

Portsmouth City School District

Scioto County

Single Audit

July 1, 2007 through June 30, 2008

Fiscal Year Audited Under GAGAS: 2008

Caudill & Associates, CPA's

725 5th Street

Portsmouth, OH 45662



Mary Taylor, CPA
Auditor of State

Board of Education
Portsmouth City School District
923 Findlay Street
Portsmouth, Ohio 45662

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

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

Mary Taylor

Mary Taylor, CPA
Auditor of State

December 31, 2008

This Page is Intentionally Left Blank.

**PORTSMOUTH CITY SCHOOL DISTRICT
SCIOTO COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards	2
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Programs and on Internal Control Over Compliance in Accordance with OMB Circular A-133	5
Schedule of Findings and Questioned Costs - <i>OMB Circular A-133 §.505</i>	7
Schedule of Prior Audit Findings – <i>OMB Circular A-133 § .315(b)</i>	8

PORTSMOUTH CITY SCHOOL DISTRICT
Scioto County

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2008

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Disbursements
United States Department of Agriculture				
<i>Passed through the Ohio Department of Education</i>				
Food Donation	N/A	10.550	\$ 112,081	\$ 112,081
<i>Child Nutrition Cluster:</i>				
School Breakfast Program	05-PU	10.553	189,045	189,045
National School Lunch Program	LL-P4	10.555	639,876	639,876
Child Nutrition Cluster Total			<u>828,921</u>	<u>828,921</u>
Total United States Department of Agriculture			<u>941,002</u>	<u>941,002</u>
United States Department of Education				
<i>Direct from Department of Education</i>				
Impact Aid	N/A	84.048	28,548	28,548
<i>Passed through the Ohio Department of Education</i>				
Title I Grants to Local Educational Agencies	C1S1	84.010	1,112,218	961,808
<i>Special Education Cluster:</i>				
Special Education - Grants to States	6BSF	84.027	721,303	596,622
Special Education - Preschool Grants	PGS1	84.173	16,272	12,925
Special Education Cluster Total			<u>737,575</u>	<u>609,547</u>
Safe & Drug Free Schools and Communities - State Grants	DRS1	84.186	19,800	17,534
Education for Homeless Children and Youth	HCS1	84.196	39,206	34,240
Even Start_State Educational Agencies	EVS1	84.213	182,026	159,731
Education Technology State Grants	TJS1	84.318	8,912	7,826
Reading First Grant	RSS1	84.357	989,143	885,520
Rural Education	RUS1	84.358	73,333	59,070
Improving Teacher Quality State Grants	TRS1	84.367	363,799	313,447
Temporary Assistance for Needy Families	TRS1	93.558	78,815	78,888
Total United States Department of Education			<u>3,633,375</u>	<u>3,156,159</u>
Total Federal Awards			<u>\$ 4,574,377</u>	<u>\$ 4,097,161</u>

NA - Pass Through Entity Number is Not Available

N - Direct from the Federal Government

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**PORTSMOUTH CITY SCHOOL DISTRICT
SCIOTO COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

NOTE A - BASIS OF ACCOUNTING

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

NOTE B – FOOD DISTRIBUTION

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

Caudill & Associates, CPA's

725 5th Street
Portsmouth, OH 45662

Member American Institute of Certified Public Accountants

Ohio Society of Certified Public Accountants
Kentucky Society of Certified Public Accountants

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 Education
Portsmouth City School District
Scioto County
923 Findlay Street
Portsmouth, Ohio 45662

We have audited the financial statements of the government activities, each major fund, and the aggregate remaining fund information of the Portsmouth City School District, Scioto County, Ohio (the "School District") as of and for the year ended June 30, 2008, which collectively comprise the School District's financial statements and have issued our report thereon dated December 17, 2008, wherein we noted the District implemented GASB Statement No.'s 45, 48, and 50 as disclosed in Note 21. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School District'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 School District's financial statements that is more than inconsequential will not be prevented or detected by the School District's internal control.

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

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

Portsmouth City School District
Scioto County

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*

Compliance and Other Matters

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

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

Caudill & Associates, CPAs

Caudill & Associates, CPA's
December 17, 2008

Caudill & Associates, CPA's

725 5th Street
Portsmouth, OH 45662

Member American Institute of Certified Public Accountants

Ohio Society of Certified Public Accountants
Kentucky Society of Certified Public Accountants

Report on Compliance with Requirements Applicable to each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

To the Board of Education
Portsmouth City School District
Scioto County
923 Findlay Street
Portsmouth, Ohio 45662

Compliance

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

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

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

Internal Control Over Compliance

The management of the School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal controls over compliance, in accordance with OMB Circular A-133. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Members of Board of Education
Portsmouth City School District

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control
Over Compliance in Accordance with OMB Circular A-133

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

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

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

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

Caudill & Associates, CPA's

Caudill & Associates, CPA's

December 17, 2008

**PORTSMOUTH CITY SCHOOL DISTRICT
SCIOTO COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 § .505**

1. SUMMARY OF AUDITOR'S RESULTS
--

FOR THE YEAR ENDED JUNE 30, 2008

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other Significant Control Deficiency conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Title I Grants to Local Educational Agencies CFDA # 84.010, Reading First State Grant CFDA #84.357 & <i>Special Education Cluster</i> : Special Education – Grants to States – CFDA # 84.027 & Special Education - Preschool Grants CFDA # 84.173
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

**PORTSMOUTH CITY SCHOOL DISTRICT
SCIOTO COUNTY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2007-001	Audit Adjustment	Yes	N/A
2007-002	Schedule of Expenditures of Federal Awards	Yes	N/A

Portsmouth City School District

923 Findlay Street, Portsmouth, Ohio 45662



Portsmouth City
Schools

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

PORTSMOUTH CITY SCHOOL DISTRICT

PORTSMOUTH, OHIO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Issued by:

Treasurer's Office

Paula J. Butler, Treasurer

INTRODUCTORY SECTION

*Portsmouth City School District
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2008*

TABLE OF CONTENTS

INTRODUCTORY SECTION

Table of Contents.....	i
Letter of Transmittal	v
GFOA Certificate of Achievement	xix
ASBO Certificate of Excellence	xx
List of Principal Officials.....	xxi
Organization Chart.....	xxii

FINANCIAL SECTION

Independent Auditors' Report.....	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets.....	12
Statement of Activities.....	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	17

TABLE OF CONTENTS
(Continued)

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis):	
General Fund.....	18
Statement of Fiduciary Assets and Liabilities – Agency Fund.....	19
Notes to the Basic Financial Statements.....	20
Combining Statements – Nonmajor Funds:	
Nonmajor Governmental Fund Descriptions.....	55
Combining Balance Sheet – Nonmajor Governmental Funds.....	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	59
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	64
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	69
Agency Fund Statement:	
Fiduciary Fund Description.....	70
Statement of Changes in Assets and Liabilities – Agency Fund.....	71
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis):	
Major Funds:	
General Fund.....	74
Bond Retirement Fund.....	78
Ohio School Facilities Commission Fund.....	79

TABLE OF CONTENTS
(Continued)

Nonmajor Funds:

Food Service Fund	80
Education Foundation Fund.....	81
New Facilities Maintenance Fund	82
District Managed Student Activities Fund.....	83
Auxiliary Services Non Public Fund	84
Education Management Information System Fund	85
Early Childhood Preschool Fund	86
SchoolNet Praise Fund.....	87
SchoolNet Summer Training Fund	88
OhioReads Fund.....	89
Vocational Education Enhancement Fund.....	90
Poverty Based Assistance Fund	91
Miscellaneous State Grants Fund.....	92
IDEA-B Fund.....	94
Title I Fund	95
Title V Fund.....	97
Drug Free Schools Fund	98
Early Childhood Special Education Fund.....	99
Title II-A Fund.....	100
Miscellaneous Federal Grants Fund.....	101
Permanent Improvement Fund.....	103
Site Acquisition Fund	104
Athletic Complex Project Fund	105

STATISTICAL SECTION

Statistical Tables Descriptions.....	107
Net Assets by Component – Governmental Activities – Last Seven Fiscal Years.....	108
Changes in Net Assets – Governmental Activities – Last Seven Fiscal Years	110
Program Revenues by Function / Program – Governmental Activities – Last Seven Fiscal Years	114
Fund Balances – Governmental Funds – Last Ten Fiscal Years	116
Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	118
Assessed Valuation and Estimated Actual Value of Taxable Property – Last Ten Collection (Calendar) Years	120
Principal Property Taxpayers – Real Property Tax – 2008 and 1999.....	122

TABLE OF CONTENTS
(Continued)

Principal Property Taxpayers – Public Utility Personal Property Tax –
2008 and 1999..... 124

Principal Property Taxpayers – General Business Personal Property Tax –
2008 and 1999..... 126

Property Tax Rates (Per \$1,000 of Assessed Valuation) – Direct and
Overlapping Governments – Last Ten Collection (Calendar) Years..... 128

Property Tax Levies and Collections – Real, Public Utility Personal and General
Business Personal Property – Last Ten Collection (Calendar) Years..... 130

Ratio of Debt to Estimated Actual Value, Personal Income and Debt Per
Capita – Last Ten Fiscal Years 132

Ratio of General Obligation Bonded Debt to Estimated Actual Value and
General Obligation Bonded Debt Per Capita – Last Seven Fiscal Years 134

Computation of Direct and Overlapping Debt..... 135

Computation of Legal Debt Margin – Last Ten Fiscal Years..... 136

Demographic and Economic Statistics – Last Ten Fiscal Years 138

Principal Employers – Fiscal Years 2008 and 1999 140

Building Statistics – Last Ten Fiscal Years 142

Employees by Function – Last Six Fiscal Years 150

Per Pupil Cost – Last Ten Fiscal Years 151

Full-Time Equivalent Teachers by Education – Last Ten Fiscal Years 152

Full-Time Equivalent Teachers by Years of Experience – Last Ten Fiscal Years 154

Enrollment – Last Ten Fiscal Years..... 156

Percentage of Students who Receive Free and
Reduced Lunches – Last Ten Fiscal Years 158



923 Findlay Street
Portsmouth, OH 45662
Phone 740.354.4810
Fax 740.354.3589
www.portsmouthtrojans.org

Office of the Treasurer

December 17, 2008

To the Citizens and
Board of Education of the
Portsmouth City School District

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Portsmouth City School District for the fiscal year ended June 30, 2008. This CAFR, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to governmental entities. The intent of this report is to provide the taxpayers of the Portsmouth City School District with comprehensive financial data in a format that enables them to gain a true understanding of the School District's financial affairs as well as provide management with better financial information for future decision-making.

State law requires that every general-purpose local government file with the Auditor of State and publish the availability of its financial statements within five months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2008.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Caudill & Associates has issued an unqualified ("clean") opinion on the Portsmouth City School District's financial statements for the fiscal year ended June 30, 2008. The independent auditors' report is located at the front of the Financial Section of this report.

Management's discussion and analysis immediately follows the report of independent accountants and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

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

FORM OF GOVERNMENT AND REPORTING ENTITY

The Portsmouth City School District (the “School District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four-year terms. The School District provides educational services as authorized by State statute and/or federal guidelines.

The Current Board members, their terms and years on the Board as of June 30, 2008, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mrs. Barbara Borden-Gibson	Jan. 2006 - Dec. 2009	2 - 1/2
Mr. Clarence M. Parker	Jan. 2008 – Dec. 2011	8 - 1/2
Dr. George P. Pettit	Jan. 2006 - Dec. 2009	7 - 3/4
Mrs. Mary L. Sommer	Jan. 2008 - Dec. 2011	2
Mr. Ray W. Thompson	Jan. 2008 - Dec. 2011	6 - 1/2

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations of the School District. Wyvonna J. Broughton was appointed acting Superintendent March 8, 2001 through July 31, 2001 and was then appointed Superintendent August 1, 2001 for a period of four years. In May 2004, the Board approved to amend the Superintendent’s contract to extend the contract to July 31, 2010. Superintendent Broughton resigned effective July 31, 2008, and the Board hired Donald A. Armstrong for a two-year term beginning on August 1, 2008.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board for all financial operations, investments, and custody of all School District funds and assets, and also serves as Secretary to the Board. Ms. Paula J. Butler was appointed Treasurer, effective January 1, 2002, through December 31, 2003. The Treasurer’s contract was renewed for a four-year term, January 1, 2004 through December 31, 2007. In an effort to meet new legislation regarding treasurer contracts, the Board ended Ms. Butler’s contract effective July 31, 2007 and entered into a two-year contract beginning August 1, 2007 and ending July 31, 2009.

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

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

The Booster groups, Alumni associations and Parent Teacher Organizations perform activities within the School District's boundaries for the benefit of its residents but are excluded from the accompanying financial statements because the School District is not financially accountable for these entities nor are they fiscally dependent on the School District.

Within the School District's boundaries, Notre Dame Elementary and Notre Dame High School are both operated as private schools. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the School District, as directed by the parochial schools. This activity is reflected in a nonmajor special revenue fund for financial reporting purposes.

The School District is associated with four organizations, three of which are defined as jointly governed organizations, and one of which is defined as an insurance purchasing pool. These organizations are the South Central Ohio Computer Association, the Scioto County Career Technical Center, the Coalition of Rural and Appalachian Schools, and the Ohio School Boards Association Workers' Compensation Group Rating Plan. These organizations are presented in Notes 16 and 17 to the basic financial statements.

The School Board adopts an annual budget by July 1 which may be amended any time during the fiscal year as new information becomes available. This annual budget serves as the foundation of the Portsmouth City School District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

ECONOMIC CONDITION AND OUTLOOK

The Portsmouth City School District is located in Scioto County, on the beautiful Ohio River. The Portsmouth City School District is the gateway to three states, seven counties, and within 90 miles of major metropolitan markets. The City of Portsmouth, the county seat, is just 89 miles south of Columbus, OH on U.S. 23; 112 miles east of Cincinnati, OH, via U.S. 52 (a scenic route) or State Route 32; and 54 miles west of Huntington, WV on U.S. 52.

In Portsmouth and South Central Ohio you'll discover a region with abundant natural resources and an area that possesses a skilled and productive labor, technical, and management workforce.

Southern Ohio was the first part of the State to be settled and is rich in historic communities and buildings. Because of its heritage, the area has a strong and proud work ethic among its citizens, who are renowned for their professionalism, craftsmanship, and loyalty.

A citizen sponsored project, started in 1992 and continuing today, is the painting of murals on the floodwall in the Boneyfiddle District of the City. These murals tell the "story" of Portsmouth and are a great tourist attraction.

Portsmouth hosts the annual Roy Rogers Festival, to honor native son Roy Rogers. A display of memorabilia from his collection is on permanent display in Portsmouth.

Visitors can also revel in Portsmouth's past by visiting the Boneyfiddle District Brewery Arcade, a unique and fascinating historic area of antique enthusiasts. The Scioto County Historical Society presents the 1810 Homestead, meticulously detailed and furnished to delight visitors.

Portsmouth is ideally located on the Ohio and Scioto Rivers, to provide for all types of water related activities. The annual River Days is held over Labor Day weekend and draws many visitors.

The City of Portsmouth is also home to the continually expanding Shawnee State University, bringing higher education to the Tri-State area. Shawnee State has recently adopted a twelve-year master plan for new construction, and currently is involved in a renovation and expansion project for the University Center. When finished in 2010, the University Center will more than double in size, from the current 39,000 sq. ft. to 89,000 sq. ft. Shawnee State offers over eighty Bachelor and Associate degree programs in areas such as arts and humanities, mathematical sciences, natural sciences, social sciences, teacher education, business administration, industrial and engineering technologies, and health sciences. Another higher education facility in the area is Ohio University Ironton Branch, 35 miles east of the City.

Business and Industry

Portsmouth was a city bent on industry until the 1970's when a number of companies closed down their plants over labor disputes and foreign influence. The city used to have a steel plant owned by Cyclops on the east side of the city, but it closed in February 1980. The city has been going in a downward trend since the 1990's.

In November 2002 the Portsmouth Uranium Enrichment Plant, located within the Portsmouth workforce area, was recognized as an ANS Nuclear Historic Landmark by the American Nuclear Society. It served a military function from 1952 until the mid-1960s. In the mid 1960's, the plant shifted from a military mission to a commercial focus, supplying enriched uranium to electric utilities operating nuclear power plants. In 2001, enrichment activities ceased and it began to support operational and administrative functions and perform external contract work.

All uranium enrichment in the area was taken over by Portsmouth's sister plant across the Ohio River in Paducah, Kentucky. Uranium enrichment functions had previously been shared by the two plants. United States Enrichment Corporation interests in the area remain strong with the American Centrifuge Plant being built in Piketon, Ohio.

In January of 2004, United States Enrichment Corporation announced the selection of Piketon as the expected site for its future American Centrifuge Plant. This commercial uranium enrichment facility is expected to employ up to 500 people and reach an initial annual production level of 3.5 million separate work units by 2010.

The County's major employers that provide products and services, including shoelaces, castings, concrete products, and health services, to the Portsmouth area are as follows:

C & J Pepsi-Cola Bottlers Inc.
Mitchellace, Inc.
OSCO Industries
Portsmouth City Board of Education
Scioto County Government
Shawnee State University
Southern Ohio Medical Center
Community Action Organization
State of Ohio
City of Portsmouth
Sunoco Inc./Sun Coke
Taylor Lumber, Inc.
Wal-Mart Stores, Inc.

Southern Ohio Medical Center is in the process of expanding the hospital on the Main Campus in preparation for Open Heart Surgery services to begin at the end of 2008. This \$110 million, long-term investment in the community includes a four-story patient care addition with 102 new private beds. The first floor of this addition will be the new

SOMC Heart and Vascular Center, with an expanded cardiac testing laboratory and the cardiac catheterization laboratory with space for a third catheterization suite. SOMC Surgical Services will expand to 19 surgical suites, with three suites dedicated to heart and vascular procedures and five suites dedicated to gastrointestinal procedures. The SOMC Emergency Department will double in size, with the addition of 22 more beds and space for the hospital's accredited chest pain center. In addition to 210,000 square feet of new space being added to the hospital, 60,000 square feet of existing space will be refurbished and remodeled in 2008 and 2009.

Unemployment Rates

Data obtained from the State of Ohio Department of Jobs and Family Services indicates that the percentage of unemployment for Portsmouth and Scioto County for June 2008 was 8.3 percent, which is substantially above the State rate of 6.7 percent and the national rate of 5.5 percent. While the unemployment number is high in comparison to the State and national average, local initiatives are serving to promote a renewed spirit of pride in the community.

THE SCHOOL DISTRICT AND ITS FACILITIES

The School District served 2,132 students during the 2008 fiscal year. Facilities include one high/junior high school and two elementary schools. Preschool is offered at both elementary schools. The enrollment per school is as follows:

<u>School</u>	<u>Date</u> <u>Established</u>	<u>Grades</u>	<u>Enrollment</u>
East Portsmouth Elementary	2007	K – 6	255
Portsmouth Elementary	2007	K – 6	1,122
Portsmouth High/Junior High	2007	7 – 12	755

EMPLOYEE RELATIONS

The School District currently employs 276 full-time and part-time employees. Since 2000, the School District's enrollment has decreased from 2,918 to the 2007-2008 enrollment of 2,132. The decrease in enrollment was due primarily to a declining population, open enrollment and the creation of the Sciotoville Community School.

In fiscal year 2008, the School District experienced an increase to 2,132 students from the 2006 fiscal year, which is an increase of 150 students. This increase is attributed to the opening of three new school buildings in August 2006. The increase in enrollment came primarily from students returning to the School District from open enrollment.

The teachers, educational specialist, and counselors of the School District are represented by the Portsmouth City Teachers Association (PCTA), which is one of two organizations

representing School District employees. In July 2007, the Board adopted a three-year contract with PCTA beginning July, 2007 and extending through June 30, 2010 with pay increases of three percent each of the three years. The beginning teacher's salary for the 2008 fiscal year was \$30,167.

Classified employees are represented by the Ohio Council 8 AFSCME Local 2684. The Board and Local 2684 have agreed on a "me too" clause for the negotiated contract for Fiscal Years 2008, 2009 and 2010. The "me too" clause stipulates that if any bargaining group of employees of the Portsmouth City School District receives an increase in wages or benefits, Local 2684 bargaining unit employees shall receive the same percentage. The Local 2684 settled negotiations in January 2008 and received a four percent increase effective February 1, 2008 through June 30, 2008. They will receive a three percent increase in fiscal year 2009 and a two percent increase in fiscal year 2010.

In addition, both unions participate in a spousal coordination of benefits as it relates to their health insurance. If an employee's spouse is eligible for health insurance through his/her employer, the spouse is required to participate in at least a single plan as long as he/she does not have to contribute more than 50 percent (certified) or 25 percent (classified) toward the cost of the premium. PCTA members and administrators contribute 7.5 percent toward the cost of their health care premium and AFSCME Local 2684 contributes 3.5 percent.

The School District's administrators are not organized.

MAJOR INITIATIVES

On November 6, 2001, the School District voters approved a 6.5 mill levy to build five new school buildings in cooperation with the Ohio School Facilities Commission. Proceeds were received from the levy during fiscal year 2002. The School District's obligation of \$17,070,000 is 24.5 percent compared to \$52,600,000 (75.5 percent) coming from the State of Ohio. However, due to the School District being placed in Fiscal Caution by the Ohio Department of Education on May 23, 2001, the School District chose to participate in the Intercept Program to ease investor's fears in the purchasing of bonds. This additional level of security provides that, should the School District experience a shortfall in the Board of Education's funding of the debt service payment, ODE will pay the debt service payment from certain foundation payments due to the Board of Education. Should a shortfall occur, the Board of Education is to notify ODE fifteen business days in advance of the payment due date. If foundation payments are used for debt service payments, ODE is required to evaluate the Board of Education's ability to meet the debt service payments and recommend corrective actions to be implemented by the Board of Education.

The plan design for the new school buildings was changed from five separate buildings to one elementary building in Sciotoville and two downtown Portsmouth complexes. One

complex will house the middle/high school students (7-12) and the other complex would house elementary students (K-6).

The Portsmouth Junior/Senior High School became the first Ohio School Facilities Commission-funded project to receive the Grand Prize from School Planning & Management's Education Design Showcase. The Grand Prize is awarded each year to the school design that best meets the needs of its educational program. The jury, which was comprised of educators, planning professionals, and architects from across the country, had this to say about the design: "Good use of day lighting, with lots of windows. It tied in the old with the new in a very nice way. The design works well in the context of the community. This project hits the mark on a lot of levels."

The East Portsmouth Elementary School was occupied in January 2006 with a dedication ceremony and ribbon cutting ceremony on January 12, 2006. The two Portsmouth downtown complexes opened in August 2006.

FOR THE YEAR

The Portsmouth City School District has adopted the following vision and mission statements:

"Our vision is to be designated as an "Effective" school district as defined by the Ohio Department of Education. The mission of the Portsmouth City School District is to provide the highest quality of education for all students."

The Portsmouth City School District believes that:

- All students can learn, given appropriate instruction and sufficient time.
- Children are our most valuable assets.
- Each person is unique and deserves respect.
- Self-discipline is a key element to success.
- A safe and healthy environment improves the quality of our lives.
- Many values that shape and influence lives are learned in the family.
- Change is inevitable and the ability to adapt enhances success.
- Life is a learning process and learning is lifelong.
- A positive work ethic promotes a higher quality of life.
- Individuals are responsible for their actions.
- Morality and ethics are the foundation of society.

The School District's continuous improvement goals for the 2008 school year are:

1. By 2013-2014, all students will reach high standards, at a minimum attaining proficiency or better in reading/language arts/mathematics.
2. All students will be taught by "highly qualified" teachers.
3. All students will be educated in learning environments that are safe, drug free and conducive to learning.

4. Students will be prepared with the academic and technical skills needed to be successful in postsecondary education and the workplace; and
5. All students will be provided the career knowledge needed to make informed career-decisions.

During fiscal year 2008, the School District has received several grants that will serve to increase the programs and opportunities for our students. Below are just a few:

- Early Childhood Special Education
- Early Childhood Special Education/Preschool
- E-Tech Professional Development
- Even Start
- High Schools That Work
- IDEA-B
- Literacy Improvement Grant
- McKinney-Vento Homeless Assistance
- One Net Connectivity
- Project Lead the Way
- Reading First
- TANF After School Grant

FOR THE FUTURE

To achieve the goals stated above, the Portsmouth City School District annually designs a Comprehensive Continuous Improvement Plan to assure each and every student that he or she will achieve the required academic proficiencies to the maximum extent of his or her abilities. The School District plans on funding these programs with the assistance of several grants.

Also, with donations from the Clyde and Maycel Clark Foundation, Inc. and the Scioto Area Foundation a new Athletic/Administrative Complex is planned for construction adjacent to the new Portsmouth High/Junior High School. The fiscal agent for the project will be a newly formed Clark Education Foundation, LLC. The completion date for the “Complex” is projected to be sometime during 2010 and then it will be leased to the School District during the financing period, approximately 28 years, for \$10,000 per year. This lease payment will be deposited into a supplemental account, along with a \$10,000 donation each year from both the Scioto Area Foundation and the Clyde and Maycell Clark Foundation, by the LLC in the event of a short fall in making the debt payment. No “short fall” is anticipated, and the balance of this supplemental account is to be given back to the School District at the end of the financing period. After the Clark Education Foundation, LLC debt is paid via donations as mentioned above, the entire complex is to be deeded to the School District. This project is in the land acquisition stage and no further details are available at this time.

SERVICE EFFORTS

With the assistance of the Ohio Department of Education, and under the guidance, direction, and leadership of the Superintendent of Schools and the Board of Education, the Portsmouth City School District administration continues to forge strategic alliances with State, national and regional agencies and organizations to achieve the goals and expectations mandated by the local community and the Board of Education it represents. Strategic alliances presently in place and currently benefiting students include:

Classroom Learning Opportunities

Classroom learning opportunities have been enhanced by utilizing a State subsidy, Poverty Based Assistance and two federal subsidies: Title VI-B, “Rural and Low Income”; and Title II-A, “Improving Teacher Quality”. These subsidies enable the School District to hire additional highly qualified teachers to reduce class sizes in an effort to increase student proficiency.

Early Literacy Intervention

This is a comprehensive district-wide literacy program for students in kindergarten, grade one, and grade two. The goals of the Early Literacy Intervention are to enable all students to become independent readers and writers.

School Improvement

A School Improvement Grant was awarded to Portsmouth High School. These grants are awarded to schools demonstrating high economic needs, low performance on the report card indicators and the capacity to reform. The purpose of the grant is to encourage comprehensive, research-based reform practices and strengthen linkages between district level and building level improvement initiatives.

Reading Recovery/Arkansas

Reading Recovery teachers serve students using the one-to-one strategies of reading recovery. The rest of the day they service students using the reading recovery approach. Some of these students will end up being served in the reading recovery model and others will be placed back in the classroom. East Portsmouth Elementary and Portsmouth Elementary Schools have this program as an early intervention for first graders.

Safe and Drug-Free Schools and Communities

The purpose of the federally funded grant is to support programs that prevent violence in and around schools; that prevent the illegal use of alcohol, tobacco, and drugs; that involve parents and communities; and that are coordinated with related federal, State, school, and community efforts and resources to foster a safe and drug-free learning environment that supports student academic achievement.

Technology

For several years, a dedicated group of teachers from all levels has not only devised a technology plan for the School District, and written and received many grants, but has also joined forces to train teachers in the mechanics of computer operation with

progression to instruction in how to incorporate technology into instructional practices in the classroom at all levels and disciplines. This training is funded by a federal subsidy, Title II-D.

Parent and Community Involvement

Past projects of the School District could not have succeeded without strong parent and community interest and support. The School District is continually working to broaden and strengthen that support and participation.

Even Start

Even Start is a family literacy program that services families with children from birth to seven years old. Both the parent and the child must come to school. The parent works on his/her GED and parenting skills, while the child is experiencing preschool. This program is housed at Portsmouth Elementary School.

Head Start Collaboration

This program is the collaboration between public education and local community agencies. Children ages three to six receive preschool experiences and benefit from the school setting. This program is housed offsite. The School District also operates two public preschool programs in collaboration with Head Start. These programs are located at East Portsmouth Elementary School.

Preschool Handicapped Units

The School District has two preschool handicapped units funded by the Ohio Department of Education and benefits the handicapped preschool child in a public education setting. One unit is housed at Portsmouth Elementary School and one is housed at East Portsmouth Elementary. In addition, the School District also provides preschool itinerant services.

McKinney-Vento Homeless Assistance

The School District receives a federal subsidy to assure that each homeless child, and homeless youth of a homeless individual, has access to a free, appropriate public education; to provide educational activities and services to homeless children and youth that enable them to enroll in, attend and achieve in school; and to develop and implement programs for school personnel and the general public to heighten awareness of specific problems related to the education of homeless children and youth.

Literacy Improvement Grant

This grant supported staff development based on the 4-Block literacy model.

High Schools that Work

This program was added in an exploration stage. Grant monies and local monies were used to send educators to various workshops to explore this model for future implementation into the Portsmouth City School District.

The School District has long recognized the value of on-going, on-site staff development and continues to support and encourage professional staff development through all grade levels. The School District has increased its commitment over the last several years to provide its instructional staff with greater access to a variety of professional development opportunities. Many opportunities have been available through the South Regional Professional Development Center, the South Central Ohio Educational Service Center, and various workshops, conferences and college classes. Sessions on horizontal and vertical curriculum mapping, Competency Based Assessment, block scheduling, curriculum alignment, and test result analysis continue to be offered.

FINANCIAL TRENDS

Since fiscal year 1995 the number of students the School District educated dropped from 3,466 to 1,982 in fiscal year 2006. However, during fiscal years 2007 and 2008, the School District experienced an increase in enrollment by about 150 students. This increase is attributed to the opening of three new facilities in August 2006, and it is anticipated the enrollment will stabilize in future years.

In addition, House Bill 66 phases out the tax on the tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by tax year 2009, and the tax on telephone and telecommunications property will be eliminated by tax year 2011. The tax is phased out by a reduction in the assessment rate on property each year. At the same time, the bill replaces the revenue lost due to phasing out the tax by reimbursing the School District in full through tax year 2010. However, the reimbursement will be phased out beginning in 2011 and ending in 2018. Personal Property tax revenue amounts to approximately 16 percent of the School District's local operating dollars.

FINANCIAL PLANNING AND POLICIES

On April 19, 2001, the Auditor of State certified an operating deficit in the amount of \$826,000 in the General Fund for the fiscal year ended June 30, 2001. The Auditor of State determined that there was a deficit between two percent and eight percent, but that no declaration of fiscal watch or fiscal emergency would occur. As a result, under ORC 3316.031(B)(3), the State Superintendent of Public Instruction placed the School District under fiscal caution. Therefore, the Auditor of State initiated a performance audit that began in June 2001 and was conducted primarily during the months of August through December 2001. The performance audit contained recommendations that provided cost savings, revenue enhancements and/or efficiency improvements. It should be noted that the School District did not end fiscal year 2001 with a deficit.

As a result of being placed in fiscal caution the School District adopted a Financial Recovery Plan for State review, and this Plan is updated annually. By implementing the efficiency improvements outlined in the Financial Recovery Plan, the School District has

reduced fifty-nine (59) staff positions, and realized a cost savings of over three million dollars (\$3,000,000).

Using the Performance Audit recommendations, the School District considered the series of ideas and suggestions when making the important decisions necessary to establish financial stability, to meet the needs of students and to improve educational standards. Certain recommendations are dependent on labor negotiations.

If the School District continues to suffer financially due to inadequate local, State and federal funding, the School District will be forced to cut costs in order to balance the budget. Costs may be reduced as a result of:

1. Reducing the number of teachers, administrators, and classified staff via natural attrition or reduction-in-force;
2. Reducing/eliminating extended service and supplemental contracts;
3. Restricting or minimizing salary increases;
4. Reducing health costs by requiring employees to increase healthcare contributions, insure only School District employees and not spouses who are insured by other agencies, or through insurance plan modification; and
5. Eliminating certain programs or courses.

In addition, as a result of being placed in fiscal caution, the School District also receives, on a monthly basis, State management assistance through the Ohio Department of Education, Area 5 Coordinator's Office. This assistance provides reviews of School District finances and suggestions are offered to improve the financial condition of the School District.

OTHER INFORMATION

INDEPENDENT AUDIT

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Caudill and Associates conducted the School District's audit for fiscal year 2008. The Auditor's report on the School District's basic financial statements, combining statements and individual fund schedules are included in the financial section of this comprehensive annual financial report.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certification of Achievement for Excellence in Financial Reporting to Portsmouth City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007. This was the ninth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the School District must publish an easily readable and efficiently

organized Comprehensive Annual Financial Report whose contents conform to program standards. This report is required to satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. It is the School District's belief that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ASBO CERTIFICATE

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Portsmouth City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007.


A Certificate of Excellence is awarded to those school districts that have voluntarily submitted a Comprehensive Annual Financial Report for review by an ASBO Panel of Review. Upon completion of a vigorous technical review, the panel members conclude whether the school system's financial report has met the criteria for excellence in financial reporting.

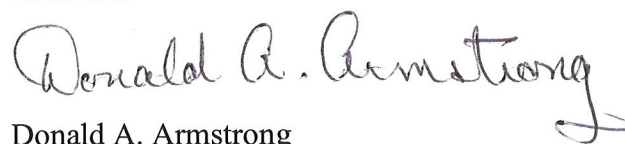
ACKNOWLEDGMENTS

A note of sincere appreciation is extended to the many conscientious people who have contributed their time and effort to the preparation of this report. Appreciation is expressed to the Assistant Treasurer, Kyle Smith and Accounts Payable Clerks Cathi Evans and Barbara Thompson. In addition, a special recognition goes to the Portsmouth High School Trojan Print Shop: Arthur Lard, Instructor, and students for their expertise in assembling and printing this report. A special thank you is also extended to the Auditor of State's Local Government Services Section for all of their efforts and contributions in the preparation of this Comprehensive Annual Financial Report.

Finally, the support and commitment to excellence by the Portsmouth City Board of Education was vital to the successful preparation and issuance of this report.

Respectfully submitted,


Paula J. Butler
Treasurer


Donald A. Armstrong
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Portsmouth City School
District, Ohio

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

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



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

PORTSMOUTH CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2007

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

Thome E. Brendel

President

John D. Quasar

Executive Director

Portsmouth City School District

*List of Principal Officials
June 30, 2008*

ELECTED OFFICIALS

President, Board of Education Mr. Clarence M. Parker
Vice President, Board of Education..... Dr. George P. Pettit
Board Member Mr. Ray W. Thompson
Board Member Mrs. Barbara Borden-Gibson
Board Member Mrs. Mary L. Sommer

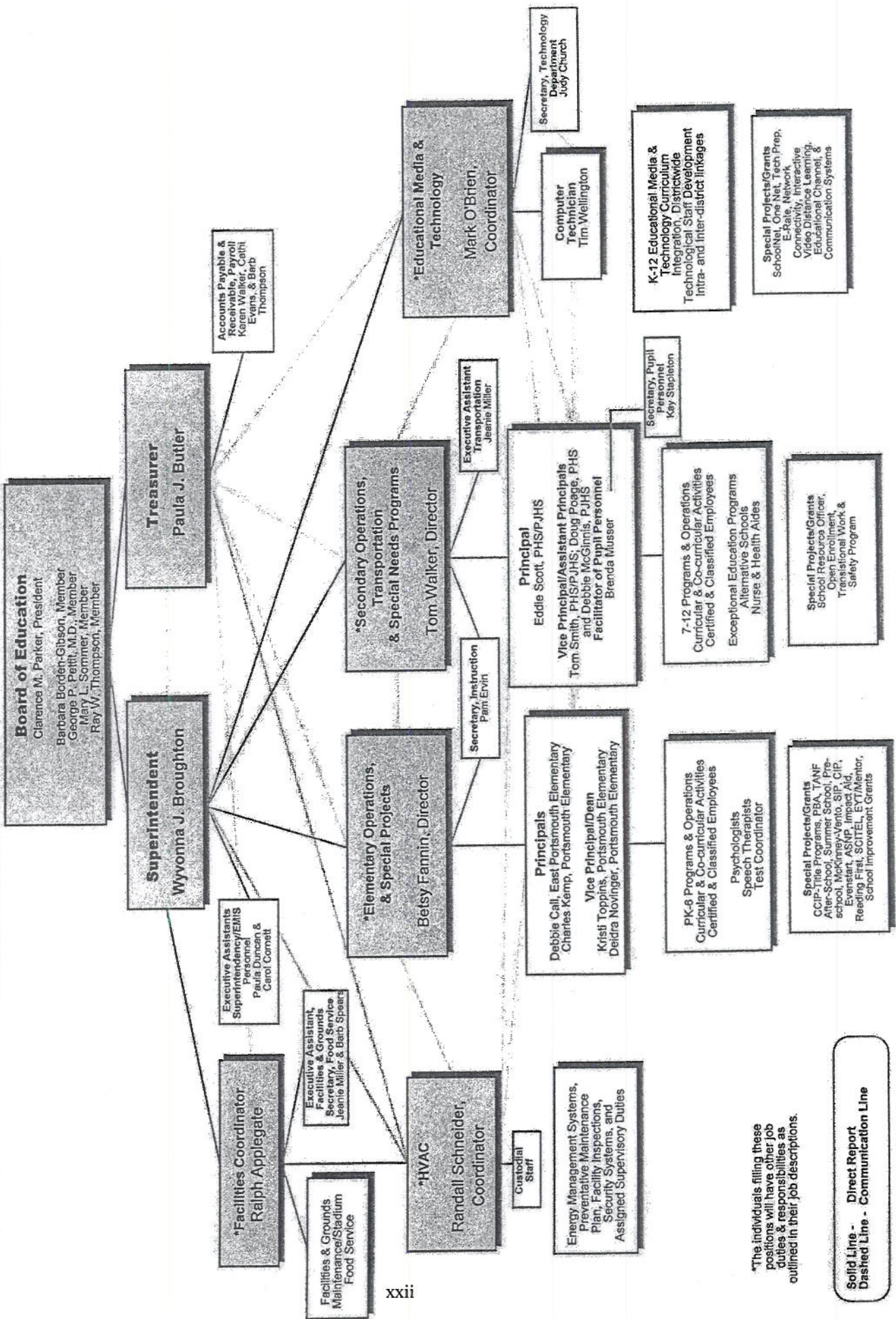
ADMINISTRATIVE OFFICIALS

*Superintendent Wyvonna J. Broughton
Treasurer Paula J. Butler
Facility Coordinator Ralph Applegate
Coordinator of State and Federal Funds Elizabeth Fannin
Director of Elementary Operations & Curriculum/Instruc. Elizabeth Fannin
Director of Secondary Operations Thomas Walker
Coordinator of Educational Media/Technology Mark O'Brien
Facilitator of Special Needs Brenda Musser
Gifted Coordinator / Curriculum Elizabeth Mounts
Safe Drug Free Coordinator..... Helen Wells

*Superintendent Broughton resigned effective July 31, 2008. Donald A. Armstrong was hired for a two year term beginning August 1, 2008.

Adopted: August 16, 2007
 Revised: September 20, 2007

2007-2008 Portsmouth City School District Organization Chart



*The individuals filling these positions will have other job duties & responsibilities as outlined in their job descriptions.

Solid Line - Direct Report
 Dashed Line - Communication Line

FINANCIAL SECTION

This Page is Intentionally Left Blank.

Caudill & Associates, CPA's

725 5th Street
Portsmouth, OH 45662

Member American Institute of Certified Public Accountants

Ohio Society of Certified Public Accountants
Kentucky Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Portsmouth City School District
Scioto County
923 Findlay Street
Portsmouth, Ohio 45662

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Portsmouth City School District, Portsmouth, Ohio, (the "School District"), as of and for the year ended June 30, 2008, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on 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 Portsmouth City School District, Portsmouth, Ohio, as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in Note 21, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for post employment benefits other than pensions", GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues", and GASB Statement No. 50, "Pension Disclosures".

Portsmouth City School District
Scioto County
Independent Auditor's Report

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2008, on the District's internal control over financial reporting and on our test of its compliance with certain provision 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 on pages 3 through 10 is not a required part of the basic financial statements, but is 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory 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.

Caudill & Associates, CPAs

Caudill & Associates, CPA's

December 17, 2008

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

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

Financial Highlights

- In total, net assets of governmental activities decreased \$2,271,910 from the prior fiscal year. This is primarily due to depreciation expense on the School District's capital assets.
- General revenues accounted for \$22,933,995. Program specific revenues in the form of charges for services and sales, grants, contributions, and interest accounted for \$7,511,204. Total revenues for the School District were \$30,445,199.
- The School District had \$32,717,109 in expenses related to governmental activities; only \$7,511,204 of these expenses were offset by program specific charges for services and sales, grants, contributions, and interest. General revenues (primarily grants and entitlements and property taxes) of \$22,933,995 were not adequate to provide for these programs.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

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

Reporting the School District as a Whole

One of the most important questions asked about the School District is “How did we do financially during fiscal year 2008?” The Statement of Net Assets and the Statement of Activities, which appear first in the School District’s financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District’s property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District has only one kind of activity:

- Government Activities – All of the School District’s programs and services are reported here including instruction, support services, operation and maintenance of plant, extracurricular activities, and food service operations.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

The analysis of the School District’s major funds begins on page 9. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s major funds, which are the General Fund, the Bond Retirement Debt Service Fund, and the Ohio School Facilities Commission Capital Projects Fund.

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

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

Fiduciary Fund – The School District's only fiduciary fund is an agency fund. All of the School District's fiduciary assets are reported in a separate Statement of Fiduciary Assets and Liabilities. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for fiscal year 2008 and fiscal year 2007:

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

Table 1
Net Assets

	2008	2007	Change
<u>Assets:</u>			
Current and Other Assets	\$15,810,320	\$16,010,803	(\$200,483)
Capital Assets, Net	62,202,753	64,247,898	(2,045,145)
<i>Total Assets</i>	<u>78,013,073</u>	<u>80,258,701</u>	<u>(2,245,628)</u>
<u>Liabilities:</u>			
Other Liabilities	8,603,912	8,420,083	183,829
Long-Term Liabilities	16,958,458	17,116,005	(157,547)
<i>Total Liabilities</i>	<u>25,562,370</u>	<u>25,536,088</u>	<u>26,282</u>
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	47,745,755	49,868,043	(2,122,288)
Restricted	5,294,118	4,578,776	715,342
Unrestricted (Deficit)	(589,170)	275,794	(864,964)
<i>Total Net Assets</i>	<u>\$52,450,703</u>	<u>\$54,722,613</u>	<u>(\$2,271,910)</u>

The decrease within Current and Other Assets when compared to the prior fiscal year was insignificant. However, Capital Assets, Net decreased by \$2,045,145 which was due to current year depreciation exceeding current year additions.

Total Liabilities of the School District increased \$26,282 from the prior fiscal year. Long-Term Liabilities decreased due to annual debt payments made by the School District. Accrued Wages and Benefits Payable in Other Liabilities increased \$110,220 due to an increase in wages and benefits. During fiscal year 2008, certified employees received an increase in salaries of three percent and classified employees received an increase of four percent.

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

The primary factor contributing to the decrease in Invested in Capital Assets, Net of Related Debt from the prior fiscal year was that current year depreciation exceeded current year additions to capital assets. One significant factor associated with the increase in Restricted Net Assets was an increase in revenue related to Grants Restricted for Specific Purposes. This increase was primarily due to the receipt of the Early Childhood Preschool Grant which was new in fiscal year 2008. Another major factor in the increase in Restricted Net Assets was that revenues received for the purpose of paying long-term debt payments was greater than the annual debt payments the School District incurred during fiscal year 2008.

Unrestricted Net Assets of the School District demonstrated a significant decrease relating to increases in salaries and benefits.

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

Table 2
Change in Net Assets

	2008	2007	Increase/ (Decrease)
<u>Revenues:</u>			
Program Revenues:			
Charges for Services and Sales	\$1,139,149	\$1,136,415	\$2,734
Operating Grants, Contributions, and Interest	6,290,703	5,929,213	361,490
Capital Grants and Contributions	81,352	226,000	(144,648)
<i>Total Program Revenues</i>	<u>7,511,204</u>	<u>7,291,628</u>	<u>219,576</u>
General Revenues:			
Property Taxes	5,969,726	5,966,834	2,892
Grants and Entitlements not Restricted to Specific Programs	16,535,835	13,503,278	3,032,557
Contributions and Donations	7,276	21,861	(14,585)
Investment Earnings	228,426	495,355	(266,929)
Miscellaneous	140,770	448,893	(308,123)
Gain on Sale of Capital Assets	51,962	0	51,962
<i>Total General Revenues</i>	<u>22,933,995</u>	<u>20,436,221</u>	<u>2,497,774</u>
<i>Total Revenues</i>	<u>\$30,445,199</u>	<u>\$27,727,849</u>	<u>\$2,717,350</u>

(continued)

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

Table 2
Change in Net Assets
(continued)

	2008	2007	Increase/ (Decrease)
<u>Program Expenses:</u>			
Instruction:			
Regular	\$13,103,606	\$12,640,485	\$463,121
Special	5,396,013	5,788,924	(392,911)
Vocational	452,153	410,481	41,672
Student Intervention Services	1,422,054	1,174,211	247,843
Intergovernmental	43,500	38,500	5,000
Support Services:			
Pupils	1,736,450	1,704,291	32,159
Instructional Staff	1,900,014	2,044,780	(144,766)
Board of Education	22,717	19,611	3,106
Administration	1,957,080	1,814,350	142,730
Fiscal	798,597	678,032	120,565
Business	76,236	91,249	(15,013)
Operation and Maintenance of Plant	2,640,319	2,761,532	(121,213)
Pupil Transportation	696,035	751,522	(55,487)
Central	77,150	90,398	(13,248)
Operation of Non-Instructional Services	1,432,238	1,495,521	(63,283)
Extracurricular Activities	321,079	301,445	19,634
Interest and Fiscal Charges	641,868	763,791	(121,923)
Total Expenses	32,717,109	32,569,123	147,986
Change in Net Assets	(2,271,910)	(4,841,274)	2,569,364
<i>Net Assets at Beginning of Year</i>	<i>54,722,613</i>	<i>59,563,887</i>	<i>(4,841,274)</i>
<i>Net Assets at End of Year</i>	<i>\$52,450,703</i>	<i>\$54,722,613</i>	<i>(\$2,271,910)</i>

Program revenues, which are primarily represented by charges for tuition, fees, sales, and extracurricular activities, as well as restricted intergovernmental revenue were \$7,511,204 for fiscal year 2008. Charges for Services and Sales increased an insignificant amount. Program revenues in the form of Operating Grants, Contributions, and Interest increased from the prior fiscal year primarily due to the receipt of the Early Childhood Preschool Grant.

As previously mentioned, general revenues were \$22,933,995 for fiscal year 2008. The majority of these revenues are in the form of Grants and Entitlements not Restricted to Specific Programs and Property Taxes. A significant increase occurred within Grants and Entitlements not Restricted to Specific Programs relating to increases in general State Foundation Aid and Parity Aid.

As should be expected, Instruction costs represent the largest of the School District's expenses for fiscal year 2008. There was a significant increase in Regular Instruction due to increases in salaries and benefits. A significant decrease occurred within Special Instruction while a large increase occurred within Student Intervention Services. Due to changing needs in the School District, some teachers were moved from the Special Instruction programs to Student

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

Intervention Services.

The Statement of Activities shows the cost of program services and the charges for services and sales and grants and contributions, including interest, offsetting those services. The dependence upon tax revenues and unrestricted State entitlements for governmental activities was slightly less in fiscal year 2008 as program revenues provided more towards program costs. Only a few of the School District's programs receive a significant amount of program revenues to offset their costs. One of these programs is Special Instruction which provides for its costs primarily in the form of operating grants restricted for special instruction. Another program which receives a large amount of revenues to offset costs is Operation of Non-Instructional Services. This is primarily due to cafeteria sales and State and federal subsidies and donated commodities for food service.

The School District's Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$30,326,102 and expenditures of \$30,872,681. The net change in fund balance for the fiscal year was most significant in the General Fund with a decrease of \$972,452 which was due to an increase in salaries and benefits.

The Bond Retirement Debt Service Fund balance increased \$314,975. This was the result of revenues for the fiscal year, consisting of property taxes, homestead and rollback reimbursements, and investment earnings, for the fiscal year being greater than the annual debt payments the School District incurred.

The Ohio School Facilities Commission Capital Projects Fund balance decreased \$49,580. This decrease was primarily due to a significant decrease in grant monies being received in fiscal year 2008.

General Fund - Budget Highlights

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

During the course of fiscal year 2008 the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures.

A review of the budgetary comparison statement for the General Fund reflects a change in revenues from the original budget to the final budget. The largest decrease was in Intergovernmental Revenue. The September 2007 State Foundation settlement report was used for the original estimate of Intergovernmental Revenue but the School District ultimately did not receive as much as originally estimated.

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

The increase in expenditures from the original to the final budget was insignificant. The difference in actual expenditures made from the final budget was substantial and a significant reduction for the School District. The largest savings were realized in the Administration, Operation and Maintenance of Plant, and Central functions. Overall, the School District had anticipated spending larger sums of monies in these areas than what actual requirements came to be.

The School District's ending unobligated cash balance was \$1,246,629 above the final budgeted amount. This was due to the School District continually monitoring expenditures throughout the fiscal year.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2008, the School District had \$62,202,753 invested in capital assets (net of accumulated depreciation). Additions to capital assets included some building improvements, various educational equipment, buses and textbooks. Disposals for the fiscal year were two computers, a piano, and a parcel of land. For further information regarding the School District's capital assets, refer to Note 8 in the Notes to the Basic Financial Statements.

Debt

At June 30, 2008, the School District had \$15,476,755 in bonds outstanding, \$520,000 of which is due within one year. The School District retired the EPA Asbestos loan during fiscal year 2008.

For further information regarding the School District's long-term obligations, refer to Note 14 in the Notes to the Basic Financial Statements.

Contacting the School District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Paula J. Butler, Treasurer, at Portsmouth City School District, 1149 Gallia Street, Portsmouth, Ohio 45662, or e-mail at butlerp@portsmouth.k12.oh.us.

This Page Intentionally Left Blank

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

	Governmental Activities
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$7,817,155
Materials and Supplies Inventory	13,721
Inventory Held for Resale	32,181
Accrued Interest Receivable	17,646
Accounts Receivable	6,911
Prepaid Items	26,352
Property Taxes Receivable	6,920,028
Intergovernmental Receivable	771,092
Deferred Charges	205,234
Capital Assets:	
Land	5,875,593
Depreciable Capital Assets, Net	56,327,160
<i>Total Assets</i>	78,013,073
<u>Liabilities:</u>	
Accounts Payable	126,893
Contracts Payable	23,292
Accrued Wages and Benefits Payable	1,814,391
Intergovernmental Payable	637,289
Accrued Interest Payable	51,805
Matured Compensated Absences Payable	55,030
Retainage Payable	7,664
Deferred Revenue	5,887,548
Long-Term Liabilities:	
Due Within One Year	714,739
Due in More Than One Year	16,243,719
<i>Total Liabilities</i>	25,562,370
<u>Net Assets:</u>	
Invested in Capital Assets, Net of Related Debt	47,745,755
Restricted for:	
Debt Service	2,061,010
Capital Projects	1,957,951
Other Purposes	1,195,975
Set-Asides	79,182
Unrestricted (Deficit)	(589,170)
<i>Total Net Assets</i>	\$52,450,703

See accompanying notes to the basic financial statements

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

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants, Contributions, and Interest	Capital Grants and Contributions	Revenue and Changes in Net Assets
<i>Governmental Activities:</i>					
Instruction:					
Regular	\$13,103,606	\$833,866	\$1,468	\$0	(\$12,268,272)
Special	5,396,013	8,057	3,001,431	0	(2,386,525)
Vocational	452,153	0	108,312	0	(343,841)
Student Intervention Services	1,422,054	0	637,011	0	(785,043)
Intergovernmental	43,500	0	43,500	0	0
Support Services:					
Pupils	1,736,450	0	687,936	0	(1,048,514)
Instructional Staff	1,900,014	0	727,823	0	(1,172,191)
Board of Education	22,717	0	0	0	(22,717)
Administration	1,957,080	13,836	0	0	(1,943,244)
Fiscal	798,597	0	0	0	(798,597)
Business	76,236	0	0	0	(76,236)
Operation and Maintenance of Plant	2,640,319	23,101	3,342	75,000	(2,538,876)
Pupil Transportation	696,035	2,106	13,928	0	(680,001)
Central	77,150	0	7,436	0	(69,714)
Operation of Non-Instructional Services:					
Food Service Operations	1,192,836	142,910	847,029	0	(202,897)
Other	239,402	0	207,338	6,352	(25,712)
Extracurricular Activities	321,079	115,273	4,149	0	(201,657)
Interest and Fiscal Charges	641,868	0	0	0	(641,868)
Total Governmental Activities	\$32,717,109	\$1,139,149	\$6,290,703	\$81,352	(25,205,905)
General Revenues:					
Property Taxes Levied for:					
General Purposes					4,614,506
Debt Service					1,270,249
Capital Outlay					84,971
Grants and Entitlements not Restricted to					
Specific Programs					16,535,835
Contributions and Donations					7,276
Investment Earnings					228,426
Miscellaneous					140,770
Gain on Sale of Capital Assets					51,962
Total General Revenues					22,933,995
Change in Net Assets					(2,271,910)
Net Assets at Beginning of Year					54,722,613
Net Assets at End of Year					\$52,450,703

See accompanying notes to the basic financial statements

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

	General	Bond Retirement	Ohio School Facilities Commission	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$1,887,255	\$1,884,722	\$2,725,517	\$1,240,479	\$7,737,973
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	79,182	0	0	0	79,182
Receivables:					
Property Taxes	5,387,315	1,431,834	0	100,879	6,920,028
Accounts	6,911	0	0	0	6,911
Intergovernmental	44,255	0	6,352	720,485	771,092
Accrued Interest	16,406	0	1,167	73	17,646
Interfund	124,934	0	0	0	124,934
Prepaid Items	26,041	0	0	311	26,352
Materials and Supplies Inventory	13,721	0	0	0	13,721
Inventory Held for Resale	0	0	0	32,181	32,181
Total Assets	\$7,586,020	\$3,316,556	\$2,733,036	\$2,094,408	\$15,730,020
<u>Liabilities:</u>					
Accounts Payable	\$103,787	\$0	\$4,994	\$18,112	\$126,893
Contracts Payable	0	0	0	23,292	23,292
Accrued Wages and Benefits Payable	1,216,634	0	0	597,757	1,814,391
Intergovernmental Payable	465,451	0	0	171,838	637,289
Interfund Payable	0	0	0	124,934	124,934
Retainage Payable	0	0	7,664	0	7,664
Matured Compensated Absences Payable	55,030	0	0	0	55,030
Deferred Revenue	5,215,148	1,364,842	4,670	354,228	6,938,888
Total Liabilities	7,056,050	1,364,842	17,328	1,290,161	9,728,381
<u>Fund Balances:</u>					
Reserved for Encumbrances	16,391	0	0	82,370	98,761
Reserved for Property Taxes	223,306	66,992	0	4,258	294,556
Reserved for Textbooks and Instructional Materials	79,182	0	0	0	79,182
Unreserved, Designated for:					
Employee Health Benefits	115,237	0	0	0	115,237
Unreserved, Undesignated, Reported in:					
General Fund	95,854	0	0	0	95,854
Special Revenue Funds	0	0	0	829,331	829,331
Debt Service Fund	0	1,884,722	0	0	1,884,722
Capital Projects Funds (Deficit)	0	0	2,715,708	(111,712)	2,603,996
Total Fund Balances	529,970	1,951,714	2,715,708	804,247	6,001,639
Total Liabilities and Fund Balances	\$7,586,020	\$3,316,556	\$2,733,036	\$2,094,408	\$15,730,020

See accompanying notes to the basic financial statements

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

Total Governmental Fund Balances \$6,001,639

***Amounts reported for governmental activities in the
 Statement of Net Assets are different because:***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	5,875,593	
Other capital assets	62,988,968	
Accumulated depreciation	(6,661,808)	
Total capital assets	62,202,753	62,202,753

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Delinquent property taxes	737,924	
Intergovernmental	262,277	
Interest	12,383	
Accounts	38,756	
	1,051,340	1,051,340

Bond issuance costs reported as an expenditure in governmental funds are recognized as an asset and allocated as an expense over the life of the bonds on a full accrual basis. 205,234

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

General Obligation Bonds	(15,273,028)	
Bond Premium	(627,401)	
Loss on Refunding	423,674	
Accrued interest on bonds	(51,805)	
Compensated absences	(1,481,703)	
Total liabilities	(17,010,263)	(17,010,263)

Net Assets of Governmental Activities \$52,450,703

See accompanying notes to the basic financial statements

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

	General	Bond Retirement	Ohio School Facilities Commission	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>					
Property Taxes	\$4,521,254	\$1,241,206	\$0	\$83,823	\$5,846,283
Intergovernmental	15,809,380	173,444	83,129	6,823,753	22,889,706
Investment Earnings	161,729	0	60,093	8,629	230,451
Increase (Decrease) in Fair Value of Investments	(16,934)	0	7,248	0	(9,686)
Tuition and Fees	848,692	0	0	4,410	853,102
Extracurricular Activities	36,137	0	0	104,303	140,440
Rentals	5,001	0	0	0	5,001
Charges for Services	0	0	0	138,500	138,500
Contributions and Donations	4,081	0	0	87,454	91,535
Miscellaneous	126,183	0	6,648	7,939	140,770
Total Revenues	21,495,523	1,414,650	157,118	7,258,811	30,326,102
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	11,909,445	0	0	13,141	11,922,586
Special	2,067,203	0	0	3,015,314	5,082,517
Vocational	387,742	0	0	26,811	414,553
Student Intervention Services	143,814	0	0	1,278,240	1,422,054
Intergovernmental	43,500	0	0	0	43,500
Support Services:					
Pupils	993,616	0	0	587,752	1,581,368
Instructional Staff	1,103,768	0	0	569,191	1,672,959
Board of Education	22,717	0	0	0	22,717
Administration	1,574,089	0	0	5,574	1,579,663
Fiscal	679,663	33,247	0	52,409	765,319
Business	61,376	0	0	0	61,376
Operation and Maintenance of Plant	2,488,605	0	12,658	38,921	2,540,184
Pupil Transportation	584,863	0	0	0	584,863
Central	67,343	0	0	9,807	77,150
Operation of Non-Instructional Services:					
Food Service Operations	1,770	0	0	1,007,074	1,008,844
Other	107	0	0	235,957	236,064
Extracurricular Activities	222,519	0	0	95,988	318,507
Capital Outlay	0	0	194,040	268,463	462,503
Debt Service:					
Principal Retirement	2,043	214,595	0	0	216,638
Interest and Fiscal Charges	341	621,417	0	0	621,758
Capital Appreciation Bonds Interest	0	237,558	0	0	237,558
Total Expenditures	22,354,524	1,106,817	206,698	7,204,642	30,872,681
Excess of Revenues Over (Under) Expenditures	(859,001)	307,833	(49,580)	54,169	(546,579)
<u>Other Financing Sources (Uses):</u>					
Proceeds from Sale of Capital Assets	0	0	0	104,500	104,500
Transfers In	0	7,142	0	106,309	113,451
Transfers Out	(113,451)	0	0	0	(113,451)
Total Other Financing Sources (Uses)	(113,451)	7,142	0	210,809	104,500
Net Change in Fund Balances	(972,452)	314,975	(49,580)	264,978	(442,079)
Fund Balances at Beginning of Year	1,502,422	1,636,739	2,765,288	539,269	6,443,718
Fund Balances at End of Year	<u>\$529,970</u>	<u>\$1,951,714</u>	<u>\$2,715,708</u>	<u>\$804,247</u>	<u>\$6,001,639</u>

See accompanying notes to the basic financial statements

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

Net Change in Fund Balances - Total Governmental Funds (\$442,079)

*Amounts reported for governmental activities in the
Statement of Activities are different because:*

Capital outlays 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. In the current period, these amounts are:

Capital assets additions	495,638	
Depreciation expense	(2,488,245)	
Excess of capital outlay over depreciation expense		(1,992,607)

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of capital assets is removed from the capital assets account in the Statement of Net Assets and offset against the proceeds from the sale of capital assets resulting in a gain on the sale of capital assets in the Statement of Activities.

Proceeds from sale of capital assets	(104,500)	
Gain on Sale of capital assets	51,962	
		(52,538)

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.

Delinquent property taxes	123,443	
Intergovernmental	(66,075)	
Interest	7,661	
Tuition and Fees	2,106	
		67,135

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current fiscal year, these amounts consist of:

Loan principal retirement	7,139	
Bond payments	207,456	
Payment of Accretion	237,558	
Capital lease payments	2,043	
		454,196

Amortization of bond issuance costs, bond premiums, bond discounts, the deferred loss on the refunding of debt, as well as accrued interest payable on the bonds are not reported in the funds, but is allocated as an expense over the life of the debt in the Statement of Activities.

Decrease in accrued interest	3,096	
Amortization of bond issuance costs	(12,464)	
Amortization of bond premium	38,387	
Amortization of loss on refunding	(24,922)	
		4,097

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. These activities consist of:

Increase in compensated absences payable	(285,907)	
Accretion on bonds	(24,207)	
		(310,114)

Change in Net Assets of Governmental Activities (\$2,271,910)

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Property Taxes	\$4,563,624	\$4,589,543	\$4,589,543	\$0
Intergovernmental	15,961,921	15,740,932	15,740,932	0
Investment Earnings	168,429	174,018	174,018	0
Tuition and Fees	827,241	854,692	854,692	0
Extracurricular Activities	34,976	36,137	36,137	0
Rentals	4,840	5,001	5,001	0
Contributions and Donations	3,950	4,081	4,081	0
Miscellaneous	81,910	84,079	84,079	0
<i>Total Revenues</i>	<u>21,646,891</u>	<u>21,488,483</u>	<u>21,488,483</u>	<u>0</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	11,537,528	11,814,839	11,781,845	32,994
Special	2,159,386	2,054,743	2,034,467	20,276
Vocational	350,349	393,867	393,102	765
Student Intervention Services	487,058	152,639	136,664	15,975
Support Services:				
Pupils	953,587	973,451	948,393	25,058
Instructional Staff	1,226,593	1,161,534	1,099,532	62,002
Board of Education	21,175	25,235	24,958	277
Administration	1,615,426	1,774,919	1,542,674	232,245
Fiscal	943,616	769,405	686,898	82,507
Business	114,937	66,664	61,326	5,338
Operation and Maintenance of Plant	2,474,906	2,780,508	2,442,535	337,973
Pupil Transportation	666,663	674,794	576,818	97,976
Central	344,035	336,812	67,261	269,551
Operation of Non-Instructional Services:				
Food Service Operations	5,476	4,806	1,770	3,036
Community Services	1,000	107	107	0
Other	4,500	0	0	0
Extracurricular Activities	273,244	276,378	223,670	52,708
Capital Outlay	0	1,744	0	1,744
<i>Total Expenditures</i>	<u>23,179,479</u>	<u>23,262,445</u>	<u>22,022,020</u>	<u>1,240,425</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,532,588)</u>	<u>(1,773,962)</u>	<u>(533,537)</u>	<u>1,240,425</u>
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Expenditures	78,923	78,923	78,923	0
Transfers In	108,103	108,103	0	(108,103)
Transfers Out	(150,000)	(221,555)	(113,451)	108,104
Advances In	632,594	632,594	625,447	(7,147)
Advances Out	(7,148)	(132,083)	(124,934)	7,149
Refund of Prior Year Receipts	(25,391)	(25,323)	(19,122)	6,201
<i>Total Other Financing Sources (Uses)</i>	<u>637,081</u>	<u>440,659</u>	<u>446,863</u>	<u>6,204</u>
Net Change in Fund Balance	(895,507)	(1,333,303)	(86,674)	1,246,629
Fund Balance at Beginning of Year	1,987,119	1,987,119	1,987,119	0
Prior Year Encumbrances Appropriated	59,271	59,271	59,271	0
Fund Balance at End of Year	<u>\$1,150,883</u>	<u>\$713,087</u>	<u>\$1,959,716</u>	<u>\$1,246,629</u>

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Fiduciary Assets and Liabilities
Agency Fund
June 30, 2008

	<u>Student Managed Activity</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$7,362</u></u>
<u>Liabilities:</u>	
Undistributed Monies	<u><u>\$7,362</u></u>

See accompanying notes to the basic financial statements

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Portsmouth City School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four-year terms. The School District provides educational services as authorized by State statute and federal guidelines.

The School District serves an area of approximately 20 square miles. It is located in Scioto County and includes portions of Porter and Vernon Townships. It is staffed by 87 non-certificated employees, 175 certificated full-time personnel and 14 administrative employees who provide services to 2,132 students and other community members. The School District currently operates three instructional buildings and one administration building.

Reporting Entity:

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

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

The following activities are included within the reporting entity:

Parochial Schools - Within the School District boundaries, Notre Dame Elementary and Notre Dame High School are operated as private schools. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the School District, as directed by the parochial schools. This activity is reflected in a nonmajor special revenue fund for financial reporting purposes.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

(continued)

The School District participates in three jointly governed organizations and one insurance purchasing pool. These organizations are the South Central Ohio Computer Association, the Scioto County Career Technical Center, the Coalition of Rural and Appalachian Schools, and the Ohio School Boards Association Workers' Compensation Group Rating Plan. These organizations are presented in Notes 16 and 17 to the basic financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Portsmouth City School District have been prepared in conformity with generally accepted account principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

A. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the School District, except for fiduciary funds. The government-wide financial statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type; however, the School District has no activities that are classified as business-type.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Statement of Net Assets presents the financial condition of the governmental activities of the School District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School District functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the School District fall within two categories: governmental and fiduciary.

Governmental Funds:

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Bond Retirement Debt Service Fund – This Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest and certain other long-term obligations when the School District is obligated for the payment.

Ohio School Facilities Commission Capital Projects Fund – This Fund is used to account for monies received and expended by the School District in connection with contracts entered into by the School District and the Ohio School Facilities Commission for the building and equipping of classroom facilities. The monies received were from two separate sources: a portion of the proceeds from the sale of bonds, except premiums and accrued interest, and all grant monies associated with the project.

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

Fiduciary Funds:

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has one fiduciary fund, an agency fund, used to account for student managed activity programs.

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements

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

D. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined, and “available” means that the resources are collectible 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 School District, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Deferred Revenue

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

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

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

Expenses/Expenditures

On the 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. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled with the exception of bond and grant monies related to the new facilities construction project. Monies for all other funds are maintained in the pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During fiscal year 2008, the School District's investments were limited to Federal Home Loan Mortgage Corporation Bonds and negotiable certificates of deposit. Investments are reported at fair value which is based on quoted market prices.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of investment earnings. Investment earnings credited to the General Fund during fiscal year 2008 amounted to \$161,729, which includes \$107,920 assigned from other School District funds.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents.

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund represent cash and cash equivalents legally required to be set aside by the School District for the purchase of textbooks and instructional materials.

G. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed/expensed when used. Inventories consist of materials and supplies held for consumption and purchased food held for resale.

H. Capital Assets

All capital assets of the School District are general capital assets that are associated with governmental activities. These 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.

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	5 - 10 years
Buildings and Improvements	50 years
Furniture, Fixtures, and Equipment	3 - 20 years
Vehicles	8 years
Textbooks	5 - 20 years

I. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “Interfund Receivable” and “Interfund Payable”. These amounts are eliminated in the governmental activities column of the Statement of Net Assets.

J. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the School District’s past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employees will be paid.

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Loans, bonds, and capital leases that will be paid from governmental funds are recognized as an expenditure and liability in the governmental fund financial statements when due.

L. Fund Balance Reserves and Designations

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. The School District also has fund balance designations. Fund balance designations are established to indicate tentative planned expenditures of financial resources. The designations reflect the School District's intentions and are subject to change. Designations are reported as part of unreserved fund balance. Fund equity reserves have been established for encumbrances, property taxes, and textbooks and instructional materials. A designation of fund balance has been established for employee health benefits, which assists employees with satisfying their health care deductibles.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for food service operations, music and athletic programs, and federal and State grants restricted to expenditures for specified purposes.

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

N. Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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

O. 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.

P. Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts reflect the amounts in the amended certificate in effect at the time the final appropriations were passed. Before fiscal year-end, the School District requested and received an amended certificate of estimate resources that reflected actual revenue for the fiscal year-end in all funds

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The appropriations resolution is subject to amendment by the Board throughout the fiscal year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board of Education during the fiscal year, including all supplemental appropriations. Prior to fiscal year-end, the School District passed a supplemental appropriation that equaled actual expenditures plus encumbrances for the fiscal year in most funds.

Q. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2008, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

R. Bond Premiums/Issuance Costs/Compounded Interest on Capital Appreciation Bonds

For governmental activities, bond premiums and issuance costs are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Capital appreciation bonds are accreted each fiscal year for the compounded interest accrued during the fiscal year. Bond premiums and the compounded interest on the capital appreciation bonds are presented as an addition to the face amount of the bonds payable whereas issuance costs are recorded as deferred charges. The accounting loss on refunded bonds (difference between the reacquisition price and the net carrying amount of the old debt) is amortized over the remaining life of the old debt.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the period in which the bonds were issued. Accretion on the capital appreciation bonds is not reported.

NOTE 3 – ACCOUNTABILITY

At June 30, 2008, the Food Service and Education Management Information System Special Revenue Funds and the Permanent Improvement Capital Projects Fund had deficit fund balances of \$64,160, \$55, and \$73,680 respectively. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budget Basis) is presented for the General Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Investments are recorded at fair value (GAAP basis) rather than cost (budget basis).

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

Net Change in Fund Balance	
GAAP Basis	(\$972,452)
Adjustments:	
Revenue Accruals	54,949
Expenditure Accruals	339,276
Advances	500,513
Encumbrances	(25,894)
Decrease in Fair Value of Investments - 2007	(2,239)
Decrease in Fair Value of Investments - 2008	19,173
Budget Basis	(\$86,674)

NOTE 5 – DEPOSITS AND INVESTMENTS

Monies held by the School District are classified by State Statute into three categories.

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

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

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAROhio); and

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

8. Commercial paper and bankers acceptances if training requirements have been met.

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. Investments may only be made through specified dealers and institutions.

Investments: As of June 30, 2008, the School District had the following investments. All investments are in an internal investment pool.

	Fair Value	Investment Maturities in Years		
		Less than 1	1 - 2	3 - 4
Federal Home Loan Mortgage Corporation Bonds	\$997,622	\$0	\$0	\$997,622
Negotiable Certificates of Deposit	784,860	98,812	494,773	191,275
Totals	<u>\$1,782,482</u>	<u>\$98,812</u>	<u>\$494,773</u>	<u>\$1,188,897</u>

Interest Rate Risk: As a means of limiting its exposure to fair value losses caused by rising interest rates, the School District’s investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. No investment shall be made unless the Treasurer, at the time of making the investment, reasonably expects it can be held to its maturity. Unless matched to a specific obligation or debt of the School District, the School District will not directly invest in securities maturing more than five years from the date of investment.

Credit Risk: The Federal Home Loan Mortgage Corporation Bonds carry a rating of AAA by Standard and Poor’s and a rating of Aaa by Moody’s. The School District’s investment policy limits investments to those authorized by State statute which restricts investments to those that are highly rated or issued by United States Government sponsored enterprises.

Concentration of Credit Risk: The School District’s investment policy places no limit on the amount it may invest in any one issuer. The School District’s investments in Federal Home Loan Mortgage Corporation Bonds represent 55.97 percent of the School District’s total investments.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 6 – PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2008 represents collections of calendar year 2007 taxes. Real property taxes received in calendar year 2008 were levied after April 1, 2007, on the assessed value listed as of January 1, 2007, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2008 represents collections of calendar year 2007 taxes. Public utility real and tangible personal property taxes received in calendar year 2008 became a lien December 31, 2006, were levied after April 1, 2007, and are collected in calendar year 2008 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar year 2008 (other than public utility property tax) represents the collection of 2008 taxes. Tangible personal property taxes received in calendar year 2008 were levied after April 1, 2007, on the value as of December 31, 2007. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2008 is six and one-quarter percent and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The School District receives property taxes from Scioto County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2008, are available to finance fiscal year 2008 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 6 – PROPERTY TAXES (continued)

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2008, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 and the late personal property tax settlement were levied to finance current fiscal-year operations and are reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit of deferred revenue.

The amount available as an advance at June 30, 2008, was \$294,556 and is recognized as revenue: \$223,306 in the General Fund, \$66,992 in the Bond Retirement Debt Service Fund and \$4,258 in the Classroom Facilities Maintenance Special Revenue Fund. The amount available as an advance at June 30, 2007, was \$281,927 and is recognized as revenue: \$213,722 in the General Fund, \$63,861 in the Bond Retirement Debt Service Fund and \$4,344 in the Classroom Facilities Maintenance Special Revenue Fund.

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

The assessed values upon which fiscal year 2008 taxes were collected are:

	2007 Second- Half Collections		2008 First- Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$201,476,160	87.73 %	\$218,009,290	91.52 %
Public Utility Personal	15,387,970	6.70	13,091,910	5.50
General Business Personal	12,786,263	5.57	7,095,560	2.98
Total Assessed Value	\$229,650,393	100.00 %	\$238,196,760	100.00 %
Tax rate per \$1,000 of assessed valuation	\$41.03		\$41.03	

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 7 – RECEIVABLES

Receivables at June 30, 2008, consisted of property taxes, accounts, intergovernmental grants, accrued interest, and interfund. All receivables are considered collectible in full and will be received within one year with the exception of the property taxes. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
<u>Governmental Activities:</u>	
Ohio School Facilities Commission	\$6,352
Title I	270,041
Reading First	179,238
Special Education, Part B-IDEA	139,552
Title II-A, Improving Teacher Quality	45,716
Excess Cost Reimbursements	44,255
Even Start	36,491
Early Childhood	27,804
Title VI-B, Rural and Low-Income	11,059
McKinney-Vento Homeless Assistance Program	5,206
Title IV-A, Safe and Drug-Free Schools	4,778
Food Service Subsidies	600
Total Intergovernmental Receivables	<u><u>\$771,092</u></u>

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 8 – CAPITAL ASSETS

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

	<u>Balance at 6/30/07</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at 6/30/08</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$5,926,313	\$0	(\$50,720)	\$5,875,593
Capital Assets Being Depreciated:				
Land Improvements	4,642,102	0	0	4,642,102
Buildings and Improvements	51,438,628	224,007	0	51,662,635
Furniture, Fixtures, and Equipment	3,062,045	89,108	(6,348)	3,144,805
Vehicles	806,362	73,115	0	879,477
Textbooks	2,550,541	109,408	0	2,659,949
Total Capital Assets Being Depreciated	<u>62,499,678</u>	<u>495,638</u>	<u>(6,348)</u>	<u>62,988,968</u>
Less Accumulated Depreciation:				
Land Improvements	(127,350)	(232,105)	0	(359,455)
Building and Improvements	(1,218,628)	(1,376,163)	0	(2,594,791)
Furniture, Fixtures, and Equipment	(744,742)	(573,152)	4,530	(1,313,364)
Vehicles	(507,374)	(60,640)	0	(568,014)
Textbooks	(1,579,999)	(246,185)	0	(1,826,184)
Total Accumulated Depreciation	<u>(4,178,093)</u>	<u>(2,488,245) *</u>	<u>4,530</u>	<u>(6,661,808)</u>
Total Capital Assets Being Depreciated, Net	<u>58,321,585</u>	<u>(1,992,607)</u>	<u>(1,818)</u>	<u>56,327,160</u>
Governmental Activities Capital Assets, Net	<u>\$64,247,898</u>	<u>(\$1,992,607)</u>	<u>(\$52,538)</u>	<u>\$62,202,753</u>

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 8 – CAPITAL ASSETS (continued)

*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,102,569
Special	243,023
Vocational	32,899
Support Services:	
Pupils	138,978
Instructional Staff	221,515
Administration	333,201
Fiscal	36,130
Business	11,654
Operation and Maintenance of Plant	116,825
Pupil Transportation	107,256
Operation of Non-Instructional Services:	
Food Service Operations	138,285
Other	3,338
Extracurricular Activities	2,572
Total Depreciation Expense	<u><u>\$2,488,245</u></u>

NOTE 9 – RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School District contracts with School Insurance Consultants, LLC (SIC) for insurance consulting services. The premium for this service is \$2.00 per student, subject to a \$3,500 minimum fee. The School District also pays to the awarded insurance agency an insurance premium that is based on types of coverage, limits of coverage, and deductibles that it selects. For the fiscal year, the School District contracted with Indiana Insurance for liability, property, inland marine, and automobile liability insurance coverage and paid its premium to the Wade Insurance Agency, an agent for Indiana Insurance.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 9 – RISK MANAGEMENT (continued)

Coverage provided by the Wade Insurance Agency is as follows:

Building and Contents (including Boiler and Machinery and Inland Marine) - replacement cost (\$1,000 deductible)	\$55,102,500
Auto Liability:	
Liability - Any Auto	1,000,000
Medical Payments	5,000
Uninsured/Underinsured Motorists Coverage	1,000,000
Comprehensive - All (\$250 deductible)	Actual Cash Value
Collision - All (\$500 deductible)	Actual Cash Value
Hired Car Physical Damage	75,000
Comprehensive	Actual Cash Value
Collision	Actual Cash Value
General Liability:	
Each Occurrence Limit	1,000,000
Damage to Premises Rented - Limit	300,000
Medical Expense Limit (any one person)	15,000
Personal and Advertising Injury - Each Offense Limit	1,000,000
General Aggregate Limit	2,000,000
Products - Completed Operations Aggregate Limit	2,000,000
Excess Liability:	
Liability Limit - Each Accident	1,000,000
Liability Policy Aggregate	1,000,000

The increase in building and contents coverage of \$4,725,000 from the prior fiscal year is due to all old buildings of the School District being demolished and the addition of three new buildings and contents. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 9 – RISK MANAGEMENT (continued)

B. Workers' Compensation

For fiscal year 2008, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 17). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

NOTE 10 – DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

Plan Description – The School District contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2008, 9.16 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2008, 2007, and 2006 were \$220,085, \$242,946, and \$247,543, respectively; 48.41 percent has been contributed for fiscal year 2008 and 100 percent for the fiscal years 2007 and 2006.

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

B. State Teachers Retirement System of Ohio

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

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

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

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

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

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2008, 2007, and 2006 were \$1,296,509, \$1,219,710, and \$1,187,799, respectively; 82.72 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006. Contributions to the DC and Combined Plans for fiscal year 2008 were \$11,380 made by the plan members and \$4,332 made by the School District.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2008, four members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

NOTE 11 – POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

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

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

NOTE 11 – POSTEMPLOYMENT BENEFITS (continued)

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

The School District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006, were \$150,176, \$128,897, and \$134,478, respectively; 48.41 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For 2008, this actuarially required allocation was 0.66 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2008, 2007, and 2006, were \$15,858, \$16,520, and \$19,702, respectively; 48.41 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

B. State Teachers Retirement System of Ohio

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

Funding Policy – Ohio law authorized STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions. For 2008, STRS Ohio allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006, were \$99,731, \$93,824, and \$91,369, respectively; 82.72 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

NOTE 12 – EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Eligible classified employees and administrators earn ten to twenty-five days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 12 – EMPLOYEE BENEFITS (continued)

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 224 days for teachers and 220 days for classified employees. Administrators can accumulate a maximum of the number of contract days plus 15. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum of 56 days for teachers and 55 days for classified employees. Administrators are paid for one-fourth of accrued, but unused sick leave with no maximum.

B. Insurance

The School District provides medical insurance to all employees through Medical Mutual of Ohio. Certified employees are provided with life and dental insurance through Anthem, and vision insurance through Vision Service Plan (VSP). Classified employees are provided with life, dental, and vision insurance through the Health Care Plan of AFSCME Local 2684. All employees are provided prescription drug coverage through the Health Care Plan of AFSCME Local 2684. Certified employees pay seven percent of healthcare premiums. Classified employees pay three and one-half percent of healthcare premiums.

C. Deferred Compensation

School District employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

NOTE 13 – LEASES – LESSEE DISCLOSURE

In a prior fiscal year, the School District entered into a capitalized lease for band instruments. The lease meets the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13, "Accounting for Leases,"* which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

The band instruments acquired by lease were initially capitalized in the amount of \$8,966 which is equal to the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded on the Statement of Net Assets for governmental activities. Principal payments in fiscal year 2008 totaled \$2,043, which retired the liability recorded for the lease, and were paid from the General Fund.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 13 – LEASES – LESSEE DISCLOSURE (continued)

The assets acquired through the capital lease as of June 30, 2008, are as follows:

	Asset Value	Accumulated Depreciation	Net Book Value
Asset:			
Band Instruments	\$8,966	(\$3,511)	\$5,455

In the current fiscal year and in prior fiscal years, the School District entered into noncancelable operating leases for the use of a stadium and of copier equipment. Operating lease payments are reported as function expenditures in governmental funds and on budgetary statements. Total operating lease payments in fiscal year 2008 totaled \$56,299 in the General Fund.

The following is a schedule of the future minimum lease payments:

Fiscal Year Ending June 30,	Total Payments
2009	\$66,299
2010	42,841
2011	10,000
2012	10,000
2013	10,000
2014 - 2018	50,000
2019 - 2023	50,000
2024 - 2028	50,000
2029 - 2033	50,000
2034 - 2038	47,500
Total	\$386,640

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 14 – LONG-TERM OBLIGATIONS

The changes in the School District’s long-term obligations during the fiscal year 2008 were as follows:

	Principal Outstanding 6/30/07	Additions	Deductions	Principal Outstanding 6/30/08	Amounts Due in One Year
<u>Governmental Activities:</u>					
1988 EPA Asbestos					
Loan 0.00%	\$7,139	\$0	\$7,139	\$0	\$0
General Obligation Bonds:					
2002 Classroom Facilities:					
Serial Bonds 3.0 to 5.0%	5,445,000	0	0	5,445,000	455,000
Capital Appreciation					
Bonds 3.9 to 4.6%	197,456	0	197,456	0	0
Accretion on Capital					
Appreciation Bonds	237,558	0	237,558	0	0
Premium on Debt Issue	64,322	0	3,602	60,720	0
2007 School Improvement					
Refunding Bonds:					
Serial Bonds 3.6 to 4.0%	9,400,000	0	10,000	9,390,000	65,000
Term Bonds 3.73%	325,000	0	0	325,000	0
Capital Appreciation					
Bonds 3.05%	75,000	0	0	75,000	0
Accretion on Capital					
Appreciation Bonds	13,821	24,207	0	38,028	0
Premium on Debt Issue	601,466	0	34,785	566,681	0
Loss on Refunding	(448,596)	0	(24,922)	(423,674)	0
Capital Leases	2,043	0	2,043	0	0
Compensated Absences	1,195,796	510,284	224,377	1,481,703	194,739
Total Governmental Activities					
Long-Term Obligations	<u>\$17,116,005</u>	<u>\$534,491</u>	<u>\$692,038</u>	<u>\$16,958,458</u>	<u>\$714,739</u>

EPA Asbestos Loan - On December 14, 1988, Portsmouth City School District obtained a loan in the amount of \$257,106 for the purpose of providing asbestos removal. The loan was issued for a twenty year period and was retired during fiscal year 2008. The loan was interest free and was retired from the Debt Service Fund.

2002 Classroom Facilities General Obligation Bonds - On April 30, 2002, the School District issued \$17,070,000 in voted general obligation bonds for the purpose of constructing new classroom facilities. The bonds were issued for a twenty-three year period with final maturity in December 2024. The bonds will be retired from the Debt Service Fund. During fiscal year 2007, \$9,800,000 of these serial bonds were refunded, leaving \$5,445,000 outstanding at June 30, 2007.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 14 – LONG-TERM OBLIGATIONS (continued)

The serial bonds of the 2002 Classroom Facilities General Obligation Bonds outstanding at June 30, 2007, have maturity dates of December 1, 2008, to December 1, 2016. The bonds are subject to optional redemption, in whole or in part on any date in inverse order of maturity and by lot within a maturity at the option of the issuer on or after December 1, 2016, at the redemption price of 100 percent.

The capital appreciation bonds of the 2002 Classroom Facilities General Obligation Bonds, issued at \$425,000, are not subject to prior redemption. The capital appreciation bonds matured during fiscal year 2008 with \$197,456 in principal and \$237,558 in accreted interest being retired.

As of June 30, 2008, \$16,284,056 of the bond proceeds had been spent toward the project.

2007 School Improvement Refunding Bonds - On October 11, 2006, the School District issued \$9,800,000 in general obligation bonds for the purpose of advance refunding a portion of the 2002 Classroom Facilities General Obligation Serial Bonds. At June 30, 2008, \$9,800,000 of the refunded bonds were outstanding.

The serial bonds of the 2007 School Improvement General Obligation Refunding Bonds, issued at \$9,400,000 with maturity dates of December 1, 2007, to December 1, 2012, and December 1, 2018, to December 1, 2024, are subject to optional redemption, in whole or in part on any date in any order of maturity and by lot within a maturity at the option of the issuer on or after December 1, 2016, at the redemption price of 100 percent.

The capital appreciation bonds of the 2007 School Improvement General Obligation Refunding Bonds, issued at \$75,000, are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2018 in the amount of \$980,000. Accretion on the capital appreciation bonds for fiscal year 2008 was \$24,207.

The term bonds of the 2007 School Improvement General Obligation Refunding Bonds, issued at \$325,000, will mature on December 1, 2017.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 14 – LONG-TERM OBLIGATIONS (continued)

The 2007 bonds will be retired from the Debt Service Fund.

Compensated absences will be paid from the General Fund and the Food Service, Auxiliary Services Non Public, Early Childhood Preschool, Ohio Reads, Poverty Based Assistance, IDEA-B, Title I, Drug Free Schools, Early Childhood Special Education, Title II-A, and Miscellaneous Federal Grants Special Revenue Funds.

The School District's overall legal debt margin was \$7,276,072 with an unvoted debt margin of \$228,437 at June 30, 2008.

Principal and interest requirements to retire Classroom Facilities General Obligation Bonds outstanding at June 30, 2008, are as follows:

Fiscal Year Ending June 30,	Serial Bonds Principal	Serial Bonds Interest	Capital Appreciation Principal	Capital Appreciation Interest	Term Bond	Total
2009	\$520,000	\$612,082	\$0	\$0	\$0	\$1,132,082
2010	545,000	592,056	0	0	0	1,137,056
2011	580,000	570,002	0	0	0	1,150,002
2012	615,000	545,762	0	0	0	1,160,762
2013	665,000	519,232	0	0	0	1,184,232
2014-2018	2,865,000	2,115,173	75,000	905,000	325,000	6,285,173
2019-2023	6,115,000	1,232,700	0	0	0	7,347,700
2024-2025	2,930,000	118,400	0	0	0	3,048,400
Total	<u>\$14,835,000</u>	<u>\$6,305,407</u>	<u>\$75,000</u>	<u>\$905,000</u>	<u>\$325,000</u>	<u>\$22,445,407</u>

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 15 – INTERFUND ACTIVITY

As of June 30, 2008, interfund receivables and payables that resulted from various interfund transactions were as follows:

		Receivable
		<u>General</u>
Payable	Other Governmental Funds	<u>\$124,934</u>

General Fund advances are made to move unrestricted balances to support programs and projects accounted for in other funds. Advancing monies to other funds is necessary due to timing differences in the receiving of grant monies. When the monies are finally received, the grant fund will use these restricted monies to reimburse the General Fund for the initial advance.

Transfers made during the fiscal year ended June 30, 2008, were as follows:

		Transfers From
		<u>General</u>
Transfers To	Bond Retirement	\$7,142
	Other Governmental Funds	<u>106,309</u>
	Totals	<u>\$113,451</u>

Transfers from the General Fund are made to move unrestricted balances to support programs and projects accounted for in other funds.

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS

A. South Central Ohio Computer Association

The School District is a participant in the South Central Ohio Computer Association (SCOCA), which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Pickaway, Gallia, Highland, Adams, Pike, Scioto, Brown, Ross, Jackson, Vinton, and Lawrence Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCA consists of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, plus a representative of the fiscal agent. The School District paid SCOCA \$6,250 for services provided during the fiscal year. Financial information can be obtained from their fiscal agent, the Pike County Joint Vocational School District, Tonya Cooper who serves as Treasurer, at P. O. Box 577, 175 Beaver Creek Road, Piketon, Ohio 45661.

B. Scioto County Career Technical Center

The Scioto County Career Technical Center is a distinct political subdivision of the State of Ohio operated under the direction of a five member Board of Education, consisting of two representatives from Portsmouth City School District and three representatives from the South Central Ohio Educational Service Center, which possesses its own budgeting and taxing authority. To obtain financial information write to the Scioto County Career Technical Center at P.O. Box 766, Lucasville, Ohio 45648.

C. Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (the “Coalition”) is a jointly governed organization of over one hundred school districts in southeastern Ohio. The Coalition is operated by a Board which is composed of fourteen members. The Board members are composed of one superintendent from each county elected by the school districts within that county. The Coalition provides various services for School District administrative personnel; gathers data regarding education conditions in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for School District personnel. The Coalition is not dependent upon the continued participation of the School District and the School District does not maintain an equity interest in or a financial responsibility for the Coalition. The School District paid \$300 to the Coalition for services provided during the fiscal year.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 17 – INSURANCE PURCHASING POOL

Ohio School Boards Association Workers’ Compensation Group Rating Plan

The School District participates in the Ohio School Boards Association Workers’ Compensation Group Rating Plan (GRP), an insurance purchasing pool. The GRP’s business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the Ohio School Boards Association (OSBA). The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each fiscal year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 18 – SET-ASIDE CALCULATIONS AND FUND RESERVES

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

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

	Textbooks and Instructional Materials	Capital Acquisitions
	Materials	Acquisitions
Set-aside Reserve Balance as of June 30, 2007	\$58,671	\$0
Current Fiscal Year Set-aside Requirement	326,538	326,538
Current Fiscal Year Offsets	0	(182,884)
Qualifying Disbursements	(306,027)	(161,450)
Set-aside Reserve Balance as of June 30, 2008	\$79,182	(\$17,796)
Required Set-aside Balances Carried Forward to FY 2009	\$79,182	\$0

Although the School District had offsets and qualifying expenditures for capital acquisitions that exceeded the set-aside requirements, these amounts may not be used to reduce the set-aside requirements of future fiscal years and therefore are not presented as being carried forward to the next fiscal year.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 19 – CONTRACTUAL COMMITMENTS

The School District contracted for the design and construction of new high school, middle school, and elementary school buildings. The outstanding construction commitment at June 30, 2008, is:

Contractor	Contract Amount	Amount Expended	Balance at 6/30/08
BBL Construction	\$3,413,825	\$3,383,825	\$30,000

NOTE 20 – CONTINGENCIES

A. Grants

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

B. Litigation

The School District is party to legal proceedings. However, no liability has been accrued since the ultimate disposition of these claims and legal proceedings has yet to be determined and the amount of liability, if any, is not measurable.

NOTE 21 – CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2008, the School District has implemented *GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions"*, *GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues"*, and *GASB Statement No. 50, "Pension Disclosures"*.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

NOTE 21 – CHANGES IN ACCOUNTING PRINCIPLES (continued)

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees' years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this Statement for both the SERS and the STRS post-employment healthcare plans in the amount of \$114,049 and \$1,125,886, respectively, which are the same as the previously reported liabilities.

GASB Statement No. 48 addresses how to account for the exchange of an interest in expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments. The Statement established criteria used to determine whether the transaction should be recorded as revenue or as a liability (a sale or a collateralized borrowing). The implementation of this Statement did not result in any change to the financial statements.

GASB Statement No. 50 requires employers contributing to defined benefit pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements. The implementation of this Statement did not result in any change to the financial statements.

NOTE 22 – FINANCIAL CONDITION

On April 19, 2001, the School District was placed into Fiscal Caution by the Ohio Department of Education. Under Ohio Revised Code Section 3316.031 (B) (3), the Ohio Department of Education will place a school district in Fiscal Caution when the Auditor of State certifies a forecasted General Fund deficit between 2 percent and 8 percent of the General Fund's prior year's revenues. The School District has prepared a recovery plan which has been submitted to and approved by the Ohio Department of Education which requires school districts to provide written proposals for discontinuing or correcting the practices and conditions that led to the declaration of Fiscal Caution. The School District will be required to update their recovery plan if the School District experiences a significant change of events. A performance audit was conducted on the School District by the Auditor of State of Ohio dated June 26, 2002 to evaluate ways to improve operations within the School District. As of June 30, 2008, the School District was still in Fiscal Caution.

NOTE 22 – SUBSEQUENT EVENT

On July 7, 2008, an agreement was reached in one of the legal proceedings. As a result, the plaintiff was awarded \$20,000.

PORTSMOUTH CITY SCHOOL DISTRICT
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Portsmouth City School District

Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

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

Nonmajor Special Revenue Funds

Food Service

To account for the provision of food services for the School District.

Education Foundation

To account for local monies received as a result of any bequest, gift, or endowment given to the School District. Monies are to be used for scholarships and for additional costs related to the construction of the new facilities courtyard.

New Facilities Maintenance

To account for property tax revenues that are restricted to expenditures for the maintenance and upkeep of School District classroom facilities.

District Managed Student Activities

To account for student activity programs which have student participation in the activities, but do not have student management of the programs.

Auxiliary Services Non Public

To account for local monies which provide services and materials to pupils attending non-public schools within the School District.

Education Management Information System

To account for State reimbursements for hardware and software development, utilities, materials and supplies, or other costs associated with the requirements of the management information system.

Early Childhood Preschool

To account for State grant monies used in the preschool program.

SchoolNet Praise

To account for State grant monies used for Ohio Educational Computer Network connections.

SchoolNet Summer Training

To account for State grant monies used for technology training.

(continued)

Portsmouth City School District

Nonmajor Governmental Fund Descriptions - (continued)

Nonmajor Special Revenue Funds - (continued)

OhioReads

To account for State monies used to support literacy for grades K-4 and to prepare students to be proficient on the reading portion of the proficiency tests.

Vocational Education Enhancement

To account for State monies used to fund vocational enhancements such as expanding enrollment in vocational programs, to enable students to develop career plans and goals, and to replace or update equipment used in the instruction of educational programs.

Poverty Based Assistance

To account for State monies provided for the improvement of the educational and cultural status of disadvantaged pupils.

Miscellaneous State Grants

To account for various State monies received from State agencies which are not classified elsewhere.

IDEA-B

To account for federal funds used for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels, and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

Title I

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

Title V

To account for federal funds used to provide programs for gifted students; instructional materials to improve the quality of instruction; programs of professional development; and programs to enhance personal excellence of students and student achievement.

Drug Free Schools

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

(continued)

Portsmouth City School District

Nonmajor Governmental Fund Descriptions - (continued)

Nonmajor Special Revenue Funds - (continued)

Early Childhood Special Education

To account for federal monies used to support preschool improvement and expansion of services for handicapped children ages three through five years.

Title II-A

To account for federal monies used to help schools increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and principals in the schools; and hold schools accountable for improvements in student academic achievements.

Miscellaneous Federal Grants

To account for various federal monies received from federal agencies which are not classified elsewhere.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are established to account for the receipts and expenditures involved in the replacement or updating of equipment and other capital assets essential for the instruction of students.

Nonmajor Capital Projects Funds

Permanent Improvement

To account for all transactions relating to the acquiring, constructing, or improving of such permanent improvements as authorized by Chapter 5705, Revised Code.

Site Acquisition

To account for the receipts and expenditures related to special bond funds in the School District associated with the costs of acquiring real property. A portion of the proceeds from the sale of bonds, notes, or certificates of indebtedness, except premiums and accrued interest, was paid into this fund. Expenditures recorded here represent all costs related to the acquisition of real property.

Athletic Complex Project

To account for donations to be used for construction and renovations of the old High School gymnasium.

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,172,397	\$68,082	\$1,240,479
Receivables:			
Property Taxes	100,879	0	100,879
Intergovernmental	720,485	0	720,485
Accrued Interest	20	53	73
Prepaid Items	311	0	311
Inventory Held for Resale	32,181	0	32,181
Total Assets	\$2,026,273	\$68,135	\$2,094,408
<u>Liabilities:</u>			
Accounts Payable	\$11,340	\$6,772	\$18,112
Contracts Payable	0	23,292	23,292
Accrued Wages and Benefits Payable	597,757	0	597,757
Intergovernmental Payable	171,838	0	171,838
Interfund Payable	27,251	97,683	124,934
Deferred Revenue	354,228	0	354,228
Total Liabilities	1,162,414	127,747	1,290,161
<u>Fund Balances:</u>			
Reserved for Encumbrances	30,270	52,100	82,370
Reserved for Property Taxes	4,258	0	4,258
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	829,331	0	829,331
Capital Projects Funds (Deficit)	0	(111,712)	(111,712)
Total Fund Balances (Deficit)	863,859	(59,612)	804,247
Total Liabilities and Fund Balances	\$2,026,273	\$68,135	\$2,094,408

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues:</u>			
Property Taxes	\$83,823	\$0	\$83,823
Intergovernmental	6,823,753	0	6,823,753
Investment Earnings	3,807	4,822	8,629
Tuition and Fees	4,410	0	4,410
Extracurricular Activities	104,303	0	104,303
Charges for Services	138,500	0	138,500
Contributions and Donations	12,454	75,000	87,454
Miscellaneous	7,780	159	7,939
<i>Total Revenues</i>	<u>7,178,830</u>	<u>79,981</u>	<u>7,258,811</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	13,141	0	13,141
Special	3,015,314	0	3,015,314
Vocational	26,811	0	26,811
Student Intervention Services	1,278,240	0	1,278,240
Support Services:			
Pupils	587,752	0	587,752
Instructional Staff	569,191	0	569,191
Administration	5,574	0	5,574
Fiscal	52,209	200	52,409
Operation and Maintenance of Plant	38,921	0	38,921
Central	9,807	0	9,807
Operation of Non-Instructional Services:			
Food Service Operations	1,007,074	0	1,007,074
Other	235,957	0	235,957
Extracurricular Activities	95,988	0	95,988
Capital Outlay	4,211	264,252	268,463
<i>Total Expenditures</i>	<u>6,940,190</u>	<u>264,452</u>	<u>7,204,642</u>
Excess of Revenues Over (Under) Expenditures	<u>238,640</u>	<u>(184,471)</u>	<u>54,169</u>
<u>Other Financing Sources:</u>			
Proceeds from Sale of Capital Assets	0	104,500	104,500
Transfers In	106,309	0	106,309
Total Other Financing Sources	<u>106,309</u>	<u>104,500</u>	<u>210,809</u>
Net Change in Fund Balances	344,949	(79,971)	264,978
Fund Balances at Beginning of Year	<u>518,910</u>	<u>20,359</u>	<u>539,269</u>
Fund Balances (Deficit) at End of Year	<u><u>\$863,859</u></u>	<u><u>(\$59,612)</u></u>	<u><u>\$804,247</u></u>

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

	Food Service	Education Foundation	New Facilities Maintenance	District Managed Student Activities
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$150,928	\$499,476	\$20,417
Receivables:				
Property Taxes	0	0	100,879	0
Intergovernmental	600	0	0	0
Accrued Interest	0	20	0	0
Prepaid Items	0	0	0	0
Inventory Held for Resale	32,181	0	0	0
Total Assets	\$32,781	\$150,948	\$600,355	\$20,417
<u>Liabilities:</u>				
Accounts Payable	\$0	\$139	\$0	\$4,524
Accrued Wages and Benefits Payable	52,739	0	0	0
Intergovernmental Payable	44,202	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	96,621	0
Total Liabilities	96,941	139	96,621	4,524
<u>Fund Balances:</u>				
Reserved for Encumbrances	0	0	20,046	0
Reserved for Property Taxes	0	0	4,258	0
Unreserved, Undesignated (Deficits)	(64,160)	150,809	479,430	15,893
Total Fund Balances (Deficits)	(64,160)	150,809	503,734	15,893
Total Liabilities and Fund Balances	\$32,781	\$150,948	\$600,355	\$20,417

Auxiliary Services Non Public	Education Management Information System	Early Childhood Preschool	OhioReads	Vocational Education Enhancement	Poverty Based Assistance	Miscellaneous State Grants
\$21,822	\$0	\$2,774	\$27,380	\$447	\$357,854	\$8,274
0	0	0	0	0	0	0
0	0	27,804	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$21,822</u>	<u>\$0</u>	<u>\$30,578</u>	<u>\$27,380</u>	<u>\$447</u>	<u>\$357,854</u>	<u>\$8,274</u>
\$0	\$0	\$2,937	\$0	\$0	\$0	\$0
5,754	0	17,537	10,557	0	233,880	0
1,491	55	3,677	1,988	17	45,096	30
0	0	3,763	0	0	0	0
0	0	0	0	0	0	0
<u>7,245</u>	<u>55</u>	<u>27,914</u>	<u>12,545</u>	<u>17</u>	<u>278,976</u>	<u>30</u>
0	0	0	0	0	0	4,713
0	0	0	0	0	0	0
<u>14,577</u>	<u>(55)</u>	<u>2,664</u>	<u>14,835</u>	<u>430</u>	<u>78,878</u>	<u>3,531</u>
<u>14,577</u>	<u>(55)</u>	<u>2,664</u>	<u>14,835</u>	<u>430</u>	<u>78,878</u>	<u>8,244</u>
<u>\$21,822</u>	<u>\$0</u>	<u>\$30,578</u>	<u>\$27,380</u>	<u>\$447</u>	<u>\$357,854</u>	<u>\$8,274</u>

(continued)

Portsmouth City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008
(continued)

	IDEA-B	Title I	Title V	Drug Free Schools
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$7,158	\$57,142	\$655	\$28
Receivables:				
Property Taxes	0	0	0	0
Intergovernmental	139,552	311,738	0	4,778
Accrued Interest	0	0	0	0
Prepaid Items	311	0	0	0
Inventory Held for Resale	0	0	0	0
Total Assets	\$147,021	\$368,880	\$655	\$4,806
<u>Liabilities:</u>				
Accounts Payable	\$0	\$352	\$0	\$0
Accrued Wages and Benefits Payable	36,813	107,321	0	2,058
Intergovernmental Payable	17,968	30,635	0	372
Interfund Payable	0	7,045	0	0
Deferred Revenue	64,646	120,412	0	1,973
Total Liabilities	119,427	265,765	0	4,403
<u>Fund Balances:</u>				
Reserved for Encumbrances	0	5,180	0	0
Reserved for Property Taxes	0	0	0	0
Unreserved, Undesignated (Deficits)	27,594	97,935	655	403
Total Fund Balances (Deficits)	27,594	103,115	655	403
Total Liabilities and Fund Balances	\$147,021	\$368,880	\$655	\$4,806

Early Childhood Special Education	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$3,060	\$5,903	\$9,079	\$1,172,397
0	0	0	100,879
0	43,803	192,210	720,485
0	0	0	20
0	0	0	311
0	0	0	32,181
<u>\$3,060</u>	<u>\$49,706</u>	<u>\$201,289</u>	<u>\$2,026,273</u>
\$0	\$388	\$3,000	\$11,340
1,163	36,044	93,891	597,757
337	6,883	19,087	171,838
0	0	16,443	27,251
0	2,687	67,889	354,228
<u>1,500</u>	<u>46,002</u>	<u>200,310</u>	<u>1,162,414</u>
0	120	211	30,270
0	0	0	4,258
<u>1,560</u>	<u>3,584</u>	<u>768</u>	<u>829,331</u>
<u>1,560</u>	<u>3,704</u>	<u>979</u>	<u>863,859</u>
<u>\$3,060</u>	<u>\$49,706</u>	<u>\$201,289</u>	<u>\$2,026,273</u>

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

	Food Service	Education Foundation	New Facilities Maintenance	District Managed Student Activities
<u>Revenues:</u>				
Property Taxes	\$0	\$0	\$83,823	\$0
Intergovernmental	847,029	0	97,847	0
Investment Earnings	0	3,216	0	0
Tuition and Fees	4,410	0	0	0
Extracurricular Activities	0	0	0	104,303
Charges for Services	138,500	0	0	0
Contributions and Donations	0	10,194	0	2,260
Miscellaneous	0	2,000	0	5,769
Total Revenues	989,939	15,410	181,670	112,332
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	0	2,578	0	0
Special	0	0	0	0
Vocational	0	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	0	5,000	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Fiscal	123	0	2,265	0
Operation and Maintenance of Plant	2,769	1,323	34,829	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	1,007,074	0	0	0
Other	0	0	0	0
Extracurricular Activities	0	0	0	95,988
Capital Outlay	0	4,211	0	0
Total Expenditures	1,009,966	13,112	37,094	95,988
Excess of Revenues Over (Under) Expenditures	(20,027)	2,298	144,576	16,344
<u>Other Financing Sources:</u>				
Transfers In	106,309	0	0	0
Net Change in Fund Balances	86,282	2,298	144,576	16,344
Fund Balances (Deficits) at Beginning of Year	(150,442)	148,511	359,158	(451)
Fund Balances (Deficits) at End of Year	(\$64,160)	\$150,809	\$503,734	\$15,893

Auxiliary Services Non Public	Education Management Information System	Early Childhood Preschool	SchoolNet Praise	SchoolNet Summer Training	OhioReads
\$0	\$0	\$0	\$0	\$0	\$0
192,981	7,436	199,480	9,000	2,970	110,541
591	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
193,572	7,436	199,480	9,000	2,970	110,541
5,754	0	0	0	0	837
0	0	152,611	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	93,526
0	0	40,734	9,000	2,970	1,988
0	0	0	0	0	0
0	0	3,471	0	0	0
0	0	0	0	0	0
0	9,807	0	0	0	0
0	0	0	0	0	0
222,691	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
228,445	9,807	196,816	9,000	2,970	96,351
(34,873)	(2,371)	2,664	0	0	14,190
0	0	0	0	0	0
(34,873)	(2,371)	2,664	0	0	14,190
49,450	2,316	0	0	0	645
\$14,577	(\$55)	\$2,664	\$0	\$0	\$14,835

(continued)

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

	Vocational Education Enhancement	Poverty Based Assistance	Miscellaneous State Grants	IDEA-B
<u>Revenues:</u>				
Property Taxes	\$0	\$0	\$0	\$0
Intergovernmental	5,900	2,194,906	80,597	603,378
Investment Earnings	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	5,900	2,194,906	80,597	603,378
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	139	0	3,833	0
Special	0	1,414,368	5,821	228,312
Vocational	0	0	26,811	0
Student Intervention Services	1,659	721,432	11,646	0
Support Services:				
Pupils	0	15	2	111,998
Instructional Staff	3,794	0	36,650	236,397
Administration	0	0	0	0
Fiscal	0	0	0	11,624
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Other	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	5,592	2,135,815	84,763	588,331
Excess of Revenues Over (Under) Expenditures	308	59,091	(4,166)	15,047
<u>Other Financing Sources:</u>				
Transfers In	0	0	0	0
Net Change in Fund Balances	308	59,091	(4,166)	15,047
Fund Balances (Deficits) at Beginning of Year	122	19,787	12,410	12,547
Fund Balances (Deficits) at End of Year	\$430	\$78,878	\$8,244	\$27,594

Title I	Title V	Drug Free Schools	Early Childhood Special Education	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$83,823
1,147,687	7,181	16,100	12,616	308,231	979,873	6,823,753
0	0	0	0	0	0	3,807
0	0	0	0	0	0	4,410
0	0	0	0	0	0	104,303
0	0	0	0	0	0	138,500
0	0	0	0	0	0	12,454
11	0	0	0	0	0	7,780
<u>1,147,698</u>	<u>7,181</u>	<u>16,100</u>	<u>12,616</u>	<u>308,231</u>	<u>979,873</u>	<u>7,178,830</u>
0	0	0	0	0	0	13,141
836,237	6,804	0	0	298,478	72,683	3,015,314
0	0	0	0	0	0	26,811
160,236	0	0	0	0	383,267	1,278,240
0	0	0	137	0	377,074	587,752
105,819	0	17,695	12,194	12,581	89,369	569,191
0	0	0	0	0	5,574	5,574
17,985	0	0	0	0	16,741	52,209
0	0	0	0	0	0	38,921
0	0	0	0	0	0	9,807
0	0	0	0	0	0	1,007,074
12,956	0	0	0	310	0	235,957
0	0	0	0	0	0	95,988
0	0	0	0	0	0	4,211
<u>1,133,233</u>	<u>6,804</u>	<u>17,695</u>	<u>12,331</u>	<u>311,369</u>	<u>944,708</u>	<u>6,940,190</u>
14,465	377	(1,595)	285	(3,138)	35,165	238,640
0	0	0	0	0	0	106,309
14,465	377	(1,595)	285	(3,138)	35,165	344,949
88,650	278	1,998	1,275	6,842	(34,186)	518,910
<u>\$103,115</u>	<u>\$655</u>	<u>\$403</u>	<u>\$1,560</u>	<u>\$3,704</u>	<u>\$979</u>	<u>\$863,859</u>

Portsmouth City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2008

	Permanent Improvement	Site Acquisition	Athletic Complex Project	Total Nonmajor Capital Projects Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$52,099	\$3,007	\$12,976	\$68,082
Receivables:				
Accrued Interest	0	0	53	53
Total Assets	\$52,099	\$3,007	\$13,029	\$68,135
<u>Liabilities:</u>				
Accounts Payable	\$6,772	\$0	\$0	\$6,772
Contracts Payable	21,324	0	1,968	23,292
Interfund Payable	97,683	0	0	97,683
Total Liabilities	125,779	0	1,968	127,747
<u>Fund Balances:</u>				
Reserved for Encumbrances	52,100	0	0	52,100
Unreserved, Undesignated (Deficit)	(125,780)	3,007	11,061	(111,712)
Total Fund Balances (Deficit)	(73,680)	3,007	11,061	(59,612)
Total Liabilities and Fund Balances	\$52,099	\$3,007	\$13,029	\$68,135

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

	Permanent Improvement	Site Acquisition	Athletic Complex Project	Total Nonmajor Capital Projects Funds
<u>Revenues:</u>				
Investment Earnings	\$0	\$3	\$4,819	\$4,822
Contributions and Donations	0	0	75,000	75,000
Miscellaneous	0	42	117	159
<i>Total Revenues</i>	<u>0</u>	<u>45</u>	<u>79,936</u>	<u>79,981</u>
<u>Expenditures:</u>				
Current:				
Support Services:				
Fiscal	200	0	0	200
Capital Outlay	177,992	0	86,260	264,252
<i>Total Expenditures</i>	<u>178,192</u>	<u>0</u>	<u>86,260</u>	<u>264,452</u>
Excess of Revenues Over (Under) Expenditures	(178,192)	45	(6,324)	(184,471)
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	104,500	0	0	104,500
Net Change in Fund Balances	(73,692)	45	(6,324)	(79,971)
Fund Balances at Beginning of Year	12	2,962	17,385	20,359
Fund Balances (Deficit) at End of Year	<u>(\$73,680)</u>	<u>\$3,007</u>	<u>\$11,061</u>	<u>(\$59,612)</u>

Portsmouth City School District

Fiduciary Fund Description

AGENCY FUND

The Agency Fund is used to account for assets held by the School District as an agent for individuals, private organizations, other governmental units, and/or other funds.

Student Managed Activity

To account for student activity programs which have student participation in the activity and have students involved in the management of the program.

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

	Balance at 6/30/2007	Additions	Deletions	Balance at 6/30/2008
STUDENT MANAGED ACTIVITY				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$8,765	\$13,055	\$14,458	\$7,362
<u>Liabilities:</u>				
Undistributed Monies	\$8,765	\$13,055	\$14,458	\$7,362

This Page Intentionally Left Blank

PORTSMOUTH CITY SCHOOL DISTRICT

**INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
<u>Revenues:</u>				
Property Taxes	\$4,563,624	\$4,589,543	\$4,589,543	\$0
Intergovernmental	15,961,921	15,740,932	15,740,932	0
Investment Earnings	168,429	174,018	174,018	0
Tuition and Fees	827,241	854,692	854,692	0
Extracurricular Activities	34,976	36,137	36,137	0
Rentals	4,840	5,001	5,001	0
Contributions and Donations	3,950	4,081	4,081	0
Miscellaneous	81,910	84,079	84,079	0
Total Revenues	21,646,891	21,488,483	21,488,483	0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Salaries	3,553,570	3,777,435	3,772,779	4,656
Fringe Benefits	1,775,905	1,889,262	1,873,231	16,031
Purchased Services	5,971,901	5,969,733	5,969,558	175
Materials and Supplies	226,245	165,050	159,693	5,357
Capital Outlay	9,507	9,728	5,353	4,375
Other	400	3,631	1,231	2,400
Total Regular	11,537,528	11,814,839	11,781,845	32,994
Special:				
Salaries	1,392,428	1,346,667	1,335,822	10,845
Fringe Benefits	715,721	681,492	674,186	7,306
Purchased Services	1,100	1,100	0	1,100
Materials and Supplies	47,138	22,306	22,158	148
Capital Outlay	3,000	3,178	2,301	877
Total Special	2,159,386	2,054,743	2,034,467	20,276
Vocational:				
Salaries	236,491	246,234	246,234	0
Fringe Benefits	105,416	109,516	109,009	507
Materials and Supplies	4,300	12,095	12,024	71
Capital Outlay	4,142	26,022	25,835	187
Total Vocational	350,349	393,867	393,102	765
Student Intervention Services:				
Salaries	175,527	105,824	98,000	7,824
Fringe Benefits	9,718	35,464	34,984	480
Purchased Services	298,714	7,571	0	7,571
Materials and Supplies	100	3,780	3,680	100
Capital Outlay	3,000	0	0	0
Total Student Intervention Services	487,058	152,639	136,664	15,975
Total Instruction	\$14,534,321	\$14,416,088	\$14,346,078	\$70,010

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2008
(continued)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Support Services:				
Pupils:				
Salaries	\$634,865	\$655,759	\$650,530	\$5,229
Fringe Benefits	273,393	292,798	281,861	10,937
Purchased Services	25,116	8,409	4,166	4,243
Materials and Supplies	12,682	8,166	4,517	3,649
Capital Outlay	3,532	4,391	3,391	1,000
Other	4,000	3,928	3,928	0
Total Pupils	953,587	973,451	948,393	25,058
Instructional Staff:				
Salaries	593,816	599,307	597,487	1,820
Fringe Benefits	414,464	388,612	378,582	10,030
Purchased Services	59,873	48,336	43,753	4,583
Materials and Supplies	56,807	57,419	52,117	5,302
Capital Outlay	100,434	66,755	26,488	40,267
Other	1,200	1,105	1,105	0
Total Instructional Staff	1,226,593	1,161,534	1,099,532	62,002
Board of Education:				
Salaries	7,500	7,000	7,000	0
Fringe Benefits	2,175	1,074	921	153
Purchased Services	1,600	8,551	8,551	0
Materials and Supplies	300	110	110	0
Other	9,600	8,500	8,376	124
Total Board of Education	21,175	25,235	24,958	277
Administration:				
Salaries	732,217	751,555	740,846	10,709
Fringe Benefits	441,040	447,566	439,489	8,077
Purchased Services	227,451	168,792	139,755	29,037
Materials and Supplies	59,118	54,197	46,513	7,684
Capital Outlay	4,600	2,509	1,175	1,334
Other	151,000	350,300	174,896	175,404
Total Administration	1,615,426	1,774,919	1,542,674	232,245
Fiscal:				
Salaries	220,908	141,139	141,139	0
Fringe Benefits	154,469	145,195	135,551	9,644
Purchased Services	331,189	241,575	215,898	25,677
Materials and Supplies	10,500	6,808	5,672	1,136
Capital Outlay	2,000	2,345	1,595	750
Other	224,550	232,343	187,043	45,300
Total Fiscal	\$943,616	\$769,405	\$686,898	\$82,507

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2008
(continued)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Business:				
Salaries	\$87,228	\$41,228	\$40,415	\$813
Fringe Benefits	8,704	7,934	6,946	988
Purchased Services	10,155	9,230	5,993	3,237
Materials and Supplies	6,500	6,847	6,697	150
Capital Outlay	2,200	1,275	1,275	0
Other	150	150	0	150
Total Business	114,937	66,664	61,326	5,338
Operation and Maintenance of Plant:				
Salaries	843,008	821,611	800,786	20,825
Fringe Benefits	580,993	584,307	573,834	10,473
Purchased Services	881,145	1,103,531	896,411	207,120
Materials and Supplies	146,058	257,532	164,436	93,096
Capital Outlay	23,652	13,527	7,068	6,459
Other	50	0	0	0
Total Operation and Maintenance of Plant	2,474,906	2,780,508	2,442,535	337,973
Pupil Transportation:				
Salaries	190,766	187,147	174,346	12,801
Fringe Benefits	174,385	200,535	198,861	1,674
Purchased Services	122,900	100,856	66,408	34,448
Materials and Supplies	96,000	112,241	64,088	48,153
Capital Outlay	81,712	73,115	73,115	0
Other	900	900	0	900
Total Pupil Transportation	666,663	674,794	576,818	97,976
Central:				
Salaries	8,122	8,186	8,186	0
Fringe Benefits	281,413	269,280	3,754	265,526
Purchased Services	54,500	59,346	55,321	4,025
Total Central	344,035	336,812	67,261	269,551
Total Support Services	8,360,938	8,563,322	7,450,395	1,112,927
Operation of Non-Instructional Services:				
Food Service Operations:				
Salaries	526	526	0	526
Fringe Benefits	1,850	1,180	1,180	0
Purchased Services	2,800	2,800	590	2,210
Materials and Supplies	300	300	0	300
Total Food Service Operations	5,476	4,806	1,770	3,036
Community Services:				
Fringe Benefits	1,000	0	0	0
Materials and Supplies	0	107	107	0
Total Community Services	1,000	107	107	0
Other Operation of Non-Instructional Services:				
Materials and Supplies	4,500	0	0	0
Total Operation of Non-Instructional Services	\$10,976	\$4,913	\$1,877	\$3,036

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2008
(continued)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Extracurricular Activities:				
Academic Oriented Activities:				
Salaries	\$12,050	\$15,731	\$11,787	\$3,944
Fringe Benefits	2,995	3,445	2,054	1,391
Purchased Services	12,596	4,835	4,615	220
Materials and Supplies	4,500	4,400	4,384	16
Capital Outlay	6,659	10,053	10,053	0
Total Academic Oriented Activities	38,800	38,464	32,893	5,571
Sports Oriented Activities:				
Salaries	171,050	179,594	141,009	38,585
Fringe Benefits	25,628	29,456	22,823	6,633
Purchased Services	7,000	1,000	0	1,000
Materials and Supplies	2,000	0	0	0
Total Sports Oriented Activities	205,678	210,050	163,832	46,218
School and Public Service Co-Curricular Activities:				
Salaries	5,930	8,241	7,530	711
Fringe Benefits	924	1,448	1,265	183
Purchased Services	9,800	11,272	11,247	25
Materials and Supplies	7,898	6,903	6,903	0
Capital Outlay	4,214	0	0	0
Total School and Public Service Co-Curricular Activities	28,766	27,864	26,945	919
Total Extracurricular Activities	273,244	276,378	223,670	52,708
Capital Outlay:				
Educational Specifications Development Services:				
Purchased Services	0	872	0	872
Building Acquisition and Construction Services:				
Other	0	872	0	872
Total Capital Outlay	0	1,744	0	1,744
Total Expenditures	23,179,479	23,262,445	22,022,020	1,240,425
Excess of Revenues Over (Under) Expenditures	(1,532,588)	(1,773,962)	(533,537)	1,240,425
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Expenditures	78,923	78,923	78,923	0
Transfers In	108,103	108,103	0	(108,103)
Transfers Out	(150,000)	(221,555)	(113,451)	108,104
Advances In	632,594	632,594	625,447	(7,147)
Advances Out	(7,148)	(132,083)	(124,934)	7,149
Refund of Prior Year Receipts	(25,391)	(25,323)	(19,122)	6,201
Total Other Financing Sources (Uses)	637,081	440,659	446,863	6,204
Net Change in Fund Balance	(895,507)	(1,333,303)	(86,674)	1,246,629
Fund Balance at Beginning of Year	1,987,119	1,987,119	1,987,119	0
Prior Year Encumbrances Appropriated	59,271	59,271	59,271	0
Fund Balance at End of Year	\$1,150,883	\$713,087	\$1,959,716	\$1,246,629

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Bond Retirement Debt Service Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Property Taxes	\$1,250,000	\$1,251,606	\$1,251,606	\$0
Intergovernmental	45,000	173,444	173,444	0
<i>Total Revenues</i>	<u>1,295,000</u>	<u>1,425,050</u>	<u>1,425,050</u>	<u>0</u>
<u>Expenditures:</u>				
Current:				
Support Services:				
Fiscal:				
Other	30,931	33,247	33,247	0
Debt Service:				
Principal Retirement	214,595	214,595	214,595	0
Interest and Fiscal Charges	1,349,547	858,975	858,975	0
<i>Total Debt Service</i>	<u>1,564,142</u>	<u>1,073,570</u>	<u>1,073,570</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,595,073</u>	<u>1,106,817</u>	<u>1,106,817</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(300,073)</u>	<u>318,233</u>	<u>318,233</u>	<u>0</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	7,142	7,142	7,142	0
Transfers Out	(136,000)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(128,858)</u>	<u>7,142</u>	<u>7,142</u>	<u>0</u>
Net Change in Fund Balance	(428,931)	325,375	325,375	0
Fund Balance at Beginning of Year	<u>1,559,347</u>	<u>1,559,347</u>	<u>1,559,347</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,130,416</u></u>	<u><u>\$1,884,722</u></u>	<u><u>\$1,884,722</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Ohio School Facilities Commission Capital Projects Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$132,109	\$107,491	\$107,491	\$0
Investment Earnings	98,322	80,000	80,000	0
<i>Total Revenues</i>	230,431	187,491	187,491	0
<u>Expenditures:</u>				
Capital Outlay:				
Site Acquisition Services:				
Purchased Services	2,025	199	199	0
Educational Specifications Development Services:				
Purchased Services	59,906	123,782	123,782	0
Building Acquisition and Construction Services:				
Purchased Services	296,431	97,784	97,784	0
Materials and Supplies	0	1,220	1,220	0
Capital Outlay	2,601,672	58,031	58,031	0
Total Building Acquisition and Construction Services	2,898,103	157,035	157,035	0
Other Facilities Acquisition and Construction:				
Purchased Services	186,216	117,410	117,410	0
Capital Outlay	15,000	1,019	1,019	0
Total Other Facilities Acquisition and Construction	201,216	118,429	118,429	0
<i>Total Expenditures</i>	3,161,250	399,445	399,445	0
Excess of Revenues Under Expenditures	(2,930,819)	(211,954)	(211,954)	0
<u>Other Financing Sources:</u>				
Refund of Prior Year Expenditures	6,648	6,648	6,648	0
Net Change in Fund Balance	(2,924,171)	(205,306)	(205,306)	0
Fund Balance at Beginning of Year	2,703,364	2,703,364	2,703,364	0
Prior Year Encumbrances Appropriated	227,459	227,459	227,459	0
Fund Balance at End of Year	\$6,652	\$2,725,517	\$2,725,517	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Food Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$1,067,070	\$858,102	\$858,102	\$0
Tuition and Fees	5,484	4,410	4,410	0
Charges for Services	258,825	208,138	208,138	0
<i>Total Revenues</i>	<u>1,331,379</u>	<u>1,070,650</u>	<u>1,070,650</u>	<u>0</u>
<u>Expenditures:</u>				
Current:				
Support Services:				
Board of Education:				
Other	1,000	0	0	0
Fiscal:				
Purchased Services	150	123	123	0
Operation and Maintenance of Plant:				
Purchased Services	18,300	2,528	2,528	0
Materials and Supplies	1,000	241	241	0
Total Operation and Maintenance of Plant	19,300	2,769	2,769	0
Total Support Services	20,450	2,892	2,892	0
Operation of Non-Instructional Services:				
Food Service Operations:				
Salaries	420,360	346,781	346,781	0
Fringe Benefits	295,700	251,081	251,081	0
Purchased Services	9,320	631	631	0
Materials and Supplies	527,300	418,761	418,761	0
Capital Outlay	8,000	255	255	0
Total Operation of Non-Instructional Services	1,260,680	1,017,509	1,017,509	0
<i>Total Expenditures</i>	<u>1,281,130</u>	<u>1,020,401</u>	<u>1,020,401</u>	<u>0</u>
Excess of Revenues Over Expenditures	50,249	50,249	50,249	0
<u>Other Financing Sources (Uses):</u>				
Transfers In	106,309	106,309	106,309	0
Refund of Prior Year Expenditures	6,064	6,064	6,064	0
Advances Out	(162,622)	(162,622)	(162,622)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(50,249)</u>	<u>(50,249)</u>	<u>(50,249)</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Education Foundation Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Investment Earnings	\$2,325	\$3,687	\$3,687	\$0
Contributions and Donations	6,429	10,194	10,194	0
Miscellaneous	1,261	2,000	2,000	0
<i>Total Revenues</i>	<u>10,015</u>	<u>15,881</u>	<u>15,881</u>	<u>0</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Capital Outlay	2,648	631	631	0
Other	4,803	1,947	1,947	0
Total Instruction	<u>7,451</u>	<u>2,578</u>	<u>2,578</u>	<u>0</u>
Support Services:				
Pupils:				
Other	10,000	5,000	5,000	0
Operation and Maintenance of Plant:				
Capital Outlay	0	1,323	1,323	0
Total Support Services	<u>10,000</u>	<u>6,323</u>	<u>6,323</u>	<u>0</u>
Capital Outlay:				
Building Acquisition and Construction Services:				
Materials and Supplies	0	4,091	4,091	0
Capital Outlay	37,657	0	0	0
Total Building Acquisition and Construction Services	<u>37,657</u>	<u>4,091</u>	<u>4,091</u>	<u>0</u>
Other Facilities Acquisition and Construction				
Capital Outlay	0	120	120	0
Total Capital Outlay	<u>0</u>	<u>4,211</u>	<u>4,211</u>	<u>0</u>
<i>Total Expenditures</i>	<u>55,108</u>	<u>13,112</u>	<u>13,112</u>	<u>0</u>
Net Change in Fund Balance	(45,093)	2,769	2,769	0
Fund Balance at Beginning of Year	<u>148,020</u>	<u>148,020</u>	<u>148,020</u>	<u>0</u>
Fund Balance at End of Year	<u>\$102,927</u>	<u>\$150,789</u>	<u>\$150,789</u>	<u>\$0</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
New Facilities Maintenance Special Revenue Fund
For the Fiscal Year Ended June 30, 2008*

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$98,700	\$85,037	\$85,037	\$0
Intergovernmental	83,172	97,847	97,847	0
<i>Total Revenues</i>	181,872	182,884	182,884	0
<u>Expenditures:</u>				
Current:				
Support Services:				
Fiscal:				
Other	2,100	2,265	2,265	0
Operation and Maintenance of Plant:				
Purchased Services	25,500	25,335	13,776	11,559
Materials and Supplies	48,877	48,877	14,230	34,647
Capital Outlay	289,216	289,216	38,876	250,340
Total Operation and Maintenance of Plant	363,593	363,428	66,882	296,546
<i>Total Expenditures</i>	365,693	365,693	69,147	296,546
Net Change in Fund Balance	(183,821)	(182,809)	113,737	296,546
Fund Balance at Beginning of Year	343,065	343,065	343,065	0
Prior Year Encumbrances Appropriated	22,628	22,628	22,628	0
Fund Balance at End of Year	\$181,872	\$182,884	\$479,430	\$296,546

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
District Managed Student Activities Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Extracurricular Activities	\$106,899	\$95,523	\$95,523	\$0
Contributions and Donations	2,529	2,260	2,260	0
Miscellaneous	6,456	5,769	5,769	0
<i>Total Revenues</i>	<u>115,884</u>	<u>103,552</u>	<u>103,552</u>	<u>0</u>
<u>Expenditures:</u>				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries	4,000	760	760	0
Fringe Benefits	0	14	14	0
Purchased Services	37,913	22,521	22,521	0
Materials and Supplies	30,800	54,857	54,857	0
Capital Outlay	9,000	84	84	0
Total Sports Oriented Activities	<u>81,713</u>	<u>78,236</u>	<u>78,236</u>	<u>0</u>
Academic and Subject Oriented Activities:				
Purchased Services	4,000	0	0	0
Materials and Supplies	7,850	0	0	0
Capital Outlay	0	365	365	0
Other	350	0	0	0
Total Academic and Subject Oriented Activities	<u>12,200</u>	<u>365</u>	<u>365</u>	<u>0</u>
School and Public Service Co-Curricular Activities:				
Purchased Services	24,900	12,668	12,668	0
Materials and Supplies	5,400	195	195	0
Total School and Public Service Co-Curricular Activities	<u>30,300</u>	<u>12,863</u>	<u>12,863</u>	<u>0</u>
<i>Total Expenditures</i>	<u>124,213</u>	<u>91,464</u>	<u>91,464</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	(8,329)	12,088	12,088	0
<u>Other Financing Uses:</u>				
Advances Out	(4,510)	(4,510)	(4,510)	0
Net Change in Fund Balance	(12,839)	7,578	7,578	0
Fund Balance at Beginning of Year	12,839	12,839	12,839	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$20,417</u>	<u>\$20,417</u>	<u>\$0</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Auxiliary Services Non Public Special Revenue Fund
For the Fiscal Year Ended June 30, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$187,813	\$192,688	\$192,688	\$0
Investment Earnings	823	844	844	0
<i>Total Revenues</i>	<u>188,636</u>	<u>193,532</u>	<u>193,532</u>	<u>0</u>
<u>Expenditures:</u>				
Current:				
Operation of Non-Instructional Services:				
Community Recreation Services:				
Salaries	73,276	77,434	72,673	4,761
Fringe Benefits	22,922	26,122	23,311	2,811
Purchased Services	62,612	66,153	61,228	4,925
Materials and Supplies	59,627	58,416	53,732	4,684
Capital Outlay	41,402	31,969	31,969	0
<i>Total Expenditures</i>	<u>259,839</u>	<u>260,094</u>	<u>242,913</u>	<u>17,181</u>
Excess of Revenues Over (Under) Expenditures	(71,203)	(66,562)	(49,381)	17,181
<u>Other Financing Sources:</u>				
Refund of Prior Year Expenditures	293	293	293	0
Net Change in Fund Balance	(70,910)	(66,269)	(49,088)	17,181
Fund Balance at Beginning of Year	52	52	52	0
Prior Year Encumbrances Appropriated	70,858	70,858	70,858	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$4,641</u>	<u>\$21,822</u>	<u>\$17,181</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Education Management Information System Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$7,200	\$7,436	\$7,436	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Central:				
Salaries	6,000	6,000	6,000	0
Fringe Benefits	630	840	840	0
Purchased Services	2,934	2,960	2,960	0
<i>Total Expenditures</i>	<u>9,564</u>	<u>9,800</u>	<u>9,800</u>	<u>0</u>
Net Change in Fund Balance	(2,364)	(2,364)	(2,364)	0
Fund Balance at Beginning of Year	<u>2,364</u>	<u>2,364</u>	<u>2,364</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Early Childhood Preschool Special Revenue Fund
For the Fiscal Year Ended June 30, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$76,237	\$171,676	\$171,676	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Special:				
Salaries	35,000	57,416	57,416	0
Fringe Benefits	15,000	53,846	53,846	0
Materials and Supplies	0	16,291	16,291	0
Capital Outlay	0	8,077	8,077	0
Total Instruction	50,000	135,630	135,630	0
Support Services:				
Instructional Staff:				
Salaries	20,000	21,074	21,074	0
Fringe Benefits	10,000	15,264	15,264	0
Total Instructional Staff	30,000	36,338	36,338	0
Fiscal:				
Purchased Services	0	3,471	3,471	0
Total Support Services	30,000	39,809	39,809	0
<i>Total Expenditures</i>	80,000	175,439	175,439	0
Excess of Revenues Under Expenditures	(3,763)	(3,763)	(3,763)	0
<u>Other Financing Sources:</u>				
Advances In	3,763	3,763	3,763	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
SchoolNet Praise Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$9,000	\$9,000	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	0	9,000	9,000	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
SchoolNet Summer Training Special Revenue Fund
For the Fiscal Year Ended June 30, 2008*

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$0	\$2,970	\$2,970	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	0	2,970	2,970	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
OhioReads Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$6,630	\$117,171	\$117,171	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	854	853	853	0
Support Services:				
Pupils:				
Salaries and Wages	0	53,209	53,209	0
Fringe Benefits	0	20,737	20,737	0
Purchased Services	0	524	524	0
Materials and Supplies	0	1,829	1,829	0
Capital Outlay	0	6,863	6,863	0
Total Support Services	0	83,162	83,162	0
<i>Total Expenditures</i>	854	84,015	84,015	0
Excess of Revenues Over Expenditures	5,776	33,156	33,156	0
<u>Other Financing Uses:</u>				
Advances Out	(6,630)	(6,630)	(6,630)	0
Net Change in Fund Balance	(854)	26,526	26,526	0
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	854	854	854	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$27,380</u>	<u>\$27,380</u>	<u>\$0</u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Vocational Education Enhancement Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$6,268	\$6,268	\$6,268	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	139	139	139	0
Student Intervention Services:				
Purchased Services	1,240	1,659	1,659	0
Total Instruction	1,379	1,798	1,798	0
Support Services:				
Instructional Staff:				
Salaries	1,000	1,000	1,000	0
Fringe Benefits	154	75	75	0
Purchased Services	3,489	2,702	2,702	0
Total Support Services	4,643	3,777	3,777	0
<i>Total Expenditures</i>	6,022	5,575	5,575	0
Excess of Revenues Over Expenditures	246	693	693	0
<u>Other Financing Uses:</u>				
Advances Out	(246)	(246)	(246)	0
Net Change in Fund Balance	0	447	447	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$0	\$447	\$447	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Poverty Based Assistance Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$2,356,819	\$2,194,906	\$2,194,906	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Special:				
Salaries	1,303,922	1,078,691	946,167	132,524
Fringe Benefits	587,095	592,256	508,972	83,284
Materials and Supplies	10,000	13,687	13,687	0
Total Special	<u>1,901,017</u>	<u>1,684,634</u>	<u>1,468,826</u>	<u>215,808</u>
Student Intervention Services:				
Salaries	393,640	448,590	350,629	97,961
Fringe Benefits	199,194	218,114	185,564	32,550
Purchased Services	119,998	160,991	149,456	11,535
Total Student Intervention Services	<u>712,832</u>	<u>827,695</u>	<u>685,649</u>	<u>142,046</u>
Total Instruction	<u>2,613,849</u>	<u>2,512,329</u>	<u>2,154,475</u>	<u>357,854</u>
Support Services:				
Pupils:				
Salaries	32,788	0	0	0
Fringe Benefits	27,620	15	15	0
Total Support Services	<u>60,408</u>	<u>15</u>	<u>15</u>	<u>0</u>
Total Expenditures	<u>2,674,257</u>	<u>2,512,344</u>	<u>2,154,490</u>	<u>357,854</u>
Net Change in Fund Balance	(317,438)	(317,438)	40,416	357,854
Fund Balance at Beginning of Year	<u>317,438</u>	<u>317,438</u>	<u>317,438</u>	<u>0</u>
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$357,854</u>	<u>\$357,854</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2008*

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$68,169	\$80,597	\$80,597	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Purchased Services	578	578	0	578
Materials and Supplies	4,170	1,409	1,408	1
Capital Outlay	1,848	2,760	2,425	335
Other	312	0	0	0
Total Regular	6,908	4,747	3,833	914
Special:				
Materials and Supplies	13,284	9,858	9,858	0
Vocational:				
Materials and Supplies	4,015	0	0	0
Capital Outlay	12,752	28,149	28,082	67
Total Vocational	16,767	28,149	28,082	67
Student Intervention Services:				
Salaries	12,111	12,910	12,910	0
Fringe Benefits	1,920	2,136	2,136	0
Total Student Intervention Services	14,031	15,046	15,046	0
Total Instruction	50,990	57,800	56,819	981
Support Services:				
Pupils:				
Purchased Services	325	0	0	0
Materials and Supplies	2	2	2	0
Total Pupils	327	2	2	0
Instructional Staff:				
Salaries	8,379	9,075	9,075	0
Fringe Benefits	1,297	554	362	192
Purchased Services	7,585	9,709	7,328	2,381
Materials and Supplies	19,500	19,870	19,862	8
Total Instructional Staff	36,761	39,208	36,627	2,581
Total Support Services	37,088	39,210	36,629	2,581
Total Expenditures	88,078	97,010	93,448	3,562
Excess of Revenues Over (Under) Expenditures	(\$19,909)	(\$16,413)	(\$12,851)	\$3,562

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual Basis (Budget Basis)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2008
(continued)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Other Financing Uses:</u>				
Refund of Prior Year Receipts	\$0	(\$3,496)	(\$3,496)	\$0
Advances Out	(2,015)	(2,015)	(2,015)	0
<i>Total Other Financing Uses</i>	<u>(2,015)</u>	<u>(5,511)</u>	<u>(5,511)</u>	<u>0</u>
Net Change in Fund Balance	(21,924)	(21,924)	(18,362)	3,562
Fund Balance at Beginning of Year	11,386	11,386	11,386	0
Prior Year Encumbrances Appropriated	<u>10,538</u>	<u>10,538</u>	<u>10,538</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$3,562</u></u>	<u><u>\$3,562</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
IDEA-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$862,725	\$721,303	\$721,303	\$0
Miscellaneous	955	955	955	0
<i>Total Revenues</i>	863,680	722,258	722,258	0
<u>Expenditures:</u>				
Current:				
Instruction:				
Special:				
Salaries	155,531	129,801	129,796	5
Fringe Benefits	93,653	77,338	77,338	0
Purchased Services	2,300	937	937	0
<i>Total Instruction</i>	251,484	208,076	208,071	5
Support Services:				
Pupils:				
Salaries	133,518	53,548	53,548	0
Fringe Benefits	53,092	12,619	12,619	0
Purchased Services	42,911	69,371	69,371	0
<i>Total Pupils</i>	229,521	135,538	135,538	0
Instructional Staff:				
Salaries	164,491	153,890	153,890	0
Fringe Benefits	89,171	76,887	76,887	0
Purchased Services	12,250	8,345	8,345	0
Materials and Supplies	2,500	1,189	1,189	0
Capital Outlay	0	942	942	0
Other	450	136	136	0
<i>Total Instructional Staff</i>	268,862	241,389	241,389	0
Fiscal:				
Other	0	11,624	11,624	0
<i>Total Support Services</i>	498,383	388,551	388,551	0
<i>Total Expenditures</i>	749,867	596,627	596,622	5
Excess of Revenues Over Expenditures	113,813	125,631	125,636	5
<u>Other Financing Sources (Uses):</u>				
Transfers In	8,514	8,514	0	(8,514)
Transfers Out	(3,849)	(8,514)	0	8,514
Advances Out	(122,188)	(122,188)	(122,188)	0
<i>Total Other Financing Sources (Uses)</i>	(117,523)	(122,188)	(122,188)	0
Net Change in Fund Balance	(3,710)	3,443	3,448	5
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	3,710	3,710	3,710	0
Fund Balance at End of Year	\$0	\$7,153	\$7,158	\$5

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$1,606,749	\$1,333,450	\$1,333,450	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Special:				
Salaries	617,750	522,273	522,262	11
Fringe Benefits	335,914	297,374	297,374	0
Purchased Services	25,312	8,007	8,007	0
Materials and Supplies	0	14,210	14,210	0
Capital Outlay	0	3,300	3,300	0
Total Special	978,976	845,164	845,153	11
Student Intervention Services:				
Salaries	239,496	121,869	121,869	0
Fringe Benefits	110,644	48,136	48,136	0
Purchased Services	9,271	8,100	8,100	0
Materials and Supplies	1,041	3,689	3,689	0
Total Student Intervention Services	360,452	181,794	181,794	0
Total Instruction	1,339,428	1,026,958	1,026,947	11
Support Services:				
Instructional Staff:				
Salaries	71,727	55,778	55,778	0
Fringe Benefits	30,494	29,361	29,361	0
Purchased Services	22,835	16,566	16,537	29
Materials and Supplies	0	415	415	0
Capital Outlay	0	2,545	2,545	0
Total Instructional Staff	125,056	104,665	104,636	29
Fiscal:				
Other	0	17,985	17,985	0
Total Support Services	\$125,056	\$122,650	\$122,621	\$29

(continued)

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2008
(continued)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Community Recreation Services:				
Salaries	\$4,980	\$7,355	\$7,355	\$0
Fringe Benefits	828	1,637	1,637	0
Purchased Services	8,600	405	405	0
Materials and Supplies	9,452	1,994	1,994	0
Total Operation of Non-Instructional Services	<u>23,860</u>	<u>11,391</u>	<u>11,391</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,488,344</u>	<u>1,160,999</u>	<u>1,160,959</u>	<u>40</u>
Excess of Revenues Over Expenditures	<u>118,405</u>	<u>172,451</u>	<u>172,491</u>	<u>40</u>
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Expenditures	11	11	11	0
Transfers In	79,303	79,303	0	(79,303)
Transfers Out	(77,178)	(79,303)	0	79,303
Advances In	7,045	7,045	7,045	0
Advances Out	(129,065)	(129,065)	(129,065)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(119,884)</u>	<u>(122,009)</u>	<u>(122,009)</u>	<u>0</u>
Net Change in Fund Balance	(1,479)	50,442	50,482	40
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>1,479</u>	<u>1,479</u>	<u>1,479</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$51,921</u></u>	<u><u>\$51,961</u></u>	<u><u>\$40</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Title V Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$4,457	\$7,181	\$7,181	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Special:				
Materials and Supplies	1,719	4,268	4,268	0
Capital Outlay	2,536	2,536	2,536	0
Total Instruction	4,255	6,804	6,804	0
Operation of Non-Instructional Services:				
Community Recreation Services:				
Materials and Supplies	407	0	0	0
Total Expenditures	4,662	6,804	6,804	0
Excess of Revenues Over (Under) Expenditures	(205)	377	377	0
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Receipts	(73)	0	0	0
Transfers In	205	205	205	0
Transfers Out	(205)	(860)	(205)	655
Total Other Financing Sources (Uses)	(73)	(655)	0	655
Net Change in Fund Balance	(278)	(278)	377	655
Fund Balance at Beginning of Year	278	278	278	0
Fund Balance at End of Year	\$0	\$0	\$655	\$655

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Drug Free Schools Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$25,703	\$19,800	\$19,800	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Instructional Staff:				
Salaries	12,613	11,247	11,247	0
Fringe Benefits	4,562	6,288	6,288	0
Purchased Services	1,000	0	0	0
Materials and Supplies	3,983	0	0	0
<i>Total Expenditures</i>	<u>22,158</u>	<u>17,535</u>	<u>17,535</u>	<u>0</u>
Excess of Revenues Over Expenditures	<u>3,545</u>	<u>2,265</u>	<u>2,265</u>	<u>0</u>
<u>Other Financing Sources (Uses):</u>				
Transfers In	1,831	1,831	1,831	0
Transfers Out	(3,139)	(1,831)	(1,831)	0
Advances Out	(2,239)	(2,239)	(2,239)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,547)</u>	<u>(2,239)</u>	<u>(2,239)</u>	<u>0</u>
Net Change in Fund Balance	(2)	26	26	0
Fund Balance at Beginning of Year	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$28</u></u>	<u><u>\$28</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Early Childhood Special Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Intergovernmental	\$11,197	\$16,272	\$16,272	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Special:				
Materials and Supplies	500	1,114	0	1,114
Capital Outlay	500	0	0	0
Total Instruction	1,000	1,114	0	1,114
Support Services:				
Pupils:				
Salaries	120	120	120	0
Fringe Benefits	17	17	17	0
Total Pupils	137	137	137	0
Instructional Staff:				
Salaries	6,022	5,198	4,611	587
Fringe Benefits	8,079	7,872	6,703	1,169
Purchased Services	1,063	1,664	1,474	190
Total Instructional Staff	15,164	14,734	12,788	1,946
Total Support Services	15,301	14,871	12,925	1,946
<i>Total Expenditures</i>	16,301	15,985	12,925	3,060
Excess of Revenues Over (Under) Expenditures	(5,104)	287	3,347	3,060
<u>Other Financing Sources (Uses):</u>				
Transfers In	6,525	6,525	6,525	0
Transfers Out	(1,134)	(6,525)	(6,525)	0
Advances Out	(288)	(288)	(288)	0
<i>Total Other Financing Sources (Uses)</i>	5,103	(288)	(288)	0
Net Change in Fund Balance	(1)	(1)	3,059	3,060
Fund Balance at Beginning of Year	1	1	1	0
Fund Balance at End of Year	\$0	\$0	\$3,060	\$3,060

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Title II-A Special Revenue Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$408,057	\$363,799	\$363,799	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Special:				
Salaries	233,291	203,744	203,744	0
Fringe Benefits	103,906	96,748	96,748	0
Total Instruction	337,197	300,492	300,492	0
Support Services:				
Instructional Staff:				
Salaries	10,000	4,538	4,538	0
Fringe Benefits	1,670	779	779	0
Purchased Services	12,000	7,776	7,776	0
Materials and Supplies	2,494	40	40	0
Total Support Services	26,164	13,133	13,133	0
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	0	310	310	0
Materials and Supplies	250	0	0	0
Total Operation of Non-Instructional Services	250	310	310	0
Total Expenditures	363,611	313,935	313,935	0
Excess of Revenues Over Expenditures	44,446	49,864	49,864	0
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Expenditures	1,500	1,500	1,500	0
Transfers In	5,518	5,518	0	(5,518)
Transfers Out	(5,518)	(5,518)	0	5,518
Advances Out	(45,946)	(45,946)	(45,946)	0
Total Other Financing Sources (Uses)	(44,446)	(44,446)	(44,446)	0
Net Change in Fund Balance	0	5,418	5,418	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$5,418</u>	<u>\$5,418</u>	<u>\$0</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2008*

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Intergovernmental	\$1,342,462	\$1,064,207	\$1,064,207	\$0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular:				
Purchased Services	1,506	1,506	0	1,506
Special:				
Salaries	271,161	44,370	44,370	0
Fringe Benefits	140,195	19,873	19,873	0
Materials and Supplies	99,050	47,524	47,524	0
Total Special	510,406	111,767	111,767	0
Student Intervention Services:				
Salaries	220,000	216,100	216,100	0
Fringe Benefits	86,929	112,655	112,655	0
Total Student Intervention Services:	306,929	328,755	328,755	0
Total Instruction	818,841	442,028	440,522	1,506
Support Services:				
Pupils:				
Salaries	40,715	259,256	259,256	0
Fringe Benefits	20,341	128,522	128,522	0
Total Pupils	61,056	387,778	387,778	0
Instructional Staff:				
Salaries	111,485	60,158	60,158	0
Fringe Benefits	188,786	22,790	22,790	0
Purchased Services	31,665	11,664	8,823	2,841
Materials and Supplies	9,104	3,550	3,550	0
Capital Outlay	10,713	0	0	0
Total Instructional Staff	351,753	98,162	95,321	2,841
Administration:				
Salaries	594	4,730	4,730	0
Fringe Benefits	37	805	805	0
Total Administration	\$631	\$5,535	\$5,535	\$0

(continued)

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2008
(continued)*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fiscal:				
Other	\$0	\$16,741	\$16,741	\$0
Total Support Services	413,440	508,216	505,375	2,841
Capital Outlay:				
Building Acquisition and Construction Services:				
Capital Outlay	450	0	0	0
<i>Total Expenditures</i>	<u>1,232,731</u>	<u>950,244</u>	<u>945,897</u>	<u>4,347</u>
Excess of Revenues Over Expenditures	<u>109,731</u>	<u>113,963</u>	<u>118,310</u>	<u>4,347</u>
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Expenditures	19,133	19,133	19,133	0
Transfers In	13,897	13,897	0	(13,897)
Transfers Out	(13,897)	(13,897)	0	13,897
Advances In	16,443	16,443	16,443	0
Advances Out	(149,698)	(149,698)	(149,698)	0
Refund of Prior Year Receipts	(289)	(289)	0	289
<i>Total Other Financing Sources (Uses)</i>	<u>(114,411)</u>	<u>(114,411)</u>	<u>(114,122)</u>	<u>289</u>
Net Change in Fund Balance	(4,680)	(448)	4,188	4,636
Fund Balance at Beginning of Year	1,792	1,792	1,792	0
Prior Year Encumbrances Appropriated	2,888	2,888	2,888	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$4,232</u>	<u>\$8,868</u>	<u>\$4,636</u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>	\$0	\$0	\$0	\$0
<u>Expenditures:</u>				
Current:				
Support Services:				
Fiscal:				
Purchased Services	200	200	200	0
Capital Outlay:				
Building Acquisition and Construction Services:				
Capital Outlay	999,614	201,996	201,996	0
<i>Total Expenditures</i>	<u>999,814</u>	<u>202,196</u>	<u>202,196</u>	<u>0</u>
Excess of Revenues Under Expenditures	<u>(999,814)</u>	<u>(202,196)</u>	<u>(202,196)</u>	<u>0</u>
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	902,118	104,500	104,500	0
Advances In	97,683	97,683	97,683	0
<i>Total Other Financing Sources</i>	<u>999,801</u>	<u>202,183</u>	<u>202,183</u>	<u>0</u>
Net Change in Fund Balance	(13)	(13)	(13)	0
Fund Balance at Beginning of Year	<u>13</u>	<u>13</u>	<u>13</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Site Acquisition Capital Projects Fund
For the Fiscal Year Ended June 30, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Investment Earnings	\$25	\$3	\$3	\$0
<u>Other Financing Sources:</u>				
Refund of Prior Year Expenditures	<u>2,524</u>	<u>2,524</u>	<u>2,524</u>	<u>0</u>
Net Change in Fund Balance	2,549	2,527	2,527	0
Fund Balance at Beginning of Year	<u>480</u>	<u>480</u>	<u>480</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,029</u></u>	<u><u>\$3,007</u></u>	<u><u>\$3,007</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Athletic Complex Project Capital Projects Fund
For the Fiscal Year Ended June 30, 2008*

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues:</u>				
Investment Earnings	\$8,386	\$4,972	\$4,972	\$0
Contributions and Donations	126,497	75,000	75,000	0
<i>Total Revenues</i>	<u>134,883</u>	<u>79,972</u>	<u>79,972</u>	<u>0</u>
<u>Expenditures:</u>				
Capital Outlay:				
Site Acquisition Services:				
Purchased Services	37,500	42,777	42,777	0
Building Improvement Services:				
Purchased Services	120	1,056	1,056	0
Materials and Supplies	0	519	519	0
Capital Outlay	115,355	50,234	50,234	0
Total Building Improvement Services	<u>115,475</u>	<u>51,809</u>	<u>51,809</u>	<u>0</u>
Building Acquisition and Construction Services:				
Capital Outlay	10,000	0	0	0
Other Facilities Acquisition and Construction Services:				
Purchased Services	0	502	502	0
<i>Total Expenditures</i>	<u>162,975</u>	<u>95,088</u>	<u>95,088</u>	<u>0</u>
Excess of Revenues Under Expenditures	(28,092)	(15,116)	(15,116)	0
<u>Other Financing Sources:</u>				
Refund of Prior Year Expenditures	117	117	117	0
Net Change in Fund Balance	(27,975)	(14,999)	(14,999)	0
Fund Balance at Beginning of Year	27,855	27,855	27,855	0
Prior Year Encumbrances Appropriated	120	120	120	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$12,976</u>	<u>\$12,976</u>	<u>\$0</u>

This Page Intentionally Left Blank

STATISTICAL SECTION

This Page is Intentionally Left Blank.

STATISTICAL TABLES

This part of Portsmouth City School District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

<u>CONTENTS</u>	<u>PAGES</u>
Financial Trends	108-119
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	
Revenue Capacity	120-131
These schedules contain information to help the reader assess the School District's most significant local revenue sources.	
Debt Capacity	132-137
These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	
Demographic and Economic Information	138-141
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.	
Operating information	142-159
These schedules contain service and capital assets data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The School District implemented GASB Statement No. 34 during fiscal year 2002: Schedules presenting government-wide information include information beginning in that year.

Portsmouth City School District
Net Assets by Component
Governmental Activities
Last Seven Fiscal Years
(accrual basis of accounting)

Fiscal Year	2002	2003
Invested in Capital Assets, Net of Related Debt	\$5,554,609	\$7,242,383
Restricted	55,492,747	53,348,214
Unrestricted (Deficit)	915,662	582,503
<i>Total Net Assets</i>	<u><u>\$61,963,018</u></u>	<u><u>\$61,173,100</u></u>

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$19,628,944	\$47,821,407	\$53,930,015	\$49,868,043	\$48,373,156
41,319,641	13,801,697	5,658,264	4,578,776	4,666,717
<u>(395,286)</u>	<u>443,079</u>	<u>(24,392)</u>	<u>275,794</u>	<u>(589,170)</u>
<u><u>\$60,553,299</u></u>	<u><u>\$62,066,183</u></u>	<u><u>\$59,563,887</u></u>	<u><u>\$54,722,613</u></u>	<u><u>\$52,450,703</u></u>

Portsmouth City School District
Changes in Net Assets
Governmental Activities
Last Seven Fiscal Years
(accrual basis of accounting)

Fiscal Year	2002	2003
Expenses:		
Current:		
Instruction:		
Regular	\$10,262,658	\$9,260,456
Special	5,369,206	5,461,916
Vocational	421,922	426,379
Student Intervention Services	0	0
Intergovernmental	35,000	39,500
Support Services:		
Pupils	1,255,863	1,395,374
Instructional Staff	2,540,087	2,067,428
Board of Education	19,268	17,640
Administration	1,241,456	1,452,144
Fiscal	660,279	634,352
Business	128,797	96,448
Operation and Maintenance of Plant	1,425,756	1,622,828
Pupil Transportation	441,998	456,547
Central	28,857	23,119
Operation of Non-Instructional Services:		
Food Service Operations	1,031,547	1,024,118
Other	245,315	265,024
Extracurricular Activities	251,505	270,667
Interest and Fiscal Charges	316,956	861,638
<i>Total Expenses</i>	<u>25,676,470</u>	<u>25,375,578</u>
Program Revenues:		
Charges for Services and Sales:		
Instruction:		
Regular	44,737	0
Special	315,901	135,408
Support Services:		
Pupils	0	0
Instructional Staff	0	32,365
Administration	0	0
Business	0	0
Operation and Maintenance of Plant	0	526
Pupil Transportation	1,676	18,068
Operation of Non-Instructional Services:		
Food Service Operations	216,926	214,639
Extracurricular Activities	91,939	94,187
Operating Grants, Contributions, and Interest	5,365,348	6,715,845
Capital Grants and Contributions	189,745	84,596
<i>Total Program Revenues</i>	<u>6,226,272</u>	<u>7,295,634</u>
<i>Net Expense</i>	<u>(\$19,450,198)</u>	<u>(\$18,079,944)</u>

2004	2005	2006	2007 (1)	2008
\$10,475,429	\$10,608,667	\$12,169,231	\$12,640,485	\$13,103,606
5,685,775	5,436,258	6,622,247	5,788,924	5,396,013
436,071	431,277	380,329	410,481	452,153
0	0	445,405	1,174,211	1,422,054
38,500	35,000	43,500	38,500	43,500
1,249,081	1,121,140	1,760,834	1,704,291	1,736,450
2,170,104	1,987,011	2,352,092	2,044,780	1,900,014
14,780	16,589	17,703	19,611	22,717
1,491,750	1,367,234	1,566,110	1,814,350	1,957,080
618,945	642,889	655,226	678,032	798,597
117,910	109,044	117,299	91,249	76,236
2,241,541	1,795,612	2,053,486	2,761,532	2,640,319
449,424	375,360	633,970	751,522	696,035
58,711	22,133	30,025	90,398	77,150
993,307	1,003,493	1,195,821	1,270,836	1,192,836
250,077	203,699	227,513	224,685	239,402
241,093	252,910	290,208	301,445	321,079
892,098	860,111	825,820	763,791	641,868
27,424,596	26,268,427	31,386,819	32,569,123	32,717,109
682,970	601,777	546,511	722,722	833,866
251,524	37,294	0	21,557	8,057
0	35,426	384	0	0
40,228	41,114	0	0	0
0	0	1,529	10,031	13,836
5,698	6,913	4,703	0	0
148,712	145,301	34,135	38,401	23,101
1,501	0	1,000	42,650	2,106
211,138	206,136	191,444	231,560	142,910
66,276	78,653	93,600	69,494	115,273
4,923,390	4,749,113	5,849,948	5,929,213	6,290,703
53,438	0	0	226,000	81,352
6,384,875	5,901,727	6,723,254	7,291,628	7,511,204
(\$21,039,721)	(\$20,366,700)	(\$24,663,565)	(\$25,277,495)	(\$25,205,905)

(continued)

Portsmouth City School District
Changes in Net Assets
Governmental Activities
Last Seven Fiscal Years
(accrual basis of accounting)
(continued)

Fiscal Year	2002	2003
General Revenues:		
Property Taxes Levied for:		
General Purposes	\$5,489,946	\$4,107,524
Debt Service	0	1,076,457
Capital Outlay	0	81,311
Grants and Entitlements not Restricted to Specific Programs		
Operating	14,222,706	11,441,919
Capital	52,617,286 *	0
Contributions and Donations	15,159	3,783
Investments Earnings	446,786	423,898
Miscellaneous	1,728,465	155,134
Gain on Sale of Capital Assets	0	0
Gain on Early Retirement of Capital Lease	0	0
<i>Total General Revenues</i>	<u>74,520,348</u>	<u>17,290,026</u>
<i>Change in Net Assets</i>	<u>\$55,070,150</u>	<u>(\$789,918)</u>

* The School District was awarded a grant in the amount of \$52,617,285 on December 14, 2001, from the Ohio School Facilities Commission for the construction of new facilities. At June 30, 2007, the new facilities were complete and it was determined that \$2,476,078 of the grant would not be received. Therefore, revenue was reduced since the total amount of the grant had been reported as revenue in fiscal year 2002, the year of the grant award.

(1) Special Instruction expenses decreased significantly from fiscal year 2006 to fiscal year 2007 due to cuts in Title I funding and spending and a shift in spending from special education programs to student intervention programs.

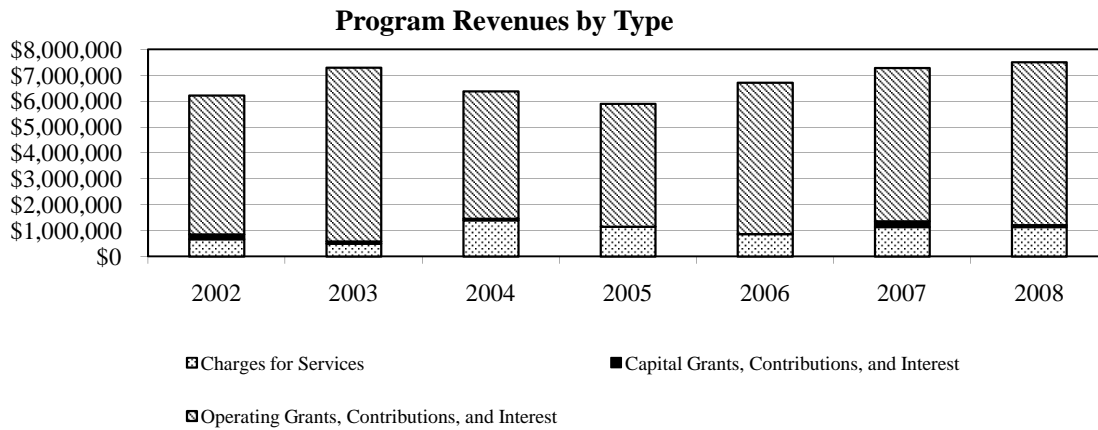
Expenses in Operation and Maintenance of Plant increased significantly from fiscal year 2006 to fiscal year 2007 due to increases in purchases of supplies and maintenance costs related to the new buildings.

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$4,395,841	\$4,644,731	\$4,776,914	\$4,643,256	\$4,614,506
1,049,924	1,228,724	1,267,834	1,236,071	1,270,249
79,690	88,356	89,670	87,507	84,971
14,682,918	15,183,620	15,174,137	15,979,356	16,535,835
0	0	0	(2,476,078) *	0
17,724	10,270	96,988	21,861	7,276
116,557	516,895	659,852	495,355	228,426
74,774	206,988	95,874	448,893	140,770
0	0	0	0	51,962
2,492	0	0	0	0
<u>20,419,920</u>	<u>21,879,584</u>	<u>22,161,269</u>	<u>20,436,221</u>	<u>22,933,995</u>
<u>(\$619,801)</u>	<u>\$1,512,884</u>	<u>(\$2,502,296)</u>	<u>(\$4,841,274)</u>	<u>(\$2,271,910)</u>

Portsmouth City School District
Program Revenues by Function/Program
Governmental Activities
Last Seven Fiscal Years
(accrual basis of accounting)

Fiscal Year	2002	2003
Function / Program:		
Instruction:		
Regular	\$1,343,504	\$118,414
Special	2,068,462	4,229,140
Vocational	0	99,366
Student Intervention Services	0	0
Intergovernmental	35,000	39,500
Support Services:		
Pupils	438,683	362,025
Instructional Staff	872,330	686,230
Administration	5,138	160,916
Fiscal	0	0
Business	0	0
Operation and Maintenance of Plant	22,235	526
Pupil Transportation	164,897	374,783
Central	8,437	8,284
Operation of Non-Instructional Services:		
Food Service Operations	937,425	865,811
Other	237,722	225,735
Extracurricular Activities	92,439	124,904
<i>Total Program Revenues</i>	<u>\$6,226,272</u>	<u>\$7,295,634</u>

2004	2005	2006	2007	2008
\$2,042,953	\$776,829	\$655,376	\$780,193	\$835,334
2,108,342	2,525,523	2,961,157	2,862,385	3,009,488
132,085	133,713	123,342	108,519	108,312
0	0	0	594,453	637,011
38,500	35,000	43,500	38,500	43,500
229,734	334,395	903,686	695,466	687,936
293,214	748,177	740,038	626,664	727,823
0	0	1,529	10,431	13,836
1,000	0	22,066	18,789	0
5,698	6,913	4,703	0	0
249,966	145,301	34,135	264,401	101,443
12,039	11,266	20,486	55,794	16,034
8,097	6,557	6,799	7,190	7,436
968,424	896,858	863,570	947,947	989,939
204,488	202,317	234,370	200,688	213,690
90,335	78,878	108,497	80,208	119,422
<u>\$6,384,875</u>	<u>\$5,901,727</u>	<u>\$6,723,254</u>	<u>\$7,291,628</u>	<u>\$7,511,204</u>



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

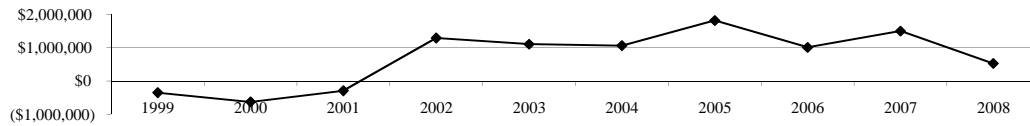
	<u>1999</u>	<u>2000</u>	<u>2001</u>
General Fund:			
Reserved	\$480,443	\$598,068	\$818,634
Unreserved, Designated for:			
Future Severance Payments	0	0	0
Employee Health Benefits	0	0	0
Unreserved (Deficit)	<u>(829,289)</u>	<u>(1,224,909)</u>	<u>(1,110,982)</u>
<i>Total General Fund (Deficit)</i>	<u>(348,846)</u>	<u>(626,841)</u>	<u>(292,348)</u>
All Other Governmental Funds:			
Reserved	186,442	202,226	95,721
Unreserved, Undesignated Reported in:			
Special Revenue Funds	650,217	850,052	1,002,253
Debt Service Funds	0	0	0
Capital Projects Funds	<u>325,301</u>	<u>149,516</u>	<u>69,915</u>
<i>Total All Other Governmental Funds</i>	<u>1,161,960</u>	<u>1,201,794</u>	<u>1,167,889</u>
<i>Total Governmental Funds</i>	<u><u>\$813,114</u></u>	<u><u>\$574,953</u></u>	<u><u>\$875,541</u></u>

* The School District received \$1,500,000 from the sale of Anthem stock that was a result of the demutualization of Anthem.

** The School District was awarded a grant in the amount of \$52,617,285 on December 14, 2001, from the Ohio School Facilities Commission for the construction of new facilities.

2002	2003	2004	2005	2006	2007	2008
\$1,192,016	\$1,272,715	\$853,449	\$853,035	\$570,286	\$386,658	\$318,879
0	0	0	0	144,916	39,497	0
0	0	0	0	0	260,012	115,237
105,014	(165,221)	213,041	970,227	297,480	816,255	95,854
1,297,030 *	1,107,494	1,066,490	1,823,262	1,012,682	1,502,422	529,970
288,411	332,974	227,587	210,291	2,600,479	314,250	153,620
803,651	492,049	549,751	655,987	823,534	422,042	829,331
507,497	806,254	925,963	1,198,864	1,526,591	1,572,878	1,884,722
17,260,396 *	16,448,189	21,837,486	15,763,438	3,042,442	2,632,126	2,603,996
18,859,955	18,079,466	23,540,787	17,828,580	7,993,046	4,941,296	5,471,669
<u>\$20,156,985</u>	<u>\$19,186,960</u>	<u>\$24,607,277</u>	<u>\$19,651,842</u>	<u>\$9,005,728</u>	<u>\$6,443,718</u>	<u>\$6,001,639</u>

Fund Balance of the General Fund



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

	1999	2000	2001
<u>Revenues:</u>			
Property Taxes	\$4,154,222	\$4,236,890	\$4,218,468
Intergovernmental	17,068,383	16,837,647	18,117,379
Investment Earnings	205,173	195,141	171,599
Increase (Decrease) in Fair Value of Investments	0	0	0
Tuition and Fees	4,370	102,917	44,146
Extracurricular Activities	175,251	140,454	136,602
Rentals	11,358	2,814	5,472
Charges for Services	289,602	299,970	339,052
Contributions and Donations	33,237	26,434	50,488
Miscellaneous	139,055	149,179	287,358
Total Revenues	22,080,651	21,991,446	23,370,564
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	6,561,255	6,557,561	7,162,473
Special	4,407,544	4,358,619	4,855,621
Vocational	599,697	581,967	309,130
Adult Continuing	9,373	0	0
Student Intervention Services	0	0	0
Other	1,626,974	1,815,803	1,802,225
Intergovernmental	450,300	62,370	70,000
Support:			
Pupils	1,018,108	1,083,640	1,156,875
Instructional Staff	1,202,427	1,343,213	1,478,115
Board of Education	23,605	21,922	20,021
Administration	1,429,757	1,706,539	1,540,360
Fiscal	443,856	448,584	490,428
Business	105,837	45,146	69,677
Operation and Maintenance of Plant	1,904,219	1,653,162	1,914,292
Pupil Transportation	462,206	340,371	407,401
Central	77,371	66,516	66,584
Operation of Non-Instructional Services	1,190,403	1,309,979	1,226,452
Extracurricular Activities	349,163	414,548	394,193
Capital Outlay	623,242	47,575	393,610
Debt Service:			
Principal Retirement	447,788	392,367	88,514
Interest and Fiscal Charges	19,025	15,664	26,317
Capital Appreciation Bonds Interest	0	0	0
Issuance Costs	0	0	0
Total Expenditures	22,952,150	22,265,546	23,472,288
Excess of Revenues Over (Under) Expenditures	(871,499)	(274,100)	(101,724)
<u>Other Financing Sources (Uses):</u>			
Refunding General Obligation Bonds Issued	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0
Premium on Debt Issuance	0	0	0
Proceeds from Sale of Capital Assets	17,101	710	32,818
General Obligation Bonds Issued	0	0	0
Inception of Capital Lease	623,242	35,229	369,494
Transfers In	152,813	34,284	17,413
Transfers Out	(152,813)	(34,284)	(17,413)
Total Other Financing Sources (Uses)	640,343	35,939	402,312
Net Change in Fund Balances	(\$231,156)	(\$238,161)	\$300,588
Debt Service as a Percentage of Noncapital Expenditures	2.1%	1.9%	0.5%

2002	2003	2004	2005	2006	2007	2008
\$5,365,498	\$5,374,990	\$5,540,481	\$5,843,336	\$6,113,783	\$5,950,227	\$5,846,283
19,723,492	23,914,235	37,997,577	42,090,396	24,873,719	22,285,912	22,889,706
292,402	584,426	333,039	481,669	579,137	401,874	230,451
82,856	(117,429)	(189,997)	31,957	84,038	99,088	(9,686)
312,936	185,829	878,400	708,727	581,230	769,582	853,102
91,939	94,187	97,985	86,933	100,858	85,294	140,440
39,801	5,462	148,712	145,301	3,407	19,175	5,001
218,602	214,639	276,341	202,898	186,765	226,760	138,500
52,885	38,400	17,457	47,420	220,770	299,081	91,535
1,745,779	121,507	108,472	206,457	96,895	612,970	140,770
<u>27,926,190</u>	<u>30,416,246</u>	<u>45,208,467</u>	<u>49,845,094</u>	<u>32,840,602</u>	<u>30,749,963</u>	<u>30,326,102</u>
9,789,456	9,307,594	10,370,515	10,452,972	11,449,775	11,198,436	11,922,586
5,338,568	5,442,891	5,638,357	5,466,596	5,685,519	5,283,592	5,082,517
400,072	363,008	357,922	364,702	282,628	372,088	414,553
0	0	0	0	0	0	0
0	0	0	0	445,405	1,033,777	1,422,054
0	0	0	0	0	0	0
35,000	39,500	38,500	35,000	43,500	71,834	43,500
1,249,195	1,420,847	1,172,511	1,133,842	1,551,356	1,580,635	1,581,368
2,488,248	2,020,626	2,118,813	1,952,423	1,948,181	1,867,975	1,672,959
19,134	17,640	14,914	16,589	17,703	19,341	22,717
1,213,258	1,364,087	1,389,199	1,372,555	1,373,106	1,497,568	1,579,663
675,353	607,672	580,902	636,210	618,325	637,334	765,319
69,701	72,086	159,315	75,031	119,389	61,244	61,376
1,529,814	1,557,969	1,713,799	1,595,541	1,864,911	2,411,030	2,540,184
446,885	444,353	569,236	396,939	423,496	628,841	584,863
24,932	20,117	55,389	22,133	30,025	69,681	77,150
1,246,882	1,216,765	1,272,591	1,239,057	1,168,103	1,273,249	1,244,908
261,428	269,825	248,846	257,171	286,170	270,860	318,507
917,141	6,266,203	12,799,738	28,587,294	14,932,204	3,708,759	462,503
109,564	384,696	521,813	461,304	520,604	243,579	216,638
412,370	827,138	765,790	744,136	729,816	721,991	621,758
0	0	0	0	0	207,456	237,558
256,050	0	0	0	0	159,703	0
<u>26,483,051</u>	<u>31,643,017</u>	<u>39,788,150</u>	<u>54,809,495</u>	<u>43,490,216</u>	<u>33,318,973</u>	<u>30,872,681</u>
<u>1,443,139</u>	<u>(1,226,771)</u>	<u>5,420,317</u>	<u>(4,964,401)</u>	<u>(10,649,614)</u>	<u>(2,569,010)</u>	<u>(546,579)</u>
0	0	0	0	0	9,800,000	0
0	0	0	0	0	(10,266,546)	0
450,106	0	0	0	0	466,546	0
286,697	0	0	0	3,500	7,000	104,500
17,070,000	0	0	0	0	0	0
31,502	256,746	0	8,966	0	0	0
324,863	36,731	73,100	315,710	220,267	306,451	113,451
<u>(324,863)</u>	<u>(36,731)</u>	<u>(73,100)</u>	<u>(315,710)</u>	<u>(220,267)</u>	<u>(306,451)</u>	<u>(113,451)</u>
<u>17,838,305</u>	<u>256,746</u>	<u>0</u>	<u>8,966</u>	<u>3,500</u>	<u>7,000</u>	<u>104,500</u>
<u>\$19,281,444</u>	<u>(\$970,025)</u>	<u>\$5,420,317</u>	<u>(\$4,955,435)</u>	<u>(\$10,646,114)</u>	<u>(\$2,562,010)</u>	<u>(\$442,079)</u>
2.1%	4.8%	4.8%	4.6%	4.0%	3.1%	3.5%

Portsmouth City School District
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection (Calendar) Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
1999	\$110,873,820	\$48,128,590	\$454,292,600	\$22,045,820	\$88,183,280
2000	110,456,640	46,815,780	449,349,771	20,300,350	81,201,400
2001	110,672,470	46,777,950	449,858,343	20,616,890	82,467,560
2002	127,228,410	52,978,750	514,877,600	15,320,670	61,282,680
2003	127,041,000	52,918,540	514,170,114	15,199,070	60,796,280
2004	126,824,450	54,816,720	518,974,771	15,627,110	62,508,440
2005	138,236,930	59,627,020	565,325,571	15,406,410	61,625,640
2006	138,193,810	61,781,900	571,359,171	15,599,920	62,399,680
2007	137,372,790	64,103,370	575,646,171	15,387,970	61,551,880
2008	151,287,800	66,721,490	622,883,686	13,091,910	52,367,640

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out. The assessment percent was 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and will be zero for 2009.

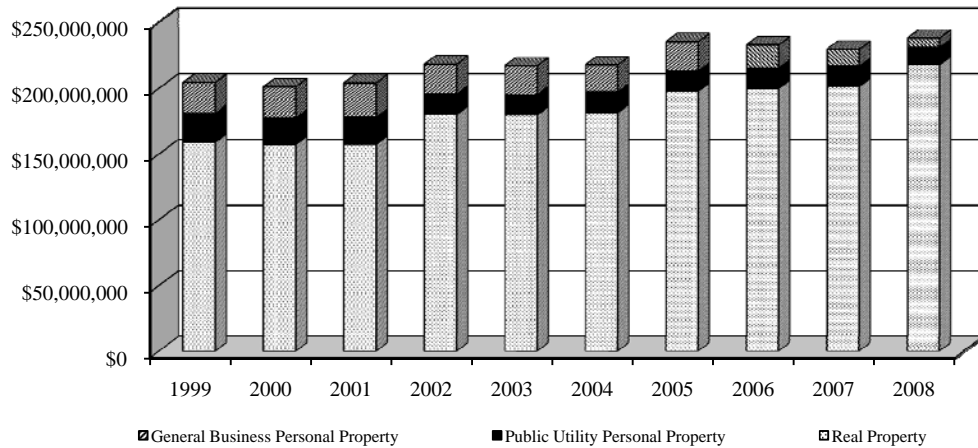
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed. The 10 percent rollback for commercial/industrial property was eliminated in 2006.

Source: Ohio Department of Taxation

(1) Ratio represents assessed value/total estimated actual value.

Tangible Personal Property General Business		Total			Weighted Average Tax Rate (per \$1,000 of assessed value)
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio (1)	
\$23,413,060	\$93,652,240	\$204,461,290	\$636,128,120	32.14%	\$19.90
23,567,270	94,269,080	201,140,040	624,820,251	32.19	19.91
26,114,910	104,459,640	204,182,220	636,785,543	32.06	20.07
22,834,840	91,339,360	218,362,670	667,499,640	32.71	25.36
21,992,344	87,969,376	217,150,954	662,935,770	32.76	25.34
20,558,371	82,233,484	217,826,651	663,716,695	32.82	25.28
22,180,082	88,720,328	235,450,442	715,671,539	32.90	25.08
17,455,515	93,096,080	233,031,145	726,854,931	32.06	24.84
12,786,263	102,290,104	229,650,393	739,488,155	31.06	24.61
7,095,560	113,528,960	238,196,760	788,780,286	30.20	23.96

Assessed Value of Taxable Property



*Portsmouth City School District
Principal Property Taxpayers
Real Property Tax
2008 and 1999*

Tax Payer	2008		Percentage of Real Property Assessed Valuation
	Assessed Value	Rank	
Southern Ohio Medical Center Title Holding	\$3,850,080	1	1.77%
Hillview Retirement Center	2,830,250	2	1.30%
Neal and Vicky Hatcher	2,599,220	3	1.19%
OSCO Industries, Inc.	1,437,710	4	0.66%
Portsmouth City School District Board of Education	1,035,910	5	0.47%
Scioto Memorial Hospital	897,160	6	0.41%
Forest Heights	872,980	7	0.40%
PGS Rentals	848,890	8	0.39%
Liberty Nursing Home Properties	793,950	9	0.36%
Schottenstein Trustees	756,830	10	0.35%
Fifth Third Bank	-		-
Total	15,922,980		7.30%
All Others	202,086,310		92.70%
Total Assessed Valuation	<u>\$218,009,290</u>		<u>100.00%</u>

Source: Scioto County Auditor

(1) For 1999, only the top six principal taxpayers for real property was available.

1999 (1)		
<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Real Property Assessed Valuation</u>
\$1,720,440	1	1.09%
1,648,280	2	1.04%
1,516,830	3	0.95%
-		-
-		-
870,220	5	0.55%
721,220	6	0.45%
-		-
-		-
-		-
<u>909,370</u>	4	<u>0.57%</u>
7,386,360		4.65%
<u>151,616,050</u>		<u>95.35%</u>
<u><u>\$159,002,410</u></u>		<u><u>100.00%</u></u>

*Portsmouth City School District
Principal Property Taxpayers
Public Utility Personal Property Tax
2008 and 1999*

Tax Payer	2008		Percentage of Public Utility Property Assessed Valuation
	Assessed Value	Rank	
Ohio Power	\$10,110,160	1	77.23%
Columbia Gas	1,593,700	2	12.17%
Norfolk and Southern Railway	568,000	3	4.34%
Columbus and Southern Ohio Electric	275,480	4	2.10%
Tennessee Gas Pipeline Company	70,240	5	0.54%
CSX Transportation, Inc.	55,280	6	0.42%
Columbus Gas Transmission Corporation	29,310	7	0.22%
General Telephone	-		-
N & W Railway	-		-
Total	12,702,170		97.02%
All Others	389,740		2.98%
Total Assessed Valuation	<u>\$13,091,910</u>		<u>100.00%</u>

Source: Scioto County Auditor

1999		
<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Public Utility Property Assessed Valuation</u>
\$8,390,360	1	38.06%
4,271,510	3	19.38%
-		-
-		-
-		-
-		-
-		-
4,369,200	2	19.82%
<u>2,571,350</u>	4	<u>11.66%</u>
19,602,420		88.92%
<u>2,443,400</u>		<u>11.08%</u>
<u><u>\$22,045,820</u></u>		<u><u>100.00%</u></u>

*Portsmouth City School District
Principal Property Taxpayers
General Business Personal Property Tax
2008 and 1999*

Tax Payer	2008		Percentage of Tangible Personal Property Assessed Valuation
	Assessed Value	Rank	
OSCO Industries, Inc.	\$1,962,350	1	27.66%
Verizon North	1,086,080	2	15.31%
B.P. America, Inc.	605,170	3	8.53%
Oberling Ford, Inc.	467,350	4	6.59%
Mitchellace, Inc.	433,870	5	6.11%
General Electric Credit Corporation	313,300	6	4.42%
Kroger Company	295,270	7	4.16%
Philips Medical Capital, LLC	255,990	8	3.61%
Siemens Financial Services	252,320	9	3.56%
Time Warner Cable	248,050	10	3.50%
Century Ohio Cable Television Corporation	-		-
KSA Limited Partnership	-		-
Capitol Pontiac Buick	-		-
Lute Plumbing Supply, Incorporated	-		-
Total	5,919,750		83.44%
All Others	1,175,810		16.56%
Total Assessed Valuation	<u>\$7,095,560</u>		<u>100.00%</u>

Source: Scioto County Auditor

1999		
Assessed Value	Rank	Percentage of Tangible Personal Property Assessed Valuation
\$2,449,100	1	10.47%
-		-
429,110	10	1.83%
1,097,710	4	4.69%
1,400,460	2	5.98%
-		-
507,280	7	2.17%
-		-
779,490	5	3.33%
-		-
543,910	6	2.32%
1,157,150	3	4.94%
481,070	8	2.05%
431,270	9	1.84%
9,276,550		39.62%
14,136,510		60.38%
<u>\$23,413,060</u>		<u>100.00%</u>

Portsmouth City School District
Property Tax Rates (Per \$1,000 of Assessed Valuation)
Direct and Overlapping Governments
Last Ten Collection (Calendar) Years

	1999	2000	2001
UNVOTED MILLAGE:			
Operating	\$3.66	\$3.66	\$3.66
VOTED MILLAGE - BY LEVY:			
1976 Current Expense			
Residential/Agricultural Real	\$8.14	\$8.16	\$8.16
Commercial/Industrial and Public Utility Real	9.30	9.42	9.44
General Business and Public Utility Personal	18.07	18.07	18.07
1979 Current Expense			
Residential/Agricultural Real	3.25	3.26	3.26
Commercial/Industrial and Public Utility Real	3.40	3.44	3.45
General Business and Public Utility Personal	6.40	6.40	6.40
1988 Current Expense			
Residential/Agricultural Real	4.94	4.95	4.95
Commercial/Industrial and Public Utility Real	5.05	5.12	5.13
General Business and Public Utility Personal	6.40	6.40	6.40
2001 Bond Levy (\$11,550,000)			
Residential/Agricultural Real	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00
2001 Site Acquisition (\$5,520,000)			
Residential/Agricultural Real	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00
2001 Classroom Facilities			
Residential/Agricultural Real	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00
TOTAL VOTED MILLAGE BY TYPE OF PROPERTY			
Residential/Agricultural Real	16.33	16.37	16.37
Commercial/Industrial and Public Utility Real	17.75	17.98	18.02
General Business and Public Utility Personal	30.87	30.87	30.87
OVERLAPPING RATES BY TAXING DISTRICT			
TOWNSHIPS:			
Residential/Agricultural Real	0.27 - 2.92	0.34 - 2.92	0.34 - 2.92
Commercial/Industrial and Public Utility Real	0.13 - 2.92	0.38 - 2.92	0.38 - 2.92
General Business and Public Utility Personal	0.40 - 2.92	0.50 - 2.92	0.50 - 2.92
CORPORATIONS:			
Residential/Agricultural Real	0.30 - 4.49	0.30 - 4.49	0.30 - 4.49
Commercial/Industrial and Public Utility Real	0.30 - 4.49	0.30 - 4.49	0.30 - 4.49
General Business and Public Utility Personal	0.30 - 4.49	0.30 - 4.49	0.30 - 4.49
SCIOTO COUNTY JOINT VOCATIONAL SCHOOL DISTRICT:			
Residential/Agricultural Real	0.60 - 0.81	0.60 - 0.81	0.60 - 0.81
Commercial/Industrial and Public Utility Real	0.70 - 0.92	0.71 - 0.92	0.71 - 0.92
General Business and Public Utility Personal	1.37 - 1.50	1.37 - 1.50	1.37 - 1.50
COUNTY AND OTHER UNITS:			
Residential/Agricultural Real	0.11 - 2.08	0.11 - 2.08	0.11 - 2.08
Commercial/Industrial and Public Utility Real	0.15 - 2.08	0.16 - 2.08	0.16 - 2.08
General Business and Public Utility Personal	0.20 - 2.08	0.20 - 2.08	0.20 - 2.08

Source: Ohio Department of Taxation

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue for that year.

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

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

2002	2003	2004	2005	2006	2007	2008
\$3.66	\$3.66	\$3.66	\$3.66	\$3.66	\$3.66	\$3.66
\$8.48	\$8.49	\$8.50	\$8.66	\$8.67	\$8.68	\$8.81
8.64	8.66	8.67	8.69	8.70	8.78	8.75
18.07	18.07	18.07	18.07	18.07	18.07	18.07
3.28	3.29	3.29	3.30	3.30	3.31	3.32
3.16	3.16	3.17	3.16	3.16	3.19	3.18
6.40	6.40	6.40	6.40	6.40	6.40	6.40
4.57	4.58	4.58	4.38	4.39	4.39	4.21
4.69	4.71	4.71	4.49	4.50	4.54	4.42
6.40	6.40	6.40	6.40	6.40	6.40	6.40
4.00	4.00	4.00	4.00	4.00	4.00	4.00
4.00	4.00	4.00	4.00	4.00	4.00	4.00
4.00	4.00	4.00	4.00	4.00	4.00	4.00
2.00	2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	2.00	2.00
0.43	0.44	0.44	0.40	0.40	0.40	0.36
0.46	0.46	0.46	0.43	0.43	0.43	0.41
0.50	0.50	0.50	0.50	0.50	0.50	0.50
22.76	22.80	22.81	22.74	22.76	22.78	22.70
22.95	22.99	23.01	22.77	22.79	22.94	22.76
37.37	37.37	37.37	37.37	37.37	37.37	37.37
0.30 - 2.92	0.30 - 2.92	0.30 - 2.92	0.27 - 2.92	0.27 - 2.92	0.27 - 2.92	0.24 - 2.92
0.35 - 2.92	0.37 - 2.92	0.36 - 2.92	0.35 - 2.92	0.35 - 2.92	0.35 - 2.92	0.34 - 2.92
0.50 - 2.92	0.50 - 2.92	0.50 - 2.92	0.50 - 2.92	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00
0.30 - 4.49	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.30 - 4.49	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.30 - 4.49	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.61 - 0.73	0.61 - 0.73	0.61 - 0.73	0.61 - 0.72	0.61 - 0.73	0.61 - 0.72	0.59 - 0.71
0.66 - 0.86	0.66 - 0.86	0.46 - 0.86	0.43 - 0.81	0.43 - 0.74	0.64 - 0.83	0.61 - 0.80
1.37 - 1.50	1.37 - 1.50	0.50 - 1.50	1.37 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50
0.10 - 2.08	0.10 - 2.08	0.10 - 2.08	0.09 - 2.08	0.09 - 3.30	0.09 - 3.30	0.09 - 3.01
0.15 - 2.08	0.15 - 2.08	0.15 - 2.08	0.14 - 2.08	0.14 - 3.30	0.14 - 3.30	0.13 - 3.17
0.20 - 2.08	0.20 - 2.08	0.20 - 2.08	0.20 - 2.08	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30

Portsmouth City School District
*Property Tax Levies and Collections - Real, Public Utility Personal
and General Business Personal Property
Last Ten Collection (Calendar) Years*

Collection Year (4)	Total Tax Levied (1)	Current Tax Collection (2)	Percent of Current Levy Collected	Delinquent Tax Collection (3)
1998	\$4,899,332	\$3,544,707	72.35%	\$183,734
1999	4,680,066	3,343,290	71.44%	152,646
2000	5,084,471	3,776,181	74.27%	179,816
2001	4,469,364	3,657,368	81.83%	191,726
2002	5,978,480	5,130,633	85.82%	219,892
2003	6,152,078	4,275,122	69.49%	251,084
2004	6,390,997	4,471,383	69.96%	224,048
2005	6,155,199	5,475,920	88.96%	294,474
2006	7,176,401	5,498,085	76.61%	334,023
2007	6,453,333	5,540,706	85.86%	277,855

Source: Scioto County Auditor

- (1) Taxes levied and collected are presented on a cash basis because that is the manner that information is maintained by the County Auditor.
- (2) State reimbursements of rollback and homestead exemptions are not included.
- (3) Penalties and interest are included since, by Ohio law, they become part of the tax obligation as assessment occurs.
- (4) The 2008 information cannot be presented because all collections have not been made by June 30, 2008.

<u>Total Tax Collections</u>	<u>Percent Of Total Collections To Total Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Percent of Outstanding Delinquent Taxes To Total Tax Levied</u>
\$3,728,441	76.10%	\$585,343	11.95%
3,495,936	74.70%	377,524	8.07%
3,955,997	77.81%	287,126	5.65%
3,849,094	86.12%	548,323	12.27%
5,350,525	89.50%	756,705	12.66%
4,526,206	73.57%	529,657	8.61%
4,695,431	73.47%	744,845	11.65%
5,770,394	93.75%	832,330	13.52%
5,832,108	81.27%	836,619	11.66%
5,818,561	90.16%	567,644	8.80%

Portsmouth City School District
*Ratio of Debt to Estimated Actual Value,
 Personal Income, and Debt Per Capita
 Last Ten Fiscal Years*

Fiscal Year	General Obligation Bonds (1)	EPA Asbestos Loan (1)	Capital Leases (1)	Total Outstanding Debt	Estimated Actual Value (2)
1999	\$0	\$121,410	\$529,643	\$651,053	\$636,128,120
2000	0	107,126	180,624	287,750	624,820,251
2001	0	92,842	346,482	439,324	636,785,543
2002	17,533,309	78,558	282,704	17,894,571	667,499,640
2003	17,109,764	64,274	444,038	17,618,076	662,935,770
2004	16,848,207	49,990	173,169	17,071,366	663,716,695
2005	16,595,089	35,707	95,114	16,725,910	715,671,539
2006	16,267,255	21,423	3,794	16,292,472	726,854,931
2007	15,911,027	7,139	2,043	15,920,209	739,488,155
2008	15,476,755	0	0	15,476,755	788,780,286

Source: (1) School District Financial Records
 (2) Scioto County Auditor
 (3) Census data for 2000 census and 1990 census
 (4) Computation of per capita personal income multiplied by population

<u>Population (3)</u>	<u>Personal Income (4)</u>	<u>Ratio of Debt to Estimated Actual Value</u>	<u>Ratio of Debt to Personal Income</u>	<u>Debt Per Capita</u>
22,676	\$233,154,632	0.10%	0.28%	\$28.71
20,909	315,265,902	0.05%	0.09%	13.76
20,909	315,265,902	0.07%	0.14%	21.01
20,909	315,265,902	2.68%	5.68%	855.83
20,909	315,265,902	2.66%	5.59%	842.61
20,909	315,265,902	2.57%	5.41%	816.46
20,909	315,265,902	2.34%	5.31%	799.94
20,909	315,265,902	2.24%	5.17%	779.21
20,909	315,265,902	2.15%	5.05%	761.40
20,909	315,265,902	1.96%	4.91%	740.20

Portsmouth City School District
*Ratio of General Obligation Bonded Debt to
 Estimated Actual Value and General Obligation Bonded Debt Per Capita
 Last Seven Fiscal Years*

Fiscal Year	General Obligation Bonded Debt	Estimated Actual Value (1)	Population (2)	Ratio of General Obligation Debt to Estimated Actual Value	General Obligation Debt Per Capita
2002	\$17,533,309	\$667,499,640	20,909	2.63%	\$838.55
2003	17,109,764	662,935,770	20,909	2.58%	818.30
2004	16,848,207	663,716,695	20,909	2.54%	805.79
2005	16,595,089	715,671,539	20,909	2.32%	793.68
2006	16,267,255	726,854,931	20,909	2.24%	778.00
2007	15,911,027	739,488,155	20,909	2.15%	760.97
2008	15,476,755	788,780,286	20,909	1.96%	740.20

Source: (1) Scioto County Auditor
 (2) Census data for 2000 census

The School District issued general obligation debt in fiscal year 2002.

Portsmouth City School District
Computation of Direct and Overlapping Debt
 June 30, 2008

Jurisdiction	Debt Attributable to Governmental Activities	Percentage Applicable to District (1)	Amount Applicable to District
Direct:			
Portsmouth City School District:			
General Obligation Bonds	\$15,476,755	100.00%	\$15,476,755
Overlapping:			
Scioto County:			
General Obligation Bonds	12,788,601	26.28	3,360,844
Loan Obligation	333,516	26.28	87,648
Bond Anticipation Notes	832,000	26.28	218,650
Capital Lease Obligation	2,968,909	26.28	780,229
City of Portsmouth:			
General Obligation Bonds	1,815,000	100.00	1,815,000
Capital Lease Obligation	1,161,876	100.00	1,161,876
Total Overlapping Debt	<u>19,899,902</u>		<u>7,424,247</u>
Total Direct and Overlapping Debt	<u>\$35,376,657</u>		<u>\$22,901,002</u>

Source: Ohio Municipal Advisory Council

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken in account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

Portsmouth City School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

	1999	2000	2001
Total Assessed Valuation	\$204,461,290	\$201,140,040	\$204,182,220
Less Railroad and Telephone Property Valuation	0	0	0
Less General Business Tangible Personal Property Valuation	0	0	0
Total Assessed Valutaion used to Calculate Legal Debt Margin (1)	204,461,290	201,140,040	204,182,220
Overall debt limitation - 9.0% of assessed valuation (2)	18,401,516	18,102,604	18,376,400
Gross indebtedness authorized by the School District	121,410	107,126	92,842
Less exempt debt:			
EPA Asbestos Loan	(121,410)	(107,126)	(92,842)
Debt within 9.0% limitation	0	0	0
Less amount available in the debt service fund	0	0	0
Net debt within 9.0% limitation	0	0	0
Legal debt margin within 9.0% limitation	<u>\$18,401,516</u>	<u>\$18,102,604</u>	<u>\$18,376,400</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.0%	100.0%	100.0%
Unvoted debt limitation .10% of assessed valuation (2)	\$204,461	\$201,140	\$204,182
Gross indebtedness authorized by the School District	121,410	107,126	92,842
Less exempt debt:			
EPA Asbestos Loan	(121,410)	(107,126)	(92,842)
Legal debt margin within .10% limitation	<u>\$204,461</u>	<u>\$201,140</u>	<u>\$204,182</u>
Unvoted Legal Debt Margin as a Percentage of the Excess of Revenues Over (Under) Expenditures	100.0%	100.0%	100.0%

Source: Scioto County Auditor and School District Records

(1) The definition of tax valuation for the purpose of calculating the debt margin was modified by H.B. 530, effective 3/30/06, to exclude tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

(2) Ohio Bond Law sets a limit of 9 percent for voted debt and .10 percent for unvoted debt.

2002	2003	2004	2005	2006	2007	2008
\$218,362,670	\$217,150,954	\$217,826,651	\$235,450,442	\$233,031,145	\$229,650,393	\$238,196,760
0	0	0	0	(4,636,680)	(3,882,440)	(2,663,890)
0	0	0	0	(17,455,515)	(12,786,263)	(7,095,560)
218,362,670	217,150,954	217,826,651	235,450,442	210,938,950	212,981,690	228,437,310
19,652,640	19,543,586	19,604,399	21,190,540	18,984,506	19,168,352	20,559,358
17,148,558	16,859,274	16,494,990	16,120,707	15,691,423	15,449,595	15,235,000
(78,558)	(64,274)	(49,990)	(35,707)	(21,423)	(7,139)	0
17,070,000	16,795,000	16,445,000	16,085,000	15,670,000	15,442,456	15,235,000
(648,230)	(875,363)	(981,047)	(1,270,369)	(1,593,664)	(1,636,739)	(1,951,714)
16,421,770	15,919,637	15,463,953	14,814,631	14,076,336	13,805,717	13,283,286
\$3,230,870	\$3,623,949	\$4,140,446	\$6,375,909	\$4,908,170	\$5,362,635	\$7,276,072
16.4%	18.5%	21.1%	30.1%	25.9%	28.0%	35.4%
\$218,363	\$217,151	\$217,827	\$235,450	\$210,939	\$212,982	\$228,437
78,558	64,274	49,990	35,707	21,423	7,139	0
(78,558)	(64,274)	(49,990)	(35,707)	(21,423)	(7,139)	0
\$218,363	\$217,151	\$217,827	\$235,450	\$210,939	\$212,982	\$228,437
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Portsmouth City School District
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Total Personal Income (2)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age (1)
1999	22,676	\$233,154,632	\$10,282	N/A	N/A
2000	20,909	315,265,902	15,078	23,004	38
2001	20,909	315,265,902	15,078	23,004	38
2002	20,909	315,265,902	15,078	23,004	38
2003	20,909	315,265,902	15,078	23,004	38
2004	20,909	315,265,902	15,078	23,004	38
2005	20,909	315,265,902	15,078	23,004	38
2006	20,909	315,265,902	15,078	23,004	38
2007	20,909	315,265,902	15,078	23,004	38
2008	20,909	315,265,902	15,078	23,004	38

Source: (1) U.S. Census Bureau; 1999 Median Household Income and Median Age was not available
(2) Computation of per capita personal income multiplied by population
(3) School District Records
(4) Ohio Department of Jobs and Family Services
(5) Ohio Department of Taxation

<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>	<u>School Enrollment (3)</u>	<u>Scioto County Unemployment Rate (4)</u>	<u>State of Ohio Unemployment Rate (4)</u>	<u>U.S.A. Unemployment Rate (4)</u>	<u>Total Assessed Property Value (5)</u>
10.5%	3,059	9.16%	4.35%	4.42%	\$204,461,290
12.5	2,918	8.30	3.90	4.10	201,140,040
12.5	2,628	6.30	4.00	4.90	204,182,220
12.5	2,257	8.50	5.60	5.90	218,362,670
12.5	2,188	8.10	5.50	5.80	217,150,954
12.5	2,172	8.10	6.00	5.50	217,826,651
12.5	2,079	8.40	5.70	5.00	235,450,442
12.5	1,982	7.40	5.20	4.80	233,031,145
12.5	2,119	7.80	6.10	4.70	229,650,393
12.5	2,132	8.30	6.70	5.50	238,196,760

Portsmouth City School District
Principal Employers
Fiscal Years 2008 and 1999

Employer	2008		
	Total Employees	Rank	Percentage of Total Employees
Southern Ohio Medical Center	2,220	1	37.69%
Shawnee State University	1,419	2	24.09
Scioto County	680	3	11.54
Community Action Organization	317	4	5.38
State of Ohio	312	5	5.30
City of Portsmouth	295	6	5.01
Portsmouth City School District	276	7	4.69
OSCO Industries, Inc.	202	8	3.43
United States Enrichment Corporation	94	9	1.60
SOMC Medical Care Foundation	75	10	1.27
Mitchellace, Inc.	-		-
Norfolk and Southern Railway	-		-
Total Employees	<u>5,890</u>		<u>100.00%</u>

Source: City of Portsmouth

1999		
Total Employees	Rank	Percentage of Total Employees
2,000	1	40.28%
461	3	9.28
684	2	13.77
-		-
460	4	9.26
298	6	6.00
349	5	7.03
250	7	5.03
187	8	3.77
-		-
184	9	3.71
93	10	1.87
<u>4,966</u>		<u>100.00%</u>

Portsmouth City School District
Building Statistics
Last Ten Fiscal Years

	1999	2000	2001
Portsmouth Middle/High School (8)			
Constructed in 1906			
Total Building Square Footage	177,653	177,653	177,653
Acreage	4.00	4.00	4.00
Enrollment Grades 9-12 (Fiscal Years 1997 - 2005)	654	612	522
Enrollment Grades 7-12 (Beginning in Fiscal Year 2006)	N/A	N/A	N/A
Student Capacity	1,064	1,064	1,064
Regular Instructional Classrooms	33	33	33
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	4	4	4
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	18,992	18,992	18,992
Cafeteria Facilities Square Footage	3,500	3,500	3,500
Library/Media Center Square Footage	2,924	2,924	2,924
Portsmouth High/Junior High School (7)			
Constructed in 2007			
Total Building Square Footage	N/A	N/A	N/A
Acreage	N/A	N/A	N/A
Enrollment Grades 7-12	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Regular Instructional Classrooms	N/A	N/A	N/A
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	N/A	N/A	N/A
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	N/A	N/A	N/A
Cafeteria Facilities Square Footage	N/A	N/A	N/A
Library/Media Center Square Footage	N/A	N/A	N/A
East Middle/High School (1)			
Constructed in 1916 with additions in 1937 and 1957			
Total Building Square Footage	59,925	59,925	59,925
Acreage	11.00	11.00	11.00
Enrollment Grades 7-12	369	355	343
Student Capacity	365	365	365
Regular Instructional Classrooms	22	22	22
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	2	2	2
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	7,344	7,344	7,344
Cafeteria Facilities Square Footage	2,520	2,520	2,520
Library/Media Center Square Footage	968	968	968

2002	2003	2004	2005	2006	2007	2008
177,653	177,653	177,653	177,653	177,653	N/A	N/A
4.00	4.00	4.00	4.00	4.00	N/A	N/A
560	529	486	732	N/A	N/A	N/A
N/A	N/A	N/A	N/A	761	N/A	N/A
1,064	1,064	1,064	1,064	1,064	N/A	N/A
33	33	33	37	37	N/A	N/A
30	30	29	40	37	N/A	N/A
4	4	4	4	4	N/A	N/A
6	6	5	5	4	N/A	N/A
18,992	18,992	18,992	18,992	18,992	N/A	N/A
3,500	3,500	3,500	3,500	3,500	N/A	N/A
2,924	2,924	2,924	2,924	2,924	N/A	N/A
N/A	N/A	N/A	N/A	N/A	182,540	182,540
N/A	N/A	N/A	N/A	N/A	8.26	8.26
N/A	N/A	N/A	N/A	N/A	815	755
N/A	N/A	N/A	N/A	N/A	1,150	1,150
N/A	N/A	N/A	N/A	N/A	52	52
N/A	N/A	N/A	N/A	N/A	47	40
N/A	N/A	N/A	N/A	N/A	11	11
N/A	N/A	N/A	N/A	N/A	11	11
N/A	N/A	N/A	N/A	N/A	17,847	17,847
N/A	N/A	N/A	N/A	N/A	16,021	16,021
N/A	N/A	N/A	N/A	N/A	4,098	4,098
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A

(continued)

Portsmouth City School District
Building Statistics
Last Ten Fiscal Years
(continued)

	1999	2000	2001
U.S. Grant Middle School (2)			
Constructed in 1930 with additions in 1958			
Total Building Square Footage	60,930	60,930	60,930
Acreage	1.38	1.38	1.38
Enrollment Grades 7-8	204	195	312
Student Capacity	403	403	403
Regular Instructional Classrooms	20	20	20
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	5	5	5
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	11,163	11,163	11,163
Cafeteria Facilities Square Footage	1,618	1,618	1,618
Library/Media Center Square Footage	1,253	1,253	1,253
East Portsmouth Elementary School (3)			
Constructed in 2005			
Total Building Square Footage	N/A	N/A	N/A
Acreage	N/A	N/A	N/A
Enrollment Grades K-6	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Regular Instructional Classrooms	N/A	N/A	N/A
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	N/A	N/A	N/A
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	N/A	N/A	N/A
Cafeteria Facilities Square Footage	N/A	N/A	N/A
Library/Media Center Square Footage	N/A	N/A	N/A
McKinley Elementary School (8)			
Constructed in 1916 with additions in 1955			
Total Building Square Footage	64,450	64,450	64,450
Acreage	2.02	2.02	2.02
Enrollment Grades 6-8 (Fiscal Years 1997 - 2000)	331	328	N/A
Enrollment Grades 4-6 (Beginning in Fiscal Year 2001)	N/A	N/A	447
Student Capacity	427	427	427
Regular Instructional Classrooms	22	22	22
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	6	6	6
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	6,148	6,148	6,148
Cafeteria Facilities Square Footage	1,904	1,904	1,904
Library/Media Center Square Footage	2,160	2,160	2,160

2002	2003	2004	2005	2006	2007	2008
60,930	60,930	60,930	N/A	N/A	N/A	N/A
1.38	1.38	1.38	N/A	N/A	N/A	N/A
324	300	305	N/A	N/A	N/A	N/A
403	403	403	N/A	N/A	N/A	N/A
20	20	20	N/A	N/A	N/A	N/A
12	12	12	N/A	N/A	N/A	N/A
5	5	5	N/A	N/A	N/A	N/A
5	6	1	N/A	N/A	N/A	N/A
11,163	11,163	11,163	N/A	N/A	N/A	N/A
1,618	1,618	1,618	N/A	N/A	N/A	N/A
1,253	1,253	1,253	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	45,779	45,779	45,779
N/A	N/A	N/A	N/A	23.29	23.29	23.29
N/A	N/A	N/A	N/A	231	247	255
N/A	N/A	N/A	N/A	390	390	390
N/A	N/A	N/A	N/A	14	14	14
N/A	N/A	N/A	N/A	14	14	14
N/A	N/A	N/A	N/A	5	5	5
N/A	N/A	N/A	N/A	2	4	4
N/A	N/A	N/A	N/A	3,769	3,769	3,769
N/A	N/A	N/A	N/A	3,857	3,857	3,857
N/A	N/A	N/A	N/A	1,106	1,106	1,106
64,450	64,450	64,450	64,450	64,450	N/A	N/A
2.02	2.02	2.02	2.02	2.02	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
426	315	448	298	350	N/A	N/A
427	427	427	427	427	N/A	N/A
22	22	22	22	22	N/A	N/A
19	19	19	18	13	N/A	N/A
6	6	6	6	6	N/A	N/A
9	9	7	7	4	N/A	N/A
6,148	6,148	6,148	6,148	6,148	N/A	N/A
1,904	1,904	1,904	1,904	1,904	N/A	N/A
2,160	2,160	2,160	2,160	2,160	N/A	N/A

(continued)

Portsmouth City School District
Building Statistics
Last Ten Fiscal Years
(continued)

	1999	2000	2001
Wilson Elementary School (8)			
Constructed in 1926 with additions in 1957			
Total Building Square Footage	61,790	61,790	61,790
Acreage	2.00	2.00	2.00
Enrollment Grades K-5 (Fiscal Years 1997 - 2000)	365	381	N/A
Enrollment Grades K-3 (Beginning in Fiscal Year 2001)	N/A	N/A	359
Student Capacity	522	522	522
Regular Instructional Classrooms	20	20	20
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	8	8	8
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	3,990	3,990	3,990
Cafeteria Facilities Square Footage	3,990	3,990	3,990
Library/Media Center Square Footage	828	828	828
Roosevelt Elementary School (8)			
Constructed in 1929 with additions in 1956 and 1958			
Total Building Square Footage	32,224	32,224	32,224
Acreage	3.79	3.79	3.79
Enrollment Grades K-5 (Fiscal Years 1997 - 2000)	257	267	N/A
Enrollment Grades K-3 (Beginning in Fiscal Year 2001)	N/A	N/A	289
Student Capacity	258	258	258
Regular Instructional Classrooms	11	11	11
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	1	1	1
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	4,230	4,230	4,230
Cafeteria Facilities Square Footage	4,230	4,230	4,230
Library/Media Center Square Footage	1,280	1,280	1,280
Harding Elementary School (4)			
Constructed in 1929 with additions in 1959			
Total Building Square Footage	41,455	41,455	41,455
Acreage	2.00	2.00	2.00
Enrollment Grades K-6	380	344	356
Student Capacity	332	332	332
Regular Instructional Classrooms	17	17	17
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	3	3	3
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	4,600	4,600	4,600
Cafeteria Facilities Square Footage	4,600	4,600	4,600
Library/Media Center Square Footage	1,012	1,012	1,012

2002	2003	2004	2005	2006	2007	2008
61,790	61,790	61,790	61,790	61,790	N/A	N/A
2.00	2.00	2.00	2.00	2.00	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
331	446	305	402	320	N/A	N/A
522	522	522	522	522	N/A	N/A
20	20	20	20	20	N/A	N/A
17	17	17	16	14	N/A	N/A
8	8	8	8	8	N/A	N/A
5	5	3	2	3	N/A	N/A
3,990	3,990	3,990	3,990	3,990	N/A	N/A
3,990	3,990	3,990	3,990	3,990	N/A	N/A
828	828	828	828	828	N/A	N/A
32,224	32,224	32,224	32,224	32,224	N/A	N/A
3.79	3.79	3.79	3.79	3.79	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
268	269	317	329	320	N/A	N/A
258	258	258	258	258	N/A	N/A
11	11	11	11	11	N/A	N/A
15	15	15	15	14	N/A	N/A
1	1	1	1	1	N/A	N/A
3	3	3	3	3	N/A	N/A
4,230	4,230	4,230	4,230	4,230	N/A	N/A
4,230	4,230	4,230	4,230	4,230	N/A	N/A
1,280	1,280	1,280	1,280	1,280	N/A	N/A
41,455	41,455	41,455	41,455	N/A	N/A	N/A
2.00	2.00	2.00	2.00	N/A	N/A	N/A
348	329	311	318	N/A	N/A	N/A
332	332	332	332	N/A	N/A	N/A
19	19	17	17	N/A	N/A	N/A
19	19	16	17	N/A	N/A	N/A
1	1	3	3	N/A	N/A	N/A
2	2	3	2	N/A	N/A	N/A
4,600	4,600	4,600	4,600	N/A	N/A	N/A
4,600	4,600	4,600	4,600	N/A	N/A	N/A
1,012	1,012	1,012	1,012	N/A	N/A	N/A

(continued)

Portsmouth City School District
Building Statistics
Last Ten Fiscal Years
(continued)

	1999	2000	2001
Highland Elementary School (5)			
Constructed in 1955			
Total Building Square Footage	26,886	26,886	N/A
Acreage	1.00	1.00	N/A
Enrollment Grades K-5	251	231	N/A
Student Capacity	215	215	N/A
Regular Instructional Classrooms	13	13	N/A
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	2	2	N/A
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	4,272	4,272	N/A
Cafeteria Facilities Square Footage	4,272	4,272	N/A
Library/Media Center Square Footage	784	784	N/A
Lincoln Elementary School (6)			
Constructed in 1914 with additions in 1930 and 1957			
Total Building Square Footage	32,708	32,708	N/A
Acreage	2.80	2.80	N/A
Enrollment Grades PS-5	248	205	N/A
Student Capacity	261	261	N/A
Regular Instructional Classrooms	13	13	N/A
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	7	7	N/A
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	4,272	4,272	N/A
Cafeteria Facilities Square Footage	4,272	4,272	N/A
Library/Media Center Square Footage	1,254	1,254	N/A
Portsmouth Elementary School (7)			
Constructed in 2007			
Total Building Square Footage	N/A	N/A	N/A
Acreage	N/A	N/A	N/A
Enrollment Grades K-6	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Regular Instructional Classrooms	N/A	N/A	N/A
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	N/A	N/A	N/A
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	N/A	N/A	N/A
Cafeteria Facilities Square Footage	N/A	N/A	N/A
Library/Media Center Square Footage	N/A	N/A	N/A

Source: School District Records

- (1) East Middle/High School was donated for the establishment of the Sciotoville Community School in fiscal year 2002.
- (2) U.S. Grant Middle School was demolished in fiscal year 2005.
- (3) East Portsmouth Elementary School was constructed in fiscal year 2006.
- (4) Harding Elementary School was demolished in fiscal year 2006.
- (5) Highland Elementary School was sold to the Community Action Committee in fiscal year 2001.
- (6) Lincoln Elementary School was demolished in fiscal year 2001.
- (7) Portsmouth High/Junior High School and Portsmouth Elementary School were constructed in fiscal year 2007.
- (8) Portsmouth Middle/High School, McKinley Elementary School, Wilson Elementary School, and Roosevelt Elementary School were demolished in fiscal year 2007.

Portsmouth City School District
Employees by Function
Last Six Fiscal Years

	2003	2004	2005	2006	2007	2008
Governmental Activities						
Instruction:						
Regular	116.00	111.00	107.00	102.00	103.00	105.00
Special	34.00	40.00	40.00	39.50	36.00	32.00
Vocational	3.00	5.00	5.00	4.00	4.00	4.00
Support Services:						
Pupils						
Student Facilitator	1.00	1.00	1.00	1.00	1.00	1.00
Pupil Personnel Facilitator	0.50	0.50	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Guidance Counselors	5.00	6.00	6.00	5.00	5.00	5.00
Psychologists	3.50	3.50	2.00	3.00	3.00	3.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.00	3.00
Data Facilitators	1.00	1.00	2.00	10.50	4.00	4.00
Test Coordinator	1.00	1.00	1.00	0.00	0.00	0.00
Nurse	1.00	1.00	1.00	1.00	1.00	1.00
Nurse Aides	2.00	2.00	2.00	2.00	2.00	2.00
Attendance Officer	1.00	1.00	1.00	1.00	1.00	1.00
Instructional Staff						
Directors	2.00	2.00	2.00	2.00	2.00	2.00
Coordinator	1.00	1.00	1.00	0.00	2.00	4.00
Secretary	1.00	1.00	1.00	2.00	2.00	1.00
Aides/Paraprofessionals	24.00	23.00	26.00	26.00	20.00	22.00
Librarians	2.00	2.00	2.00	2.00	2.00	2.00
Supervisor Technical Support	1.00	1.00	1.00	1.00	1.00	1.00
Administration						
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Coordinator	0.00	0.00	0.00	0.00	0.00	4.00
Executive Assistants	2.00	2.00	2.00	2.00	2.00	2.00
Principals/Assistant Principals	6.00	5.00	5.00	4.00	5.00	5.00
Dean	1.00	1.00	1.00	1.00	1.00	1.00
Secretaries	11.00	10.00	9.00	8.00	18.00	16.00
Fiscal						
Treasurer	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Treasurer	0.00	0.00	0.00	0.00	0.00	1.00
Secretaries	3.00	3.00	3.00	3.00	3.00	3.00
Business						
Director	0.50	0.50	0.50	0.50	1.50	1.50
Executive Assistant	0.50	0.50	0.50	0.50	0.50	0.50
Operation and Maintenance of Plant						
Executive Assistant	0.50	0.50	0.50	0.50	0.50	0.50
Custodians	18.50	16.50	16.50	16.50	18.00	17.00
Maintenance	2.00	2.00	2.00	2.00	2.00	2.00
Pupil Transportation						
Bus Drivers	7.00	7.00	7.00	7.00	7.00	8.00
Operation of Non-Instructional Services:						
Food Service:						
Director	0.50	0.50	0.50	0.50	0.50	0.50
Manager	1.00	1.00	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Cooks	17.00	15.00	16.00	14.00	14.00	15.00
Courier	0.50	0.50	0.50	0.50	0.00	0.00
Total Number of Employees	<u>277.00</u>	<u>274.00</u>	<u>273.00</u>	<u>270.00</u>	<u>270.00</u>	<u>276.00</u>

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

Source: School District Records (Count is taken on June 30th of each fiscal year)

Information prior to fiscal year 2003 was not available.

Portsmouth City School District
Per Pupil Cost
Last Ten Fiscal Years

Year	General Government Expenditures (1)	Average Daily Membership	Per Pupil Cost	Teaching Staff	Pupil/ Teacher Ratio
1999	\$22,952,150	3,059	\$7,503	221	13.84
2000	22,265,546	2,918	7,630	218	13.39
2001	23,472,288	2,628	8,932	207	12.70
2002	26,483,051	2,257	11,734	181	12.47
2003	31,643,017	2,188	14,462	167	13.10
2004	39,788,150	2,172	18,319	166	13.08
2005	54,809,495	2,079	26,363	166	12.52
2006	43,490,216	1,982	21,943	167	11.87
2007	33,318,973	2,119	15,724	172	12.32
2008	30,872,681	2,132	14,481	175	12.18

Source: School District Records

(1) Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

*Portsmouth City School District
Full-Time Equivalent Teachers by Education
Last Ten Fiscal Years*

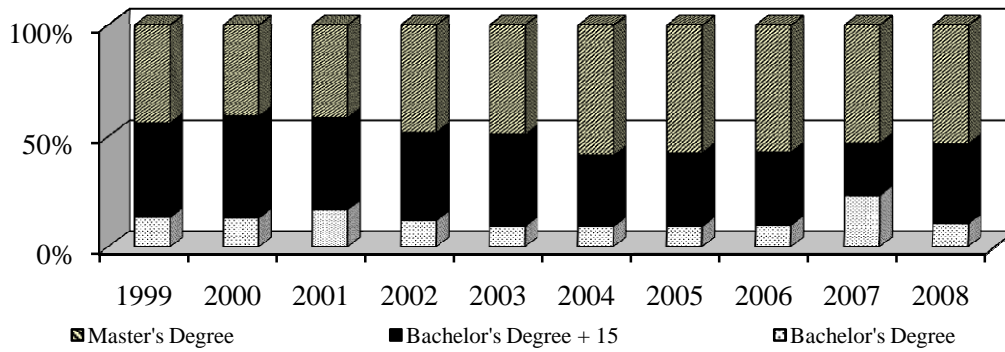
Degree	1999	2000	2001 (1)
Bachelor's Degree	30	29	35
Bachelor + 15 Years Experience	94	100	86
Master's Degree	<u>97</u>	<u>89</u>	<u>86</u>
Total	<u><u>221</u></u>	<u><u>218</u></u>	<u><u>207</u></u>

Source: School District Records

(1) The significant decrease in teachers between fiscal year 2001 and fiscal year 2002 was related to the closure of East Middle/High School when it was donated for the establishment of the Sciotoville Community School. The decrease in teachers between fiscal year 2002 and fiscal year 2003 was related to the School District being placed in fiscal caution. As an attempt to improve financial conditions, the School District reduced staff.

2002 (1)	2003 (1)	2004	2005	2006	2007	2008
22	16	16	16	17	40	19
72	69	53	55	55	41	63
87	82	97	95	95	91	93
181	167	166	166	167	172	175

Full-Time Equivalent Teachers by Education



Portsmouth City School District
Full-Time Equivalent Teachers by Years of Experience
Last Ten Fiscal Years

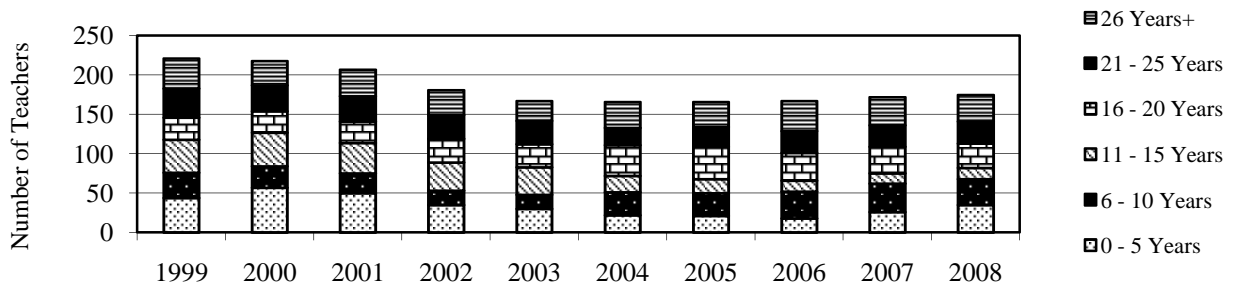
<u>Years of Experience</u>	<u>1999</u>	<u>2000</u>	<u>2001 (1)</u>
0 - 5	44	57	50
6 - 10	32	27	25
11 - 15	42	43	39
16 - 20	28	27	27
21 - 25	37	33	32
26 and over	<u>38</u>	<u>31</u>	<u>34</u>
Total	<u><u>221</u></u>	<u><u>218</u></u>	<u><u>207</u></u>

Source: School District Records

(1) The significant decrease in teachers between fiscal year 2001 and fiscal year 2002 was related to the closure of East Middle/High School when it was donated for the establishment of the Sciotoville Community School. The decrease in teachers between fiscal year 2002 and fiscal year 2003 was related to the School District being placed in fiscal watch. As an attempt to improve financial conditions, the School District reduced staff.

2002 (1)	2003 (1)	2004	2005	2006	2007	2008
35	30	22	21	18	26	35
18	18	29	29	34	36	33
36	35	21	18	14	13	14
30	29	39	41	35	34	31
30	30	22	25	28	27	28
32	25	33	32	38	36	34
181	167	166	166	167	172	175

Full-Time Equivalent Teachers by Years of Experience



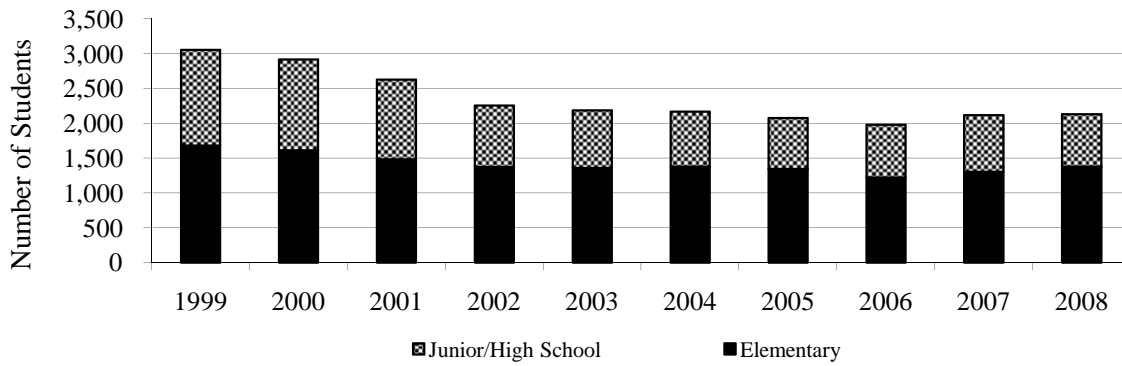
*Portsmouth City School District
Enrollment
Last Ten Fiscal Years*

<u>Year</u>	<u>Preschool</u>	<u>K</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
1999	12	276	244	235	225	215	241
2000	27	191	292	223	224	218	200
2001	20	204	195	240	209	211	208
2002	22	173	194	169	233	186	204
2003	11	213	200	165	158	233	172
2004	27	209	223	167	166	172	240
2005	37	209	218	183	158	144	158
2006	34	196	201	193	168	158	149
2007	40	212	220	188	200	180	143
2008	37	200	223	211	201	208	159

Source: School District Records

6	7	8	9	10	11	12	Total
234	240	231	289	211	201	205	3,059
239	226	225	295	171	190	197	2,918
198	236	206	194	208	174	125	2,628
192	156	168	144	130	172	114	2,257
207	156	144	134	135	132	128	2,188
177	142	163	129	142	116	99	2,172
240	145	119	121	126	114	107	2,079
122	166	139	104	118	127	107	1,982
121	136	170	147	118	127	117	2,119
138	122	128	156	126	110	113	2,132

Enrollment



Portsmouth City School District
Percentage of Students who Receive Free and Reduced Lunches
Last Ten Fiscal Years

District Buildings	1999	2000	2001
Portsmouth Middle/High School (1)	33.94%	30.88%	36.78%
Portsmouth High/Junior High School (2)	N/A	N/A	N/A
East Middle/High School (3)	36.31%	37.46%	43.44%
U.S. Grant Middle School (4)	87.75%	82.56%	63.78%
East Portsmouth Elementary School (5)	N/A	N/A	N/A
McKinley Elementary School (1)	42.90%	48.48%	70.69%
Wilson Elementary School (1)	96.71%	87.14%	100.00%
Roosevelt Elementary School (1)	46.69%	41.95%	53.98%
Harding Elementary School (6)	67.11%	73.84%	71.63%
Highland Elementary School (7)	67.73%	74.89%	N/A
Lincoln Elementary School (8)	91.13%	92.20%	N/A
Portsmouth Elementary School (2)	N/A	N/A	N/A
District-Wide	58.88%	58.33%	61.91%

Source: Food Service Director Records

(1) Portsmouth Middle/High School, McKinley Elementary School, Wilson Elementary School, and Roosevelt Elementary School were demolished in fiscal year 2007.

(2) Portsmouth High/Junior High School and Portsmouth Elementary School were constructed in fiscal year 2007.

(3) East Middle/High School was donated for the establishment of the Sciotoville Community School in fiscal year 2002.

(4) U.S. Grant Middle School was demolished in fiscal year 2005.

(5) East Portsmouth Elementary School was constructed in fiscal year 2006.

(6) Harding Elementary School was demolished in fiscal year 2006.

(7) Highland Elementary School was sold to the Community Action Committee in fiscal year 2001.

(8) Lincoln Elementary School was demolished in fiscal year 2001.

2002	2003	2004	2005	2006	2007	2008
31.25%	34.59%	40.95%	51.64%	55.85%	N/A	N/A
N/A	N/A	N/A	N/A	N/A	64.04%	63.31%
N/A	N/A	N/A	N/A	N/A	N/A	N/A
64.20%	66.33%	65.25%	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	84.85%	85.43%	81.96%
68.08%	100.00%	76.12%	100.00%	78.86%	N/A	N/A
100.00%	87.00%	98.03%	72.89%	100.00%	N/A	N/A
61.94%	51.67%	53.31%	54.41%	58.44%	N/A	N/A
77.87%	75.08%	73.63%	75.16%	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	82.21%	82.17%
64.69%	66.45%	66.99%	67.87%	73.66%	75.60%	75.47%

This Page Intentionally Left Blank



Mary Taylor, CPA
Auditor of State

PORTSMOUTH CITY SCHOOL DISTRICT

SCIOTO COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 13, 2009**