

Cincinnati City School District

Hamilton County

Single Audit

July 1, 2008 through June 30, 2009

Fiscal Year Audited Under GAGAS: 2009

**Caudill & Associates, CPA's**

725 5<sup>th</sup> Street

Portsmouth, OH 45662





# Mary Taylor, CPA

Auditor of State

Board of Education  
Cincinnati City School District  
P.O. Box 5384  
2651 Burnet Avenue  
Cincinnati, Ohio 45201

We have reviewed the *Independent Auditor's Report* of the Cincinnati City School District, Hamilton County, prepared by Caudill & Associates, CPA's, for the audit period July 1, 2008 through June 30, 2009. 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 Cincinnati City School District is responsible for compliance with these laws and regulations.

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

Mary Taylor, CPA  
Auditor of State

September 15, 2010

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**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY, OHIO**

**SCHEDULE of EXPENDITURES of FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009**

Federal Grantor/Program Title	Pass Through Entity Number	Federal CFDA Number	Federal Receipts	Non-Cash Receipts	Federal Expenditures	Non-Cash Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
Child Nutrition Cluster						
Food Donation (Passed Through Ohio Department of Education)	n/a	10.579		957,203		957,203
School Breakfast Program	5	10.553	2,976,740		2,976,740	
National Lunch Program	LL/VG	10.555	7,610,523		7,610,522	
Summer Food Service Program for Children	24	10.559	394,770		394,770	
Fresh Fruit and Vegetable Program (B)	3L60	10.582	77,789		77,789	
			<b>11,059,821</b>	<b>957,203</b>	<b>11,059,821</b>	<b>957,203</b>
Child and Adult care Food Program	CC	10.558	74,527		74,527	
<b>Total U.S. Department of Agriculture</b>			<b>11,134,348</b>	<b>957,203</b>	<b>11,134,348</b>	<b>957,203</b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
Impact Aid - Facilities Maintenance	n/a	84.041	83,351	-	231,187	-
Safe & Drug Free Schools & Communities - National Program	n/a	84.184E	329,321	-	328,543	-
(Passed Through Ohio Department of Education)						
Adult Education-State Grant Program	AB	84.002	1,157,917	-	1,225,529	-
Title I Grants to Local Education Agencies	C1	84.010	25,867,437	-	27,097,014	-
Title I Program for Neglected and Delinquent Children	ND	84.013	301,661		284,246	
Consolidated Admin Fund 3Z30 Oaks Voucher ID	n/a	0.000	5,188		5,188	
Special Education Cluster:						
Special Education - Grants to States	6B	84.027	9,156,339		9,345,690	
Special Education - Preschool Grants	PG	84.173	204,017		237,854	
<b>Total Special Education Cluster</b>			<b>9,360,356</b>	<b>-</b>	<b>9,583,544</b>	<b>-</b>
Vocational Education - Basic Grants to States	20	84.048	1,505,273		1,432,119	
Safe & Drug-Free Schools & Communities - State Grants	DR	84.186	282,076		255,592	
Education for Homeless Children and Youth	HC	84.196	266,620		261,402	
Twenty-First Century Community Learning Centers	T1	84.287	2,136,669		2,213,616	
State Grants for Innovative Programs	C2	84.298	125,868		86,980	
Education Technology State Grants	TJ	84.318	641,058		625,740	
English Language Acquisition Grants	T3	84.365	183,326		185,676	
Improving Teacher Quality State Grants	TR	84.367	4,373,301		4,252,728	
Teacher Incentive Fund	TB	84.374	948,143		1,070,035	
Foreign Language Assistance Program	n/a	84.293B	174,001		232,307	
Foreign Language Assistance Program	n/a	84.293	37,485		41,531	
			<b>10,673,820</b>	<b>-</b>	<b>10,657,726</b>	<b>-</b>
<b>Total U.S. Department of Education</b>			<b>47,779,051</b>	<b>-</b>	<b>49,412,977</b>	<b>-</b>
<b><u>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</u></b>						
(Ohio Department of Jobs & Family Services)						
Temporary Assistance for Needy Families	n/a	93.558	4,323,822		4,468,376	
			<b>4,323,822</b>	<b>-</b>	<b>4,468,376</b>	<b>-</b>
(Passed through the Cincinnati-Hamilton County Community Action Agency)						
Head Start		93.600	3,123,093	-	3,071,705	-
<b>Total U.S. Department of Health &amp; Human Services</b>			<b>7,446,915</b>	<b>-</b>	<b>7,540,081</b>	<b>-</b>
(Passed through the Medicare-Ohio Health Plans)						
Medical Assistance Program	n/a	93.778	1,262,361	-	1,262,361	-
<b>Total Federal Awards</b>			<b>67,622,676</b>	<b>957,203</b>	<b>69,349,767</b>	<b>957,203</b>

**CINCINNATI CITY SCHOOLS  
HAMILTON COUNTY, OHIO**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009**

**Note A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of Federal Awards (the schedule) is a summary of activity on the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**Note B - FOOD DONATION**

Program regulation does not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. The non-monetary assistance (expenditure) is reported in the Schedule at the fair market value of the commodities received.

**Note C - TRANSFERS**

The District must spend Federal assistance within 15 months of receipt (funds must be obligated by June 30th and spent by September 30th). However, with Ohio Department of Education's approval, the District can transfer unspent federal assistance to the succeeding year, thus allowing the District a total of 27 months to spend the assistance.

During fiscal year 2009, the Ohio Department of Education authorized the following transfers:

Program Title	Pass Through Entity Number	Federal CFDA Number	Transfer Out	Transfer In
Title I - Grants to Local Educational Agencies Schoolwide Pool	C1 n/a	84.01 n/a	8,960,093	8,960,093
Special Education - Grants to States Schoolwide Pool	6B n/a	84.027 n/a	3,418,809	3,418,809
Safe and Drug Free Schools & Communities Schoolwide Pool	DR n/a	84.186 n/a	131,674	131,674
Improving Teacher Quality - Grants to States Schoolwide Pool	TR n/a	84.367 n/a	2,937,461	2,937,461

**Note D - SCHOOL-WIDE POOL**

The School District is the first in the State of Ohio to participate in the School-Wide Pool. The School-Wide Pool follows guidance from OMB Circular A-133.

Program Title	Pass Through Entity Number	Federal CFDA Number	Fund No.	Allocated Amount
General Fund Poverty Based Assistance			0001	81,877,284 38,544,713
General Fund			0001	120,421,997
Title I - Grants to Local Educational Agencies	C1	84.01	0572	8,960,093
Title IIA - Agencies Improving Teacher Quality- Reducing Class Size	TR	84.367	0590	2,937,461
Safe and Drug Free Schools & Communities	DR	84.186	0584	131,674
Special Education - Grants to States	6B	84.027	0516	3,418,809
<b>Total School-Wide Pool</b>	<b>2</b>			<b>135,870,034</b>

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## **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  
Cincinnati City School District  
Hamilton County  
2651 Burnet Avenue  
Cincinnati, Ohio 45431

We have audited the financial statements of the government activities, each major fund, and the aggregate remaining fund information of the Cincinnati City School District, Hamilton County, Ohio (the "School District") as of and for the year ended June 30, 2009, which collectively comprise the School District's financial statements and have issued our report thereon dated January 29, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the 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. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting and labeled as 2009-001.

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.



Cincinnati City School District  
Hamilton 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*

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 consider the following deficiency, described in the accompanying schedule of findings and questioned costs as item No. 2009-001, to be a material weakness.

**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*.

We noted certain noncompliances and other matters that we reported to management of the School District in a separate letter dated January 29, 2010.

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

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  
January 29, 2010

# Caudill & Associates, CPA's

725 5<sup>th</sup> Street  
Portsmouth, OH 45662

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## **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  
Cincinnati City School District  
Hamilton County  
2651 Burnet Avenue  
Cincinnati, Ohio 45431

### **Compliance**

We have audited the compliance of Cincinnati City School District, Hamilton 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, 2009. 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, 2009.

### **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  
Cincinnati 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 Cincinnati City School District'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 Cincinnati City School District'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 Cincinnati City 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 material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Cincinnati City School District's internal control.

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

**Federal Awards Receipts and Expenditures Schedule**

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School District as of and for the year end June 30, 2009. Our audit was performed to form opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying federal awards receipts and expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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  
January 29, 2010

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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**FOR THE YEAR ENDED JUNE 30, 2009**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(ii)</i>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(ii)</i>	<b>Were there any significant control deficiency(ies) reported at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(iii)</i>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weakness reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant internal control deficiency(ies) for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	Title 1 Basic Grant –CFDA 84.010 – Title 1 Neglected and Delinquent - CFDA 84.013 – Temporary Assistance for Needy Children & Families, CFDA 93.558
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A\B Programs</b>	\$2,109,209
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	Yes

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2009**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2009-001**

**Significant Deficiency/Material Weakness – Control Deficiency – Financial Statement Findings**

During the course of our audit engagement, we identified a major fund(building fund) that was included in the comprehensive annual financial report as a non-major fund (whose itemized information was reported in the combining balance sheet section) but should have been classified as a major fund and not in the other governmental funds classification in the basic financial statements. Reclassifications were made from the other governmental funds category to the major fund building category.

We also noted during our audit procedures that the following two adjustments to the financial statements were necessary:

- (1) A prior period adjustment was booked by the School District at June 30, 2008 in the Bond Retirement Fund and the Government Activities (entity wide) were restated from balances previously reported due to an error in the recording of a general obligation notes payable.
- (2) A prior period audit adjustment was necessary for an Ohio School Facilities Commission (OSFC) receivable in the amount of \$31,589,104 due to two OSFC amendments that were not considered during the GAAP compilation. The auditors had no previous knowledge of those agreements prior to the 2009 audit period.

The School District hires an outside firm to prepare its financial statements on a generally accepted accounting principles basis. However, the School District should implement sufficient controls over financial reporting to ensure that financial statements presented for audit are free of material misstatement. Failure to implement the internal controls over financial reporting may result in the presentation and misleading and materially misstated financial statements.

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2009**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2009-001 (Continued)**

**Significant Deficiency/Material Weakness – Control Deficiency – Financial Statement Findings (Continued)**

Once the financial statements and the comprehensive annual financial report have been prepared, we recommend that management conduct a detailed review of those documents. We also recommend that the School District and outside firm preparing the GAAP financial statements implement internal controls over financial reporting to ensure that financial statements presented for audit are free of material misstatements.

**School District's Response:**

The administration recognizes that we need to implement a review process to catch communication errors with and/or misstatements by our consultants. However, we believe it is important to make clear to the reader that all assets were properly protected and nothing was lost or purposefully misstated.

**CINCINNATI CITY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
*OMB CIRCULAR A-133 §.505***

**FOR THE YEAR ENDED JUNE 30, 2009**

<b>3. FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS</b>
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No reportable matters.

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A-133 § .315 (b)  
FOR THE YEAR ENDED JUNE 30, 2009**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2008-001	Procurement Card Disbursements	Partially	Management Letter Comment
2008-002	Schedule of Expenditures of Federal Awards	Yes	N/A
2008-003	Federal Programs Inventory	Yes	N/A



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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Education  
Cincinnati Public School District  
2651 Burnet Ave  
Cincinnati, Ohio 45219

Ohio Revised Code Section 117.53 states that "the auditor of state shall identify whether the school district or community has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Cincinnati Public School District, Hamilton County, (the School District) has adopted an anti-harassment policy in accordance with Ohio Revised Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on April 28, 1986, and re-adopted the policy at its meeting on April 4, 2008.
2. We read the policy, noting it included the following requirements from Ohio Revised Code Section 3313.666(B):
  - 1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
  - 2) A definition of harassment, intimidation, or bullying that shall include the definition in division (A) of Ohio Revised Code Section 3313.666;
  - 3) A procedure for reporting prohibited incidents;
  - 4) A requirement that the school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
  - 5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
  - 6) A procedure for documenting any prohibited incident that is reported;
  - 7) A procedure for responding to and investigating any reported incident;
  - 8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
  - 9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment of the Constitution of the United States;

Cincinnati Public School District  
Hamilton County  
Independent Accountant's Report on Applying Agreed Upon Procedures

- 10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Education 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  
January 29, 2010



# Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2009





***CINCINNATI CITY SCHOOL DISTRICT, OHIO***

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*Hamilton County, Ohio*

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2009**

*Prepared by:*  
Jonathan Boyd  
Treasurer/CFO



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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HAMILTON COUNTY, OHIO**

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**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**III**

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# Introductory Section





**Board of Education ★ City School District of the City of Cincinnati ★ Office of the Treasurer  
PO Box 5384 ★ Cincinnati, OH 45201-5384 ★ Phone: 1-513-363-0425 ★ FAX: 1-513-363-0415**

January 29, 2010

To the Honorable Board of Education and  
Citizens of the Cincinnati City School District

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Board of Education of the Cincinnati City School District (the "District") for the fiscal year ended June 30, 2009. This report was prepared by the Office of the Treasurer/CFO and includes the report of the independent auditor, Caudill & Associates. The independent auditors' report concludes that the District's financial statements for the year ended June 30, 2009 are prepared in conformity with generally accepted accounting principles. The independent auditor's report is included as the first component of the financial section of this report.

This report also contains the financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the District. The responsibility for the accuracy of all data presented and its completeness and fairness of presentation rests with the office of the Treasurer/CFO. All disclosures necessary to enable the reader to gain an understanding of the District's activities have been included herein.

The District uses Oracle Public Sector General Ledger, an automated, on-line general ledger accounting system, which provides the capability to prepare financial information based on generally accepted accounting principles (GAAP) for governments. Oracle Public Sector General Ledger is the basis for the District's accounting, budgetary, purchasing and fixed assets controls. The financial statements contained in the CAFR have been prepared from this system, implemented by the Treasurer's office in January 1995 and upgraded to the latest 11.5.10 release in June 2005.

Internal accounting controls are an integral part of this system and are designed to achieve the fundamental objectives of safeguarding assets, providing reasonable assurance that financial transactions are properly recorded, and ensuring that adequate accounting data are compiled to allow for the preparation of financial statements in accordance with GAAP. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgment by management.

## ***CINCINNATI CITY SCHOOL DISTRICT, OHIO***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2009***

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The MD&A provides a narrative introduction, overview and analysis to accompany the basic financial statements. This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Auditors' Report. This Report can be found on the District's web site: <http://www.cps-k12.org>.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations (June, 2003 Revision)*. Information related to this single audit, including a schedule of federal financial assistance, the independent auditors' reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs, are included in a separately issued single audit report.

### ***Profile of the District***

The District includes all of the City of Cincinnati, Amberley Village, Cheviot, Golf Manor, most of the City of Silverton, a part of Fairfax, part of Wyoming and parts of Anderson, Columbia, Delhi, Green and Springfield Townships with a total area of approximately 90 square miles.

The District operates 58 schools: 42 elementary schools and 16 high schools. Several high school buildings contain more than one school. Through the use of a five-year building and maintenance plan, all facilities are kept in the best operating and physical condition possible. The District has been sensitive to an energy conservation program and is in the sixth year of a \$985 million, 10-year facilities improvement program.

The District's average daily student enrollment (K-12) for the 2008-09 school year was 33,121 students. The District served 66% of the 50,020 children who reside within its boundaries. The majority of enrolled students were members of ethnic minorities -- in the 2008-09 school year, 68.8 percent of students were African-American, 0.8 percent were Asian, 23.7 percent were Caucasian, 0.1 percent were Native American, 4.6 percent were other/multiracial, and 1.9 percent were Hispanic.

A significant majority of students in the District -- 70.45 percent were on free or reduced lunch plans during the 2008-09 school year. Seventy-two percent of the District's elementary schools served student populations that were 75 percent or higher in poverty. Sixty-eight and seven-tenths percent of the students attending were served with Special Education needs.

Transportation was provided daily for 15,487 public students, 3,891 for charter students and 4,214 for non-public students. Buses traveled an average of 29,690 miles each day. A self-supporting Food Services Department served an average of 18,691 lunches and 11,757 breakfasts per day for the 2008-09 school year.

## *CINCINNATI CITY SCHOOL DISTRICT, OHIO*

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### *Letter of Transmittal*

*For the Fiscal Year Ended June 30, 2009*

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The District offers a comprehensive academic curriculum through the following programs: college preparatory classes, advanced placement courses, gifted education vocational programs and a full range of services in special education. The District provides tutorial help, resource rooms, speech/language therapy, psychological services and counseling. In addition to academic and related services, the District also offers students the opportunity to participate in a wide range of extracurricular activities to extend their learning and increase their enjoyment of school. On the State of Ohio's 2008-09 Report Card, the District is in its fifth year of "Continuous Improvement" and continues to make gains in academic achievement.

The Board of Education of the Cincinnati City School District (Board) is a body both politic and corporate charged with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by the general laws of the State of Ohio (Ohio Revised Code). The Board is comprised of seven (7) members who are elected for overlapping four-year terms. The Board members during the fiscal year ended June 30, 2009 were:

	<u>Date Current Term Commenced</u>	<u>Present Term Expires</u>
Eileen Cooper Reed, President	01/01/06	12/31/09
Melanie Bates, Vice President	01/01/06	12/31/09
Eve Bolton	01/01/08	12/31/11
Susan Cranley	01/01/06	12/31/09
Michael Flannery	01/01/08	12/31/11
Catherine Ingram	01/01/06	12/31/09
Chris Nelms	01/01/08	12/31/11

The Superintendent is the chief executive officer of the District, responsible directly to the Board for all educational and support operations. The Superintendent is appointed by the Board for a term not longer than five years and is responsible for administering Board-adopted policies, expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the schools governed by the Board.

The Cincinnati Board of Education named Mary A. Ronan as the Superintendent effective April 16, 2009 for a term expiring July 31, 2012. Mrs. Ronan began her 33-year career with Cincinnati Public Schools as a math and science teacher at the former Merry Middle School – a building that now houses her office as Superintendent in the district's Education Center.

A native Cincinnati, her service to CPS' schoolchildren features a diverse background in teaching and administration in neighborhood and magnet school settings at both elementary and high schools. As principal of Kilgour Elementary School, she was honored by the U.S. Department of Education with the designation of Kilgour in 2001 as a National Blue Ribbon School.

## ***CINCINNATI CITY SCHOOL DISTRICT, OHIO***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2009***

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Mrs. Ronan's experiences in district administration include appointments as assistant superintendent and director of schools, roles in which she worked with principals to enhance leadership skills. At both the school and central administration levels, she has earned a reputation for building strong, supportive and open relationships with her staff as well as parent and community stakeholders. In 2005, she received the Excellence in Educational Leadership Award from The University Council for Educational Administration.

In her current position, Mrs. Ronan has been widely credited for leading a seamless transition from the administration of Rosa Blackwell, who retired in July, 2008. Mrs. Ronan's priorities have been to enhance collaboration and transparency while accelerating academic achievement. She has introduced new strategies designed to increase student performance, including the *Elementary Initiative: Ready for High School*, which provides intensive support for the district's 15 lowest performing elementary schools. At the high school level, Mrs. Ronan has focused on increasing academic rigor of course offerings and expanding college access.

She holds bachelor's degrees in biology, education and philosophy; and a master's degree in business administration. In addition, she serves on numerous boards of civic, cultural, educational and social service organizations. Mrs. Ronan considers as a great privilege the opportunity lead the district in preparing the next generation of Cincinnati's young people with the skills required by a fast-paced, technologically demanding global economy. With her current leadership in developing new Science, Technology, Engineering, and Mathematics (STEM) elementary and high schools and partnering in a record \$20 million grant from the GE Foundation to improve math and science education in the district, her career has come full circle from her initial days as a math and science junior high school teacher.

The Treasurer/CFO is appointed by the Board for a term not longer than five years and serves as the chief financial officer of the Board of Education and, with the president of the Board of Education, executes all conveyances made by the Board of Education. The Treasurer is responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets and investing idle funds as specified by Ohio Law.

The Board appointed Jonathan L. Boyd as Treasurer/CFO for a three-year term commencing May 1, 2007 and ending July 31, 2010. In October 2009 the Board extended his contract through July 31, 2012. Mr. Boyd holds a Masters Degree in Administration from Central Michigan University and has served as a Treasurer in other Ohio Public Schools for the past 24 years. In 1998 Mr. Boyd was recognized by the Foundation of School Business Management as the Treasurer of Year for his accomplishments in serving Ohio Public Schools.

### **Local Economic Condition and Outlook**

The economy of the District is based on a wide diversity of industry. The major sources of revenue to the District are local property taxes on real and personal property, along with State aid. Other funds, such as lunch and special classes are funded for their expenditures by designated State and Federal grants.



## ***CINCINNATI CITY SCHOOL DISTRICT, OHIO***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2009***

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The City of Cincinnati, founded in 1788 and incorporated in 1819, is the hub of a metropolitan area ranking second in Ohio and sixteenth in the United States in value of manufacturing output. Located strategically on the Ohio River, it has developed into a major industrial and shipping center. As a major shipping route, the Ohio River handles as much tonnage as the St. Lawrence Seaway and the Panama Canal combined.

A transportation and industrial center since the early development of the territory west of the Appalachians, the Cincinnati Metropolitan Area has developed into a major center for insurance and finance companies; wholesaling and retailing; government installation, medical services, and service industries as well as manufacturing.

Metropolitan Cincinnati was expanded to include 15 counties in mid-2003: Hamilton, Warren, Clermont, Butler and Brown counties in Ohio; Dearborn, Franklin and Ohio counties in Indiana; and Kenton, Boone, Bracken, Campbell, Grant, Gallatin and Pendleton counties in Kentucky. There are approximately 3.7 million net square feet of office space in the downtown Cincinnati area and 23.3 million net square feet in suburban office buildings and parks. There are approximately 239.7 million square feet of industrial space and 47.5 million square feet of retail space in the area (2.6 million square feet downtown). Retail sales for 2005 in Hamilton County topped \$14.0 billion and sales surpassed \$29.6 billion for the entire Cincinnati Metropolitan Statistical Area (MSA).

Among the Metropolitan Area's more prominent manufacturing groups are transportation equipment, which includes aircraft engines and motor vehicle parts; food and kindred products; metal working and general industrial machinery; chemicals; fabricated metal products; and printing and publishing. This diverse economic base continues to be a source of stability for the area, protecting it from severe peaks and valleys in the business cycle. Total wage and salary employment in Hamilton County was estimated at 575,700 in 2005 by the U.S. Department of Commerce's Bureau of Economic Analysis. Hamilton County is home to 56% of all regional jobs and to approximately 25,000 business and industry establishments.

The Ohio Bureau of Employment Services estimated total employment in Hamilton County at 393,456 at June 30, 2009. This 89.9% employment rate is slightly above the State of Ohio employment rate of 88.9% at June 30, 2009 and trails the national rate of 90.3% at this date.

More than half of the nation's population, manufacturers, and purchasing power are located within 600 miles of Greater Cincinnati. The corporate headquarters of numerous firms are located in the Metropolitan Area, including eleven 2004 Fortune 500 corporations: the Kroger Company, Procter and Gamble, Federated Department Stores, Ashland Inc., Fifth Third Bancorp, CInergy, AK Steel, Western & Southern Financial Group, Omincare, Inc, American Financial Group and Cincinnati Financial Corporation. The national headquarters for Sara Lee Foods and the North American headquarters for Lenscrafters are also located in the area.

## ***CINCINNATI CITY SCHOOL DISTRICT, OHIO***

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2009***

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The Metropolitan Area is a growing center for international business, with approximately 1,000 firms engaged in international trade. Metropolitan Area companies annually generate sales of more than \$6.7 billion to customers outside the U.S. Major export products include jet engines, plastics, machinery, computers and software technology and consumer goods. Nearly 300 Greater Cincinnati firms are owned by foreign firms from Japan, England, Western Europe and Canada, among other countries. Twenty-five percent (25%) of all jobs in the Metropolitan Area are related to exporting. Cincinnati exports more than any other city in Ohio and is ranked twenty-first (21<sup>st</sup>) in the United States.

### **Long-term Financial Planning**

During FY 2007 the District fully implemented the Fiscal Responsibility Plan. The District continues to identify and execute further opportunities to reduce costs and right-size staffing levels.

The District continues to see the results of its long-term financial planning. The District met or exceeded its budget goal for the fifth straight year. We were again able to meet this goal because of our continuing effort to right-size the District, aggressively monitoring and evaluating spending and the District is making aggressive efforts to attract and retain students.

### ***Facilities Master Plan (FMP) Surges Forward***

The District's ten-year, \$985 million Facilities Master Plan (FMP) officially launched with the passage of a \$480 million bond issue in May 2003. During the period from January 2005 thru June 2009, the District has either renovated or constructed a total of 25 schools. By the end of 2009 there will be 12 additional schools either being renovated or under construction for the next phase of the Facilities Master Plan. The District's new schools are distinctive, eye-catching buildings, with technology-ready classrooms and stand-out architectural features that provide an abundance of natural light and include courtyards that invite outdoor learning, and welcoming rotundas. As state-of-the-art, 21<sup>st</sup> century schoolhouses, these buildings quickly will become local landmarks and community anchors. The District's FMP is now fully funded.

The District's 10-year rebuilding plan will generate an economic impact of \$2.35 billion for Greater Cincinnati, including creating 2,339 jobs and \$718 million in wages, according to a University of Cincinnati study. To help more businesses get a piece of that pie, the district has revamped its policies to generate more opportunities for Small Business Enterprises (SBE) and Disadvantaged Business Enterprises (DBE), which includes small businesses, and minority- and female-owned businesses. The District's expanded [Supplier Diversity Program](#) is working to cultivate new relationships with a broader base of businesses. Beginning July 2003 through June 2009, over 48% of the District's construction contracts were awarded to SBE, DBE and minority owned enterprises, exceeding the Board's 25% goal.

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Letter of Transmittal* *For the Fiscal Year Ended June 30, 2009*

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### **Awards and Acknowledgments**

***GFOA Certificate of Achievement.*** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2008. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The June 30, 2008 CAFR was the ninth consecutive CAFR prepared by the District to receive this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

***Independent Audit.*** State statute requires an annual audit be performed by the Auditor of State or by an independent certified public accountant approved by the Auditor of State. The Auditor of State has contracted the District Audit for fiscal year ended June 30, 2009 to Caudill & Associates, an independent certified public accounting firm. In addition to meeting the requirements of state statutes, the audit was also designed to meet the requirements of the federal Single Audit Act of 1984, the 1996 amendments thereto, and the related U.S. Office of Management and Budget's Circular A-133. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

***Acknowledgments*** The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Treasurer's Department. I would like to express my sincere appreciation to Mrs. Teresa A. Johnson, CPA, Assistant Treasurer/Controller and to all other members of the Department. I am also grateful for the professional services of Donald J. Schonhardt & Associates and Bastin & Company, LLC, for their assistance in preparing this report. Due credit should also be given to the Board of Education and the Superintendent for their leadership and support in planning and conducting the operations of the District in a responsible and progressive manner.

Sincerely,



Jonathan L. Boyd  
Treasurer/CFO

## ***CINCINNATI CITY SCHOOL DISTRICT, OHIO***

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### ***List of Principal Officials June, 30, 2009***

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#### **Members of the Board of Education:**

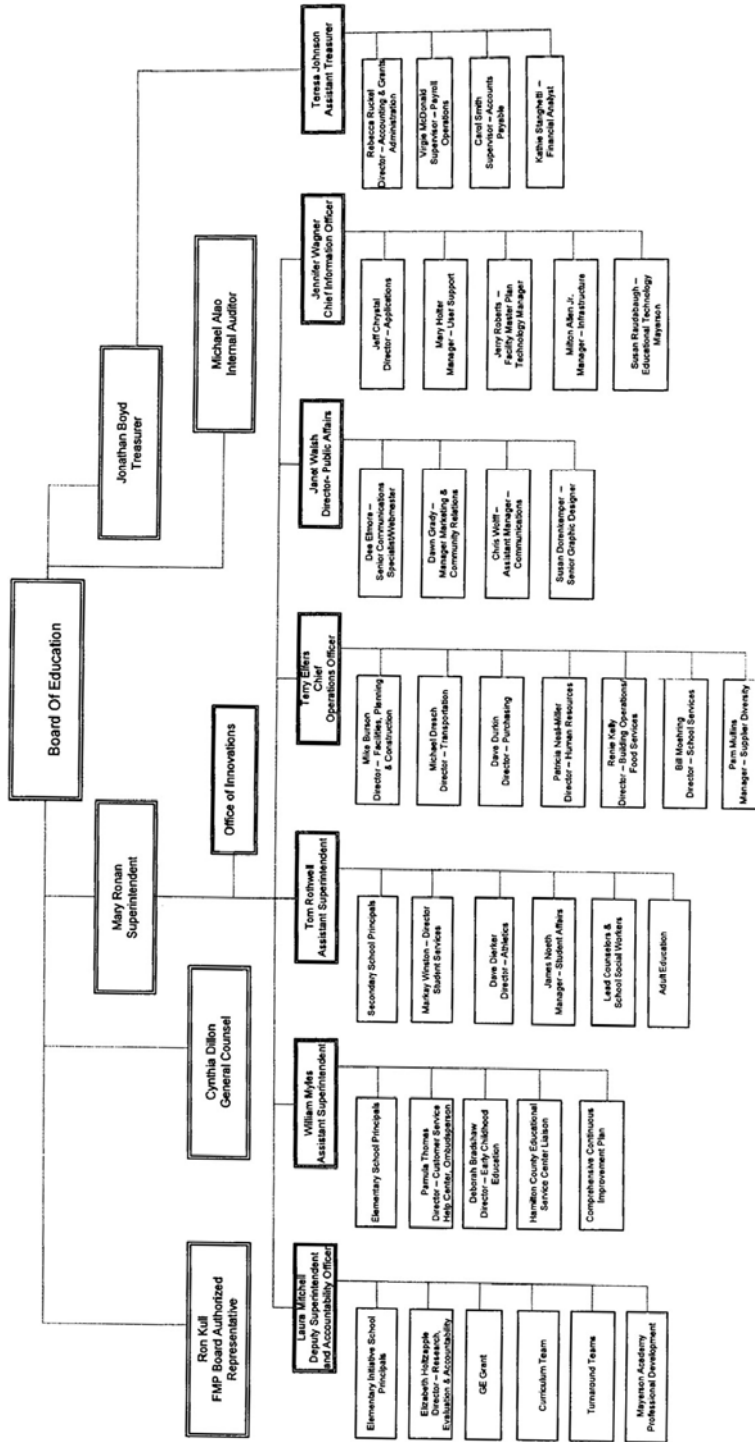
<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Eileen Cooper Reed	President	December 31, 2009
Melanie Bates	Vice President	December 31, 2009
Eve Bolton	Member	December 31, 2011
Susan Cranley	Member	December 31, 2009
Michael Flannery	Member	December 31, 2011
Catherine D. Ingram	Member	December 31, 2009
A. Chris Nelms	Member	December 31, 2011

#### **District Administration:**

<b><u>Name</u></b>	<b><u>Title</u></b>
Mary Ronan	Superintendent
Jonathan L. Boyd	Treasurer/CFO
Michael Alao	Internal Auditor
Cynthia Dillon	General Counsel
Laura Mitchell	Deputy Superintendent
William Myles	Assistant Superintendent
Tom Rothwell	Assistant Superintendent
Terry Elfers	Chief Operations Officer
Jennifer M. Wagner	Chief Information Officer
Teresa Johnson	Assistant Treasurer
Janet Walsh	Director of Public Affairs
Patricia Neal-Miller	Director of Human Resources

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## School District Organizational Chart For the Fiscal Year Ended June, 30, 2009



**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to  
**Cincinnati City School District  
Ohio**

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

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.



A handwritten signature in black ink, appearing to read "JEFFREY R. ERWIN".

President

A handwritten signature in black ink, appearing to read "JEFFREY R. ERWIN".

Executive Director



# Financial Section





# Caudill & Associates, CPA's

725 5<sup>th</sup> 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  
Cincinnati City School District  
Hamilton County  
2651 Burnet Avenue  
Cincinnati, Ohio 45431

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cincinnati City School District, Cincinnati, Ohio, (the "School District"), as of and for the year ended June 30, 2009, 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 Cincinnati City School District, Cincinnati, Ohio, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund and the Schoolwide Building Program Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in Note 2 to the basic financial statements, certain errors resulting in the balances reported at June 30, 2008 in the Bond Retirement Fund and the Governmental Type Activities were restated from balances previously reported due to an error in the recording of a general obligation note payable. Additionally the balances reported as June 30, 2008 in the Governmental Type Activities were restated from balances previously reported due to an error in the recording of intergovernmental receivables.

Cincinnati City School District  
Hamilton County  
Independent Auditor's Report

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2010, on the School 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 12 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

January 29, 2010

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2009*

*Unaudited*

---

The discussion and analysis of the Cincinnati City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

## **FINANCIAL HIGHLIGHTS**

### **Key financial highlights for 2009 are as follows:**

General revenues accounted for \$477,396,338 in revenue or 76.8% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$144,131,384 or 23.2% of total revenues of \$621,527,772.

The District had \$572,356,769 in expenses related to governmental activities; only \$144,131,384 of these expenses was offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$289,383,877, revenue in lieu of taxes totaling \$10,919,337, unrestricted state and federal revenues totaling \$165,610,526, investment earnings totaling \$10,097,650 plus prior year carry over revenues) were adequate to provide for these programs.

The assets of the District exceeded its liabilities at June 30, 2009 by \$455,120,421 (net assets). Of this amount, \$90,286,275 is considered unrestricted and may be used to meet the District's on-going obligations.

The District's total net assets increased \$49,170,953 in fiscal year 2009, which represents a 12.1% increase from the fiscal year 2008 balance. The increase in fiscal year 2009 is attributable to an overall increase of 7.2% in revenues offset by a 2.1% increase in program expenses. Increased revenues were recognized for charges for services, property taxes and grants and entitlements. Increased depreciation expense on the District's capital assets and increased expenses related to pupil transportation are the primary causes for the overall increases in program expenses during fiscal year 2009.

Among major funds, the general fund had \$430,224,221 in revenue, \$285,674,042 in expenditures and (\$112,171,748) in net other financing uses, resulting in the general fund balance increasing by \$32,378,431 to \$74,092,307.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts – management's discussion and analysis, the basic financial statements, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Management's Discussion and Analysis For the Fiscal Year Ended June, 30, 2009*

*Unaudited*

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These statements are as follows:

*The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.

*The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

### **Government-wide Statements**

The government-wide statements report information about the District as a whole using accounting similar to those used by private-sector companies. The statement of net assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net-assets (the difference between the District's assets and liabilities) are one way to measure the District's financial health or position.

Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, and student enrollment growth and facility conditions.

The government-wide financial statements of the District fall into one category:

*Governmental Activities* – All of the district's programs and services are reported here including instruction, support services, non-instructional and extracurricular activities.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2009**

**Unaudited**

**Proprietary Fund** – The District utilizes an internal service fund to report activities that provide services for the District's other programs and activities. The Proprietary fund is reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities.

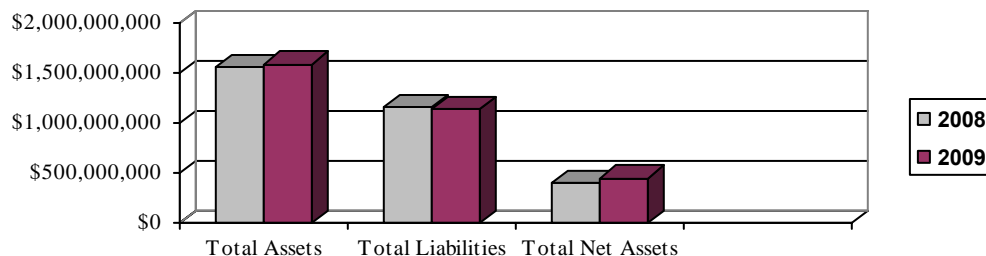
**Fiduciary Funds** – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District's net assets for 2009 compared to 2008:

	Governmental Activities		Increase (Decrease)
	2009	Restated 2008	
Current and other assets	\$904,518,731	\$975,725,711	(\$71,206,980)
Capital assets, Net	681,736,839	581,481,677	100,255,162
Total assets	1,586,255,570	1,557,207,388	29,048,182
Long-term debt outstanding	807,380,401	828,296,502	(20,916,101)
Other liabilities	323,754,748	322,961,418	793,330
Total liabilities	1,131,135,149	1,151,257,920	(20,122,771)
Net assets			
Invested in capital assets, net of related debt	326,129,887	273,865,981	52,263,906
Restricted	38,704,259	96,576,946	(57,872,687)
Unrestricted	90,286,275	35,506,541	54,779,734
Total net assets	\$455,120,421	\$405,949,468	\$49,170,953

**Cincinnati City Schools Governmental Activities**



## CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis  
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*Unaudited*

**Changes in Net Assets** – The following table shows the net assets for the fiscal year 2009 compared to 2008:

	Governmental Activities		Increase (Decrease)
	2009	2008	
Revenues			
Program revenues:			
Charges for Services	\$17,931,672	\$14,586,414	\$3,345,258
Operating Grants	126,199,712	127,168,655	(968,943)
Capital Grants	0	719,912	(719,912)
General revenues:			
Property Taxes	289,383,877	233,410,409	55,973,468
Revenue in Lieu of Taxes	10,919,337	10,948,197	(28,860)
Grants and Entitlements	165,610,526	150,048,088	15,562,438
Other	11,482,598	42,916,205	(31,433,607)
Total revenues	<u>621,527,722</u>	<u>579,797,880</u>	<u>41,729,842</u>
Program Expenses			
Instruction:			
Regular	218,216,256	175,998,596	42,217,660
Special	72,987,430	72,421,383	566,047
Vocational	5,796,782	7,216,845	(1,420,063)
Other	677,824	40,553,924	(39,876,100)
Support Services:			
Pupils	25,454,794	23,484,223	1,970,571
Instructional Staff	44,172,580	44,812,063	(639,483)
Board of Education	443,575	403,963	39,612
Administration	33,399,805	33,167,537	232,268
Fiscal Services	2,982,641	2,905,859	76,782
Business	1,382,889	1,217,184	165,705
Operation and Maintenance of Plant	41,344,253	40,791,667	552,586
Pupil Transportation	29,877,750	23,321,223	6,556,527
Central	19,309,398	19,888,633	(579,235)
Non-Instructional Services	34,574,667	32,584,206	1,990,461
Extracurricular Activities	6,727,253	5,066,751	1,660,502
Interest and Fiscal Charges	35,008,872	36,789,707	(1,780,835)
Total expenses	<u>572,356,769</u>	<u>560,623,764</u>	<u>11,733,005</u>
Total Change in Net Assets	49,170,953	19,174,116	29,996,837
Beginning Net Assets	405,949,468	423,164,824	(17,215,356)
Restatement - See Note 2	0	(36,389,472)	36,389,472
Ending Net Assets	<u>\$455,120,421</u>	<u>\$405,949,468</u>	<u>\$49,170,953</u>

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Management's Discussion and Analysis For the Fiscal Year Ended June, 30, 2009

Unaudited

The most significant reasons for the \$49.17 million increase in Net Assets from FY 2008 to FY 2009 are as follows:

The District's total net assets increased \$49,170,953 in fiscal year 2009, representing a 12.1% increase from the ending fiscal year 2008 net asset balance. In comparison, total net assets decreased in fiscal year 2008 by \$17,215,356 (including the prior period adjustment of \$36,389,472).

The majority of the increase in fiscal year 2009 net assets is attributable to an overall 7.2% increase in revenues offset by a 2.1% increase in program expenses.

Property taxes revenues increased \$55.97 million. Voter-approved tax levies increased the amounts of property tax revenues collected compared to amounts for fiscal year 2008. In addition, increases in charges for services recognized as program revenues and grants and entitlements recognized as general revenues also contributed to an overall increase in revenues.

Total expenses increased largely due to increased instructional expenses, increased depreciation expense on the District's capital assets and increased expenses related to pupil transportation.

### Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home value at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service.

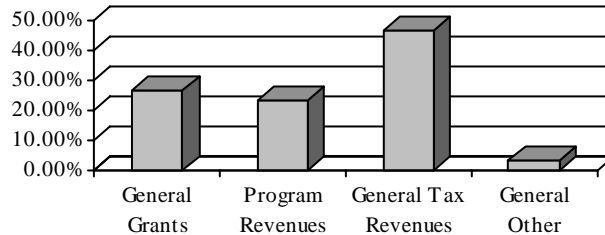
Property taxes made up 46.6% of revenues for governmental activities for the Cincinnati City School District in fiscal year 2009. The District's reliance upon tax revenues is demonstrated by the following table and graph:

Revenue Sources	2009	Percent of Total
General Grants	\$165,610,526	26.65%
Program Revenues	144,131,384	23.19%
General Tax Revenues	289,383,877	46.56%
General Other	22,401,935	3.60%
Total Revenue	<u>\$621,527,722</u>	<u>100.00%</u>

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2009**

*Unaudited*



## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$465,258,023, which is less than last year's total of \$518,495,663. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2009 and 2008.

	Fund Balance June 30, 2009	Restated Fund Balance June 30, 2008	Increase (Decrease)
General	\$74,092,307	\$41,713,876	\$32,378,431
Schoolwide Building Program	(9,015,698)	(9,259,870)	244,172
Building Capital Projects	336,370,961	359,146,867	(22,775,906)
Classroom Facilities			
Capital Projects	43,317,099	94,474,011	(51,156,912)
Other Governmental	20,493,354	32,420,779	(11,927,425)
<b>Total</b>	<b>\$465,258,023</b>	<b>\$518,495,663</b>	<b>(\$53,237,640)</b>

The increase in the District's General Fund is largely due to recognizing increased property taxes as voter-approved tax levies increased revenues for 2009. Increases in grants and entitlements also contributed to an overall increase in revenues.

The Schoolwide Building Project Fund was established during 2008 to pool Federal state and local funds in order to upgrade the overall instructional program of a school building where at least 40 percent of the children are from low-income families. Funds are transferred when cash is required rather when accrual occur.

The decreases in the Building Capital Projects Fund balance and in the Classroom Facilities Capital Projects Fund are due to the continued payments made to vendors during fiscal year 2009. The FMP program activity increased as seven new schools became operational in 2009.



## CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2009**

**Unaudited**

**General Fund** – The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2009 Revenues	2008 Revenues	Increase (Decrease)
Taxes	\$255,036,981	\$212,873,538	\$42,163,443
Tuition	990,392	1,561,674	(571,282)
In Lieu of Taxes	5,919,337	5,949,847	(30,510)
Investment Earnings	1,753,549	4,019,795	(2,266,246)
Intergovernmental - State	162,253,326	153,637,758	8,615,568
Intergovernmental - Federal	3,682,450	1,932,309	1,750,141
All Other Revenue	588,186	601,165	(12,979)
<b>Total</b>	<b>\$430,224,221</b>	<b>\$380,576,086</b>	<b>\$49,648,135</b>

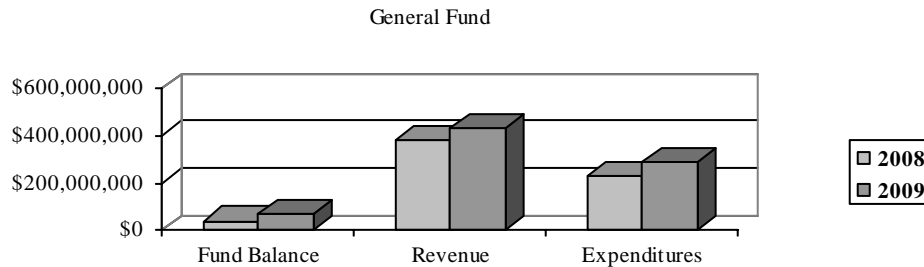
General Fund revenues in 2009 increased from 2008 primarily due to increased property taxes revenues as a result of voter-approved tax levies passed 2008 as well as from increases in state and Federal grants and entitlements. These increases in revenues were offset by lower investment earnings.

	2009 Expenditures	2008 Expenditures	Increase (Decrease)
<b>Instruction:</b>			
Regular	\$120,814,367	\$74,697,670	\$46,116,697
Special	32,110,608	31,093,339	1,017,269
Vocational	4,721,725	5,574,640	(852,915)
Other	47,889	441,675	(393,786)
<b>Supporting Services:</b>			
Pupils	14,934,657	12,163,533	2,771,124
Instructional Staff	12,008,084	11,572,925	435,159
Board of Education	432,078	398,416	33,662
Administration	17,607,839	15,852,466	1,755,373
Fiscal Services	2,120,487	2,023,194	97,293
Business	908,127	876,504	31,623
Operation and Maintenance of Plant	30,465,673	32,804,812	(2,339,139)
Pupil Transportation	28,922,427	21,959,056	6,963,371
Central	14,375,604	14,658,469	(282,865)
Extracurricular Activities	3,808,798	3,336,054	472,744
Capital Outlay	1,268,751	592,227	676,524
<b>Debt Service:</b>			
Interest & Fiscal Charges	1,126,928	1,441,708	(314,780)
<b>Total</b>	<b>\$285,674,042</b>	<b>\$229,486,688</b>	<b>\$56,187,354</b>

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2009*

*Unaudited*



The \$56.2 million increase in total expenditures is a result of an increase of student enrollment which required more instructional and support staff directly related to students as well as an increase in student transportation costs.

During the course of fiscal year 2009 the District amended its General Fund budget for revenues and expenditures several times.

The General Fund's final budgeted revenues were decreased 1.1% or \$5.1 million compared to the original budget estimates due to reducing estimated revenues primarily for property taxes and state and Federal grant revenues. Appropriations were increased by 2.6% or \$8.8 million primarily for increased estimated costs to support instructional and support staff as a result of increased student enrollment. The District also made revisions to appropriated amounts as a result of its continued conservative spending levels determined by the Fiscal Accountability Plan.

Actual final budget basis revenues were 8.2% below, or \$36.8 million, final budgeted amounts primarily as a result of lower property tax receipts collected by Hamilton County. Actual final budget basis expenditures were lower than final appropriated amounts and varied by 14% or \$48.2 million.

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## CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2009*

*Unaudited*

### CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets** - At the end of fiscal 2009 the District had \$681,736,839 net of accumulated depreciation invested in land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and construction in progress. The following table shows fiscal year 2009 balances:

	Governmental Activities		Increase (Decrease)
	2009	2008	
Land	\$36,166,393	\$35,594,698	\$571,695
Construction in Progress	181,889,927	178,386,451	3,503,476
Land Improvements	9,185,640	9,367,759	(182,119)
Buildings and Improvements	550,617,663	461,124,402	89,493,261
Furniture, Fixtures and Equipment	5,042,196	5,030,308	11,888
Vehicles	629,654	629,654	0
Less: Accumulated Depreciation	(101,794,634)	(108,651,595)	6,856,961
Totals	\$681,736,839	\$581,481,677	\$100,255,162

For financial reporting purposes the District capitalizes all assets in excess of \$25,000 unless they are purchased with Federal funding, in which case the threshold is \$5,000. The \$89,493,261, net increase in Buildings and Improvements during 2009 was a result of completing construction of seven building projects as part of the District's ten year, \$985 million Facilities Master Plan and reclassified from construction in progress to other asset classifications as well as for those schools where construction continued during 2009 and remained classified as construction in progress. The increase in capital asset balances, coupled with changes in debt balances, contributed to a net increase in Government Activities Investment in Capital Assets, Net of Related Debt in the amount of \$52,263,906. The net decrease in the balance of the Restricted for Capital Projects in the amount of \$41,556,835 was the result of the continuing activity within the District's capital facility plans. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 10).

**Debt** - At June 30, 2009, the District had \$628,860,293 in General Obligation Bonds outstanding, \$24,677,876 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2009:

	2009	2008
Governmental Activities:		
General Obligation Bonds	\$628,860,293	\$651,203,169
Capital Leases	124,116,676	125,367,234
Compensated Absences	54,403,432	51,726,099
Totals	\$807,380,401	\$828,296,502

Detailed information regarding debt is included in the notes to the basic financial statements (Notes 13-15).

# **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2009*

*Unaudited*

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## **ECONOMIC FACTORS**

The economy of the District is based on a wide diversity of industry. The major sources of revenue to the District are local property taxes on real and personal property, along with State aid. Other program expenditures, such as those for the free and reduced lunch program and special needs classes and those to meet the requirements of No Child Left Behind are funded by designated State and Federal grants.

The faltering economy, an increase in student enrollment and anticipated deep cuts coming from the state will challenge the district budget while continuing successful programs currently in place as well as implementing new elementary initiatives. The District continues to be vigilant in creating efficiencies in all operations in order to balance the budget. The diverse economic base will continue to be a source of stability for the area, protecting it from severe peaks and valleys in the business cycle.

### **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Jonathan Boyd, Treasurer/CFO of the Cincinnati City School District, 2651 Burnet Avenue, P.O. Box 5384, Cincinnati, Ohio 45201-5384



# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Statement of Net Assets June 30, 2009

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in Pooled Cash and Investments	\$ 491,223,040
Investments	192,641
Receivables:	
Taxes	340,220,312
Accounts	156,853
Intergovernmental - State and Local	38,029,980
Intergovernmental - Federal	22,022,773
Interest	1,391,386
Inventory of Supplies at Cost	104,430
Inventory Held for Resale	233,181
Restricted Assets:	
Pooled Cash and Investments	5,833,376
Non-Depreciable Capital Assets	218,056,320
Depreciable Capital Assets, Net	463,680,519
Unamortized Bond Issuance Costs	5,110,759
<b>Total Assets</b>	<b><u>1,586,255,570</u></b>
<b>Liabilities:</b>	
Accounts Payable	19,385,054
Accrued Wages and Benefits	28,876,554
Intergovernmental Payable	10,380,775
Claims Payable	5,034,152
Unearned Revenue - Taxes	228,906,697
Accrued Interest Payable	3,106,516
Tax Anticipation Notes Payable	18,755,000
General Obligation Notes Payable	9,310,000
Long Term Liabilities:	
Due Within One Year	32,048,627
Due in More Than One Year	775,331,774
<b>Total Liabilities</b>	<b><u>1,131,135,149</u></b>
<b>Net Assets:</b>	
Invested in Capital Assets, Net of Related Debt	326,129,887
Restricted For:	
Capital Projects	31,994,427
Debt Service	5,484,225
Permanent Fund:	
Expendable	457,573
Nonexpendable	768,034
Unrestricted	90,286,275
<b>Total Net Assets</b>	<b><u><u>\$ 455,120,421</u></u></b>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Statement of Activities  
For the Fiscal Year Ended June 30, 2009**

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>				
Instruction:				
Instruction - Regular	\$ 218,216,256	\$ 6,735,570	\$ 42,432,838	\$ (169,047,848)
Instruction - Special	72,987,430	49,182	18,096,064	(54,842,184)
Instruction - Vocational	5,796,782	14,853	868,968	(4,912,961)
Instruction - Other	677,824	163	736,253	58,592
Support Services:				
Pupils	25,454,794	126,835	4,439,584	(20,888,375)
Instructional Staff	44,172,580	4,628,478	18,621,308	(20,922,794)
Board of Education	443,575	0	0	(443,575)
Administration	33,399,805	1,293,712	4,661,186	(27,444,907)
Fiscal Services	2,982,641	38,850	824,725	(2,119,066)
Business	1,382,889	1,470	0	(1,381,419)
Operation and Maintenance of Plant	41,344,253	899,334	87,967	(40,356,952)
Pupil Transportation	29,877,750	2,547	1,033,618	(28,841,585)
Central	19,309,398	10,279	4,983,713	(14,315,406)
Operation of Non-Instructional Services	34,574,667	2,183,221	26,900,214	(5,491,232)
Extracurricular Activities	6,727,253	1,947,178	2,513,274	(2,266,801)
Interest and Fiscal Charges	35,008,872	0	0	(35,008,872)
<b>Total Governmental Activities</b>	<b>\$ 572,356,769</b>	<b>\$ 17,931,672</b>	<b>\$ 126,199,712</b>	<b>(428,225,385)</b>
 <b>General Revenues</b>				
Property Taxes Levied for:				
General Purposes				265,885,389
Debt Service				23,498,488
Revenue in Lieu of Taxes				10,919,337
Grants and Entitlements not Restricted to Specific Programs				165,610,526
Investment Earnings				10,097,650
Miscellaneous				1,384,948
Total General Revenues				<u>477,396,338</u>
Change in Net Assets				49,170,953
Net Assets Beginning of Year, Restated				<u>405,949,468</u>
Net Assets End of Year				<u>\$ 455,120,421</u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Balance Sheet  
Governmental Funds  
June 30, 2009**

	General	Schoolwide Building Program	Building Capital Projects
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$ 68,872,909	\$ 7,593,095	\$ 336,293,865
Investments	0	0	0
Receivables:			
Taxes	304,671,457	0	0
Accounts	99,289	2,079	8,861
Intergovernmental - State and Local	0	0	0
Intergovernmental - Federal	146,521	0	0
Interest	178,942	0	842,820
Interfund Loans Receivable	3,056,531	0	0
Advances to Other Funds	564,733	0	2,759,740
Inventory of Supplies at Cost	0	0	0
Inventory Held for Resale	0	0	0
Restricted Assets:			
Pooled Cash and Investments	1,420,826	0	0
<b>Total Assets</b>	<u><u>\$ 379,011,208</u></u>	<u><u>\$ 7,595,174</u></u>	<u><u>\$ 339,905,286</u></u>
<b>Liabilities:</b>			
Accounts Payable	\$ 4,807,417	\$ 78,523	\$ 2,925,246
Accrued Wages and Benefits	12,395,048	11,705,910	110,253
Intergovernmental Payable	4,462,301	4,214,208	39,692
Claims Payable	648,274	612,231	5,767
Interfund Loans Payable	0	0	0
Advances from Other Funds	1,396,719	0	0
Deferred Revenue - Taxes	252,583,246	0	0
Deferred Revenue	52,461	0	453,367
Compensated Absences Payable	182,275	0	0
Accrued Interest Payable	326,160	0	0
Tax Anticipation Notes Payable	18,755,000	0	0
General Obligation Notes Payable	9,310,000	0	0
<b>Total Liabilities</b>	<u><u>304,918,901</u></u>	<u><u>16,610,872</u></u>	<u><u>3,534,325</u></u>



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Classroom Facilities Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 51,262,950	\$ 22,900,219	\$ 486,923,038
0	192,641	192,641
0	35,548,855	340,220,312
775	45,849	156,853
37,981,240	48,740	38,029,980
0	21,876,252	22,022,773
369,624	0	1,391,386
0	78,555	3,135,086
0	249,742	3,574,215
0	104,430	104,430
0	233,181	233,181
0	4,412,550	5,833,376
<u>\$ 89,614,589</u>	<u>\$ 85,691,014</u>	<u>\$ 901,817,271</u>
\$ 8,121,124	\$ 3,452,744	\$ 19,385,054
0	4,665,343	28,876,554
0	1,664,574	10,380,775
0	243,280	1,509,552
0	3,135,086	3,135,086
0	2,177,496	3,574,215
0	30,494,633	283,077,879
38,176,366	19,364,504	58,046,698
0	0	182,275
0	0	326,160
0	0	18,755,000
0	0	9,310,000
<u>46,297,490</u>	<u>65,197,660</u>	<u>436,559,248</u>

(Continued)

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Balance Sheet**  
**Governmental Funds**  
**June 30, 2009**

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	General	Schoolwide Building Program	Building Capital Projects
<b>Fund Balances:</b>			
Reserved for Encumbrances	9,722,042	380,371	26,726,753
Reserved for Debt Service	0	0	0
Reserved for Property Taxes	52,088,211	0	0
Reserved for Budget Stabilization	1,420,826	0	0
Reserved for Endowments	0	0	0
Reserved for Advances	564,733	0	2,759,740
Unreserved, Undesignated in:			
General Fund	10,296,495	0	0
Special Revenue Funds	0	(9,396,069)	0
Capital Projects Funds	0	0	306,884,468
Permanent Fund	0	0	0
<b>Total Fund Balances</b>	<u>74,092,307</u>	<u>(9,015,698)</u>	<u>336,370,961</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 379,011,208</u>	<u>\$ 7,595,174</u>	<u>\$ 339,905,286</u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Classroom Facilities Capital Projects	Other Governmental Funds	Total Governmental Funds
103,352,694	5,909,366	146,091,226
0	4,412,276	4,412,276
0	5,054,222	57,142,433
0	0	1,420,826
0	768,034	768,034
0	249,742	3,574,215
0	0	10,296,495
0	4,068,798	(5,327,271)
(60,035,595)	(426,657)	246,422,216
0	457,573	457,573
<u>43,317,099</u>	<u>20,493,354</u>	<u>465,258,023</u>
<u>\$ 89,614,589</u>	<u>\$ 85,691,014</u>	<u>\$ 901,817,271</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Reconciliation Of Total Governmental Fund Balances  
To Net Assets Of Governmental Activities  
June 30, 2009***

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<b>Total Governmental Fund Balances</b>		\$ 465,258,023
<b><i>Amounts reported for governmental activities in the statement of net assets are different because</i></b>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		681,736,839
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes Receivable - accrual basis	54,171,182	
Interest Receivable - accrual basis	700,955	
Grants Receivable - accrual basis	57,345,743	
Total		112,217,880
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		775,402
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Amounts Due Within One Year	(32,048,627)	
Amounts Due in More Than One Year	(775,331,774)	
Compensated Absences - accrued on fund basis	182,275	
Accrued Interest on Long-Term Debt	(2,780,356)	
Bond Issuance Costs	5,110,759	
Total		(804,867,723)
<b><i>Net Assets of Governmental Activities</i></b>		<b><u><u>\$ 455,120,421</u></u></b>

See accompanying notes to the basic financial statements



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2009**

	General	Schoolwide Building Program	Building Capital Projects
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Revenues:</b>			
Taxes	\$ 255,036,981	\$ 0	\$ 0
Tuition	990,392	0	0
In Lieu of Taxes	5,919,337	0	0
Investment Earnings	1,753,549	0	6,445,684
Food Services	0	0	0
Intergovernmental - State	162,253,326	0	0
Intergovernmental - Federal	3,682,450	0	0
All Other Revenue	588,186	0	817,908
<b>Total Revenue</b>	<u>430,224,221</u>	<u>0</u>	<u>7,263,592</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	120,814,367	79,416,503	0
Special	32,110,608	27,478,003	0
Vocational	4,721,725	0	0
Other	47,889	0	0
Supporting Services:			
Pupils	14,934,657	4,013,338	0
Instructional Staff	12,008,084	10,059,970	0
Board of Education	432,078	0	0
Administration	17,607,839	10,569,298	0
Fiscal Services	2,120,487	0	61,988
Business	908,127	0	360,341
Operation & Maintenance of Plant	30,465,673	3,417,158	506,937
Pupil Transportation	28,922,427	50	0
Central	14,375,604	0	93,753
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	3,808,798	671,542	0
Capital Outlay	1,268,751	0	29,016,479
Debt Service:			
Principal Retirement	0	0	0
Interest & Fiscal Charges	1,126,928	0	0
<b>Total Expenditures</b>	<u>285,674,042</u>	<u>135,625,862</u>	<u>30,039,498</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Classroom Facilities Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 22,691,521	\$ 277,728,502
0	759,616	1,750,008
0	5,000,000	10,919,337
2,756,956	40,503	10,996,692
0	2,116,608	2,116,608
35,933,964	53,957,262	252,144,552
0	64,907,888	68,590,338
80,000	14,059,395	15,545,489
38,770,920	163,532,793	639,791,526
0	8,514,982	208,745,852
0	12,303,516	71,892,127
0	753,077	5,474,802
0	625,818	673,707
0	5,925,135	24,873,130
0	21,488,708	43,556,762
0	0	432,078
0	4,832,912	33,010,049
0	742,167	2,924,642
0	69,834	1,338,302
0	6,197,818	40,587,586
0	700,790	29,623,267
0	4,245,373	18,714,730
0	25,494,720	25,494,720
0	2,135,745	6,616,085
89,927,832	946,926	121,159,988
0	19,900,000	19,900,000
0	36,884,411	38,011,339
89,927,832	151,761,932	693,029,166

(Continued)

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2009**

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	General	Schoolwide Building Program	Building Capital Projects
Excess (Deficiency) of Revenues Over Expenditures	144,550,179	(135,625,862)	(22,775,906)
<b>Other Financing Sources (Uses):</b>			
Transfers In	0	135,870,034	0
Transfers Out	(112,171,748)	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>(112,171,748)</u>	<u>135,870,034</u>	<u>0</u>
Net Change in Fund Balance	32,378,431	244,172	(22,775,906)
<b>Fund Balances at Beginning of Year, Restated</b>	<u>41,713,876</u>	<u>(9,259,870)</u>	<u>359,146,867</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 74,092,307</u></u>	<u><u>\$ (9,015,698)</u></u>	<u><u>\$ 336,370,961</u></u>

See accompanying notes to the basic financial statements



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Classroom Facilities Capital Projects	Other Governmental Funds	Total Governmental Funds
(51,156,912)	11,770,861	(53,237,640)
0	17,065,791	152,935,825
0	(40,764,077)	(152,935,825)
0	(23,698,286)	0
(51,156,912)	(11,927,425)	(53,237,640)
94,474,011	32,420,779	518,495,663
<u>\$ 43,317,099</u>	<u>\$ 20,493,354</u>	<u>\$ 465,258,023</u>

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***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, 2009***

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**Net Change in Fund Balances - Total Governmental Funds** \$ (53,237,640)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 105,240,075

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received. (4,984,913)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (18,263,804)

The repayment of principal of long-term debt consumes current financial resources of governmental funds, however it does not effect net assets. 19,900,000

In the statement of activities, interest is accrued on outstanding bonds and long-term notes payable, whereas in governmental funds, an interest expenditure is reported when due. 3,002,467

Some expenses reported in the statement of activities, including the long-term portion of compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (2,699,632)

The internal service funds are used by management to charge the costs of services to individual funds are not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. 214,400

***Change in Net Assets of Governmental Activities*** \$ 49,170,953

See accompanying notes to the basic financial statements



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 259,943,078	\$ 257,050,735	\$ 236,426,175	\$ (20,624,560)
Tuition	1,055,291	992,353	984,389	(7,964)
In Lieu of Taxes	6,612,462	6,538,886	5,981,495	(557,391)
Investment Earnings	1,963,707	1,941,857	1,776,328	(165,529)
Intergovernmental - State	179,556,200	177,558,309	162,422,782	(15,135,527)
Intergovernmental - Federal	3,908,922	3,865,428	3,535,929	(329,499)
All Other Revenues	606,107	599,363	588,472	(10,891)
<b>Total Revenues</b>	<b>453,645,767</b>	<b>448,546,931</b>	<b>411,715,570</b>	<b>(36,831,361)</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	140,323,285	144,034,924	123,821,514	20,213,410
Special	39,879,866	40,927,567	35,199,711	5,727,856
Vocational	5,777,680	5,929,468	5,099,633	829,835
Other	69,389	71,212	61,245	9,967
Support Services:				
Pupils	16,785,613	17,226,595	14,815,715	2,410,880
Instructional Staff	14,812,444	15,201,588	13,074,110	2,127,478
Board of Education	505,033	518,301	445,764	72,537
Administration	21,198,736	21,755,657	18,710,930	3,044,727
Fiscal Services	2,541,401	2,608,167	2,243,152	365,015
Business	1,111,358	1,140,555	980,933	159,622
Operation and Maintenance of Plant	35,684,448	36,621,929	31,496,652	5,125,277
Pupil Transportation	33,003,391	33,870,437	29,130,234	4,740,203
Central	17,742,535	18,208,657	15,660,336	2,548,321
Extracurricular Activities	4,475,247	4,592,819	3,950,049	642,770
Capital Outlay	1,491,848	1,531,041	1,316,770	214,271
<b>Total Expenditures</b>	<b>335,402,274</b>	<b>344,238,917</b>	<b>296,006,748</b>	<b>48,232,169</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	118,243,493	104,308,014	115,708,822	11,400,808

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(122,019,606)	(122,019,606)	(122,019,606)	0
Advances In	37,529,717	37,529,717	37,529,717	0
Advances Out	(40,753,317)	(40,753,317)	(40,753,317)	0
Refund of Prior Year's Receipts	(168,460)	(168,460)	(168,453)	7
Total Other Financing Sources (Uses):	<u>(125,411,666)</u>	<u>(125,411,666)</u>	<u>(125,411,659)</u>	<u>7</u>
Net Change in Fund Balance	(7,168,173)	(21,103,652)	(9,702,837)	11,400,815
Fund Balance at Beginning of Year	47,071,874	47,071,874	47,071,874	0
Prior Year Encumbrances	<u>12,415,867</u>	<u>12,415,867</u>	<u>12,415,867</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 52,319,568</u>	<u>\$ 38,384,089</u>	<u>\$ 49,784,904</u>	<u>\$ 11,400,815</u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Special Revenue Fund – Schoolwide Building Program Fund  
For the Fiscal Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	<u>\$          0</u>	<u>\$          0</u>	<u>\$          0</u>	<u>\$          0</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	79,177,875	87,654,742	80,543,108	7,111,634
Special	27,234,069	30,149,777	27,703,655	2,446,122
Support Services:				
Pupils	4,071,535	4,507,437	4,141,738	365,699
Instructional Staff	9,827,701	10,879,865	9,997,156	882,709
Administration	10,595,419	11,729,775	10,778,111	951,664
Operation and Maintenance of Plant	3,424,165	3,790,760	3,483,207	307,553
Pupil Transportation	1,233	1,365	1,254	111
Extracurricular Activities	674,556	746,774	686,187	60,587
Total Expenditures	<u>135,006,553</u>	<u>149,460,495</u>	<u>137,334,416</u>	<u>12,126,079</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135,006,553)	(149,460,495)	(137,334,416)	12,126,079
<b>Other Financing Sources (Uses):</b>				
Transfers In	142,620,027	142,751,935	135,870,034	(6,881,901)
Total Other Financing Sources (Uses):	<u>142,620,027</u>	<u>142,751,935</u>	<u>135,870,034</u>	<u>(6,881,901)</u>
Net Change in Fund Balance	7,613,474	(6,708,560)	(1,464,382)	5,244,178
Fund Balance at Beginning of Year	6,014,840	6,014,840	6,014,840	0
Prior Year Encumbrances	693,720	693,720	693,720	0
Fund Balance at End of Year	<u>\$ 14,322,034</u>	<u>\$          0</u>	<u>\$ 5,244,178</u>	<u>\$ 5,244,178</u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Statement of Net Assets  
Proprietary Fund  
June 30, 2009***

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	Governmental Activities - Internal Service Fund
<b>Assets:</b>	
<i>Current Assets:</i>	
Equity in Pooled Cash and Investments	\$ 4,300,002
<b>Total Assets</b>	<u>4,300,002</u>
<b>Liabilities:</b>	
<i>Current Liabilities:</i>	
Claims Payable	<u>3,524,600</u>
<b>Total Liabilities</b>	<u>3,524,600</u>
<b>Net Assets:</b>	
Unrestricted	<u>775,402</u>
<b>Total Net Assets</b>	<u><u>\$ 775,402</u></u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2009**

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	Governmental Activities - Internal Service Fund
<b>Operating Revenues:</b>	
Interfund Charges	\$ 40,514,321
<b>Total Operating Revenues</b>	<u>40,514,321</u>
<b>Operating Expenses:</b>	
Claims	<u>40,299,921</u>
<b>Total Operating Expenses</b>	<u>40,299,921</u>
Operating Income	214,400
Net Assets Beginning of Year	<u>561,002</u>
Net Assets End of Year	<u>\$ 775,402</u>

See accompanying notes to the basic financial statements



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Statement of Cash Flows***  
***Proprietary Fund***  
***For the Fiscal Year Ended June 30, 2009***

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	Governmental Activities - Internal Service Fund
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$40,514,321
Cash Payments for Claims	<u>(40,214,321)</u>
Net Cash Provided by Operating Activities	<u>300,000</u>
Net Change in Cash and Cash Equivalents	300,000
Cash and Cash Equivalents at Beginning of Year	<u>4,000,002</u>
Cash and Cash Equivalents at End of Year	<u><u>\$4,300,002</u></u>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income	\$214,400
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Claims Payable	<u>85,600</u>
Total Adjustments	<u>85,600</u>
Net Cash Provided by Operating Activities	<u><u>\$300,000</u></u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Statement of Net Assets**  
**Fiduciary Funds**  
**June 30, 2009**

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	Private Purpose Trust <u>Special Trust</u> Fund	<u>Agency</u>
<b>Assets:</b>		
Equity in Pooled Cash and Investments	\$ 796,467	\$ 74,916
Investments	<u>260,915</u>	<u>0</u>
<b>Total Assets</b>	<u>1,057,382</u>	<u>74,916</u>
<b>Liabilities:</b>		
Accounts Payable	1,245	0
Due to Students	<u>0</u>	<u>74,916</u>
<b>Total Liabilities</b>	<u>1,245</u>	<u>74,916</u>
<b>Net Assets:</b>		
Unrestricted	<u>1,056,137</u>	<u>0</u>
<b>Total Net Assets</b>	<u>\$ 1,056,137</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Statement of Changes in Net Assets  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2009***

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	Private Purpose Trust <u>Special Trust</u> <u>Fund</u>
<b>Additions:</b>	
Investment Earnings:	
Interest	\$ 30,604
Net Decrease in the Fair Value of Investments	<u>(57,842)</u>
Total Investment Earnings	<u>(27,238)</u>
Total Additions	<u>(27,238)</u>
<b>Deductions:</b>	
Administrative Expenses	2,685
Community Services	<u>51,067</u>
Total Deductions	<u>53,752</u>
Change in Net Assets	(80,990)
Net Assets at Beginning of Year	<u>1,137,127</u>
Net Assets End of Year	<u>\$ 1,056,137</u>

See accompanying notes to the basic financial statements

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **A. Reporting Entity**

The Cincinnati City School District, Ohio (District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is a city school district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected seven member Board of Education and is responsible for the provision of public education to residents of the District. The District also provides both special education and career/technical education for residents of the District.

The District is the third largest in the State of Ohio and includes the cities of Cincinnati and Cheviot, and the villages of Amberley and Golf Manor, most of the city of Silverton, and part of each of the following: the city of Wyoming, the village of Fairfax and the townships of Anderson, Columbia, Delhi, Green and Springfield. The District's total area is approximately 90 square miles. As of June 30, 2009, the District employed 4,642 employees, including 2,562 certified by the Ohio Department of Education serving as classroom teachers, education specialists and administrators.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, and functions for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing board and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on the District. Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings.

The accounting policies and financial reporting practices of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

#### **B. Basis of Presentation – Financial Statements**

**Government-wide Financial Statements** – The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation.

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **B. Basis of Presentation – Financial Statements** (Continued)

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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.

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

**Fund Financial Statements** – Fund financial statements report detailed information about the District. The focus of governmental financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

Fiduciary funds, except for agency funds, are reported using the economic resources measurement focus. Agency funds do not have a measurement focus due to their custodial nature (assets equal liabilities).

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **C. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are grouped into the categories governmental, proprietary and fiduciary.

***Governmental Funds*** - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities are accounted for through governmental funds. The measurement focus is upon determination of "current financial resources" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

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

**Schoolwide Building Program Fund** - This fund is used to pool Federal, State and local funds in order to upgrade the overall instructional program of a school building where at least 40 percent of the children are from low-income families.

**Building Fund** - The Building capital projects fund accounts for revenues and expenditures related to all special bond funds in the District.

**Classroom Facilities Fund** - The Classroom Facilities capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.

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

***Proprietary Fund*** - The proprietary fund is accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

**Internal Service Fund** - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis. The Self Insurance Fund accounts for the premiums and claims payments applicable to the employee health and dental plans.

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **C. Basis of Presentation - Fund Accounting** (Continued)

***Fiduciary Funds*** – Fiduciary fund reporting focuses on net assets and changes in net assets. The District has two types of fiduciary funds: a private-purpose trust fund and an agency fund. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust that accounts for scholarship programs for students. The private purpose trust fund is accounted for on an "economic resources" measurement focus. The District's agency fund accounts for various student-managed activity programs. The agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operations.

#### **D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2009, and which are not intended to finance fiscal 2009 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2009 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **D. Basis of Accounting** (Continued)

Pursuant to GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

**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.

Nonexchange transactions, in which the 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. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

#### **E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. Funds that exist only on a modified accrual basis are not required to be budgeted and appropriated. The primary level of budgetary control is at the fund level. Supplemental budgetary modifications may only be made by resolution of the Board of Education.

##### **1. Tax Budget**

By January 15, the Superintendent and Treasurer submit an annual operating budget for the following fiscal year to the Board of Education for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by January 20 of each year for the period July 1 to June 30 of the following fiscal year.



# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **E. Budgetary Process** (Continued)

##### 2. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement, as final budget, reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2009.

##### 3. Appropriations

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by management. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. Amounts for advances between funds are not required to be and are not appropriated by the District. In addition, due to the nature of the District's procedures for the funding of payroll expenditures through a holding account, certain transfers are also not formally appropriated. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the final budget, modified for the aforementioned advances and transfers, including all amendments and modifications.

##### 4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as reservations of fund balances for governmental funds in the accompanying basic financial statements.

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**5. Lapsing of Appropriations**

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

**6. Budgetary Basis of Accounting**

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are also recorded as the equivalent of expenditures (budgetary basis) as opposed to reservations of fund balance (GAAP basis).

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

	Net Change in Fund Balance	
	General Fund	Schoolwide Building Program Fund
GAAP Basis (as reported)	\$32,378,431	\$244,172
Increase (Decrease):		
Accrued Revenues at June 30, 2009, received during FY 2010	(52,604,180)	(2,079)
Accrued Revenues at June 30, 2008, received during FY 2009	33,928,943	299
Accrued Expenditures at June 30, 2009, paid during FY 2010	20,820,186	14,720,849
Accrued Expenditures at June 30, 2008, paid during FY 2009	(17,889,019)	(15,968,729)
Interfund Activity 2009	(3,107,739)	0
Payment on Tax Anticipation Note	(8,700,000)	0
Encumbrances Outstanding	(14,529,459)	(458,894)
Budget Basis	(\$9,702,837)	(\$1,464,382)

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **F. Cash and Cash Equivalents**

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 5, "Cash, Cash Equivalents and Investments."

For purposes of the Statement of Cash Flows, the District considers all highly liquid investments with a maturity when purchased of three months or less to be cash equivalents. All cash and investments of the proprietary fund types are pooled with the District's pooled cash and investments.

#### **G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District records all its investments at fair value. See Note 5, "Cash, Cash Equivalents and Investments."

The District has invested funds in the STAR Ohio during 2009. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2009. See Note 5, "Cash, Cash Equivalents and Investments."

#### **H. Inventory**

Inventory is stated at cost (first-in, first-out) in the governmental funds. The costs of inventory items are recorded as expenditures in the governmental funds when used. The amounts of unused commodities are reported at fair value and as deferred revenue, since title does not pass to the District until the commodities are used.

#### **I. Capital Assets and Depreciation**

##### **1. Property, Plant and Equipment - Governmental Activities**

Capital assets acquired or constructed for governmental activities are recorded as expenditures in the governmental funds when acquired and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) in the Government-wide Statement of Net Assets.

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### I. Capital Assets and Depreciation (Continued)

##### 1. Property, Plant and Equipment - Governmental Activities (Continued)

Contributed capital assets are recorded at fair market value at the date received. The District capitalizes costs of capital assets exceeding \$25,000 (non-Federal Funds) and \$5,000 for assets purchased with Federal Funds. Capital asset values were initially determined by identifying historical costs where such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

##### 2. Depreciation

All capital assets, except land and construction in progress, are depreciated. Land improvements that deteriorate with use or the passage of time, such as parking lots and fences, are considered depreciable. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	20
Buildings and Improvements	45
Furniture, Fixtures and Equipment	7 – 20
Vehicles	5

#### J. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Debt Service Fund
Capital Leases	General Fund, Debt Service Fund
Tax Anticipation Notes	General Fund
Compensated Absences	General Fund, Food Services Fund

#### K. Compensated Absences

GASB Statement No. 16 specifies that compensated absences should be accrued as employees earn them if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to services already rendered.

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Compensated Absences (Continued)**

2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment. The District includes in its liabilities any employee who has at least 20 years of service or an employee who has five years of service and is at least 60 years of age.

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

	<b><u>Certificated</u></b>	<b><u>Administrators</u></b>	<b><u>Non-Certificated</u></b>
<b><u>Vacation:</u> How Earned</b>	Not Eligible	2.7 days per month of employment (27 days per year)	.84 days to 1.67 days per month of employment (10 to 20 days per year) depending on length of service.
<b>Maximum Accumulation</b>	Not Applicable	54 days	2 times the yearly accrual plus current year's accumulation
<b>Vested</b>	Not Applicable	As Earned	As Earned
<b>Termination Entitlement</b>	Not Applicable	Paid upon termination	Paid upon termination
<b><u>Sick Leave:</u> How Earned</b>	1.25 days month of employment (15 days per year. If 96% attendance, then 1 additional day.	1.25 days month of employment (15 days per year.	1.25 days month of employment (15 days per year.
<b>Maximum Accumulation</b>	Unlimited	Unlimited	Unlimited
<b>Vested</b>	As Earned	As Earned	As Earned
<b>Termination Entitlement</b>	½ paid upon retirement or upon death with minimum service requirement. ¼ for all new hires after 6/30/04.	½ paid upon retirement or upon death with minimum service requirement. ¼ for all days earned after 9/1/01.	½ paid upon retirement or upon death with minimum service requirement. ¼ for all new hires after 6/30/04.
<b><u>Personal Leave:</u> How Earned</b>	3 days granted as of August 1	3 days granted as of August 1	3 days granted as of August 1
<b>Maximum Accumulation</b>	Not Applicable Converted to sick leave on August 1	Not Applicable Converted to sick leave on August 1	Not Applicable Converted to sick leave on August 1
<b>Vested</b>	Not Applicable	Not Applicable	Not Applicable
<b>Termination Entitlement</b>	Not Applicable	Not Applicable	Not Applicable

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **K. Compensated Absences** (Continued)

Compensated absences accumulated by governmental fund type employees are retired as an expense when earned in the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported in the fund financial statements.

##### **L. Net Assets**

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

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

##### **M. Pensions**

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

##### **N. Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary 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. Restricted Assets**

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval from the Board of Education. The restricted assets in the debt service fund represents cash and cash equivalents set aside for debt retirement purposes. Fund balance reserves have also been established for these amounts.

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **P. Reservations of Fund Balance**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for advances, debt service, endowments, property taxes, budget stabilization and encumbered amounts which have not been accrued at year end. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles, but not available for appropriation under State statute. The reserve for budget stabilization is required by State statute.

#### **Q. Estimates**

The preparation of the 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 could differ from those estimates.

#### **R. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are interfund charges for the internal service fund. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

#### **S. Revenue in Lieu of Taxes**

Revenue in Lieu of Taxes are monies received, via agreements with the City of Cincinnati, Hamilton County and certain townships that overlap the District, in an attempt to "make whole" tax revenues that were lost via abatements, enterprise zones or Tax Increment Financing plans created within their jurisdictions.

### NOTE 2 – RESTATEMENT OF BALANCES PREVIOUSLY REPORTED

The balances reported at June 30, 2008 in Bond Retirement Fund and the Governmental Activities (entity wide) were restated from balances previously reported due to an error in the recording of general obligation note payable. Additionally the balances reported at June 30, 2008 in the Governmental Activities (entity wide) were restated from balances previously reported due to an error in the recording of an intergovernmental receivable. The table below reflects these changes:

	Debt Service Fund	Governmental Activities
Fund Balance/Net Assets		
at June 30, 2008 (As Reported)	\$27,991,228	\$442,338,940
Note Payable	(4,800,368)	(4,800,368)
Intergovernmental Receivable	0	(31,589,104)
Fund Balance/Net Assets		
at June 30, 2008 (As Restated)	<u>\$23,190,860</u>	<u>\$405,949,468</u>

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which capital outlays exceeded depreciation in the current period:*

Capital Asset Additions	\$116,681,996
Depreciation Expense	<u>(11,441,821)</u>
	\$105,240,175

*Governmental revenues not reported in the funds:*

Increase in Delinquent Tax Revenue	\$11,655,375
Decrease in Interest Receivable	(899,042)
Decrease in Grants Receivable	<u>(29,020,137)</u>
	(\$18,263,804)

*Net amount of long-term bond and lease principal payments:*

Bond Principal Payment	\$19,900,000
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*Interest expense not reported in the funds:*

Decrease in accrued interest on long term debt	\$84,414
Amortization of Bond Premium	5,733,055
Amortization of Deferred Loss on Defeasance	(2,039,621)
Amortization of Bond Issuance Costs	<u>(775,381)</u>
	\$3,002,467



## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 4 – DEFICIT FUND EQUITIES**

The fund deficits at June 30, 2009 of \$9,015,698 in the Schoolwide Building Program Fund, \$1,323,522 in the Poverty Based Assistance Fund, \$387,551 in the Title VI-B Fund, \$2,307,510 in the Chapter I Fund, \$417,370 in the Miscellaneous Federal Grants Fund (special revenue funds) and of \$48,296 in the Ohio School Net Fund, \$765,631 in the School Building Assistance Fund and of \$60,380 in the Emergency School Repair Fund (capital projects funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides operating transfers when cash is required, not when accruals occur.

#### **NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by a number of individual funds.

Statutes require the classification of funds held by the District into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

## ***CINCINNATI CITY SCHOOL DISTRICT, OHIO***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

#### **A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of District cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the District places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the District's deposits was \$109,939,094 and the bank balance was \$119,930,743. The Federal Deposit Insurance Corporation (FDIC) covered \$750,000 of the bank balance and \$119,180,743 was insured by collateralized securities held by the pledging institution's trust department in the District's name.

## CINCINNATI CITY SCHOOL DISTRICT, OHIO

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

#### NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

##### **B. Investments**

The District's investments at June 30, 2009 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years)	
			less than 1	1-3
STAR Ohio	\$648,602	AAAm <sup>2</sup>	\$648,602	\$0
US T-Bill	26,011,025	Aaa <sup>1</sup> , AAA <sup>2</sup>	26,011,025	0
Freddie Mac	38,957,879	Aaa <sup>1</sup> , AAA <sup>2</sup>	21,888,439	17,069,440
FNMA	81,293,308	Aaa <sup>1</sup> , AAA <sup>2</sup>	72,280,798	9,012,510
FHLM	26,997,163	Aaa <sup>1</sup> , AAA <sup>2</sup>	2,011,180	24,985,983
FFCB	24,558,875	Aaa <sup>1</sup> , AAA <sup>2</sup>	4,576,395	19,982,480
FHLB	189,521,853	Aaa <sup>1</sup> , AAA <sup>2</sup>	112,652,966	76,868,887
Common Stock	453,556	N/A	0	0
Total Investments	<u>\$388,442,261</u>		<u>\$240,069,405</u>	<u>\$147,919,300</u>

<sup>1</sup> Moody's Investor Service

<sup>2</sup> Standard & Poor's

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

*Concentration of Credit Risk* – The District places no limit on the amount the District may invest in one issuer. Of the District's total investments, .17% are Star Ohio, 6.7% are US T-bills, 10% are Freddie Mac, 20.9% are FNMA, 7% are FHLM, 6.3% are FFCB, 48.8% are FHLB and .13 % are common stock (all donated).

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

*Credit Risk* – The District has not formally adopted its own investment policy but does follow the Ohio Revised Code (ORC) which limits the amount of credit risk it's going to allow any governmental entity to become involved in. It accomplishes this by compiling a specific list of investments, to the exclusion of all other investments, which governmental entities are legally allowed to participate in. The District further minimizes its credit risk by placing most of its available funds in obligations of the US Government or its Agencies; STAR Ohio, which is comprised mostly of US Government and Agency obligations and is specifically authorized and endorsed by the Ohio State Treasurer.

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

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**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**C. Reconciliation of Cash, Cash Equivalents and Investments**

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	Pooled Cash and Investments *	Investments
Per Combined Balance Sheet	\$497,927,799	\$453,556
U.S. Government Securities	(387,340,103)	387,340,103
STAR Ohio	(648,602)	648,602
Per GASB Statement No. 3	<u>\$109,939,094</u>	<u>\$388,442,261</u>

\* - Includes restricted pooled cash and investments

**NOTE 6 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the school district. Real property tax revenue received in calendar year 2009 represents collections of calendar year 2008 taxes. Real property taxes received in calendar year 2009 were levied after April 1, 2008, on the assessed value listed as of January 1, 2008, 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 2009 represents collections of calendar year 2008 taxes. Public utility real and tangible personal property taxes received in calendar year 2009 became a lien December 31, 2008, were levied after April 1, 2008 and are collected in 2009 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.

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 6 - PROPERTY TAXES (Continued)**

Tangible personal property tax revenue received during calendar year 2009 (other than public utility property) represents the collection of 2009 taxes. Tangible personal property taxes received in calendar year 2009 were levied after April 1, 2008, on the value as of December 31, 2008. Tangible personal property is currently assessed at six and one quarter percent of true value. 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 County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2009, are available to finance fiscal year 2009 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2009 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 was levied to finance current fiscal year operations and is 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 to deferred revenue.

The amount available as an advance at June 30, 2009 was \$52,088,211 in the general fund and \$5,054,222 in the debt service fund. The amount available as an advance at June 30, 2008, was \$33,477,405 in the general fund and \$3,220,947 in the debt service 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 has been deferred.

#### **NOTE 7 - RECEIVABLES**

Receivables at June 30, 2009 consisted of taxes, accounts receivable, interest receivable, interfund and intergovernmental receivables.

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

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**NOTE 8 - TRANSFERS**

Following is a summary of transfers in and out for all funds at June 30, 2009:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$0	\$112,171,748
Schoolwide Building Program Fund	135,870,034	0
Other Governmental Funds	17,065,791	40,764,077
Total All Funds	<u>\$152,935,825</u>	<u>\$152,935,825</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The General Fund provided transfers of \$11,065,791 to the Debt Service Fund for the retirement of various debt issues and \$6,000,000 to the Classroom Facilities Maintenance Fund to provide operating funds. All of the other transfers were made to cover the expenditures of the Schoolwide Building Program Fund.

**NOTE 9 - INTERFUND RECEIVABLES/PAYABLES**

Interfund loans receivable/payable and advances to/from other funds at June 30, 2009 from one individual fund to another are as follows:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$3,621,264	\$1,396,719
Building Capital Projects Fund	2,759,740	0
Other Governmental Funds	328,297	5,312,582
Total	<u>\$6,709,301</u>	<u>\$6,709,301</u>

The interfund balances represent amounts due between funds resulting from timing differences.

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 10 - CAPITAL ASSETS**

Summary by category of changes in governmental activities capital assets at June 30, 2009:

*Historical Cost:*

Class	June 30, 2008	Additions	Deletions	June 30, 2009
<b>Capital assets not being depreciated:</b>				
Land	\$ 35,594,698	\$571,695	\$0	\$36,166,393
Construction In Progress	178,386,451	116,400,402	(112,896,926)	181,889,927
<b>Capital assets being depreciated:</b>				
Land Improvements	9,367,759	0	(182,119)	9,185,640
Buildings and Improvements	461,124,402	112,325,237	(22,831,976)	550,617,663
Furniture, Fixtures, and Equipment	5,030,308	281,488	(269,600)	5,042,196
Vehicles	629,654	0	0	629,654
Total Cost	<u>\$ 690,133,272</u>	<u>\$229,578,822</u>	<u>(\$136,180,621)</u>	<u>\$ 783,531,473</u>
<b>Accumulated Depreciation:</b>				
Class	June 30, 2008	Additions	Deletions	June 30, 2009
Land Improvements	(\$7,401,891)	(\$155,073)	\$68,295	(\$7,488,669)
Buildings and Improvements	(96,676,892)	(10,818,387)	17,960,887	(89,534,392)
Furniture, Fixtures, and Equipment	(4,050,074)	(430,896)	269,600	(4,211,370)
Vehicles	(522,738)	(37,465)	0	(560,203)
Total Depreciation	<u>(\$108,651,595)</u>	<u>(\$11,441,821) *</u>	<u>\$18,298,782</u>	<u>(\$101,794,634)</u>
<b>Net Value:</b>	<u>\$581,481,677</u>			<u>\$681,736,839</u>

\* Depreciation expenses were charged to governmental functions as follows:

Instruction:	
Regular	\$1,391,472
Special	74,408
Vocational	344,727
Support Services:	
Pupils	175,007
Instructional Staff	26,281
Administration	6,992
Fiscal	21,320
Operation and Maintenance of Plant	301,351
Pupil Transportation	7,907
Central	221,868
Extracurricular Activities	4,400
Other Noninstructional Services	8,866,088
Total Depreciation Expense	<u>\$11,441,821</u>

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 11 - DEFINED BENEFIT PENSION PLANS**

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

##### **A. School Employees Retirement System**

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2009, 9.09 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 District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008 and 2007 were \$7,449,899, \$6,944,237 and \$7,510,367 respectively, which were equal to the required contributions for each year.

##### **B. State Teachers Retirement System**

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

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A



## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

##### **B. State Teachers Retirement System** (Continued)

member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

Funding Policy - For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2008, 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 District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2009, 2008, and 2007 were \$24,308,579, \$26,253,992, and \$26,002,802 respectively; which were equal to the required contributions for each year. Contributions to the DC and Combined Plans for fiscal year 2009 were \$14,324,698 made by the District and \$13,890,617 made by the plan members.

##### **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 Retirement System. As of June 30, 2009, three members of the Board of Education have elected Social Security. The contribution rate is 6.2 percent of wages.

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 12 - POSTEMPLOYMENT BENEFITS**

##### **A. School Employees Retirement System**

Plan Description – The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated 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, Medicare Advantage 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 the System 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 St., 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 105(e). For 2009, 4.16 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 2009, this amount was \$35,800.

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 District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$3,223,000, \$3,168,877, and \$1,870,560 respectively; which were equal to the required contributions for each year.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2009, this actuarially required allocation was 0.75 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007 were \$771,597, \$500,349, and \$464,124 respectively; which were equal to the required contributions for each year.

##### **B. State Teachers Retirement System**

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

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)**

##### **B. State Teachers Retirement System (Continued)**

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$2,517,674, \$2,019,538, and \$1,857,343 respectively; which were equal to the required contributions for each year.

#### **NOTE 13 –NOTES PAYABLE**

Note Payable activity of the District for the year ended June 30, 2009, was as follows:

<u>Notes Payable</u>		<u>Balance 6/30/2008 *</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
Tax Anticipation Note	5.00%	\$27,455,000	\$0	(\$8,700,000)	\$18,755,000
General Obligation Note	1.75%	\$4,795,000	\$9,310,000	(\$4,795,000)	\$9,310,000

\* - As restated, See Note 2

The tax anticipation notes were issued to provide funding for the employee severance plan and the associated compensated absences balances for the employees that agreed to retire in the prior fiscal year.

The general obligation note was issued to provide the refinancing of the bonds for the purpose of paying the local share of school construction under the State of Ohio School Improvement Assistance Program.

## CINCINNATI CITY SCHOOL DISTRICT, OHIO

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

#### NOTE 14- LONG-TERM DEBT AND OTHER OBLIGATIONS

Detail of the changes in the long-term debt of the District for the year ended June 30, 2009 is as follows:

		Balance June 30, 2008	Additions	Deductions	Balance June 30, 2009	Amount Due Within One Year
School Improvement	2.0-5.25%	\$98,450,000	\$0	(\$4,955,000)	\$93,495,000	\$5,200,000
	(Original Issue Amount = \$120,000,000)					
School Improvement	0.970%	5,000,000	0	0	5,000,000	0
	(Original Issue Amount = \$5,000,000)					
School Improvement	3.25-5.375%	61,415,000	0	(7,590,000)	53,825,000	9,165,000
	(Original Issue Amount = \$480,000,000)					
Energy Conservation	2.97-5.0%	8,655,000	0	(2,755,000)	5,900,000	2,875,000
	(Original Issue Amount = \$13,800,000)					
Computer Technology	2.97-5.0%	8,155,000	0	(2,595,000)	5,560,000	2,710,000
	(Original Issue Amount = \$13,000,000)					
School Improvement Refunding	3.0-5.0%	68,765,000	0	0	68,765,000	0
	(Original Issue Amount = \$69,405,000)					
School Improvement Refunding	4.0-5.25%	368,870,000	0	(2,005,000)	366,865,000	2,285,000
	(Original Issue Amount = \$380,945,000)					
Sub-Total General Obligation Bonds		619,310,000	0	(19,900,000)	599,410,000	22,235,000
Premium General Obligation Bond		56,748,543	0	(4,482,497)	52,266,046	4,482,497
Deferred Loss on Refunding		(24,855,374)	0	2,039,621	(22,815,753)	(2,039,621)
Total General Obligation Bonds		651,203,169	0	(22,342,876)	628,860,293	24,677,876
Capital Leases Payable		120,365,000	0	0	120,365,000	0
Premium on Capital Lease		5,002,234	0	(1,250,558)	3,751,676	1,250,558
Total Capital Leases Payable		125,367,234	0	(1,250,558)	124,116,676	1,250,558
Compensated Absences		51,726,099	54,403,432	(51,726,099)	54,403,432	6,120,193
Total Governmental Long-Term Debt		\$828,296,502	\$54,403,432	(\$75,319,533)	\$807,380,401	\$32,048,627

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 14- LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)**

##### **A. Principal and Interest Requirements**

A summary of the District's future long-term debt funding requirements including principal and interest payments as of June 30, 2009 follows:

Years	General Obligation Bonds		
	Principal	Interest	Total
2010	\$22,235,000	\$29,960,100	\$52,195,100
2011	23,410,000	28,870,158	52,280,158
2012	17,870,000	27,878,632	45,748,632
2013	27,430,000	26,800,008	54,230,008
2014	28,855,000	25,438,723	54,293,723
2015-2019	148,845,000	105,760,215	254,605,215
2020-2024	137,410,000	67,789,281	205,199,281
2025-2029	111,440,000	36,726,602	148,166,602
2030-2032	81,915,000	6,597,545	88,512,545
Totals	<u>\$599,410,000</u>	<u>\$355,821,264</u>	<u>\$955,231,264</u>

##### **B. Defeased Debt**

In September 2006, the District partially refunded \$397,305,000 of General Obligation Bonds for School Improvement, dated May 6, 2003, original issue amount \$480,000,000, through the issuance of \$380,945,000 of General Obligation Bonds. The net proceeds of the 2008 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$397,305,000 at June 30, 2009, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

## CINCINNATI CITY SCHOOL DISTRICT, OHIO

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### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009*

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#### **NOTE 14- LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)**

##### **B. Defeased Debt (Continued)**

In March 2007, the District refunded \$32,525,000 of General Obligation Bonds for School Improvement Series 2001, original issue amount of \$123,945,000, through the issuance of \$120,365,000 of Certificates of Participation (COPS), recorded as a capital lease. Proceeds in the amount of \$33,432,400 from the 2007 COPS have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$17,380,000, at June 30, 2009, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In July 2005, the District refunded \$70,095,000 of General Obligation Bonds for School Improvement Series 2001, through the issuance of \$69,405,000 of General Obligation Bonds. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$70,095,000, at June 30, 2009, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

#### **NOTE 15 - CAPITAL LEASE COMMITMENT**

The District is party to one lease, for various school facilities, that meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease as one which transfers benefits and risks of ownership to the lessee. The costs of the leased assets are accounted for in the Governmental Activities Capital Assets and the related liabilities in the Governmental Activities Long-Term Liabilities. The original cost of the assets under capital lease is \$120,365,000. The leased assets are recorded as buildings within the Capital Asset Footnote.

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

#### **NOTE 15 - CAPITAL LEASE COMMITMENT (Continued)**

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2009:

Year Ending June 30,	Capital Leases
2010	\$5,992,862
2011	12,481,487
2012	12,480,237
2013	6,192,362
2014	6,194,387
2015-2019	30,918,436
2020-2024	62,774,456
2025-2029	56,161,625
2030-2033	46,827,500
Minimum Lease Payments	240,023,352
Less: Amount representing interest at the District's incremental borrowing rate of interest	(119,658,352)
Present value of minimum lease payments	\$120,365,000

#### **NOTE 16 - OPERATING LEASE COMMITMENTS**

The District is committed under various leases for furniture and office equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the fiscal year ended June 30, 2009 amounted to \$21,024. Future minimum lease payments for these leases are as follows:

Year Ending June 30,	Operating Leases
2010	\$19,224
Total Lease Payments	\$19,224

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

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**NOTE 17 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District maintains comprehensive insurance coverage with private carriers for real property, boilers and machinery, building contents, general/Board liability and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. Real Property and contents are covered with a \$250,000 deductible.

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

For fiscal year 2009 the District participated in the Ohio Bureau of Workers Compensation Retrospective Rating Program, which requires a minimum 20% annual premium payment plus actual claims from District employees for the prior 10 calendar years. The cost for Workers Compensation claims paid in fiscal year 2009 was \$1,507,880. The premium cost paid in fiscal year 2009 was \$1,773,023. Premium cost is for administrative charges for Ohio Bureau of Workers Compensation. In addition to the claims paid during fiscal year 2009, the Ohio Bureau of Workers Compensation established a reserve of \$1,518,807 for future claim payments.

The District is self insured for employee health care. The District began accounting for the self-insurance in a separate Internal Service Fund in 2001. The Self Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on a rate of 18.66% of gross payroll. Incurred but not reported liabilities (IBNR's) are determined by the Actuarial Firm of Timothy P. Berghoff, FSA, MAAA. For the fiscal year ending June 30, 2009, the IBNR's were determined to be \$3,524,600.

Changes in the fund's claims liability amount in 2009 and 2008 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2008	\$3,018,000	\$38,584,554	(\$38,163,554)	\$3,439,000
2009	3,439,000	40,299,921	(40,214,321)	3,524,600

Dental insurance is offered to employees through Dental Care Plus. Total Premiums paid to Dental Care Plus were \$2,328,886. Dental Care Plus does not require an employee payroll deduction.



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

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**NOTE 17 - RISK MANAGEMENT (Continued)**

The District offers to all employees who work a minimum of sixty-percent of full time employees and who are not AFSCME union members, a benefit called Benefit Bank. Each employee that qualifies is given \$300 on January 2 each year and employees that are married or have dependents can receive an additional \$125 if they return the application for additional funds. Substitute teachers also qualify for a \$300 benefit each September 1 if in the prior school the substitute teacher worked at least eighty-nine days and returned to teach in the current school year. The Benefit Bank pays for any medical related expense that is not paid for by Humana or by Dental Care Plus. Also, any expense related to optical service such as glasses or eye exams can be submitted for reimbursement from the employees benefit bank balance.

**NOTE 18 – STATUTORY RESERVES**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2009, the reserve activity (cash-basis) was as follows:

	Textbook Reserve	Capital Acquisition Reserve	Budget Stabilization Reserve	Total
Set-aside Cash Balance as of June 30, 2008	(\$38,462,040)	\$0	\$1,420,826	(\$37,041,214)
Current Year Set-Aside Requirement	5,597,950	5,597,950	0	11,195,900
Current Year Offset Credits	0	(19,430,850)	0	(19,430,850)
Qualifying Disbursements	(2,719,669)	(1,237,142)	0	(3,956,811)
Total	<u>(\$35,583,759)</u>	<u>(\$15,070,042)</u>	<u>\$1,420,826</u>	<u>(\$49,232,975)</u>
Balance Carried Forward to FY 2010	<u>(\$35,583,759)</u>	<u>\$0</u>	<u>\$1,420,826</u>	<u>(\$34,162,933)</u>
Amount Designated for Budget Stabilization				<u>\$1,420,826</u>

Am. Sub. Senate Bill 345 amended ORC Section 5705.29 effectively eliminating the requirement for the District to establish and maintain a budget stabilization reserve. By resolution, the Board can eliminate the reserve in accordance with the Act. As of June 30, 2009, the Board had not acted on the Senate Bill requirements to eliminate the reserve balance. In the General Fund, the \$1,420,826 portion of the non-BWC (Bureau of Workers' Compensation) monies was designated for set-aside. The District is still required by State law to maintain the textbook reserve and the capital acquisition reserve.

## **CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2009***

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#### **NOTE 19 - CONTRACTUAL COMMITMENTS**

As of June 30, 2009, the District had entered into various construction contracts for renovations and improvements which it had a remaining unperformed and unpaid total commitment of approximately \$147.5 million.

#### **NOTE 20 - CONTINGENCIES**

##### **A. Grants**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2009.

##### **B. Litigation**

The District is party to legal proceedings. The District's management is of the opinion that the ultimate disposition of claims will not have a material effect, if any, on the financial condition of the District.

*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS.*



***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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

**Food Service Fund**

A fund used to record financial transactions related to food service operations.

**Other Grants Fund**

Used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specific purposes.

**Classroom Facilities Maintenance Fund**

Used to account for the proceeds of a levy for the maintenance of facilities.

**Auxiliary Services Fund**

Used to account for monies that provide services and materials to pupils attending non-public schools within the District.

**Poverty Based Assistance Fund**

Used to account for monies received for disadvantaged pupil aid.

**Title VI B – Special Education Assistance Fund**

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

**Chapter I – Education Consolidation and Improvement Act Fund**

Used to account for federal funds for services provided to meet special education needs of educationally deprived children. This includes the following federal programs; Even Start, Capital Expense, Title One and Homeless Children Education.

**Miscellaneous Federal Grants Fund**

Used to account for various monies received through State agencies from the Federal Government or directly from the Federal Government which are not classified elsewhere. A separate cost center must be used for each grant.

**Other Special Revenue Fund**

The District maintains 54 special revenue funds. For reporting purposes, the District combines the 45 smallest funds into a fund titled “Other Special Revenue Funds”. These combined funds account for less than fifteen percent (15%) of the cash basis revenues and expenditures of all special revenue funds.

## *CINCINNATI CITY SCHOOL DISTRICT, OHIO*

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### *Debt Service Fund*

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The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for payment.

#### **Debt Service Fund**

To account for resources that are used for payment of principal, interest and fiscal charges on general obligation debt.

### *Capital Projects Funds*

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The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

#### **Permanent Improvement Fund**

Used to account for all transactions related to the acquiring, construction or improving of such permanent improvements as are authorized by Chapter 5705 of the Ohio Revised Code.

#### **Replacement Fund**

Used to account for monies used in the rebuilding, restoration or improvement of property, which has been totally or partially destroyed due to any cause.

#### **Energy Conservation Fund**

Used to account for federal grants monies provided to identify and implement energy conservation maintenance and operating procedures and acquire energy conservation measures to reduce consumption.

#### **Power Up Fund**

Used to account for state grants monies to be spent on electrical upgrades.

#### **Interactive Video Distance Learning Fund**

Used to account for monies received from the state to purchase video learning equipment.

#### **Ohio School Net Fund**

Used to account for wiring to all classrooms in the state and to provide a computer workstation and related technology for every classroom.

#### **School Building Assistance Fund**

Used to account for matching funds provided for the big eight school districts to be used for major renovations and repairs to school facilities. (This fund only exists on a GAAP basis and is not part of the District's appropriated budget, therefore no budgetary schedule is presented.)

#### **Emergency School Repair Fund**

Used to account for funds provided for financial assistance to local education agencies (LES's) with urgent school repair and renovation needs. (This fund only exists on a GAAP basis and is not part of the District's appropriated budget, therefore no budgetary schedule is presented.)

## *CINCINNATI CITY SCHOOL DISTRICT, OHIO*

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### *Permanent Fund*

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The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the District's programs.

#### **Permanent Fund**

A fund used to account for money, securities, or lands which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2009**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$ 21,403,169	\$ 0	\$ 459,543	\$ 1,037,507	\$ 22,900,219
Investments	4,906	0	0	187,735	192,641
Receivables:					
Taxes	0	35,548,855	0	0	35,548,855
Accounts	8,869	0	36,980	0	45,849
Intergovernmental - State and Local	48,740	0	0	0	48,740
Intergovernmental - Federal	21,875,887	0	0	365	21,876,252
Interfund Loans Receivable	78,555	0	0	0	78,555
Advances to Other Funds	249,742	0	0	0	249,742
Inventory of Supplies at Cost	104,430	0	0	0	104,430
Inventory Held for Resale	233,181	0	0	0	233,181
Restricted Assets:					
Cash and Cash Equivalents	0	4,412,550	0	0	4,412,550
<b>Total Assets</b>	<b>\$ 44,007,479</b>	<b>\$ 39,961,405</b>	<b>\$ 496,523</b>	<b>\$ 1,225,607</b>	<b>\$ 85,691,014</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 3,452,744	\$ 0	\$ 0	\$ 0	\$ 3,452,744
Accrued Wages and Benefits	4,619,620	0	45,723	0	4,665,343
Intergovernmental Payable	1,663,095	0	1,479	0	1,664,574
Claims Payable	241,609	0	1,671	0	243,280
Interfund Loans Payable	3,086,790	0	48,296	0	3,135,086
Advances from Other Funds	1,351,485	0	826,011	0	2,177,496
Deferred Revenue - Taxes	0	30,494,633	0	0	30,494,633
Deferred Revenue	19,364,504	0	0	0	19,364,504
<b>Total Liabilities</b>	<b>33,779,847</b>	<b>30,494,633</b>	<b>923,180</b>	<b>0</b>	<b>65,197,660</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	5,909,092	274	0	0	5,909,366
Reserved for Debt Service	0	4,412,276	0	0	4,412,276
Reserved for Property Taxes	0	5,054,222	0	0	5,054,222
Reserved for Endowments	0	0	0	768,034	768,034
Reserved for Advances	249,742	0	0	0	249,742
Unreserved, Undesignated in:					
Special Revenue Funds	4,068,798	0	0	0	4,068,798
Capital Projects Funds	0	0	(426,657)	0	(426,657)
Permanent Fund	0	0	0	457,573	457,573
<b>Total Fund Balances</b>	<b>10,227,632</b>	<b>9,466,772</b>	<b>(426,657)</b>	<b>1,225,607</b>	<b>20,493,354</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 44,007,479</b>	<b>\$ 39,961,405</b>	<b>\$ 496,523</b>	<b>\$ 1,225,607</b>	<b>\$ 85,691,014</b>



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2009**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 0	\$ 22,691,521	\$ 0	\$ 0	\$ 22,691,521
Tuition	759,616	0	0	0	759,616
In Lieu of Taxes	0	5,000,000	0	0	5,000,000
Investment Earnings	58,416	5,911	0	(23,824)	40,503
Food Services	2,116,608	0	0	0	2,116,608
Intergovernmental - State	49,215,114	4,742,148	0	0	53,957,262
Intergovernmental - Federal	64,907,888	0	0	0	64,907,888
All Other Revenue	14,059,395	0	0	0	14,059,395
<b>Total Revenue</b>	<b>131,117,037</b>	<b>32,439,580</b>	<b>0</b>	<b>(23,824)</b>	<b>163,532,793</b>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	8,498,982	0	0	16,000	8,514,982
Special	12,303,516	0	0	0	12,303,516
Vocational	753,077	0	0	0	753,077
Other	625,818	0	0	0	625,818
Supporting Services:					
Pupils	5,925,135	0	0	0	5,925,135
Instructional Staff	21,240,320	0	248,388	0	21,488,708
Administration	4,387,864	445,048	0	0	4,832,912
Fiscal Services	742,167	0	0	0	742,167
Business	69,834	0	0	0	69,834
Operation & Maintenance of Plant	6,197,800	0	18	0	6,197,818
Pupil Transportation	700,790	0	0	0	700,790
Central	4,245,373	0	0	0	4,245,373
Operation of Non-Instructional Services	25,494,720	0	0	0	25,494,720
Extracurricular Activities	2,135,745	0	0	0	2,135,745
Capital Outlay	941,926	0	5,000	0	946,926
Debt Service:					
Principal Retirement	0	19,900,000	0	0	19,900,000
Interest & Fiscal Charges	0	36,884,411	0	0	36,884,411
<b>Total Expenditures</b>	<b>94,263,067</b>	<b>57,229,459</b>	<b>253,406</b>	<b>16,000</b>	<b>151,761,932</b>
Excess (Deficiency) of Revenues Over Expenditures	36,853,970	(24,789,879)	(253,406)	(39,824)	11,770,861
<b>Other Financing Sources (Uses):</b>					
Transfers In	6,000,000	11,065,791	0	0	17,065,791
Transfers Out	(40,764,077)	0	0	0	(40,764,077)
<b>Total Other Financing Sources (Uses)</b>	<b>(34,764,077)</b>	<b>11,065,791</b>	<b>0</b>	<b>0</b>	<b>(23,698,286)</b>
Net Change in Fund Balance	2,089,893	(13,724,088)	(253,406)	(39,824)	(11,927,425)
<b>Fund Balances at Beginning of Year, Restated</b>	<b>8,137,739</b>	<b>23,190,860</b>	<b>(173,251)</b>	<b>1,265,431</b>	<b>32,420,779</b>
<b>Fund Balances End of Year</b>	<b>\$ 10,227,632</b>	<b>\$ 9,466,772</b>	<b>\$ (426,657)</b>	<b>\$ 1,225,607</b>	<b>\$ 20,493,354</b>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2009**

	<u>Food Service</u>	<u>Other Grants</u>	<u>Classroom Facilities Maintenance</u>	<u>Auxiliary Services</u>
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$ 2,944,943	\$ 2,812,446	\$ 6,744,496	\$ 1,329,965
Investments	0	0	0	0
Receivables:				
Accounts	401	8,405	0	0
Intergovernmental - State and Local	0	42,037	0	0
Intergovernmental - Federal	0	0	0	0
Interfund Loans Receivable	0	0	0	0
Advances to Other Funds	1	19,258	0	0
Inventory of Supplies at Cost	104,430	0	0	0
Inventory Held for Resale	233,181	0	0	0
<b>Total Assets</b>	<u>\$ 3,282,956</u>	<u>\$ 2,882,146</u>	<u>\$ 6,744,496</u>	<u>\$ 1,329,965</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 81,583	\$ 32,799	\$ 50,487	\$ 613,262
Accrued Wages and Benefits	622,520	330,494	225,520	366,388
Intergovernmental Payable	224,112	118,981	81,189	131,902
Claims Payable	32,558	17,285	11,795	19,162
Interfund Loans Payable	0	0	0	0
Advances from Other Funds	0	0	0	0
Deferred Revenue	233,181	0	0	0
<b>Total Liabilities</b>	<u>1,193,954</u>	<u>499,559</u>	<u>368,991</u>	<u>1,130,714</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	103,999	1,030,968	369,010	1,484,538
Reserved for Advances	1	19,258	0	0
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	1,985,002	1,332,361	6,006,495	(1,285,287)
<b>Total Fund Balances (Deficit)</b>	<u>2,089,002</u>	<u>2,382,587</u>	<u>6,375,505</u>	<u>199,251</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 3,282,956</u>	<u>\$ 2,882,146</u>	<u>\$ 6,744,496</u>	<u>\$ 1,329,965</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

Poverty Based Assistance	Title VI-B	Chapter I	Miscellaneous Federal Grants	Other Special Revenue	Total Nonmajor Special Revenue Funds
\$ 170,840	\$ 130,828	\$ 133,531	\$ 43,134	\$ 7,092,986	\$ 21,403,169
0	0	0	0	4,906	4,906
0	10	22	0	31	8,869
0	0	0	0	6,703	48,740
0	3,410,065	8,570,460	2,480,258	7,415,104	21,875,887
0	0	0	0	78,555	78,555
0	218,838	0	0	11,645	249,742
0	0	0	0	0	104,430
0	0	0	0	0	233,181
<u>\$ 170,840</u>	<u>\$ 3,759,741</u>	<u>\$ 8,704,013</u>	<u>\$ 2,523,392</u>	<u>\$ 14,609,930</u>	<u>\$ 44,007,479</u>
\$ 0	\$ 148,997	\$ 998,714	\$ 536,454	\$ 990,448	\$ 3,452,744
1,058,099	416,503	819,404	207,447	573,245	4,619,620
380,923	149,944	294,990	74,683	206,371	1,663,095
55,340	21,783	42,856	10,850	29,980	241,609
0	0	285,099	122,419	2,679,272	3,086,790
0	0	0	0	1,351,485	1,351,485
0	3,410,065	8,570,460	1,988,909	5,161,889	19,364,504
<u>1,494,362</u>	<u>4,147,292</u>	<u>11,011,523</u>	<u>2,940,762</u>	<u>10,992,690</u>	<u>33,779,847</u>
0	46,250	1,211,127	848,103	815,097	5,909,092
0	218,838	0	0	11,645	249,742
<u>(1,323,522)</u>	<u>(652,639)</u>	<u>(3,518,637)</u>	<u>(1,265,473)</u>	<u>2,790,498</u>	<u>4,068,798</u>
<u>(1,323,522)</u>	<u>(387,551)</u>	<u>(2,307,510)</u>	<u>(417,370)</u>	<u>3,617,240</u>	<u>10,227,632</u>
<u>\$ 170,840</u>	<u>\$ 3,759,741</u>	<u>\$ 8,704,013</u>	<u>\$ 2,523,392</u>	<u>\$ 14,609,930</u>	<u>\$ 44,007,479</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009**

	<u>Food Service</u>	<u>Other Grants</u>	<u>Classroom Facilities Maintenance</u>	<u>Auxiliary Services</u>
<b>Revenues:</b>				
Tuition	\$ 0	\$ 759,616	\$ 0	\$ 0
Investment Earnings	8,191	250	0	30,404
Food Services	2,115,598	1,010	0	0
Intergovernmental - State	411,897	0	0	9,147,398
Intergovernmental - Federal	13,066,460	0	0	0
All Other Revenue	14,475	6,934,860	0	0
<b>Total Revenue</b>	<u>15,616,621</u>	<u>7,695,736</u>	<u>0</u>	<u>9,177,802</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	1,453,500	0	0
Special	0	48,480	0	0
Vocational	0	14,641	0	0
Other	0	161	0	0
Supporting Services:				
Pupils	0	125,025	0	0
Instructional Staff	0	4,562,429	0	0
Administration	0	1,275,251	0	0
Fiscal Services	0	38,296	0	123,941
Business	0	1,449	0	68,385
Operation & Maintenance of Plant	0	1,406	3,546,179	0
Pupil Transportation	0	2,511	0	0
Central	0	10,132	0	0
Operation of Non-Instructional Services	14,056,502	52,390	0	8,642,225
Extracurricular Activities	0	0	0	0
Capital Outlay	0	32,980	908,946	0
<b>Total Expenditures</b>	<u>14,056,502</u>	<u>7,618,651</u>	<u>4,455,125</u>	<u>8,834,551</u>
Excess (Deficiency) of Revenues Over Expenditures	1,560,119	77,085	(4,455,125)	343,251
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	6,000,000	0
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>6,000,000</u>	<u>0</u>
Net Change in Fund Balance	1,560,119	77,085	1,544,875	343,251
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>528,883</u>	<u>2,305,502</u>	<u>4,830,630</u>	<u>(144,000)</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 2,089,002</u>	<u>\$ 2,382,587</u>	<u>\$ 6,375,505</u>	<u>\$ 199,251</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

Poverty Based Assistance	Title VI-B	Chapter I	Miscellaneous Federal Grants	Other Special Revenue	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 759,616
0	0	0	0	19,571	58,416
0	0	0	0	0	2,116,608
38,544,713	0	0	0	1,111,106	49,215,114
0	9,156,339	24,862,149	5,149,960	12,672,980	64,907,888
0	0	0	3,618,154	3,491,906	14,059,395
<u>38,544,713</u>	<u>9,156,339</u>	<u>24,862,149</u>	<u>8,768,114</u>	<u>17,295,563</u>	<u>131,117,037</u>
3,427,340	3,219	0	1,663,300	1,951,623	8,498,982
0	1,063,544	9,930,461	722,183	538,848	12,303,516
0	0	0	0	738,436	753,077
0	0	0	0	625,657	625,818
2,393,929	977,752	11,289	629,439	1,787,701	5,925,135
1,787,443	1,253,665	5,014,043	5,617,961	3,004,779	21,240,320
0	1,151,508	1,133,168	170,272	657,665	4,387,864
0	87,639	321,508	57,463	113,320	742,167
0	0	0	0	0	69,834
2,574,724	0	7,521	14,802	53,168	6,197,800
0	0	671,292	25,187	1,800	700,790
0	0	0	814	4,234,427	4,245,373
0	1,111,752	1,547,868	28,251	55,732	25,494,720
0	0	0	0	2,135,745	2,135,745
0	0	0	0	0	941,926
<u>10,183,436</u>	<u>5,649,079</u>	<u>18,637,150</u>	<u>8,929,672</u>	<u>15,898,901</u>	<u>94,263,067</u>
28,361,277	3,507,260	6,224,999	(161,558)	1,396,662	36,853,970
0	0	0	0	0	6,000,000
(25,316,040)	(3,418,809)	(8,960,093)	0	(3,069,135)	(40,764,077)
<u>(25,316,040)</u>	<u>(3,418,809)</u>	<u>(8,960,093)</u>	<u>0</u>	<u>(3,069,135)</u>	<u>(34,764,077)</u>
3,045,237	88,451	(2,735,094)	(161,558)	(1,672,473)	2,089,893
(4,368,759)	(476,002)	427,584	(255,812)	5,289,713	8,137,739
<u>\$ (1,323,522)</u>	<u>\$ (387,551)</u>	<u>\$ (2,307,510)</u>	<u>\$ (417,370)</u>	<u>\$ 3,617,240</u>	<u>\$ 10,227,632</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2009**

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	Permanent Improvement	Replacement	Energy Conservation	Power Up
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$ 96,951	\$ 1,177	\$ 282,599	\$ 64,415
Receivables:				
Accounts	0	0	0	0
<b>Total Assets</b>	<u>\$ 96,951</u>	<u>\$ 1,177</u>	<u>\$ 282,599</u>	<u>\$ 64,415</u>
<b>Liabilities:</b>				
Accrued Wages and Benefits	\$ 0	\$ 0	\$ 45,723	\$ 0
Intergovernmental Payable	0	0	1,479	0
Claims Payable	0	0	1,671	0
Interfund Loans Payable	0	0	0	0
Advances from Other Funds	0	0	0	0
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>48,873</u>	<u>0</u>
<b>Fund Balances:</b>				
Unreserved, Undesignated in:				
Capital Projects Funds (Deficit)	96,951	1,177	233,726	64,415
<b>Total Fund Balances</b>	<u>96,951</u>	<u>1,177</u>	<u>233,726</u>	<u>64,415</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 96,951</u>	<u>\$ 1,177</u>	<u>\$ 282,599</u>	<u>\$ 64,415</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Interactive Video Distance Learning	Ohio School Net	School Building Assistance	Emergency School Repair	Total Nonmajor Capital Projects Funds
\$ 14,401	\$ 0	\$ 0	\$ 0	\$ 459,543
<u>36,980</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>36,980</u>
<u>\$ 51,381</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 496,523</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,723
0	0	0	0	1,479
0	0	0	0	1,671
0	48,296	0	0	48,296
<u>0</u>	<u>0</u>	<u>765,631</u>	<u>60,380</u>	<u>826,011</u>
<u>0</u>	<u>48,296</u>	<u>765,631</u>	<u>60,380</u>	<u>923,180</u>
<u>51,381</u>	<u>(48,296)</u>	<u>(765,631)</u>	<u>(60,380)</u>	<u>(426,657)</u>
<u>51,381</u>	<u>(48,296)</u>	<u>(765,631)</u>	<u>(60,380)</u>	<u>(426,657)</u>
<u>\$ 51,381</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 496,523</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Permanent Improvement</u>	<u>Replacement</u>	<u>Energy Conservation</u>	<u>Power Up</u>
<b>Revenues:</b>				
<b>Total Revenue</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures:</b>				
Current:				
Supporting Services:				
Instructional Staff	0	0	0	0
Operation & Maintenance of Plant	18	0	0	0
Capital Outlay	<u>0</u>	<u>0</u>	<u>5,000</u>	<u>0</u>
<b>Total Expenditures</b>	<u>18</u>	<u>0</u>	<u>5,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(18)	0	(5,000)	0
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>96,969</u>	<u>1,177</u>	<u>238,726</u>	<u>64,415</u>
<b>Fund Balances (Deficit) End of Year</b>	<u><u>\$ 96,951</u></u>	<u><u>\$ 1,177</u></u>	<u><u>\$ 233,726</u></u>	<u><u>\$ 64,415</u></u>



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Interactive Video Distance Learning	Ohio School Net	School Building Assistance	Emergency School Repair	Total Nonmajor Capital Projects Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	248,388	0	0	248,388
0	0	0	0	18
0	0	0	0	5,000
<u>0</u>	<u>248,388</u>	<u>0</u>	<u>0</u>	<u>253,406</u>
0	(248,388)	0	0	(253,406)
<u>51,381</u>	<u>200,092</u>	<u>(765,631)</u>	<u>(60,380)</u>	<u>(173,251)</u>
<u>\$ 51,381</u>	<u>\$ (48,296)</u>	<u>\$ (765,631)</u>	<u>\$ (60,380)</u>	<u>\$ (426,657)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Governmental Funds – General Fund  
For the Fiscal Year Ended June 30, 2009***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 491,175,483	\$ 486,076,647	\$ 449,245,287	\$ (36,831,360)
Total Expenditures and Other Financing Uses	498,343,657	507,180,300	458,948,124	48,232,176
Net Change in Fund Balance	(7,168,174)	(21,103,653)	(9,702,837)	11,400,816
Fund Balances, Beginning of Year	47,071,874	47,071,874	47,071,874	0
Prior Year Encumbrances	12,415,867	12,415,867	12,415,867	0
Fund Balances, End of Year	<u>\$ 52,319,567</u>	<u>\$ 38,384,088</u>	<u>\$ 49,784,904</u>	<u>\$ 11,400,816</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Governmental Funds – Special Revenue Fund  
For the Fiscal Year Ended June 30, 2009***

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	<b>SCHOOLWIDE BUILDING PROGRAM FUND</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 142,620,027</u>	<u>\$ 142,751,935</u>	<u>\$ 135,870,034</u>	<u>\$ (6,881,901)</u>
Total Expenditures and Other Financing Uses	<u>135,006,553</u>	<u>149,460,495</u>	<u>137,334,416</u>	<u>12,126,079</u>
Net Change in Fund Balance	7,613,474	(6,708,560)	(1,464,382)	5,244,178
Fund Balances, Beginning of Year	6,014,840	6,014,840	6,014,840	0
Prior Year Encumbrances	<u>693,720</u>	<u>693,720</u>	<u>693,720</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 14,322,034</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 5,244,178</u></u>	<u><u>\$ 5,244,178</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Governmental Funds – Capital Projects Fund  
For the Fiscal Year Ended June 30, 2009***

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	<b>BUILDING FUND</b>		<b>Variance with Final Budget Positive (Negative)</b>
	<b>Final Budget</b>	<b>Actual</b>	
Total Revenues and Other Financing Sources	\$ 8,462,364	\$ 9,310,860	\$ 848,496
Total Expenditures and Other Financing Uses	363,817,210	59,376,882	304,440,328
Net Change in Fund Balance	(355,354,846)	(50,066,022)	305,288,824
Fund Balances, Beginning of Year	322,495,724	322,495,724	0
Prior Year Encumbrances	32,859,122	32,859,122	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 305,288,824</u>	<u>\$ 305,288,824</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Governmental Funds – Capital Projects Fund  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 33,996,334	\$ 39,754,910	\$ 5,758,576
Total Expenditures and Other Financing Uses	133,783,110	200,284,769	(66,501,659)
Net Change in Fund Balance	(99,786,776)	(160,529,859)	(60,743,083)
Fund Balances, Beginning of Year	41,884,124	41,884,124	0
Prior Year Encumbrances	57,902,652	57,902,652	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ (60,743,083)</u>	<u>\$ (60,743,083)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 13,448,450	\$ 14,561,526	\$ 1,113,076
Total Expenditures and Other Financing Uses	14,827,867	13,282,094	1,545,773
Net Change in Fund Balance	(1,379,417)	1,279,432	2,658,849
Fund Balances, Beginning of Year	1,042,340	1,042,340	0
Prior Year Encumbrances	337,077	337,077	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 2,658,849</u>	<u>\$ 2,658,849</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

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	<b>OTHER GRANTS FUND</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	<u>\$ 8,989,308</u>	<u>\$ 7,764,187</u>	<u>\$ (1,225,121)</u>
Total Expenditures and Other Financing Uses	<u>11,783,920</u>	<u>8,979,705</u>	<u>2,804,215</u>
Net Change in Fund Balance	(2,794,612)	(1,215,518)	1,579,094
Fund Balances, Beginning of Year	1,813,630	1,813,630	0
Prior Year Encumbrances	<u>1,097,206</u>	<u>1,097,206</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 116,224</u></u>	<u><u>\$ 1,695,318</u></u>	<u><u>\$ 1,579,094</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

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**CLASSROOM FACILITIES MAINTENANCE FUND**

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 6,000,000	\$ 6,000,000	\$ 0
Total Expenditures and Other Financing Uses	<u>11,153,424</u>	<u>4,864,838</u>	<u>6,288,586</u>
Net Change in Fund Balance	(5,153,424)	1,135,162	6,288,586
Fund Balances, Beginning of Year	4,681,775	4,681,775	0
Prior Year Encumbrances	<u>471,649</u>	<u>471,649</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 6,288,586</u>	<u>\$ 6,288,586</u>



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

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	<b>AUXILIARY FUND</b>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	\$ 10,278,301	\$ 9,177,802	\$ (1,100,499)
Total Expenditures and Other Financing Uses	11,129,215	10,855,707	273,508
Net Change in Fund Balance	(850,914)	(1,677,905)	(826,991)
Fund Balances, Beginning of Year	81,029	81,029	0
Prior Year Encumbrances	769,885	769,885	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ (826,991)</u>	<u>\$ (826,991)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 45,000,000	\$ 38,544,713	\$ (6,455,287)
Total Expenditures and Other Financing Uses	45,000,000	38,544,713	6,455,287
Net Change in Fund Balance	0	0	0
Fund Balances, Beginning of Year	0	0	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

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	<b>TITLE VI-B FUND</b>		<b>Variance with Final Budget Positive (Negative)</b>
	<b>Final Budget</b>	<b>Actual</b>	
Total Revenues and Other Financing Sources	<u>\$ 12,088,625</u>	<u>\$ 11,244,025</u>	<u>\$ (844,600)</u>
Total Expenditures and Other Financing Uses	<u>12,341,555</u>	<u>11,628,623</u>	<u>712,932</u>
Net Change in Fund Balance	(252,930)	(384,598)	(131,668)
Fund Balances, Beginning of Year	(276,612)	(276,612)	0
Prior Year Encumbrances	<u>529,542</u>	<u>529,542</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ (131,668)</u>	<u>\$ (131,668)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

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	<b>CHAPTER I FUND</b>		<b>Variance with Final Budget Positive (Negative)</b>
	<u><b>Final Budget</b></u>	<u><b>Actual</b></u>	<u><b>(Negative)</b></u>
Total Revenues and Other Financing Sources	\$ 36,906,000	\$ 28,145,798	\$ (8,760,202)
Total Expenditures and Other Financing Uses	<u>36,674,480</u>	<u>30,842,735</u>	<u>5,831,745</u>
Net Change in Fund Balance	231,520	(2,696,937)	(2,928,457)
Fund Balances, Beginning of Year	(1,508,851)	(1,508,851)	0
Prior Year Encumbrances	<u>1,997,178</u>	<u>1,997,178</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 719,847</u>	<u>\$ (2,208,610)</u>	<u>\$ (2,928,457)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

---

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 11,496,275	\$ 9,683,178	\$ (1,813,097)
Total Expenditures and Other Financing Uses	11,658,639	11,352,527	306,112
Net Change in Fund Balance	(162,364)	(1,669,349)	(1,506,985)
Fund Balances, Beginning of Year	(932,022)	(932,022)	0
Prior Year Encumbrances	1,226,453	1,226,453	0
Fund Balances, End of Year	<u>\$ 132,067</u>	<u>\$ (1,374,918)</u>	<u>\$ (1,506,985)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 24,352,233	\$ 20,018,661	\$ (4,333,572)
Total Expenditures and Other Financing Uses	<u>27,591,563</u>	<u>22,180,293</u>	<u>5,411,270</u>
Net Change in Fund Balance	(3,239,330)	(2,161,632)	1,077,698
Fund Balances, Beginning of Year	5,923,474	5,923,474	0
Prior Year Encumbrances	<u>1,676,884</u>	<u>1,676,884</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 4,361,028</u>	<u>\$ 5,438,726</u>	<u>\$ 1,077,698</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Fund  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 64,407,199	\$ 60,840,105	\$ (3,567,094)
Total Expenditures and Other Financing Uses	89,177,481	71,998,604	17,178,877
Net Change in Fund Balance	(24,770,282)	(11,158,499)	13,611,783
Fund Balances, Beginning of Year	19,969,913	19,969,913	0
Fund Balances, End of Year	<u>\$ (4,800,369)</u>	<u>\$ 8,811,414</u>	<u>\$ 13,611,783</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	96,969	18	96,951
Net Change in Fund Balance	(96,969)	(18)	96,951
Fund Balances, Beginning of Year	96,969	96,969	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 96,951</u>	<u>\$ 96,951</u>



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	1,177	0	1,177
Net Change in Fund Balance	(1,177)	0	1,177
Fund Balances, Beginning of Year	1,177	1,177	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 1,177</u>	<u>\$ 1,177</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	287,599	5,000	282,599
Net Change in Fund Balance	(287,599)	(5,000)	282,599
Fund Balances, Beginning of Year	282,599	282,599	0
Prior Year Encumbrances	5,000	5,000	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 282,599</u>	<u>\$ 282,599</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

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	<b>POWER UP FUND</b>		
	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	64,415	0	64,415
Net Change in Fund Balance	(64,415)	0	64,415
Fund Balances, Beginning of Year	64,415	64,415	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 64,415</u>	<u>\$ 64,415</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

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**INTERACTIVE VIDEO DISTANCE LEARNING FUND**

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	14,401	0	14,401
Net Change in Fund Balance	(14,401)	0	14,401
Fund Balances, Beginning of Year	14,401	14,401	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 14,401</u>	<u>\$ 14,401</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 164,324	\$ 48,296	\$ (116,028)
Total Expenditures and Other Financing Uses	321,195	253,463	67,732
Net Change in Fund Balance	(156,871)	(205,167)	(48,296)
Fund Balances, Beginning of Year	(67,731)	(67,731)	0
Prior Year Encumbrances	272,898	272,898	0
Fund Balances, End of Year	<u>\$ 48,296</u>	<u>\$ 0</u>	<u>\$ (48,296)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 765,731	\$ 0	\$ (765,731)
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	765,731	0	(765,731)
Fund Balances, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 765,731</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (765,731)</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009***

---

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 60,381	\$ 0	\$ (60,381)
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	60,381	0	(60,381)
Fund Balances, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 60,381</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (60,381)</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Fund  
For the Fiscal Year Ended June 30, 2009***

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	<b>PERMANENT FUND</b>		<b>Variance with Final Budget Positive (Negative)</b>
	<b>Final Budget</b>	<b>Actual</b>	
Total Revenues and Other Financing Sources	\$ 18,517	\$ 19,114	\$ 597
Total Expenditures and Other Financing Uses	1,086,992	16,000	1,070,992
Net Change in Fund Balance	(1,068,475)	3,114	1,071,589
Fund Balances, Beginning of Year	1,068,475	1,068,475	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 1,071,589</u>	<u>\$ 1,071,589</u>





***Fiduciary Funds***

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

***Agency Fund***

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**Student Managed Activity Fund**

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

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Changes in Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended June 30, 2009***

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	Balance June 30, 2008	Additions	Deductions	Balance June 30, 2009
<b><u>Student Managed Activity Fund</u></b>				
Assets:				
Equity in Pooled Cash and Investments	\$39,998	\$64,414	(\$29,496)	\$74,916
Total Assets	<u>\$39,998</u>	<u>\$64,414</u>	<u>(\$29,496)</u>	<u>\$74,916</u>
Liabilities:				
Due to Students	\$39,998	\$64,414	(\$29,496)	\$74,916
Total Liabilities	<u>\$39,998</u>	<u>\$64,414</u>	<u>(\$29,496)</u>	<u>\$74,916</u>

*CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENTAL FUNDS*

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**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Source  
June 30, 2009***

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Capital Assets

Land	\$36,166,393
Construction in Progress	181,889,927
Land Improvements	9,185,640
Buildings and Improvements	550,617,663
Furniture, Fixtures and Equipment	5,042,196
Vehicles	629,654
	<hr/>
Total Capital Assets	<u><u>\$783,531,473</u></u>

Investment in Capital Assets from:

Acquisitions Prior to 1999	\$103,588,903
General Fund	9,677,897
Special Revenue Funds	1,326,068
Special Revenue Funds - Food Service	342,942
Capital Project Funds	659,955,131
Donations	8,640,532
	<hr/>
Total Investment in Capital Assets	<u><u>\$783,531,473</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Function and Activity  
June 30, 2009***

<u>Function and Activity</u>	<u>Land</u>	<u>Construction in Progress</u>	<u>Land Improvements</u>
Instructional Services			
Regular	\$11,001,378	\$0	\$6,535,300
Special	0	0	0
Vocational	75,100	0	0
Support Services:			
Pupils	0	0	26,374
Instructional Staff	0	0	0
Administration	0	0	0
Fiscal Services	0	0	0
Operation and Maintenance of Plant	0	0	468,837
Pupil Transportation	0	0	0
Central	561,000	0	123,000
Extracurricular Activities	0	0	172,800
Other Noninstructional Services	0	0	0
Facility Services	0	0	1,825,814
Site Acquisition	11,519,525	0	0
Architecture and Engineering	0	13,353,061	0
Building Acquisition and Construction	13,009,390	168,536,866	0
Building Improvement	0	0	33,515
Total Capital Assets	<u>\$36,166,393</u>	<u>\$181,889,927</u>	<u>\$9,185,640</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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<u>Buildings and Improvements</u>	<u>Furniture, Fixtures and Equipment</u>	<u>Vehicles</u>	<u>Total</u>
\$77,024,673	\$1,100,700	\$0	\$95,662,051
0	684,866	0	684,866
13,153,592	384,788	0	13,613,480
0	1,279,452	0	1,305,826
0	254,387	0	254,387
0	48,944	0	48,944
0	298,473	0	298,473
4,814,816	78,112	25,972	5,387,737
0	55,348	0	55,348
6,854,000	843,849	0	8,381,849
325,200	0	0	498,000
0	13,277	342,943	356,220
7,724,879	0	260,739	9,811,432
0	0	0	11,519,525
1,814,443	0	0	15,167,504
437,947,202	0	0	619,493,458
958,858	0	0	992,373
<u>\$550,617,663</u>	<u>\$5,042,196</u>	<u>\$629,654</u>	<u>\$783,531,473</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

***Capital Assets Used in the Operation of Governmental Funds  
Schedule Changes by Function and Activity  
For the Fiscal Year Ended June 30, 2009***

Function and Activity	June 30, 2008	Additions	Deletions	June 30, 2009
Instructional Services				
Regular	\$117,398,837	\$0	(\$21,736,786)	\$95,662,051
Special	403,378	281,488	0	684,866
Vocational	13,613,480	0	0	13,613,480
Support Services:				
Pupils	1,305,826	0	0	1,305,826
Instructional Staff	254,387	0	0	254,387
Administration	80,544	0	(31,600)	48,944
Fiscal Services	298,473	0	0	298,473
Operation and Maintenance of Plant	6,417,326	0	(1,029,589)	5,387,737
Pupil Transportation	55,348	0	0	55,348
Central	8,381,849	0	0	8,381,849
Extracurricular Activities	498,000	0	0	498,000
Other Noninstructional Services	580,771	0	(224,551)	356,220
Facility Services	10,047,330	0	(235,898)	9,811,432
Site Acquisition	10,947,830	571,695	0	11,519,525
Architecture and Engineering	15,192,775	0	(25,271)	15,167,504
Building Acquisition and Construction	503,664,745	228,725,639	(112,896,926)	619,493,458
Building Improvement	992,373	0	0	992,373
Total Capital Assets	<u>\$690,133,272</u>	<u>\$229,578,822</u>	<u>(\$136,180,621)</u>	<u>\$783,531,473</u>





# Statistical Section



*STATISTICAL TABLES*

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

*Contents*

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<b>Financial Trends</b>	S 2 – S 13
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
<b>Revenue Capacity</b>	S 14 – S 21
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue sources, the property tax and the sales tax.	
<b>Debt Capacity</b>	S 22 – S 29
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<b>Economic and Demographic Information</b>	S 30 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	S 34 – S 49
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

**Sources Note:**

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

***Cincinnati Public School District***

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>Governmental Activities</b>			
Invested in Capital Assets, Net of Related Debt	\$50,918,941	\$24,393,680	\$62,736,106
Restricted for:			
Capital Projects	967,504	33,583,348	32,373,514
Debt Service	5,588,399	5,212,708	13,610,918
Permanent Funds:			
Expendable	317,754	317,754	354,528
Nonexpendable	768,034	768,034	768,034
Other Purposes	22,883,658	20,983,634	17,532,180
Unrestricted	101,101,358	115,284,752	84,335,436
Total Governmental Activities Net Assets	<u>\$182,545,648</u>	<u>\$200,543,910</u>	<u>\$211,710,716</u>

Source: District Treasurer's Office

Note: District did not implement GASB 34 prior to 2002.

*Cincinnati Public School District*

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<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$123,801,968	\$163,202,797	\$218,829,785	\$273,865,981	\$326,129,887
59,677,761	47,111,594	113,428,438	73,551,262	31,994,427
13,412,818	22,755,122	27,315,500	16,959,885	5,484,225
350,786	350,786	476,939	497,397	457,573
768,034	768,034	768,034	768,034	768,034
20,193,869	16,034,254	9,754,569	0	0
31,471,831	91,543,314	52,591,559	40,306,909	90,286,275
<u>\$249,677,067</u>	<u>\$341,765,901</u>	<u>\$423,164,824</u>	<u>\$405,949,468</u>	<u>\$455,120,421</u>

## Cincinnati Public School District

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

	2002	2003	2004
<b>Expenses</b>			
Governmental Activities			
Instruction			
Regular	\$214,853,229	\$220,453,877	\$233,043,337
Special	56,276,047	63,132,571	68,179,784
Vocational	10,405,177	6,534,496	7,254,606
Other	2,083,093	1,703,846	1,600,216
Support Services			
Pupils	21,749,313	22,810,661	29,128,330
Instructional Staff	24,600,912	24,920,010	33,996,376
Board of Education	243,629	432,025	330,013
Administration	33,394,787	34,103,376	37,435,189
Fiscal Services	5,373,728	5,874,202	4,796,236
Business	370,426	883,799	1,117,893
Operation and Maintenance of Plant	33,420,048	40,064,743	49,649,606
Pupil Transportation	23,572,004	22,336,585	24,686,563
Central	10,478,315	19,173,042	31,066,121
Non-Instructional Services	26,663,407	29,078,066	29,907,760
Extracurricular Activities	4,635,728	5,425,048	5,581,501
Interest and Fiscal Charges	7,300,332	10,194,674	29,215,795
<i>Total Primary Government Expenses</i>	<u>\$475,420,175</u>	<u>\$507,121,021</u>	<u>\$586,989,326</u>
<b>Program Revenues</b>			
Governmental Activities			
Charges for Services			
Instruction	\$2,601,764	\$3,409,870	\$3,580,490
Support Services	81,730	1,903,289	1,630,413
Non-Instructional Services	2,970,844	2,766,804	2,673,711
Extracurricular Activities	791,460	1,370,223	1,360,314
Operating Grants and Contributions	97,880,543	98,877,672	105,858,803
Capital Grants and Contributions	75,060	765,501	362,250
<i>Total Primary Government Program Revenues</i>	<u>104,401,401</u>	<u>109,093,359</u>	<u>115,465,981</u>
<b>Net (Expense)/Revenue</b>			
Governmental Activities	(371,018,774)	(398,027,662)	(471,523,345)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$371,018,774)</u>	<u>(\$398,027,662)</u>	<u>(\$471,523,345)</u>

***Cincinnati Public School District***

2005	2006	2007	2008	2009
\$221,590,261	\$223,297,113	\$182,146,228	\$175,998,596	\$218,216,256
78,163,915	80,390,504	69,266,976	72,421,383	72,987,430
7,952,193	6,209,179	6,693,031	7,216,845	5,796,782
1,743,840	4,703,448	32,417,953	40,553,924	677,824
28,917,415	26,628,386	27,257,081	23,484,223	25,454,794
35,799,980	33,757,059	42,835,422	44,812,063	44,172,580
348,475	308,211	347,852	403,963	443,575
83,855,686	33,272,546	34,880,780	33,167,537	33,399,805
4,319,078	3,889,606	3,306,297	2,905,859	2,982,641
1,161,363	1,372,454	1,071,616	1,217,184	1,382,889
39,950,347	41,446,421	41,057,796	40,791,667	41,344,253
24,960,104	24,928,584	22,799,539	23,321,223	29,877,750
17,193,132	14,031,779	15,159,365	19,888,633	19,309,398
29,840,292	26,527,842	30,191,515	32,584,206	34,574,667
5,731,005	5,080,509	5,323,580	5,066,751	6,727,253
35,335,026	35,493,871	27,316,555	36,789,707	35,008,872
<u>\$616,862,112</u>	<u>\$561,337,512</u>	<u>\$542,071,586</u>	<u>\$560,623,764</u>	<u>\$572,356,769</u>
\$3,787,000	\$4,258,848	\$7,575,641	\$4,295,206	\$6,799,768
2,609,254	2,518,277	4,481,719	7,278,344	7,001,505
2,728,504	3,361,377	2,483,338	2,262,012	2,183,221
945,664	713,347	851,103	750,852	1,947,178
126,815,341	108,096,560	109,768,466	127,168,655	126,199,712
63,167,849	243,573	81,068,698	719,912	0
<u>200,053,612</u>	<u>119,191,982</u>	<u>206,228,965</u>	<u>142,474,981</u>	<u>144,131,384</u>
<u>(416,808,500)</u>	<u>(442,145,530)</u>	<u>(335,842,621)</u>	<u>(418,148,783)</u>	<u>(428,225,385)</u>
<u>(\$416,808,500)</u>	<u>(\$442,145,530)</u>	<u>(\$335,842,621)</u>	<u>(\$418,148,783)</u>	<u>(\$428,225,385)</u>

(Continued)

***Cincinnati Public School District***

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

	2002	2003	2004
<b><i>General Revenues and Other Changes in Net Assets</i></b>			
<i>Governmental Activities</i>			
Property Taxes Levied for			
General Purposes	\$239,988,500	\$242,138,738	\$241,472,317
Debt Service	737,370	899,101	22,088,507
Revenue in Lieu of Taxes	13,994,122	15,095,611	14,269,160
Grants and Entitlements not			
Restricted to Specific Programs	143,443,480	144,831,670	173,939,321
Investment Earnings	10,357,950	8,693,979	6,461,084
Miscellaneous	3,396,032	4,063,450	5,315,126
<i>Total Primary Government</i>	<u>\$411,917,454</u>	<u>\$415,722,549</u>	<u>\$463,545,515</u>
<b><i>Change in Net Assets</i></b>			
<i>Governmental Activities</i>	<u>\$40,898,680</u>	<u>\$17,694,887</u>	<u>(\$7,977,830)</u>
<i>Total Primary Government Change in Net Assets</i>	<u>\$40,898,680</u>	<u>\$17,694,887</u>	<u>(\$7,977,830)</u>

Source: District Treasurer's Office

Note: District did not implement GASB 34 prior to 2002.



*Cincinnati Public School District*

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<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$230,848,360	\$315,532,788	\$189,107,096	\$200,054,022	\$265,885,389
26,870,805	34,823,550	25,823,528	33,356,387	23,498,488
14,877,443	15,745,319	11,299,519	10,948,197	10,919,337
149,003,219	146,356,573	157,791,118	150,048,088	165,610,526
11,517,721	28,554,158	29,904,739	30,097,980	10,097,650
4,960,207	6,131,207	3,315,544	12,818,225	1,384,948
<u>\$438,077,755</u>	<u>\$547,143,595</u>	<u>\$417,241,544</u>	<u>\$437,322,899</u>	<u>\$477,396,338</u>
<u>\$21,269,255</u>	<u>\$104,998,065</u>	<u>\$81,398,923</u>	<u>\$19,174,116</u>	<u>\$49,170,953</u>
<u>\$21,269,255</u>	<u>\$104,998,065</u>	<u>\$81,398,923</u>	<u>\$19,174,116</u>	<u>\$49,170,953</u>

***Cincinnati Public School District***

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

	2000	2001	2002	2003
General Fund				
Reserved	\$36,753,989	\$74,103,330	\$60,916,774	\$67,344,758
Unreserved	15,702,774	22,613,806	68,034,263	71,156,036
<i>Total General Fund</i>	<u>52,456,763</u>	<u>96,717,136</u>	<u>128,951,037</u>	<u>138,500,794</u>
All Other Governmental Funds				
Reserved	21,906,347	32,446,112	18,022,379	20,605,566
Unreserved, Undesignated in:				
Special Revenue Funds	8,831,545	13,272,099	15,726,294	9,898,574
Capital Projects Funds	(23,659,446)	99,234,369	96,634,588	206,121,719
Permanent Fund	0	0	317,754	324,214
<i>Total All Other Governmental Funds</i>	<u>7,078,446</u>	<u>144,952,580</u>	<u>130,701,015</u>	<u>236,950,073</u>
<i>Total Governmental Funds</i>	<u>\$59,535,209</u>	<u>\$241,669,716</u>	<u>\$259,652,052</u>	<u>\$375,450,867</u>

Source: District Treasurer's Office

***Cincinnati Public School District***

2004	2005	2006	2007	2008	2009
\$77,001,382	\$77,117,030	\$77,952,939	\$38,214,228	\$44,175,345	\$63,795,812
27,795,469	6,933,639	10,401,021	(9,416,133)	(2,461,469)	10,296,495
104,796,851	84,050,669	88,353,960	28,798,095	41,713,876	74,092,307
67,574,219	90,082,799	83,004,473	123,506,930	110,989,299	149,613,198
9,150,321	8,996,661	12,122,469	5,072,611	(6,516,820)	(5,327,271)
673,909,505	542,525,627	489,401,006	452,438,137	371,811,911	246,422,216
354,528	350,786	397,465	476,939	497,397	457,573
750,988,573	641,955,873	584,925,413	581,494,617	476,781,787	391,165,716
<u>\$855,785,424</u>	<u>\$726,006,542</u>	<u>\$673,279,373</u>	<u>\$610,292,712</u>	<u>\$518,495,663</u>	<u>\$465,258,023</u>

## Cincinnati Public School District

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

	2000	2001	2002	2003
<b>Revenues:</b>				
Local Sources:				
Taxes	\$179,700,792	\$214,021,076	\$238,784,104	\$242,059,637
Tuition	1,394,557	1,084,570	1,091,966	1,090,918
In Lieu of Taxes	8,771,721	9,598,900	13,853,036	15,295,671
Investment Earnings	5,420,695	10,254,870	10,510,893	8,682,782
Food Services	0	0	2,823,116	2,756,395
Intermediate Sources	0	0	0	0
Intergovernmental - State	177,900,740	199,746,658	192,853,460	186,026,797
Intergovernmental - Federal	35,768,021	34,826,350	44,632,835	52,297,299
All Other Revenue	10,245,691	9,272,846	7,007,546	9,992,701
<b>Total Revenue</b>	<u>419,202,217</u>	<u>478,805,270</u>	<u>511,556,956</u>	<u>518,202,200</u>
<b>Expenditures:</b>				
Current:				
Instruction				
Regular	162,704,228	184,720,120	209,542,378	218,138,993
Special	49,668,188	45,980,215	55,423,644	62,761,098
Vocational	9,472,984	7,939,467	10,123,352	6,261,609
Other Instruction	2,830,101	1,589,980	1,852,969	2,097,045
Supporting Services:				
Pupils	18,056,966	17,271,836	21,407,476	21,915,606
Instructional Staff	23,268,614	25,739,415	24,227,809	24,817,267
Board of Education	196,996	208,969	241,577	426,281
Administration	27,713,852	29,909,627	32,731,322	33,985,048
Fiscal Services	2,609,556	2,189,842	5,278,194	6,837,264
Business	694,281	402,902	347,721	886,604
Operation and Maintenance of Plant	28,375,672	41,214,967	32,917,105	39,741,738
Pupil Transportation	21,039,542	21,798,906	23,555,262	22,293,435
Central	20,489,853	16,035,589	10,087,713	18,785,890
Non-Instructional Services (1)	10,003,707	11,100,306	25,330,107	27,760,318
Extracurricular Activities	3,534,149	3,981,969	4,532,356	5,379,870
Capital Outlay	15,755,943	10,809,755	25,388,396	22,193,145
Debt Service:				
Principal Retirement	26,454,342	24,798,093	33,450,000	32,795,000
Interest and Fiscal Charges	2,785,816	4,944,240	7,815,070	10,202,014
<b>Total Expenditures</b>	<u>425,654,790</u>	<u>450,636,198</u>	<u>524,252,451</u>	<u>557,278,225</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,452,573)	28,169,072	(12,695,495)	(39,076,025)

***Cincinnati Public School District***

2004	2005	2006	2007	2008	2009
\$265,814,744	\$256,325,144	\$322,180,008	\$196,490,568	\$248,560,390	\$277,728,502
1,484,343	1,734,775	2,474,762	2,513,899	2,436,623	1,750,008
14,317,383	14,877,443	15,743,651	11,299,537	10,949,847	10,919,337
6,461,084	18,711,996	26,498,394	29,948,910	31,299,042	10,996,692
2,644,972	2,557,890	2,509,797	2,344,784	2,183,555	2,116,608
0	292,406	0	0	0	0
216,768,811	232,669,945	205,315,594	213,837,132	218,696,480	252,144,552
65,839,661	74,329,708	68,695,133	65,064,133	69,088,928	68,590,338
10,403,047	10,436,186	15,075,461	13,762,600	22,821,498	15,545,489
<u>583,734,045</u>	<u>611,935,493</u>	<u>658,492,800</u>	<u>535,261,563</u>	<u>606,036,363</u>	<u>639,791,526</u>
232,384,048	222,580,079	216,803,272	182,770,612	171,397,040	208,745,852
68,500,148	78,066,020	78,112,990	70,735,576	71,042,866	71,892,127
6,966,426	7,695,731	5,883,214	6,394,581	6,635,484	5,474,802
1,672,990	1,759,044	1,192,485	31,921,738	38,748,252	673,707
28,976,925	28,779,045	25,877,478	27,326,156	23,025,194	24,873,130
33,650,585	35,844,378	33,425,507	42,360,630	44,151,479	43,556,762
329,933	349,910	300,309	348,361	398,416	432,078
37,521,512	42,846,546	73,453,592	35,301,777	32,704,791	33,010,049
4,743,865	4,311,076	3,747,809	3,294,436	2,853,139	2,924,642
1,110,054	1,172,056	1,318,991	1,071,324	1,198,346	1,338,302
49,452,172	40,051,151	40,489,901	41,047,302	39,830,779	40,587,586
24,513,078	24,597,832	24,710,901	23,234,772	23,043,622	29,623,267
30,449,946	16,795,704	14,421,486	14,965,653	18,826,176	18,714,730
29,381,857	29,089,662	24,583,057	27,119,187	25,947,645	25,494,720
5,569,357	5,715,176	4,952,035	5,348,011	4,973,632	6,616,085
31,182,823	129,917,744	109,456,508	121,280,997	128,811,748	121,159,988
28,410,000	42,505,000	44,970,000	26,350,000	19,685,000	19,900,000
32,759,197	35,675,089	38,910,773	35,072,745	39,759,435	38,011,339
<u>647,574,916</u>	<u>747,751,243</u>	<u>742,610,308</u>	<u>695,943,858</u>	<u>693,033,044</u>	<u>693,029,166</u>

(63,840,871) (135,815,750) (84,117,508) (160,682,295) (86,996,681) (53,237,640)  
(Continued)

**Cincinnati Public School District**

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

	2000	2001	2002	2003
<b>Other Financing Sources (Uses):</b>				
General Obligation Notes Issued	23,032,000	20,550,000	25,000,000	22,200,000
General Obligation Bonds Issued	0	131,195,000	0	125,000,000
Premium on General Obligation Bonds	0	2,010,435	0	7,097,571
Issuance of Refunding Bonds	0	0	0	0
Premium on Refunding Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
New Capital Leases	0	210,000	651,788	273,894
Premium on Capital Leases	0	0	0	0
Transfers In	3,703,223	4,719,417	9,186,312	50,749,244
Transfers Out	(3,259,642)	(4,719,417)	(9,186,312)	(50,749,244)
Other Miscellaneous Sources (Uses)	(484,821)	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>22,990,760</b>	<b>153,965,435</b>	<b>25,651,788</b>	<b>154,571,465</b>
<b>Net Change in Fund Balance</b>	<b>\$16,538,187</b>	<b>\$182,134,507</b>	<b>\$12,956,293</b>	<b>\$115,495,440</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	7.56%	7.15%	9.03%	8.69%

(1) Food Service Operations were reclassified from Business-Type Activity to Governmental Activity in 2003 when the District implemented GASB 34.

Source: District Treasurer's Office

***Cincinnati Public School District***

2004	2005	2006	2007	2008	2009
32,400,000	29,600,000	0	0	0	0
480,000,000	0	26,800,000	0	0	0
13,300,428	0	3,817,959	0	0	0
0	0	69,405,000	380,945,000	0	0
0	0	7,482,626	48,836,975	0	0
0	0	(76,115,246)	(459,954,691)	0	0
0	0	0	120,365,000	0	0
0	0	0	7,503,350	0	0
9,261,682	679,493,721	16,164,576	14,626,125	155,775,182	152,935,825
(9,261,682)	(679,493,721)	(16,164,576)	(14,626,125)	(155,775,182)	(152,935,825)
0	0	0	0	0	0
525,700,428	29,600,000	31,390,339	97,695,634	0	0
<u>\$461,859,557</u>	<u>(\$106,215,750)</u>	<u>(\$52,727,169)</u>	<u>(\$62,986,661)</u>	<u>(\$86,996,681)</u>	<u>(\$53,237,640)</u>

10.94%	14.27%	15.15%	12.22%	11.64%	11.17%
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***Cincinnati Public School District***

*Assessed Valuations and Estimated True Values of Taxable Property*  
 (amounts in thousands)  
*Last Ten Calendar Years*

<b>Tax year</b>	1999	2000	2001	2002
<b>Real Property</b>				
Assessed	\$4,951,206	\$4,953,069	\$4,964,324	\$5,514,802
Actual	14,146,303	14,151,626	14,183,783	15,756,577
<b>Public Utility</b>				
Assessed	440,481	416,613	333,228	351,842
Actual	440,481	416,613	333,228	351,842
<b>Tangible Personal Property</b>				
Assessed	717,580	728,376	737,473	690,729
Actual	2,870,320	2,913,504	2,949,892	2,762,916
<b>Total</b>				
Assessed	6,109,267	6,098,058	6,035,025	6,557,373
Actual	17,457,104	17,481,743	17,466,903	18,871,335
<b>Assessed Value as a Percentage of Actual Value</b>	35.00%	34.88%	34.55%	34.75%
<b>Total Direct Tax Rate</b>	\$53.13	\$51.94	\$56.93	\$57.15

Source: Hamilton County Auditor

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

N/A = not available



***Cincinnati Public School District***

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2003	2004	2005	2006	2007	2008
\$5,578,562	\$5,487,899	\$6,253,727	\$6,270,949	\$6,273,021	\$6,275,000
15,938,749	15,679,711	17,867,791	17,916,997	17,922,917	17,928,571
354,261	348,115	352,496	339,324	282,091	281,000
354,261	348,115	352,496	339,324	282,091	281,000
577,134	575,490	434,739	297,008	181,603	31,500
2,308,536	2,301,960	1,738,956	1,584,043	1,452,824	504,000
6,509,957	6,411,504	7,040,962	6,907,281	6,736,715	6,587,500
18,601,546	18,329,786	19,959,243	19,840,364	19,657,832	18,713,571
35.00%	34.98%	35.28%	34.81%	34.27%	35.20%
\$56.25	\$60.75	\$60.83	\$59.77	\$59.37	\$59.67

## *Cincinnati Public School District*

*Property Tax Rates of Direct and Overlapping Governments  
(per \$1,000 of assessed value)  
Last Ten Calendar Years*

Collection Year	2000	2001	2002	2003
<b>Direct District Rates</b>				
General Fund	51.77	56.79	57.01	56.11
Permanent Improvement	0.00	0.00	0.00	0.00
Bond Retirement Fund	0.17	0.14	0.14	0.14
Total	<u>51.94</u>	<u>56.93</u>	<u>57.15</u>	<u>56.25</u>
<b>Overlapping Rates</b>				
Hamilton County	19.54	20.83	19.92	21.47
Cities:				
Cheviot	12.66	12.62	12.56	12.42
Cincinnati	10.90	10.76	10.76	10.63
Indian Hill	0.96	0.96	0.96	0.96
Madeira	7.50	7.50	7.50	7.50
Norwood	11.40	11.40	11.40	11.40
Silverton	8.15	8.15	8.15	8.15
Wyoming	10.00	10.00	10.00	10.00
Villages:				
Amberly	6.00	7.00	7.00	7.00
Fairfax	2.76	2.76	2.76	2.76
Golf Manor	19.42	25.32	24.52	24.52
Mairemont	12.44	12.44	12.44	12.44
Townships:				
Anderson	12.18	14.15	14.15	14.15
Columbia	17.96	17.96	17.96	17.96
Delhi	20.46	20.46	20.46	20.46
Green	8.81	8.81	8.31	8.31
Springfield	14.30	14.30	20.30	20.30
Sycamore	7.75	7.75	7.75	7.75
Fairfax - Madison Pl.	0.00	0.00	2.50	2.50
Total	<u><u>255.13</u></u>	<u><u>270.10</u></u>	<u><u>276.55</u></u>	<u><u>276.93</u></u>

Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage.

**Source:**

Hamilton County Auditor's Office  
Hamilton County Treasurer's Office

***Cincinnati Public School District***

2004	2005	2006	2007	2008	2009
56.09	56.19	55.13	54.81	54.90	62.95
0.00	0.00	0.00	0.00	0.00	0.00
4.66	4.64	4.64	4.56	4.77	5.00
60.75	60.83	59.77	59.37	59.67	67.95
21.87	21.51	20.81	20.18	20.56	20.63
12.24	12.22	14.52	14.52	14.52	14.52
10.36	10.34	10.19	9.93	9.89	9.89
0.96	0.96	0.96	0.96	0.96	0.96
7.50	7.50	7.50	7.50	7.50	7.50
11.40	11.40	11.40	11.40	11.40	11.40
8.15	8.15	8.15	8.15	8.15	8.15
10.00	10.00	10.00	10.00	10.00	10.00
7.00	7.00	7.00	7.00	7.00	7.00
2.76	2.76	2.76	2.76	2.76	2.76
24.52	24.52	30.52	30.52	38.52	38.52
14.37	14.37	14.37	14.37	14.37	14.37
14.15	14.15	14.15	14.15	14.15	16.85
21.26	21.26	21.26	14.76	14.76	18.76
20.46	20.46	26.34	26.34	26.34	26.34
8.31	8.31	9.81	9.81	9.81	11.71
20.30	20.30	20.30	20.30	20.30	20.30
7.75	7.75	7.75	8.75	8.75	8.75
2.76	2.76	2.76	0.00	0.00	0.00
286.87	286.55	300.32	290.77	299.41	316.36

## Cincinnati Public School District

*Principal Taxpayers  
Tangible Personal Property Tax  
Current Year and Five Years Ago*

Name of Taxpayer	Nature of Business	Calendar Year 2008		
		Assessed Value	Rank	Percent of Total Assessed Value
Cincinnati Bell Telephone Co., LLC	Consumer Goods-Telecomm.	\$19,097,600	1	8.51%
New Par	Consumer Goods-Telecomm.	8,168,140	2	3.64%
Cincinnati Bell Wireless, LLC	Consumer Goods-Telecomm.	6,512,360	3	2.90%
Banc of America Leasing & Capital. LLC	Banking Services	6,015,780	4	2.68%
Cincinnati SMSA Limited Partnership	Real Estate Holdings	5,113,960	5	2.28%
Duramed Pharmaceuticals Inc.	Pharmaceuticals	4,541,790	6	2.02%
The Procter and Gamble Company	Consumer Goods Manufacturing	3,902,610	7	1.74%
Kroger Company	Consumer Goods Distribution	3,199,990	8	1.43%
Jake Sweeney Chevrolet Imports	Vehicle Sales	2,459,030	9	1.10%
Kroger Limited PTSP 1	Real Estate Holdings	2,417,370	10	1.08%
Subtotal		61,428,630		27.38%
All Others		162,871,406		72.62%
Total		<u>\$224,300,036</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2003		
		Assessed Value	Rank	Percent of Total Assessed Value
The Procter and Gamble Company	Consumer Goods Manufacturing	\$33,848,970	1	5.87%
Cognis Corporation	Speciality Chemicals	10,050,100	2	1.74%
Coca Cola Enterprises Inc.	Consumer Products	10,007,260	3	1.73%
Givaudan Flavors Corp	Consumer Products	9,285,310	4	1.61%
Sun Chemical	Chemicals	8,266,750	5	1.43%
Kroger Limited PTSP 1	Real Estate Holdings	8,266,390	6	1.43%
Gannett Satellite Information Network	Media Holdings	7,899,070	7	1.37%
Noveon Hilton Davis	Chemicals	7,500,850	8	1.30%
Kroger Company	Consumer Goods Distribution	6,315,960	9	1.09%
Convergys Information Management	Consulting Services	5,311,140	10	0.92%
Subtotal		106,751,800		18.49%
All Others		470,382,360		81.51%
Total		<u>\$577,134,160</u>		<u>100.00%</u>

Source: Hamilton County Auditor - Land and Buildings

Based on valuation of property in 2008 and 2003.

Note: Information was not available prior to 2003.

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

## *Cincinnati Public School District*

*Principal Taxpayers  
Real Estate Tax and Public Utilities Personal Property  
Current Year and Nine Years Ago*

		Calendar Year 2008		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Duke Electric	Public Utility	\$277,525,400	1	4.23%
City of Cincinnati	Municipal Government	95,344,520	2	1.45%
The Procter & Gamble Co.	Consumer Goods Manufacturing	59,941,900	3	0.91%
Carew Realty	Real Estate Holdings	29,263,860	4	0.45%
Ohio Teachers Retirement System	Real Estate Holdings	24,325,000	5	0.37%
Columbia Development	Real Estate Holdings	24,239,670	6	0.37%
Fifth Third Bank	Financial Institution	21,799,510	7	0.33%
Regency Centers LP	Real Estate Holding	21,799,510	9	0.33%
Jewish Health Systems	Health System	20,496,940	8	0.31%
Cincinnati Bell Telephone	Public Utility	17,692,070	10	0.27%
Subtotal		592,428,380		9.02%
All Others		5,963,571,620		90.98%
Total		<u>\$6,556,000,000</u>		<u>100.00%</u>
		Calendar Year 1999		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Cinergy	Public Utility	\$308,384,170	1	5.20%
The Procter & Gamble Co.	Consumer Goods Manufacturing	128,653,610	2	2.17%
Cincinnati Bell Telephone, Inc.	Public Utility	95,172,510	3	1.60%
Emery Realty	Real Estate Holdings	30,975,000	4	0.52%
Prudential Insurance	Real Estate Holdings	28,000,000	5	0.47%
Columbia Development	Real Estate Holdings	28,000,000	6	0.47%
Ohio Teachers Retirement System	Real Estate Holdings	26,775,000	7	0.45%
Fifth Third Center	Real Estate Holdings	21,350,000	8	0.36%
580 Walnut Partner	Real Estate Holdings	21,000,000	9	0.35%
Senior Lifestyle	Real Estate Holdings	19,285,280	10	0.33%
Subtotal		707,595,570		11.92%
All Others		5,225,227,430		88.08%
Total		<u>\$5,932,823,000</u>		<u>100.00%</u>

Source: Hamilton County Auditor - Land and Buildings  
Based on valuation of property in 2008 and 1999

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

## *Cincinnati Public School District*

*Property Tax Levies and Collections  
(amounts in thousands)  
Last Ten Years*

<b>Collection Year</b>	<u>1999</u>	<u>2000</u>	<u>2001</u>
<b>Total Tax Levy</b> (1)	\$224,300	\$228,955	\$228,488
<b>Collections within the Fiscal Year of the Levy</b>			
Current Tax Collections (2)	215,308	206,750	203,990
Percent of Levy Collected	95.99%	90.30%	89.28%
Delinquent Tax Collections	<u>9,589</u>	<u>7,184</u>	<u>8,523</u>
Total Tax Collections	224,897	213,934	212,513
<b>Percent of Total Tax Collections To Tax Levy</b>	100.27%	93.44%	93.01%
<b>Accumulated Outstanding Delinquent Taxes</b> (3)	20,182	14,926	6,250
<b>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</b>	9.00%	6.52%	2.74%

(1) Taxes levied and collected are presented on a cash basis.

(2) State reimbursements of rollback and homestead exemptions are included; December 2005 settlement estimate included.

(3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs. Delinquent taxes based upon levy year, not collection year.

Source: Hamilton County Auditor's Office

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

*Cincinnati Public School District*

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<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$236,177	\$269,841	\$268,011	\$277,611	\$276,704	\$281,679	\$278,080
208,901	232,064	231,599	237,378	232,726	234,117	255,997
88.45%	86.00%	86.41%	85.51%	84.11%	83.11%	92.06%
<u>9,007</u>	<u>10,874</u>	<u>10,910</u>	<u>12,621</u>	<u>12,233</u>	<u>12,665</u>	<u>14,997</u>
217,908	242,938	242,509	249,999	244,959	246,782	270,994
92.26%	90.03%	90.48%	90.05%	88.53%	87.61%	97.45%
7,138	9,655	11,049	12,343	12,395	17,877	21,615
3.02%	3.58%	4.12%	4.45%	4.48%	6.35%	7.77%

## *Cincinnati Public School District*

### *Ratio of Outstanding Debt By Type Last Ten Years*

	2000	2001	2002	2003
<b>Governmental Activities</b> <sup>(1)</sup>				
General Obligation Bonds Payable	\$5,915,000	\$128,250,000	\$122,600,000	\$246,547,692
Long-Term Notes Payable	23,032,000	27,800,000	25,000,000	22,200,000
Tax Anticipation Notes Payable	46,790,000	30,050,000	15,000,000	10,000,000
Capital Leases	162,970	216,775	527,997	470,019
Total Primary Government	<u>\$75,899,970</u>	<u>\$186,316,775</u>	<u>\$163,127,997</u>	<u>\$279,217,711</u>
<b>Population</b> <sup>(2)</sup>				
City of Cincinnati	364,040	331,285	331,285	331,285
Outstanding Debt Per Capita	208	562	492	843
<b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	11,744,658	12,219,731	11,509,503	11,977,940
Percentage of Personal Income	0.65%	1.52%	1.42%	2.33%

**Sources:**

- (1) District Treasurer's Office
- (2) US Bureau of Census of Population
- (3) US Department of Commerce, Bureau of Economic Analysis
  - (a) Per Capita Income is only available by County, Total Personal Income is a calculation



***Cincinnati Public School District***

2004	2005	2006	2007	2008	2009
\$732,790,633	\$721,838,146	\$736,003,676	\$673,331,045	\$651,203,169	\$628,860,293
32,400,000	29,600,000	0	0	0	0
5,000,000	0	43,600,000	35,730,000	27,455,000	18,755,000
172,081	29,772	0	126,617,792	125,367,234	124,116,676
<u>\$770,362,714</u>	<u>\$751,467,918</u>	<u>\$779,603,676</u>	<u>\$835,678,837</u>	<u>\$804,025,403</u>	<u>\$771,731,969</u>
331,285	331,285	331,285	331,285	331,285	331,285
2,325	2,268	2,353	2,523	2,427	2,330
12,342,354	13,074,825	13,702,279	13,525,704	13,740,708	14,155,808
6.24%	5.75%	5.69%	6.18%	5.85%	5.45%

***Cincinnati Public School District***

*Ratios of General Bonded Debt Outstanding  
Last Ten Years*

Year	2000	2001	2002	2003
<b>Population</b> (1)	364,040	331,285	331,285	331,285
<b>Assessed Value</b> (in thousands) (2)	6,109,267	6,098,058	6,035,025	6,557,373
<b>General Bonded Debt</b> (3)				
General Obligation Bonds	5,915,000	128,250,000	122,600,000	246,547,692
<b>Resources Available to Pay Principal</b> (4)	6,496,441	13,592,362	5,067,945	5,501,964
<b>Net General Bonded Debt</b>	(581,441)	114,657,638	117,532,055	241,045,728
<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	(0.01%)	1.88%	1.95%	3.68%
<b>Net Bonded Debt per Capita</b>	(2)	346	355	728

**Source:**

- (1) U.S. Bureau of Census of Population
- (2) Hamilton County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

*Cincinnati Public School District*

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<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
331,285	331,285	331,285	331,285	331,285	331,285
6,509,957	6,411,504	7,040,962	6,907,281	6,736,715	6,587,500
732,790,633	721,838,146	736,003,676	673,331,045	651,203,169	628,860,293
15,765,336	15,714,852	21,561,481	24,674,972	23,190,860	9,466,772
717,025,297	706,123,294	714,442,195	648,656,073	628,012,309	619,393,521
11.01%	11.01%	10.15%	9.39%	9.32%	9.40%
2,164	2,131	2,157	1,958	1,896	1,870



**Cincinnati Public School District**

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2009*

<b>Jurisdiction</b>	<b>Gross Debt Outstanding</b>	<b>Percentage Applicable to Cincinnati Public School District</b>	<b>Amount Applicable to Cincinnati Public School District</b>
<b>Direct:</b>			
Cincinnati Public School District	\$628,860,293	100.00%	\$628,860,293
<b>Overlapping:</b>			
Hamilton County	108,530,000	33.48%	36,335,844
Cities:			
Cheviot	86,418	100.00%	86,418
Cincinnati	322,270,000	100.08%	322,527,816
Madeira	555,000	0.45%	2,498
Norwood	5,646,600	0.05%	2,823
Silverton	900,000	93.24%	839,160
Wyoming	9,142,514	0.20%	18,285
Villages:			
Amberly	6,000,000	100.00%	6,000,000
Townships:			
Delhi	6,225,000	1.76%	109,560
Green	3,835,000	12.27%	470,555
Springfield	12,750,000	4.92%	627,300
Anderson Township Park District	774,352	0.50%	3,872
Deer Park - Silverton Fire District	585,000	42.21%	246,929
Little Miami Jt Fire & Rescue District	165,000	18.92%	31,218
	<u>477,464,884</u>	Subtotal	<u>367,302,278</u>
		Total	<u><u>\$996,162,571</u></u>

Source: Hamilton County Auditor

***Cincinnati Public School District***

*Debt Limitations  
(amounts in thousands)  
Last Ten Years*

	1999	2000	2001	2002
<b>Net Assessed Valuation</b>	\$6,109,267	\$6,098,058	\$6,035,025	\$6,557,373
<b>Overall Direct Debt Limitation</b>				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	549,834	548,825	543,152	590,164
Applicable District Debt Outstanding	7,465	5,915	128,250	122,600
Less: Applicable Debt Service Fund Amounts (2)	(3,750)	(6,496)	(13,592)	(5,068)
Net Indebtedness Subject to Limitation	3,715	(581)	114,658	117,532
Overall Legal Debt Margin	<u>\$546,119</u>	<u>\$549,407</u>	<u>\$428,495</u>	<u>\$472,632</u>
<b>Unvoted Direct Debt Limitation</b>				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	6,109	6,098	6,035	6,557
Applicable District Debt Outstanding	7,465	5,915	128,250	122,600
Unvoted Legal Debt Margin	<u>\$13,574</u>	<u>\$12,013</u>	<u>\$134,285</u>	<u>\$129,157</u>
<b>Energy Conservation Bond Limitation</b>				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	54,983	54,883	54,315	59,016
Authorized by the Board	0	0	0	0
Unvoted Energy Conservation Bond Legal Debt Margin	<u>\$54,983</u>	<u>\$54,883</u>	<u>\$54,315</u>	<u>\$59,016</u>

(1) Ohio Bond Law sets a limit of 9% for overall debt, 1/10 of 1% for unvoted debt, and 9/10 of 1% for energy conservation debt.

(2) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

*Cincinnati Public School District*

2003	2004	2005	2006	2007	2008
\$6,509,957	\$6,411,504	\$7,040,962	\$6,907,281	\$6,736,715	\$6,587,500
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
585,896	577,035	633,687	621,655	606,304	592,875
246,548	732,791	721,838	736,004	673,331	628,860
(5,502)	(15,765)	(15,715)	(21,561)	(24,675)	(9,467)
241,046	717,025	706,123	714,442	648,656	619,394
<u>\$344,850</u>	<u>(\$139,990)</u>	<u>(\$72,437)</u>	<u>(\$92,787)</u>	<u>(\$42,352)</u>	<u>(\$26,519)</u>
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
6,510	6,412	7,041	6,907	6,737	6,588
246,548	732,791	721,838	736,004	673,331	628,860
<u>\$253,058</u>	<u>\$739,202</u>	<u>\$728,879</u>	<u>\$742,911</u>	<u>\$680,068</u>	<u>\$635,448</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
58,590	57,704	63,369	62,166	60,630	59,288
0	0	0	0	0	0
<u>\$58,590</u>	<u>\$57,704</u>	<u>\$63,369</u>	<u>\$62,166</u>	<u>\$60,630</u>	<u>\$59,288</u>

## *Cincinnati Public School District*

### *Demographic and Economic Statistics Last Ten Years*

<b>Calendar Year</b>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
<b>Population</b> (1)				
City of Cincinnati	364,040	364,040	331,285	331,285
Hamilton County	866,228	845,303	845,303	845,303
<b>Income</b> (2) (a)				
Total Personal (in thousands)	11,744,658	12,219,731	11,509,503	11,977,940
Per Capita	32,262	33,567	34,742	36,156
<b>Unemployment Rate</b> (3)				
Federal	4.2%	3.8%	4.8%	5.8%
State	4.3%	3.7%	4.3%	5.7%
Hamilton County	3.5%	3.6%	3.6%	5.1%
<b>Fiscal Year</b>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>School Enrollment</b> (4)				
Grades K - 5	23,785	22,194	20,663	19,826
Grades 6 - 8	10,305	10,273	10,077	10,004
Grades 9 - 12	10,192	10,116	10,509	10,580
Total	<u>44,282</u>	<u>42,583</u>	<u>41,249</u>	<u>40,410</u>

**Sources:**

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
  - (a) Per Capita Income is only available by County, Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) District Treasurer's Office



***Cincinnati Public School District***

2003	2004	2005	2006	2007	2008
331,285	331,285	331,285	331,285	331,285	331,285
845,303	845,303	845,303	845,303	845,303	845,303
12,342,354	13,074,825	13,702,279	13,525,704	13,740,708	14,155,808
37,256	39,467	41,361	40,828	41,477	42,730
6.0%	5.5%	5.0%	4.6%	4.6%	5.8%
6.1%	6.0%	5.9%	5.5%	5.6%	6.6%
5.1%	5.7%	5.7%	5.0%	5.0%	5.6%
2004	2005	2006	2007	2008	2009
18,153	16,907	15,964	15,534	15,279	15,486
9,690	9,071	8,573	7,606	7,278	7,311
10,936	11,190	11,029	11,089	10,681	10,558
38,779	37,168	35,566	34,229	33,238	33,355



## *Cincinnati Public School District*

### *Principal Employers Current Year and Nine Years Ago*

		2009	
Employer	Nature of Business	Number of Employees	Rank
University of Cincinnati	Public University	15,864	1
The Kroger Co.	National Grocery Retailer	15,600	2
Health Alliance of Grtr Cinti	Health Care System	14,785	3
The Proctor & Gamble Co	Consumer Goods Manufacturing	12,315	4
Childrens Hospital	Pediatric Medical Center	9,464	5
TriHealth	Health Care System	9,400	6
Fifth Third Bank	Financial Services Company	7,645	7
WalMart Stores	National Retailer	7,500	8
GE Aviation	Jet Engine Manufacturer	7,400	9
Mercy Health Partners	Health Care System	6,948	10
Total		<u>106,921</u>	
		1999	
Employer	Nature of Business	Number of Employees	Rank
The Proctor & Gamble Co	Consumer Goods Manufacturing	14,700	1
U.S. Government	Government	13,600	2
The Kroger Co.	National Grocery Retailer	12,000	3
University of Cincinnati	Education	11,700	4
General Electric Co. Aircraft	Aircraft Engines	8,000	5
City of Cincinnati	Government	6,090	6
Hamilton County	Government	5,900	7
Cincinnati Public Schools	Education	5,400	8
Cincinnati Gas & Electric Co.	Public Utility	5,000	9
Cincinnati Milacron Inc.	Machine Tools	4,500	10
Total		<u>86,890</u>	

**Sources:** Cincinnati Chamber of Commerce

## *Cincinnati Public School District*

### *School District Employees by Type Last Ten Years*

	2000	2001	2002	2003
<b>Supervisory</b>				
Instructional Administrators	9.41	10.29	10.07	6.80
Noninstructional Administrators	61.56	55.10	41.38	45.14
Consultants/Supervisors of Instruction	24.56	23.47	31.16	34.32
Principals	76.55	76.34	84.73	90.80
Assistant Principals	46.67	41.77	49.79	54.00
<b>Instruction</b>				
Classroom Teachers	3,130.73	3,007.39	3,211.60	3,165.06
<b>Student Services</b>				
Guidance Counselors	23.76	19.02	21.08	23.00
Social Workers	22.86	24.29	27.10	68.76
Psychologists	53.33	56.99	63.08	68.61
Librarians	61.56	53.54	50.87	46.00
Other Professionals (noninstructional)	93.05	84.03	118.24	117.21
<b>Support Services</b>				
Clerical/Secretaries	418.69	410.06	411.97	419.30
Tutors/Aides	977.39	1,008.89	1,105.29	1,067.45
Safety/Security	149.50	169.09	191.25	166.40
Food Service	235.34	249.04	251.46	251.64
Maintenance/Grounds	395.83	390.46	416.36	425.03
<i>Total Employees</i>	<u>5,780.79</u>	<u>5,679.77</u>	<u>6,085.43</u>	<u>6,055.32</u>

**Method:** 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: District Treasurer's Office

***Cincinnati Public School District***

2004	2005	2006	2007	2008	2009
4.00	2.00	4.00	3.00	2.00	4.00
45.50	43.00	34.00	37.40	36.00	58.00
16.80	9.50	3.00	23.80	25.00	22.80
88.20	81.00	73.00	76.00	68.00	57.00
59.90	58.80	51.80	50.30	39.00	40.50
3,115.73	3,035.34	2,719.36	2,480.04	2,268.05	2,178.67
20.00	21.00	18.00	19.00	17.60	16.80
37.40	40.80	34.50	40.68	37.10	35.63
76.90	75.35	77.50	72.85	63.40	71.20
29.30	32.00	27.00	28.90	25.55	24.60
67.94	89.97	80.83	108.64	107.12	110.91
441.30	423.78	392.49	351.32	332.37	335.68
1,023.53	933.88	889.50	895.56	938.84	1,019.54
165.61	150.67	138.51	116.66	144.27	148.67
254.45	238.20	213.26	207.71	183.38	173.19
404.19	389.60	364.00	401.04	367.03	344.77
<u>5,850.75</u>	<u>5,624.89</u>	<u>5,120.75</u>	<u>4,912.90</u>	<u>4,654.71</u>	<u>4,641.96</u>

***Cincinnati Public School District***

*Operating Indicators - Cost per Pupil  
Last Ten Years*

Fiscal Year	2000	2001	2002	2003
Enrollment	44,282	42,583	41,249	40,410
Modified Accrual Basis				
Operating Expenditures (1)	380,658,689	410,084,110	457,598,985	492,088,066
Cost per Pupil	8,596	9,630	11,094	12,177
Percentage of Change	5.4%	12.0%	15.2%	9.8%
Accrual Basis				
Operating Expenses (2)	N/A	N/A	468,119,843	496,926,347
Cost per Pupil	N/A	N/A	11,349	12,297
Percentage of Change	N/A	N/A	N/A	8.4%
Teaching Staff	3,183	3,067	3,114	2,953
Pupil to Teacher Ratio				
Cincinnati	13.9	13.9	13.2	13.7
State Average	18.1	18.0	16.9	16.9

Source: District Treasurer's Office and Ohio Department of Education

N/A = Not available

(1) Expenditures do not include debt service or capital outlay

(2) Expenses do not include interest expense

***Cincinnati Public School District***

2004	2005	2006	2007	2008	2009
38,779	37,168	35,566	34,229	33,238	33,355
555,222,896	539,653,410	549,273,027	513,240,116	504,776,861	513,957,839
14,318	14,519	15,444	14,994	15,187	15,409
17.6%	1.4%	6.4%	(2.9%)	1.3%	1.5%
557,773,531	581,527,086	525,843,641	514,755,031	523,834,057	537,347,897
14,383	15,646	14,785	15,039	15,760	16,110
17.0%	8.8%	(5.5%)	1.7%	4.8%	2.2%
2,929	2,565	2,639	2,401	2,351	2,384
13.2	14.5	13.5	14.3	14.1	14.0
18.5	18.5	18.6	19.6	18.6	18.6

## *Cincinnati Public School District*

### *Operating Indicators by Function Last Five Years*

	2005	2006	2007
<b>Governmental Activities</b>			
Support Services			
Pupils			
Enrollment	37,168	35,566	33,881
Graduates	1,607	1,821	1,769
Percent of Students with Disabilities	19.85%	20.14%	20.50%
Percent of Students with English as Second Language	1.34%	1.80%	3.20%
Administration			
School Attendance Rate	94.40	94.80	94.70
Fiscal Services			
Purchase Orders Processed	8,417	6,007	18,758
Checks Issued (non payroll)	34,613	29,979	27,395
Operation and Maintenance of Plant			
District Square Footage Maintained	7,846,612	7,775,142	7,949,000
District Square Acreage Maintained	925	925	925
Percentage of Capacity Used	72.00%	68.93%	95.90%
Average Age of Buildings	59	57	51
Pupil Transportation			
Average Daily Students Transported	33,966	35,761	25,862
Average Daily Bus Fleet Miles	26,736	26,685	25,081
Number of Buses	354	350	328
Operation of Noninstructional Services			
Food Service			
Students Meals Served Daily	5,123,651	4,883,113	4,303,328
Free/Reduced Price Meals Daily	4,443,305	4,242,694	3,721,980
Percentage of Students Receiving Free and Reduced Lunch	86.72%	86.89%	86.49%
Extracurricular Activities			
High School Varsity Teams	121	126	145

Source: District Treasurer's Office

Information not available in this format prior to 2005



*Cincinnati Public School District*

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<u>2008</u>	<u>2009</u>
33,438	33,121
1,803	1,799
18.22%	20.00%
3.00%	3.10%
94.80	95.20
21,595	19,293
27,485	24,083
7,949,000	6,977,896
925	755
86.00%	92.42%
46	42
23,676	24,585
25,415	29,690
431	358
3,315,962	5,298,035
2,893,212	4,629,370
87.25%	87.38%
100	126

***Cincinnati Public School District***

*Operating Indicators - Teacher Base Salaries  
Last Ten Years*

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Fiscal Year	2000	2001	2002	2003
Minimum Salary	29,886	30,783	31,706	32,657
Maximum Salary	65,612	67,582	69,608	71,696
District Average Salary	51,660	52,686	51,513	43,967
County Average Salary	47,367	48,609	49,439	47,239
State Average Salary	41,713	42,892	44,266	45,515

Source: District Treasurer's Office and Ohio Department of Education

*Operating Indicators - Teacher Base Salaries  
Last Ten Years*

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Fiscal Year	2000	2001	2002	2003
Bachelor's Degree	640	525	500	463
Bachelor + 15	785	786	815	772
Master's Degree	1,238	1,271	1,266	1,199
Master's Degree + 30	473	441	486	472
Doctorate	47	44	47	47
Total	3,183	3,067	3,114	2,953

Source: District Treasurer's Office

*Cincinnati Public School District*

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<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
33,866	34,882	35,824	35,824	36,905	36,905
76,581	78,879	81,008	81,008	83,455	87,979
55,348	58,362	60,275	62,760	64,029	67,097
52,837	54,288	54,967	54,576	55,001	58,300
47,495	49,438	50,772	51,346	53,410	54,656

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<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
413	243	230	155	160	159
723	658	692	570	519	519
1,236	1,077	1,111	1,083	1,080	1,088
506	541	560	549	545	567
51	46	46	44	47	51
2,929	2,565	2,639	2,401	2,351	2,384

***Cincinnati Public School District***

*Capital Asset Statistics by Building  
Last Five Years*

	2005	2006	2007	2008
<b>School Buildings</b>				
<b>High Schools</b>				
Number of Buildings	11	10	10	11
Square Footage	2,838,696	2,667,745	2,882,307	2,638,069
Capacity (students)	16,031	15,081	11,361	14,655
Enrollment	12,483	12,050	10,895	10,681
<b>Elementary Schools</b>				
Number of Buildings	59	53	50	47
Square Footage	4,601,341	4,398,912	4,752,707	4,348,245
Capacity (students)	35,043	33,522	24,129	26,607
Enrollment	24,685	23,516	23,140	22,557
<b>All Other</b>				
<b>Central Administration Building</b>				
Square Footage	140,033	140,033	140,033	140,033
<b>Transportation Building</b>				
Square Footage	N/A	N/A	N/A	N/A
<b>Maintenance Building</b>				
Square Footage	150,779	150,779	150,779	150,779

Source: District Treasurer's Office

Information not available in this format prior to 2005

*Cincinnati Public School District*

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2009

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11  
2,638,069  
13,415  
12,597

46  
3,583,896  
21,450  
20,524

140,033

N/A

150,779

## *Cincinnati Public School District*

### *Capital Asset Statistics by Function Last Eight Years*

	2002	2003	2004	2005
<b>Governmental Activities</b>				
Instruction				
Land and Improvements	\$19,911,765	\$19,911,765	\$20,538,705	\$17,611,778
Buildings and Improvements	142,687,508	141,732,449	140,528,734	140,528,734
Furniture, Fixtures and Equipment	6,948,724	7,540,126	2,057,564	2,165,367
Vehicles	92,543	92,543	29,353	29,353
Support Services				
Pupil				
Land and Improvements	26,374	29,009	26,374	26,374
Buildings and Improvements	0	2,278	0	0
Furniture, Fixtures and Equipment	184,268	1,491,560	1,262,731	1,309,740
Instructional Staff				
Buildings and Improvements	0	6,410	0	0
Furniture, Fixtures and Equipment	671,185	884,885	411,971	411,971
Administration				
Furniture, Fixtures and Equipment	313,291	388,424	70,000	80,544
Vehicles	22,888	22,888	0	0
Fiscal Services				
Furniture, Fixtures and Equipment	411,404	475,750	298,473	298,473
Business				
Furniture, Fixtures and Equipment	12,040	16,493	0	0
Operations and Maintenance of Plant				
Land and Improvements	0	0	0	468,837
Buildings and Improvements	0	33,492	2,800,651	4,266,854
Furniture, Fixtures and Equipment	651,248	1,020,470	78,112	78,112
Vehicles	873,865	890,763	25,972	25,972
Pupil Transportation				
Buildings and Improvements	25,615	85,415	0	0
Furniture, Fixtures and Equipment	0	0	55,348	55,348
Vehicles	21,045	21,045	0	0
Central				
Land and Improvements	779,700	779,700	684,000	684,000
Buildings and Improvements	6,854,000	6,854,000	6,854,000	6,854,000
Furniture, Fixtures and Equipment	2,306,042	2,555,055	1,204,787	1,204,786
Vehicles	21,051	21,051	0	0
Extracurricular Activities				
Land Improvements	268,700	268,700	172,800	172,800
Buildings and Improvements	342,100	342,100	325,200	325,200
Furniture, Fixtures and Equipment	36,018	69,607	0	0

*Cincinnati Public School District*

2006	2007	2008	2009
\$17,611,778	\$17,611,778	\$17,611,778	\$17,611,778
125,518,165	120,435,465	111,677,051	90,178,265
1,820,727	2,023,634	2,126,866	2,170,354
29,353	0	0	0
26,374	26,374	26,374	26,374
0	0	0	0
1,279,452	1,279,452	1,279,452	1,279,452
0	0	0	0
254,387	254,387	254,387	254,387
80,544	80,544	80,544	48,944
0	0	0	0
298,473	298,473	298,473	298,473
0	0	0	0
468,837	468,837	468,837	468,837
5,109,224	6,268,739	5,844,405	4,814,816
78,112	78,112	78,112	78,112
25,972	25,972	25,972	25,972
0	0	0	0
55,348	55,348	55,348	55,348
0	0	0	0
684,000	684,000	684,000	684,000
6,854,000	6,854,000	6,854,000	6,854,000
843,848	843,849	843,849	843,849
0	0	0	0
172,800	172,800	172,800	172,800
325,200	325,200	325,200	325,200
0	0	0	0

(Continued)

## *Cincinnati Public School District*

### *Capital Asset Statistics by Function Last Eight Years*

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Non-Instructional Activities				
Buildings and Improvements	0	378,261	224,550	224,551
Furniture, Fixtures and Equipment	9,669,413	10,341,636	456,479	456,479
Vehicles	525,327	525,327	374,142	374,142
Facility Services				
Land and Improvements	2,824,524	2,824,524	0	2,692,594
Buildings and Improvements	11,363,461	11,438,484	9,944,000	9,944,000
Furniture, Fixtures and Equipment	0	7,753	0	0
Vehicles	103,441	346,138	73,414	73,414
Construction in Progress	20,000	1,039,943	1,039,943	0
Site Acquisition				
Land and Improvements	0	4,656,909	4,656,909	7,023,853
Construction in Progress	0	0	1,154,394	0
Architecture and Engineering				
Land and Improvements	1,800	1,800	2,652,564	0
Buildings and Improvements	148,400	214,402	396,880	467,011
Construction in Progress	3,909,146	4,460,939	13,442,187	13,353,061
Building Acquisition and Construction				
Land and Improvements	17,024	17,024	0	13,009,390
Buildings and Improvements	243,470	4,046,973	4,008,342	17,504,609
Furniture, Fixtures and Equipment	0	0	0	1,041,677
Construction in Progress	754,048	5,677,682	26,511,691	121,805,910
Building Improvement				
Land and Improvements	33,514	33,514	33,514	33,514
Buildings and Improvements	1,675,565	1,682,819	1,668,830	1,668,831
Construction in Progress	487,607	487,607	588,868	0
<b>Total</b>	<b><u><u>\$215,238,114</u></u></b>	<b><u><u>\$233,717,713</u></u></b>	<b><u><u>\$244,651,482</u></u></b>	<b><u><u>\$366,271,279</u></u></b>

Source: District Treasurer's Office

Note: Information was not available prior to 2002.



*Cincinnati Public School District*

2006	2007	2008	2009
224,551	224,551	224,551	0
13,277	13,277	13,277	13,277
374,142	374,142	342,943	342,943
2,363,524	2,363,524	2,007,934	1,825,814
8,047,410	8,047,410	7,778,657	7,724,879
0	0	0	0
194,475	260,739	260,739	260,739
0	0	0	0
9,222,040	10,144,339	10,947,830	11,519,525
0	0	0	0
0	0	0	0
1,839,714	1,839,714	1,839,714	1,814,443
13,353,061	13,353,061	13,353,061	13,353,061
13,009,390	13,009,390	13,009,390	13,009,390
87,582,648	192,434,608	325,621,965	437,947,202
0	0	0	0
151,712,461	176,318,594	165,033,390	168,536,866
33,514	33,514	33,514	33,514
958,859	958,859	958,859	958,859
0	0	0	0
<u>\$450,465,660</u>	<u>\$577,162,686</u>	<u>\$690,133,272</u>	<u>\$783,531,473</u>

## *Cincinnati Public School District*

### *Educational and Operating Statistics Last Eight Years*

	2002	2003	2004	2005	2006
<b>ACT Scores (Average)</b>					
Cincinnati	20.3	19.7	19.5	19.7	19.4
Ohio	21.4	21.4	21.4	21.1	21.5
National	20.8	20.8	20.9	20.6	21.1
<b>SAT Scores (Average)</b>					
Cincinnati					
Verbal	536	530	522	508	483
Mathematical	538	523	511	508	480
Ohio					
Verbal	534	536	540	539	535
Mathematical	539	541	540	543	544
National					
Verbal	506	507	510	508	503
Mathematical	514	519	510	520	518
<b>National Merit Scholars</b>					
Finalist	2	5	6	5	3
Semi-Finalist	13	13	14	17	13
<b>Cost per Student (ODE)</b>					
Cincinnati	9,983	10,981	12,667	12,734	11,970
Ohio (Average)	8,073	8,441	8,768	9,028	8,744
<b>Cost to Educate a Graduate</b>					
Cincinnati	94,116	99,730	106,735	113,248	118,613
Ohio (Average)	75,655	79,747	84,129	88,133	88,671
<b>Attendance Rate</b>					
Cincinnati	91.10%	90.80%	94.80%	94.40%	94.80%
Ohio (Average)	95.00%	94.90%	95.30%	95.20%	94.10%
<b>Graduation Rate</b>					
Cincinnati	60.20%	61.00%	72.10%	77.00%	76.60%
Ohio (Average)	82.80%	83.90%	84.30%	85.90%	86.20%

**Source:**

District's Student Records and Ohio Department of Education

Note: Information was not available prior to 2002.

*Cincinnati Public School District*

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2007	2008	2009
19.4	19.0	18.9
21.6	21.7	21.7
21.2	21.1	21.1
475	497	518
469	486	508
536	534	537
542	544	546
502	502	501
515	515	515
3	0	0
15	11	21
12,025	12,315	13,012
9,343	9,939	10,184
121,514	129,086	135,319
91,193	101,747	105,992
94.70%	94.80%	95.20%
94.10%	94.20%	94.30%
77.20%	80.00%	82.90%
86.10%	86.90%	84.60%





**Mary Taylor, CPA**  
Auditor of State

**CINCINNATI CITY SCHOOL DISTRICT**

**HAMILTON 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  
SEPTEMBER 30, 2010**