considered being susceptible to accrual and has been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the District receives cash.

Fund Accounting

The 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 District uses governmental and agency funds.

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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District reports the following major governmental funds:

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

Austin Center Interchange – The District is working with local municipalities in coordination of modifying the existing overpass into a full interchange with Interstate 75. Currently, the District has finished the multi-jurisdictional land use plan while still working on completion of the financing plan. The District has initiated right of way acquisition for the project. Initial engineering work on the Byers Road realignment is underway also.

Kingsridge Road Project – The District is working with Miami Township to improve certain infrastructure around the Dayton Mall and surrounding area. Currently, the District has started the engineering design work and is finalizing the financing plan for the project.

Shovel Ready Sites Grant – The District received two different grants from Montgomery County as part of the County's shovel ready sites program. The County granted to the money to the District to distribute to developments that were ready for construction in the area of the Austin Center Interchange or would benefit from the future interchange.

Additionally, the District reports the following fund type:

Fiduciary Funds
Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: private purpose trust funds, pension trust funds, investment trust funds and agency funds. The District maintains one fiduciary agency fund: Advocacy fund that accounts for the collection and distribution of monies used for legislative matters in the State of Ohio and Federal Government. The District's agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operations.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues - Exchange and Non-exchange Transactions

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

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

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

Cash and Cash Equivalents

Cash received by the District is held for operating and construction purposes. Cash related to operating purposes is presented as "Cash and Cash Equivalents" on the statement of net assets and governmental fund balance sheet by activity or fund. The District also maintains cash for construction purposes that was obtained through a bond issuance. The cash related to construction purposes is presented as "Restricted Cash and Cash Equivalents." During fiscal year 2008, the District had no investments.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Following Ohio statutes, the Board of Directors has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2008 amount to $12,154, no amounts were assigned from other District funds as they maintained a negative cash balance for the year. The Kingsridge Road Project also received interest in the restricted construction account of $16,405.

Interfund Transactions

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "Interfund Receivable" or "Interfund Payable" on the fund balance sheet. These amounts are eliminated from the consolidated columns on the statement of net assets.

Capital Assets

Capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The District maintains a capitalization threshold of $5,000. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not.

Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants and contributions awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available. For the District, the majority of intergovernmental revenues are derived through reimbursement contracts with participating local governments for repayment of expense incurred related to engineering or construction related projects.

Reservations of Fund Balance

The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore, are not available for appropriations or expenditure in the governmental fund balance sheet. Unreserved fund balance indicates that portion of fund equity, which is available for appropriations, in future periods. The reserve for loans receivable is the required contribution under the agreement with the Dayton/Montgomery County Port Authority regarding the purchase of 121 acres along the Austin Interchange project.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Net assets present the difference between assets and liabilities in the statement of net assets. Net assets invested in capital assets are 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 legal limitations imposed on their use by District legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

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.

Interfund Activity

Short-term interfund loans are classified as "interfund receivables" and "interfund payables". These amounts are eliminated in the statement of net assets.

NOTE 2 – DEPOSIT AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash and investments. In addition, investments are separately held by a number of individual funds. Statutes require the classification of funds held by the District into three categories.

Category 3 consists of "interim" funds – those funds not needed for immediate use, but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- 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 or interest by the United States;

- 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;

NOTE 2 – DEPOSIT AND INVESTMENTS (Continued)

- 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;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- The State Treasury Asset Reserve of Ohio (STAR Ohio);
- Certain banker's acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
- Under limited circumstances, corporate debt interest rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

A. Deposits

At fiscal year-end, the carrying value of the District's deposits was $2,979,078 and the bank balance was $3,042,777. $250,000 of the District's deposits was insured by federal depository insurance. Based on criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2008, $2,792,777 of the District's bank balance of $3,042,777 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

NOTE 2 – DEPOSIT AND INVESTMENTS (Continued)

The District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

As of December 31, 2008, the District had no investments.

Interest Rate Risk - The District has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk - The District has no investment policy that would further limit its investment choices.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk - The District places no limit on the amount it may invest in any one issuer.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2008, was as follows:

	Balance 12/31/07	Increases	Decreases	Balance 12/31/08
Governmental Activities				
Capital Assets, not being depreciated				
Construction in Progress	$4,609,921	$9,883,005	$0	$14,592,926
Total	$4,609,921	$9,883,005	$0	$14,592,926

NOTE 4 – INTERGOVERNMENTAL REVENUES

The following entities, which are a part of the District, have contributed the following funds during 2008.

Member Name	Contribution (Modified Accrual Basis)
Ohio Department of Transportation	$7,217,693
Miami Township	3,450,667
Development Projects Inc.	826,691
City of Springboro	146,849
Total Intergovernmental Revenue	$11,641,900

NOTE 5 – OUTSTANDING COMMITMENTS

The District has several outstanding contracts for professional and contract services. The following amounts remain on these contracts as of December 31, 2008:

Vendor	Outstanding Balance
LJB, Inc. – Work on Byers Road Engineering	$692,114
RB Jergens – Kingsridge Road Construction	1,439,295

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees and natural disaster. During 2008, the District contracted with the Brower Insurance agency for liability, property, and crime damage. Coverages provided by the company are as follows:

Professional Liability ($5,000 deductible)	$1,000,000
Commercial General Liability	
Each Occurrence	1,000,000
Aggregate	2,000,000
Fire Damage	100,000
Medical Expenses	5,000
Automobile Liability	1,000,000
Umbrella Excess Liability	1,000,000
Crime Insurance:	
Public Employee's Bond ($1,000 deductible)	50,000

NOTE 6 – RISK MANAGEMENT (Continued)

There have been no significant changes in coverage or claims made over the past three years and there has been no significant reduction in insurance coverage from last year. Settled claims have not exceeded this commercial coverage in the past three years.

NOTE 7 – DAYTON PORT AUTHORITY LOAN RECEIVABLE

The District and the Dayton Port Authority (the "Port") have a vested interest in the Long Farm property in the northwest corner of the proposed Austin Centre Interchange. The District placed $3,029,940 on deposit with the Port to enable the financing of the purchase of 121 acres that includes an equity infusion and additional unreimbursed costs. The Port's first debt service payment came due on November 14, 2006, and the District made the payment as a developer has not been selected at this point. The District through an intergovernmental agreement agreed to pay this payment and record it as debt service on behalf of the Port. The payment of $367,872 increased the equity infusion the District made initial and will be repaid at the end of the term or when the property is sold. The equity infusion will be repaid as the Port sells the real property over the following amortization schedule.

Fiscal Year	Amount Due
2009	$1,280,654
2010	368,730
2011	379,874
2012	391,357
2013	403,195
2014	574,012
Total	$3,397,812

During 2008, the Port continued negotiations with the developer. The balance due from the Port to the District will be paid upon closing of the sale of the property with the developer.

NOTE 8 – LONG TERM LIABILITIES

The changes in the District's long-term obligations (non-current liabilities) during the year consist of the following:

	Obligation Outstanding 12/31/07	Additions	Reductions	Obligation Outstanding 12/31/08	Amounts Due in One Year
Governmental Activities					
Special Obligation Bonds	$0	$4,885,000	$0	$4,885,000	$5,000
Bond Discount	0	(46,105)	576	(45,529)	0
Total	$0	$4,838,895	$576	$4,839,471	$5,000

Special Obligation Bonds - On September 4, 2008, the District issued $4,885,000 in special obligation bonds for the purpose of the Kingsridge Drive project. The bonds were issued for a twenty year period with a final maturity of December 1, 2028. The bonds will be retired from the TIF revenues pledged by Miami Township in the Kingsridge Drive Project fund and pay interest at rates ranging from 2.25% to 5%.

NOTE 8 – LONG TERM LIABILITIES (Continued)

The District had pledged all intergovernmental revenues from Miami Township's tax increment financing revenues to repay the $4.89 million special obligation bonds. The bonds are solely payable from revenues assigned from Miami Township to the District as part of the funding agreement between the two parties. Total principal and interest remaining on the bonds is $7,773,936 through December 2023. There was nothing received from the agreement or paid during the current year on the outstanding bonds.

	Special Obligation Bonds		
Fiscal Year Ending June 30,	Principal	Interest	Total
2009	$5,000	$220,050	$220,050
2010	5,000	219,938	224,938
2011	200,000	219,800	419,800
2012	200,000	212,800	412,800
2013	200,000	205,800	405,800
2014-2018	1,115,000	904,174	2,019,174
2019-2023	1,395,000	635,350	2,030,350
2024-2028	1,765,000	271,204	2,036,024
Totals	$4,885,000	$2,888,936	$7,773,936

NOTE 9 – SHORT TERM LINE OF CREDIT

A summary of the short-term transactions for the year ended December 31, 2008, follows:

Fund Type	**Balance 12/31/2007**	**Increase**	**Decrease**	**Balance 12/31/2008**
Governmental Type Activities:				
Austin Center Interchange	$0	$5,425,769	$5,425,769	$0

The District received a line of credit with JP Moran Chase Bank to offset the reimbursement process to purchase right of way on the Austin Center Interchange project. The District was able to payoff the line of credit once the reimbursements were received from the Ohio Department of Transportation.

NOTE 10 - CONTIGENCIES

The District is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position or changes in net assets of the District.

NOTE 11 – INTERFUND TRANSACTIONS

Interfund asset and liability balances and transfers at December 31, 2008, were as follows:

	Interfund	
Fund	Receivable	Payable
MAJOR FUNDS		
General Fund	$848,745	$0
Austin Center Interchange	0	848,745
Total Major Funds	$848,745	$848,745

The interfund loan from the General Fund to the capital projects are expected to be reimbursed with one year incurred for project related expenditures reimbursed in the next fiscal year as the District issued notes for the Austin Center Interchange project.

NOTE 12 – JOINTLY GOVERNED ORGANIZATIONS

Miami Valley Regional Planning Commission

The Miami Valley Regional Planning Commission (MVRPC), a jointly governed organization, was established to provide coordinated planning services to the appropriate federal, state and local governments, their political subdivisions, agencies, departments, instrumentalities, and special districts, in connection with the preparation and development of comprehensive and continuing regional transportation and development plans within the MVRPC Region. MVRPC members include Montgomery, Darke, Greene, Miami, Clark, Warren and Preble Counties.

MVRPC contracts periodically for local funds and other support with the governing board of each of the governments who are members of MVRPC or with such other persons as may be appropriate to provide such funds and support. The support is based on the population of the area represented. A Board of Trustees was created for conducting the activities of the MVRPC. This Board consists of one elected official of each City and municipal corporation, one individual selected by each City planning agency or commission and one person selected by each planning agency or commission of each municipal corporation located in each member City. This Board of Trustees then selects not more than ten residents of the MVRPC Region. The total membership of the Board of Trustees shall not exceed 100. Any member of MVRPC may withdraw its membership upon written notice to MVRPC be effective two years after receipt of the notice by MVRPC. The District paid $1,000 to MVRPC during 2008. To obtain financial information, write to Gary Bellotti, Controller. To obtain financials statements of the Miami Valley Regional Planning Commission, write to MVRPC at One Dayton Center, One South Main Street, Suite 260, Dayton, Ohio 45402.

NOTE 13 – DEFINED BENEFIT PENSION PLAN

Public Employees Retirement System
The District contributes to the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-8025 or 1-800-222- OPERS (7377).

In 2003, OPERS expanded the retirement options for covered employees. OPERS administers three separate pension plans as described below:

- The Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan

- The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon.

- The Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations with the employer portion at 14 percent. Contributions are authorized by State statute. The contribution rates are determined actuarially. The District's required contributions to OPERS for the years ended December 31, 2008, 2007, and 2006 were $20,911, $19,976, and $17,849. 89 percent has been contributed for 2008 and 100% for 2007 and 2006 with the remainder being reported as a liability within the general fund.

NOTE 14 - POST EMPLOYMENT BENEFITS

Public Employees Retirement System (OPERS)
The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2008 employer contribution rate was 14 percent of covered payroll; 7 percent was the portion that was used to fund health care for 2008.

NOTE 14 - POST EMPLOYMENT BENEFITS (Continued)

Benefits are advance-funded using an entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed December 31, 2007 include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.00 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

As of December 31, 2007 (latest information available), the actuarial value net assets available for future OPEB payments were $12.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were $29.8 billion and $17 billion, respectively. At December 31, 2008, the total number of benefit recipients eligible for OPEB through PERS was 363,503. The District's actual contributions for 2008 that were used to fund OPEB were $12,793.

NOTE 15 – SUBSEQUENT EVENTS

In February 2009, the District issued $25,000,000 in short term special obligation notes payable related to the Austin Center Interchange project. The notes will be repaid in 2009 through the issuance of long term bonds.

REQUIRED
SUPPLEMENTARY
INFORMATION

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental Revenue	$ 250,000	$ 142,000	$ 141,728	$ (272)
Charges for Services	127,000	27,000	160,625	133,625
Investment Earnings	35,000	20,000	12,154	(7,846)
Total Revenues	412,000	189,000	314,507	125,507
Expenditures:				
Current:				
General Government	456,588	499,202	468,374	30,828
Total Expenditures	456,588	499,202	468,374	30,828
Net Change in Fund Balances	(44,588)	(310,202)	(153,867)	156,335
Fund Balance Beginning of Year	1,186,065	1,186,065	1,186,065	-
Fund Balance End of Year	$ 1,141,477	$ 875,863	$ 1,032,198	$ 156,335

Budget Basis	$ (153,867)
Expenditure Accruals	5,945
GAAP Basis	$ (147,922)

See accompanying notes to the required supplementary information

Montgomery County

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. Legally, the Ohio Revised Code does not strictly impose a requirement on the District to follow the budgetary process but the District chose to follow these laws by an act within their entity's by-laws. The major documents prepared are the estimated revenues and the appropriation resolution, both of which are prepared on the budgetary basis of accounting.

The estimated revenues and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated revenues, as certified by resolution of the District Board. All funds are required to be budgeted and appropriated. The level of budgetary control is at the fund level for the District. Any budgetary modifications at this level may only be made by resolution of the District Board.

Under the District's By-laws, revenues not specifically related to a particular fund shall be deposited into the District's General Fund. Moneys can only be transferred from the General Fund by resolution of the District Board.

1. Estimated Revenues

As part of the District's budgetary process, the Board approves the estimated revenues as part of the budget resolution. The estimated revenues resolution states the projected revenue of each fund. Prior to December 31, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the resolution. The revised budget then serves as the basis for the annual appropriation measure. On or about January 1, the estimated revenues are amended to include any unencumbered balances from the preceding year.

The estimated revenues may be further amended during the year if the Board determines an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final budget resolution issued during 2008.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Appropriations

An annual appropriation resolution must be passed by July 15 of the preceding year for the period January 1 to December 31. The appropriation resolution fixes spending authority at the fund level. The appropriation resolution may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated revenues, as certified. The allocation of appropriations among funds may be modified during the year only by a resolution of the Board. The amounts reported as the original budgeted amounts in the budgetary statements reflect the appropriations in the first complete appropriated budget, including amounts automatically carried over from prior years. The amounts reported as final budgeted amounts in the schedules of budgetary comparison represent the final appropriation amounts, including all supplemental appropriations.

3. Lapsing of Appropriations

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

4. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than GAAP. The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures are recorded when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting on the governmental fund statements and on the full accrual basis on the government-wide statements.

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUSTIN CENTER INTERCHANGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental Revenue	$ 6,515,000	$ 7,774,000	$ 7,631,498	$ (142,502)
All Other	-	1,200	1,200	-
Total Revenues	6,515,000	7,775,200	7,632,698	(142,502)
Expenditures:				
Capital Outlay	5,984,434	7,804,934	7,920,599	(115,665)
Debt Service:				
Principal Retirement	-	5,455,000	5,425,769	29,231
Interest and Fiscal Charges	-	-	25,781	(25,781)
Total Expenditures	5,984,434	13,259,934	13,372,149	(112,215)
Excess (Deficiency) of Revenues Over (Under) Expenditures	530,566	(5,484,734)	(5,739,451)	(254,717)
Other Financing Sources:				
Proceeds from Line of Credit	-	5,965,000	5,425,769	(539,231)
Total Other Financing Sources	-	5,965,000	5,425,769	(539,231)
Net Change in Fund Balances	530,566	480,266	(313,682)	(793,948)
Fund Balance (Deficit) Beginning of Year	(535,063)	(535,063)	(535,063)	-
Fund Balance (Deficit) End of Year	$ (4,497)	$ (54,797)	$ (848,745)	$ (793,948)

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
KINGSRIDGE PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental Revenue	$ 5,230,098	$ 3,469,328	$ 3,450,667	$ (18,661)
Investment Earnings	-	-	16,405	16,405
All Other	-	1,200	1,300	100
Total Revenues	5,230,098	3,470,528	3,468,372	(2,156)
Expenditures:				
Capital Outlay	5,220,000	3,361,909	1,927,666	1,434,243
Intergovernmental	-	3,164,998	3,164,998	-
Debt Service:				
Interest and Fiscal Charges	-	421,266	421,266	-
Total Expenditures	5,220,000	6,948,173	5,513,930	1,434,243
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,098	(3,477,645)	(2,045,558)	1,432,087
Other Financing Sources (Uses):				
Face Value from Sale of Bonds	-	4,885,000	4,885,000	-
Discount on Sale of Bonds	-	(46,105)	(46,105)	-
Total Other Financing Sources (Uses)	-	4,838,895	4,838,895	-
Net Change in Fund Balances	10,098	1,361,250	2,793,337	1,432,087
Fund Balance (Deficit) Beginning of Year	(10,098)	(10,098)	(10,098)	-
Fund Balance End of Year	$ -	$ 1,351,152	$ 2,783,239	$ 1,432,087

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SHOVEL READY SITES GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental Revenue	$ 500,000	$ 500,000	$ 500,000	$ -
Total Revenues	500,000	500,000	500,000	-
Expenditures:				
Capital Outlay	500,000	500,000	500,000	-
Total Expenditures	500,000	500,000	500,000	-
Net Change in Fund Balances	-	-	-	-
Fund Balance Beginning of Year	-	-	-	-
Fund Balance End of Year	$ -	$ -	$ -	$ -

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2008

	Balance December 31, 2007	Additions	Deletions	Balance December 31, 2008
Assets:				
Cash and Cash Equivalents	$12,213	$76,544	$76,400	$12,357
Total Assets	$12,213	$76,544	$76,400	$12,357
Liabilities:				
Due to Other Governments	12,213	76,544	76,400	12,357
Total Liabilities	$12,213	$76,544	$76,400	$12,357

STATISTICAL

SECTION

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT
STATISTICAL SECTION DESCRIPTIONS
DECEMBER 31, 2008

This part of the 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 District's overall financial health.

<u>Contents</u> <u>Pages</u>

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

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

	2008	2007	2006	2005	2004
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	$ 11,358,499	$ 4,609,921	$ 3,571,394	$ 3,489,791	$ 3,412,284
Restricted	4,422,178	3,397,812	3,397,812	-	-
Unrestricted	749,911	694,291	876,348	1,088,117	1,468,647
Total Governmental Activities Net Assets	$ 16,530,588	$ 8,702,024	$ 7,845,554	$ 4,577,908	$ 4,880,931

NOTE: The District's first year reporting under GASB 34 was 2004.

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

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

	2008	2007	2006	2005	2004
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	$ 160,625	$ 13,625	$ -	$ 95,000	$ 19,490
Capital Grants and Contributions	11,602,053	1,488,210	449,750	79,854	499,506
Total Governmental Activities Program Revenues	11,762,678	1,501,835	449,750	174,854	518,996
Expenses					
Governmental Activities:					
General Government	869,574	569,382	565,258	510,824	625,444
Intergovernmental	3,164,998	-	-	-	-
Interest and Fiscal Charges	55,924	367,872	367,872	-	-
Total Governmental Activities Expenses	4,090,496	937,254	933,130	510,824	625,444
Net (Expense)/Revenue					
Governmental Activities	7,672,182	564,581	(483,380)	(335,970)	(106,448)
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Grants and Entitlements not Restricted to Specific Programs	141,728	250,000	312,500	-	312,500
Investment Earnings	12,154	31,805	40,704	32,947	18,177
Other	2,500	10,084	10	-	-
Total Governmental Activities	156,382	291,889	353,214	32,947	330,677
Change in Net Assets					
Governmental Activities	$ 7,828,564	$ 856,470	$ (130,166)	$ (303,023)	$ 224,229

NOTE: The District's first year reporting under GASB 34 was 2004.

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

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

	2008	2007	2006	2005	2004	2003	2002
General Fund							
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,400
Unreserved	1,015,355	1,163,277	1,345,279	1,341,044	1,489,107	1,281,788	108,773
Total General Fund	1,015,355	1,163,277	1,345,279	1,341,044	1,489,107	1,281,788	111,173
All Other Governmental Funds							
Reserved	3,397,812	3,397,812	3,397,812	25,318	38,857	28,873	6,744
Undesignated, Reported in:							
Capital Projects Funds (Deficit)	1,827,801	(527,976)	(534,720)	(483,275)	(232,145)	89,105	29,290
Total All Other Governmental Funds	5,225,613	2,869,836	2,863,092	(457,957)	(193,288)	117,978	36,034
Total Governmental Funds	$ 6,240,968	$ 4,033,113	$ 4,208,371	$ 883,087	$ 1,295,819	$ 1,399,766	$ 147,207

* The District's first reporting year was 2002.

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

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

	2008	2007	2006	2005	2004	2003	2002
Revenues							
Intergovernmental	$ 11,641,900	$ 1,377,137	$ 901,491	$ 20,866	$ 462,582	$ 6,657,876	$ 304,575
Charges for Services	160,625	13,625	-	95,000	137,368	31,025	-
Investment Earnings	28,559	31,805	40,704	32,947	18,177	12,747	1,442
Other	2,500	377,956	10	26,786	199,234	700	19
Total Revenues	11,833,584	1,800,523	942,205	175,599	817,361	6,702,348	306,036
Expenditures							
Current:							
General Government	462,429	425,938	348,979	276,010	260,726	217,391	144,278
Capital Outlay	10,390,150	1,181,971	297,882	312,321	660,582	5,232,398	14,551
Intergovernmental	3,164,998	-	-	-	-	-	-
Debt Service:							
Issuance Costs	421,266	-	-	-	-	-	-
Interest	25,781	367,872	367,872	-	-	-	-
Total Expenditures	14,464,624	1,975,781	1,014,733	588,331	921,308	5,449,789	158,829
Excess of Revenues Over (Under) Expenditures	(2,631,040)	(175,258)	(72,528)	(412,732)	(103,947)	1,252,559	147,207
Other Financing Sources (Uses)							
Face Value from Sale of Bonds	4,885,000	-	-	-	-	-	-
Discount on Sale of Bonds	(46,105)	-	-	-	-	-	-
Transfers In	-	51,578	-	-	-	-	50,000
Transfers Out	-	(51,578)	-	-	-	-	(50,000)
Total Other Financing Sources (Uses)	4,838,895	-	-	-	-	-	-
Net Change in Fund Balances	$ 2,207,855	$ (175,258)	$ (72,528)	$ (412,732)	$ (103,947)	$ 1,252,559	$ 147,207
Debt Service as a Percentage of Noncapital Expenditures	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* The District's first reporting year was 2002.

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

Top Ten Principal Employers
Last Two Years

2007

Employer	
Wright-Patterson Air Force Base	22,000
Premier Health Partners Inc.	12,019
Kettering Health Network	6,831
Delphi Corp	6,000
Montgomery County	4,498
General Motors Corporation	4,000
Dayton Public Schools	3,844
AK Steel	3,415
Kroger Co	3,000
Wright State University	2,704

2006

Employer	
Wright-Patterson Air Force Base	22,000
Premier Health Partners Inc.	12,291
Kettering Health Network	5,461
Delphi Corp	5,300
Montgomery County	4,840
Dayton Public Schools	4,000
GM Moriane Assembly Plant	3,209
Kroger Co	3,000
Lexis Nexis	3,000
AK Steel	3,000

Source: Montgomery County Annual Financial Report

Note: This information was most recently available information and nothing beyond 2006 could be gathered for the time the District has been in operation.

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

Demographic Statistics
Last Seven Years

YEAR	POPULATION (1)	UNEMPLOYMENT RATE MONTGOMERY COUNTY (2)	PERSONAL INCOME (3)	PER CAPITA PERSONAL INCOME
2002	554,470	5.8%	$ 10,862,303,157	$ 19,590.43
2003	552,187	6.2%	10,734,829,035	19,440.57
2004	550,063	6.2%	11,216,655,840	20,391.58
2005	547,435	6.1%	11,636,261,943	21,255.97
2006	542,237	5.7%	12,277,059,806	22,641.50
2007	538,104	6.2%	12,813,546,585	23,812.40
2008	Not Available	6.6%	Not Available	

(1) SOURCE: Montgomery County Annual Financial Report
(2) SOURCE: Ohio Labor Market Information, Ohio Department of Job and Family Services
(3) SOURCE: Ohio Department of Taxation

* The District's first reporting year was 2002.

Full-Time Equivalent Government Employees by Function/Program
Last Seven Years

Function/program	2008	2007	2006	2005	2004	2003	2002
General Government:	2.5	2.5	2.5	1	1	0	0

Source: Finance Department
Method: Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee

* The District's first reporting year was 2002 and did not officially hire an employee until 2004 as the current Executive Director was provided by a contract from the Dayton Chamber of Commerce. The District's administrative assistant and finance director are provided through contracts presently.

MONTGOMERY COUNTY, OHIO
TRANSPORTATION IMPROVEMENT DISTRICT

Miscellaneous Statistics
December 31, 2008

Date of Creation	2001
County:	Montgomery
County Seat:	Dayton, Ohio
Number of Interstate Highways inside the District:	3 (Interstate 75) (Interstate 70) (Interstate 675)

Source: Transportation Improvement District

MONTGOMERY COUNTY TRANSPORTATION IMPROVEMENT DISTRICT

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JUNE 18, 2009