



***SPRINGBORO  
COMMUNITY CITY SCHOOL DISTRICT***

**WARREN COUNTY**

**SINGLE AUDIT**

**For the Fiscal Year Ended June 30, 2011**

**J.L. UHRIG**  
AND ASSOCIATES INC.

CERTIFIED PUBLIC ACCOUNTANT AND MANAGEMENT CONSULTANTS







# Dave Yost • Auditor of State

Board of Education  
Springboro Community City School District  
1685 South Main Street  
Springboro, Ohio 45066

We have reviewed the *Independent Auditor's Report* of the Springboro Community City School District, Warren County, prepared by J.L. Uhrig and Associates, Inc., for the audit period July 1, 2010 through June 30, 2011. 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 Springboro Community City School District is responsible for compliance with these laws and regulations.

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

Dave Yost  
Auditor of State

December 19, 2012

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**Springboro Community City School District**

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*For the Fiscal Year Ended June 30, 2011*

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**SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT**  
*Schedule of Federal Awards Expenditures*  
For the Fiscal Year Ended June 30, 2011

Federal Grantor / Pass Through Grantor / Program Title	Pass Through Entity Number	Federal CFDA Number	Cash Receipts	Non-Cash Receipts	Cash Expenditures	Non-Cash Expenditures
<b><u>U.S. Department of Agriculture</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
<i>Nutrition Cluster:</i>						
School Lunch Program	LL-P4 2011	10.555	\$202,650	\$77,237	\$202,650	\$77,237
<i>Total Nutrition Cluster</i>			<u>202,650</u>	<u>77,237</u>	<u>202,650</u>	<u>77,237</u>
<b>Total U.S. Department of Agriculture</b>			202,650	77,237	202,650	77,237
<b><u>U.S. Department of Education</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies	C1-S1 2011	84.010	89,568	0	78,810	0
<i>Special Education Cluster:</i>						
Special Education - Grants to States (IDEA Part B)	6B-SF 2011	84.027	804,106	0	805,227	0
Early Childhood Special Education		84.173	22,433	0	22,433	0
IDEA Part B - Stimulus		84.391	194,959	0	57,284	0
Early Childhood Special Education - ARRA		84.392	28,361	0	5,193	0
<i>Total Special Education Cluster</i>			<u>1,049,859</u>	<u>0</u>	<u>890,137</u>	<u>0</u>
Safe and Drug-Free Schools and Communities	DR-S1-11	84.186	2,733	0	5,011	0
Title II-D Technology	TJ-S1 2011	84.318	379	0	456	0
Improving Teacher Quality Grants	TR-S1 2011	84.367	22,809	0	53,801	0
State Fiscal Stabilization Fund		84.394	880,258	0	880,258	0
<b>Total U.S. Department of Education</b>			<u>2,045,606</u>	<u>0</u>	<u>1,908,473</u>	<u>0</u>
<b>Total Federal Financial Assistance</b>			<u>\$2,248,256</u>	<u>\$77,237</u>	<u>\$2,111,123</u>	<u>\$77,237</u>

**Note 1 - Noncash Federal Financial Assistance**

During the year ended June 30, 2011, the District received commodities inventory. Program regulations do not require the Government maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received. Donated commodities are used first, and the ending inventory consists of purchased commodities. At June 30, 2011, the District had no significant food commodity inventory.

**Note 2 - Significant Accounting Policies**

The District prepares its Schedule of Federal Awards Expenditures on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

**Independent Accountant's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by Government Auditing Standards**

Board of Education  
Springboro Community City School District  
1685 South Main Street  
Springboro, OH 45066

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Springboro Community City School District (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated April 27, 2012, wherein we noted the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

**Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the Government's financial statements will not be prevented, or detected and timely corrected.

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 internal control deficiencies that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Springboro Community City School District  
Independent Accountant's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by Government Auditing Standards

**Compliance and Other Matters**

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We noted certain noncompliance and other matters that we have reported to the management of the District in a separate letter dated April 27, 2012.

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

*J. L. Uhrig and Associates, Inc.*

J. L. UHRIG AND ASSOCIATES, INC.

April 27, 2012



**Independent Accountant's Report on Compliance with Requirements  
Applicable to Each Major Federal Program and on Internal Control  
over Compliance in Accordance with OMB Circular A-133**

Board of Education  
Springboro Community City School District  
1685 South Main Street  
Springboro, OH 45066

**Compliance**

We have audited the compliance of Springboro Community City School District (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that could directly and materially affect its major federal programs for the year ended June 30, 2011. The summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

As described in finding 2011-001, in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding Cash Management that are applicable to its State Fiscal Stabilization Grant. Compliance with such a requirement is necessary, in our opinion, for the District to comply with the requirements of this major program.

In our opinion, except for the noncompliance described in the preceding paragraph, the District complied, in all material respects, with the requirements referred to above that are apply to each of its major federal programs for the year ended June 30, 2011.

### **Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2011-001 to be a material weakness.

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

*J. L. Uhrig and Associates, Inc.*

J. L. UHRIG AND ASSOCIATES, INC.

April 27, 2012

**SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT**

Schedule of Findings and Questioned Costs

For the Fiscal Year Ended June 30, 2011

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

<b>1.</b>	<b><i>Type of Financial Statement Opinion</i></b>	Unqualified
<b>2.</b>	<b><i>Were there any material internal control weaknesses reported at the financial statement level (GAGAS)?</i></b>	No
<b>3.</b>	<b><i>Were there any other significant internal control deficiency reported at the financial statement level (GAGAS)?</i></b>	No
<b>4.</b>	<b><i>Was there any material noncompliance reported at the financial statement level (GAGAS)?</i></b>	No
<b>5.</b>	<b><i>Were there any material internal control weaknesses reported for major federal programs?</i></b>	Yes
<b>6.</b>	<b><i>Were there any other significant internal control deficiency reported for major federal programs?</i></b>	No
<b>7.</b>	<b><i>Type of Major Programs' Compliance Opinion</i></b>	Qualified-State Fiscal Stabilization (SFSF) Unqualified-Nutrition Cluster and Special Education Cluster
<b>8.</b>	<b><i>Are there any reportable findings under § .510?</i></b>	Yes
<b>9.</b>	<b><i>Major Programs (list):</i></b>	CFDA #10.555/10.550 Nutrition Cluster CFDA #84.394 State Fiscal Stabilization (SFSF) CFDA #84.027, #84.173, #84.391 and #84.392 Special Education Cluster
<b>10.</b>	<b><i>Dollar Threshold: Type A/B Programs</i></b>	Type A: >\$300,000 Type B: All Other Programs
<b>11.</b>	<b><i>Low Risk Auditee?</i></b>	No

**SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT**

Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2011

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

There are no findings to be reported in accordance with GAGAS.

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

***Finding Number 2011-001***

<b>CFDA Title and Number</b>	<b>State Fiscal Stabilization Fund (SFSF) – ARRA 84.394</b>
<b>Grant Year</b>	<b>2011</b>
<b>Federal Agency</b>	<b>U. S. Department of Education</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Education</b>
<b>Finding Number</b>	<b>2011-001</b>

**Cash Management - Compliance**

OMB Circular A-110 (2 CFR section 215.22) states that grantees must develop a cash management system to ensure compliance to minimize the time elapsing between the transfer of funds and disbursement by the recipient. The State Fiscal Stabilization Grant requires that funds drawn down should be limited to amounts that will enable the grantee to disburse the funds on hand to a balance of zero by the end of each month received.

The State Fiscal Stabilization Fund had maintained a fund balance at the end of each month throughout the fiscal year.

The District should develop, implement, and monitor procedures to ensure that money drawn down is disbursed by the end of each month it is received to remain in compliance with the cash management requirements of this grant.

**Officials Response**

We did not receive a response from the District to the finding above.

**SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT**

*Schedule of Prior Audit Findings*

*For the Year Ended June 30, 2011*

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<b>Finding Number</b>	<b>Description</b>	<b>Status</b>	<b>Comments</b>
	<i>Government Auditing Standards:</i>		
2010-001	Ohio Admin. Code Section 117-2-03(B) requires the District to prepare its financial report in accordance with generally accepted accounting principles.	Corrected	N/A

**SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT**

Corrective Action Plan

For the Year Ended June 30, 2011

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<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Contact Person</b>
2011-001	The District will develop and monitor procedures to ensure that money drawn down is disbursed by the end of each month.	Immediately	Tracy Jarvis, Treasurer

## Independent Accountant's Report on Applying Agreed-Upon Procedures

Springboro Community City School District  
1685 South Main Street  
Springboro, OH 45066

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school 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 Springboro Community City School District has adopted an anti-harassment policy in accordance with Ohio Rev. 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 amended its anti-harassment policy at its meeting on September 14, 2010 to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

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 and is not intended to be and should not be used by anyone other than these specified parties.

*J.L. Uhrig and Associates, Inc.*

J.L. UHRIG AND ASSOCIATES, INC.

April 27, 2012

# Springboro Community City Schools

## COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year Ended June 30, 2011

1685 South Main Street  
Springboro, Ohio 45066





# SPRINGBORO COMMUNITY CITY SCHOOLS

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended  
June 30, 2011



Issued by the Office of the Treasurer  
Tracy Jarvis, CFO  
1685 South Main Street, Springboro, Ohio 45066  
937-748-3960  
[www.springboro.org](http://www.springboro.org)

Springboro Community City School District  
Board of Education  
Fiscal Year 2011



Don Miller  
President



Scott Anderson  
Vice President



Michael Kruse



Dr. Kelly Kohls



Gentry Ellis



Gene Lolli  
Superintendent



Tracy A. Jarvis  
Treasurer/CFO

# SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT



## INTRODUCTORY SECTION

Springboro Community City School District, Ohio  
Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2011

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1685 S. Main Street  
Springboro, Ohio 45066  
(937) 748-3960  
(937) 748-3956 fax

April 27, 2012

Board of Education Members and Citizens  
Springboro Community City School District

Dear Board Members and Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Springboro Community City School District (District) for the fiscal year ended June 30, 2011 is hereby submitted. This report was prepared by the Treasurer's Office, and includes the Independent Auditors' Report from Uhrig & Associates, CPAs. Responsibility for both the accuracy of the data presented and the completeness and fairness of this presentation, including financial statements, supporting schedules and statistical tables, lies with the management of the District, specifically the Treasurer's Office. The management of the District represents that the accounting system and the budgetary and internal accounting controls of the District provide reasonable assurance that the District's assets are safeguarded against material loss and that financial records are reliable for preparing financial statements and maintaining accountability for assets. All disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

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

This report will be available on the District's website. The Internet address is <http://www.Springboro.org>.

The District is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is included within a separate report.

### **Reporting Entity**

The District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity" and GASB Statement No. 39 which is an amendment to GASB Statement No. 14 and provides additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationships with the primary government. In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the District (the primary government) and its potential component units.

The Mission Of  
Springboro Community  
City Schools, A Pioneer In  
World Class Education  
With Small Town Pride,  
Is To Motivate And Empower  
All Students To Become  
Life Long Learners,  
Productive Citizens  
And Future Leaders.

**GENERAL INFORMATION CONCERNING THE BOARD AND THE SCHOOL  
DISTRICT ORGANIZATION**

**The Board and Administration**

The Board of Education of the Springboro Community City School District (the 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 (Ohio Revised Code). The Board is comprised of five members who are elected for overlapping four-year terms. The Board members as of June 30, 2011 were:

	<u>Date Current Term Commenced</u>	<u>Present Term Expires</u>
Don Miller, President	01/01/06	12/31/14
Scott Anderson, Vice-President	01/01/06	12/31/14
Gentry Ellis	07/08/10	12/31/11
Kelly Kohls	01/01/10	12/31/14
Mike Kruse	01/01/08	12/31/11

The Superintendent of Schools (Superintendent), appointed by the Board for a maximum term of five years, is the executive officer of the District and has the responsibility for directing and assigning teachers and other employees, assigning the pupils to the proper schools and grades, and performing other such duties as determined by the Board. Mr. Gene Lolli was appointed Interim Superintendent on June 7, 2010. On November 18, 2010, Mr. Lolli was appointed Superintendent.

The Treasurer is the chief financial officer of the District and is directly responsible to the Board for all financial operations, investments, custody of all District funds and assets, and serves as Secretary to the Board. The treasurer is appointed by the Board for a maximum of five years. On February 1, 2011, the Board hired Tracy A. Jarvis as interim Treasurer. Mrs. Jarvis was appointed Treasurer on August, 1, 2011.

**The District and Its Facilities**

This report of the District includes all funds, organizations, activities and functions of the District. The District presently does not have any component units for which the District is financially accountable or that are fiscally dependent on the District. The District covers approximately 45 square miles.



## **GENERAL INFORMATION CONCERNING THE BOARD AND THE SCHOOL DISTRICT ORGANIZATION (Continued)**

### **The District and Its Facilities – Continued**

During 2011, the District's average daily membership was 5,755. Of the total membership, 834 students reported to two K-1 Schools, 1,960 students reported to four 2-5 schools, 426 students reported to a sixth grade only school, 886 students reported to one junior high, 1,570 students reported to one high school and 115 students reported to 1 career center.

The School District also operates two administrative facilities consisting of the Board of Education office located behind the High School and a Transportation Facility located next to the Dennis Elementary complex.

### **Employee Relations**

The District currently has approximately 560 full-time equivalent employees. During fiscal 2011, the District paid (determined on a cash basis) from its General Fund approximately \$24.8 million in salaries and wages and \$9.0 million for fringe benefits and other labor-related costs such as employer retirement contributions, workers' compensation coverage, unemployment compensation, life insurance and medical and dental insurance premiums.

Of the current full-time employees, 320 are professionals serving as teachers, all of whom have at least a bachelor's degree. The 2010-2011 starting salary for a teacher with a bachelor's degree is \$34,563; the maximum teacher salary (for a teacher with a Ph.D. degree and 30 years' experience) is \$78,807.

The District's teachers and educational specialists are represented for collective bargaining purposes by the Springboro Education Association (SEA). The District has a collective bargaining agreement with the SEA that is set to expire on June 30, 2013.

The Springboro Classified Employees Association (SCEA), a division of the Ohio Association of Public School Employees (OAPSE), represents classified employees (secretarial-clerical, custodial, maintenance, transportation and food services staff) of the District for collective bargaining purposes. The OAPSE contract is set to expire June 30, 2013.

In the judgment of the Board, labor relations with its employees are good.

### **Intergovernmental Relations**

The District maintains a good working relationship with the City of Springboro, Clearcreek Township and Warren County. City of Springboro officials, Township officials and District Administrators are communicating effectively to resolve tax abatement issues, use of surplus property and other public policy matters. According to information obtained from the US Census Bureau, the population for Springboro Community School District is estimated at 29,525 for 2010 (the latest data available).

## ECONOMIC CONDITION AND OUTLOOK

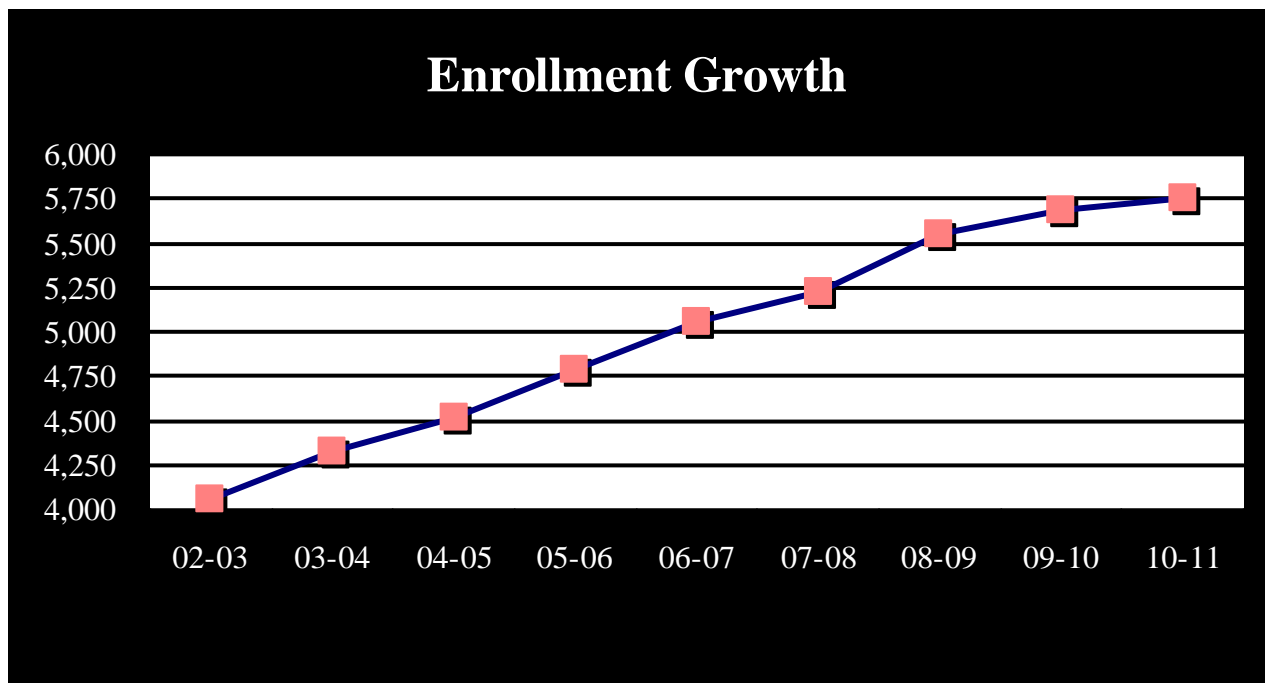
### Local Economy

The Springboro Community's largest employer is the Springboro Community City School District. Springboro is a commuter community and Clearcreek Township is still relatively undeveloped. The City Planners have a strategic plan in place that calls for the maintaining of a "small town" atmosphere. Limited industrial growth is an integral part of the City's strategic plan. This limitation on industrial growth increases the districts reliance on local property taxes placed upon the homeowners to fund the operations of the school.

The District, along with many other public school systems in the state, continues to face a number of challenges in the future, since the primary source of its funds is property tax revenue. Ohio law limits the growth in real estate tax revenues by reducing millage as assessed values increase following re-appraisals. Consequently, revenues generated from each levy remain relatively constant. As a result, the District must periodically seek additional funding from its taxpaying constituents. Statewide, voters have proved reluctant to increase their property taxes. The District's management is aware of this fact and is constantly looking for alternate sources of income, as well as searching for ways to provide a more efficient means of doing business while at the same time continuing to provide excellent educational services.

The City's average annual unemployment rates (8.9%) for 2010 continued to be below the State of Ohio (10.1%) and is comparable to the United States (9.6%) rate. Springboro is located in the southwest part of the state, approximately 15 miles south of Dayton and 30 miles north of Cincinnati. Interstate I-75 is conveniently located adjacent to the District providing easy access to the Dayton and Cincinnati markets.

The City's strategic plan, easy access to I-75 and its close proximity to Cincinnati and Dayton have been and are the primary factors causing Springboro Schools to be one of the fastest growing districts in Southwest Ohio. The student enrollment has grown by nearly 2.5 times in the last 20 years.



## **Financial Outlook and Financial Planning – District**

With the passage of a 10 mill emergency levy in November of 2005, the District's financial picture is positive through 2014. Fiscal year 2014 is projected to end with General Fund cash balances of \$2.6 million. The forecast for fiscal year 2015 reveals an anticipated ending cash balance of -\$6.8 million. The Board realizes that it will be required to renew the emergency levy in 2013.

## **CURRENT INITIATIVES**

### *Major Initiatives and events –fiscal year 2011*

#### **Curriculum:**

AP German was added to the high school Program of Studies bringing the total AP class offerings to eleven. Additionally financial literacy was integrated into seventh and twelfth grade existing classes.

Technology use in the classroom was enhanced with the purchase of SMART Boards in grades K-8 through the hard work of parent groups.

District Literacy Conference featured four national experts in literacy learning. One hundred and sixty nine teachers and administrators attended from across the region with one hundred and five from Springboro.

#### **State Testing:**

The district again received the highest designation, "Excellent with Distinction", as our academic rating from the State of Ohio. The district received the highest ever Performance Index score of 106.5.

#### **Graduation:**

We continue to graduate over 98% of all students in the class of 2011 earning over three million dollars in college scholarships. 34% of graduating students received some money.

# **FINANCIAL INFORMATION**

## **Financial Condition**

This is the ninth year the District has prepared financial statements following GASB 34, "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments." It should be noted that the District did prepare such statements for fiscal years 2009 and 2010 on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Basic financial statements for reporting on the District's financial activities are as follows:

***Government-wide financial statements:*** these statements are prepared on an accrual basis of accounting that is similar to the basis of accounting followed by many businesses.

***Fund financial statements:*** these statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the Governmental Activities accrual information presented in the Government-wide financial statements. Fiduciary funds use the accrual basis of accounting.

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is presented in the financial section of this report and provides an assessment of the District's finances for 2011.

## **Budgeting, Tax Levy and Appropriations Procedures**

The Ohio Revised Code contains detailed provisions regarding the District's budgeting, tax levy and appropriation procedures. These procedures involve review by County officials at several steps. District budgeting for a fiscal year formally begins with the preparation of a tax budget. After a public hearing, this budget is adopted by the Board prior to the fiscal year to which it pertains. Among other items, the tax budget must show the amounts required for debt service, the estimated receipts for payment from sources other than ad valorem property taxes and the net amount for which an ad valorem property tax levy must be made. The tax budget then is presented for review to the County Budget Commission, comprised of the County Auditor, County Treasurer and County Prosecuting Attorney. Upon approval of the tax budget, the County Budget Commission certifies its actions to the Board together with the approved tax rates. Thereafter, the Board levies the approved taxes and certifies them to the proper County officials. The approved and certified tax rates are reflected in the tax bills sent to property owners during the collection year. Real property taxes are payable on a calendar-year basis, generally in two installments with the first due usually in January and the second due in June.

At the start of each fiscal year, the Board adopts a temporary appropriation measure to begin that new fiscal year and then, within three months, a permanent appropriation measure for that fiscal year. Permanent appropriation measures may be amended or supplemented during the fiscal year. Annual appropriations may not exceed the County Budget Commission's official estimates of resources. The County Auditor must certify that the Board's appropriation measures, including any supplements or amendments, do not appropriate monies in excess of the amounts set forth in the latest of those official estimates. The District's legal level of control for such measures is the fund level.

## **Financial Reports and Auditing**

The District maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the State of Ohio Auditor of State. Law charges the Auditor of State with the responsibility of auditing the accounts and records of each taxing subdivision and most public agencies and institutions. District receipts and expenditures are maintained on a cash basis, pursuant to accounting procedures prescribed by the Auditor of State which is generally applicable to all Ohio school districts. Beginning with Fiscal Year 1988, the records of these cash receipts and expenditures have been converted annually for report purposes to a basis of accounting in accordance with accounting principles generally accepted in the United States of America for governments as prescribed by the Governmental Accounting Standards Board. It should be noted that for Fiscal Years 2009 and 2010, the District reported on the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

## **FINANCIAL INFORMATION (Continued)**

### **Pension Plans**

Present and retired employees of the District are covered under two statewide public retirement (including disability retirement) systems. The State Teachers Retirement System (STRS) is applicable to all teachers, principals, supervisors and administrators employed by the District who are required to hold a certificate issued by the State Department of Education pursuant to the Code. All other employees are covered by the School Employees Retirement System (SERS). Pursuant to federal law, all District employees hired after March 31, 1986 are required to participate in the federal Medicare program which currently requires employee and employer contributions each equal to 1.45 percent of the employee's wages subject to the FICA wage limit. Both STRS and SERS were created by and operate pursuant to Ohio law. The General Assembly could determine to amend the format of either system and could revise rates or methods of contribution to be made by the District into the pension funds and revise benefits or benefit levels.

### **Employee Health Care Benefits**

The District contracts with Anthem to provide a fully insured PPO for the district's employees. Employees currently pay 15% of the monthly premium while the district pays the remaining 85%. Total premiums in 2011 were \$416 for a single plan and \$1150 for Family. Premiums have grown by an average of 8.2% per year over the last 3 years. Premiums are anticipated to increase by 10% per year over the next few years.

## **LITIGATION**

None

## **INDEPENDENT AUDIT**

The Independent Accounting firm of Uhrig & Associates, CPAs, conducted the District's 2011 fiscal year audit. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements is included in the financial section of this report.

## **ACKNOWLEDGEMENTS**


The preparation and publication of this Comprehensive Annual Financial Report on a timely basis could not have been possible without the cooperation of the entire Treasurer's Department. A special note of appreciation is extended to Balestra, Harr & Scherer Consulting, for their aid in preparing this report.

Finally, this report would not have been possible without the continued support of the Board of Education who values quality financial information, which helps to make quality decisions. Without their leadership and commitment to excellence this report would not be possible.



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Gene Lolli  
Superintendent

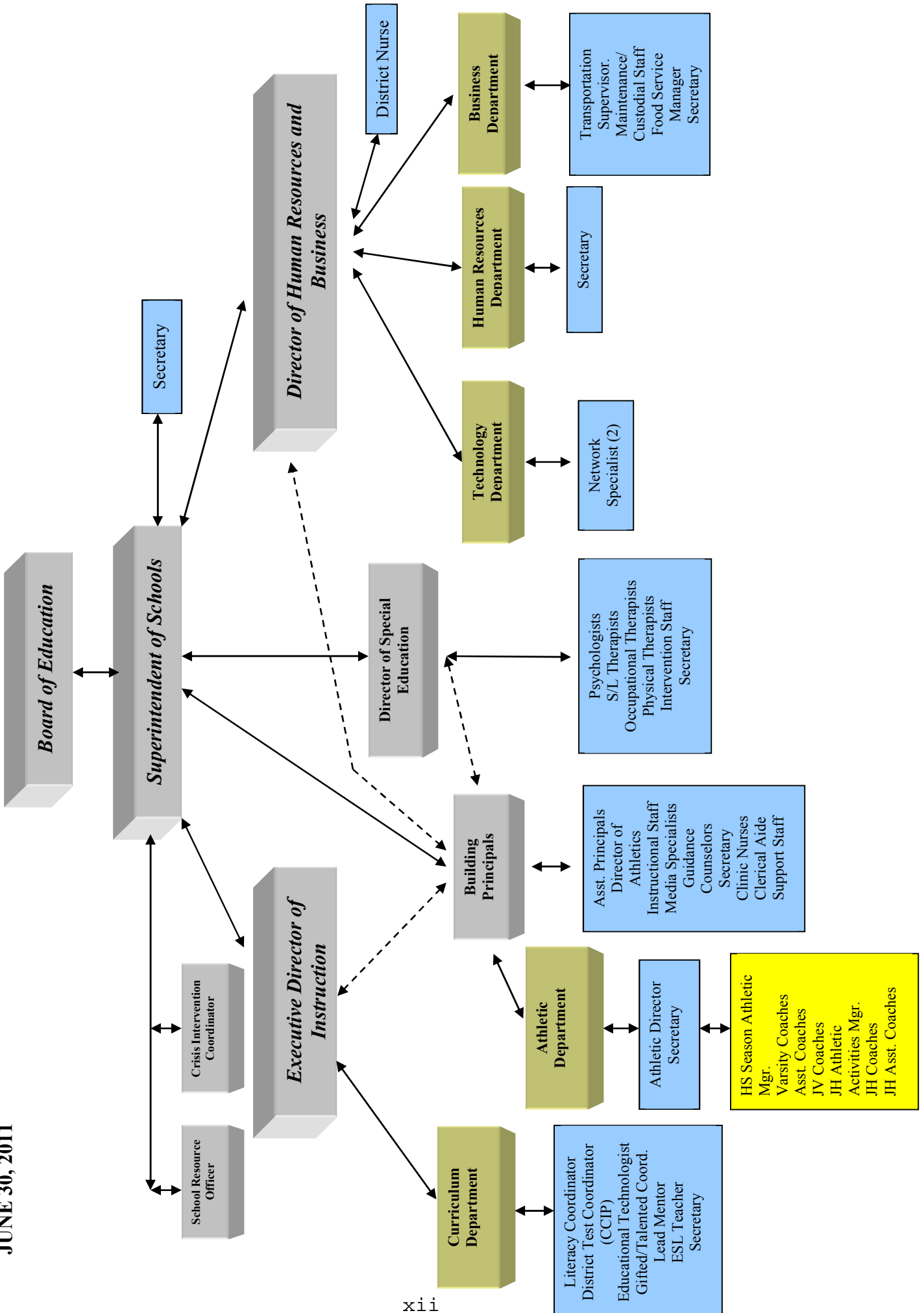


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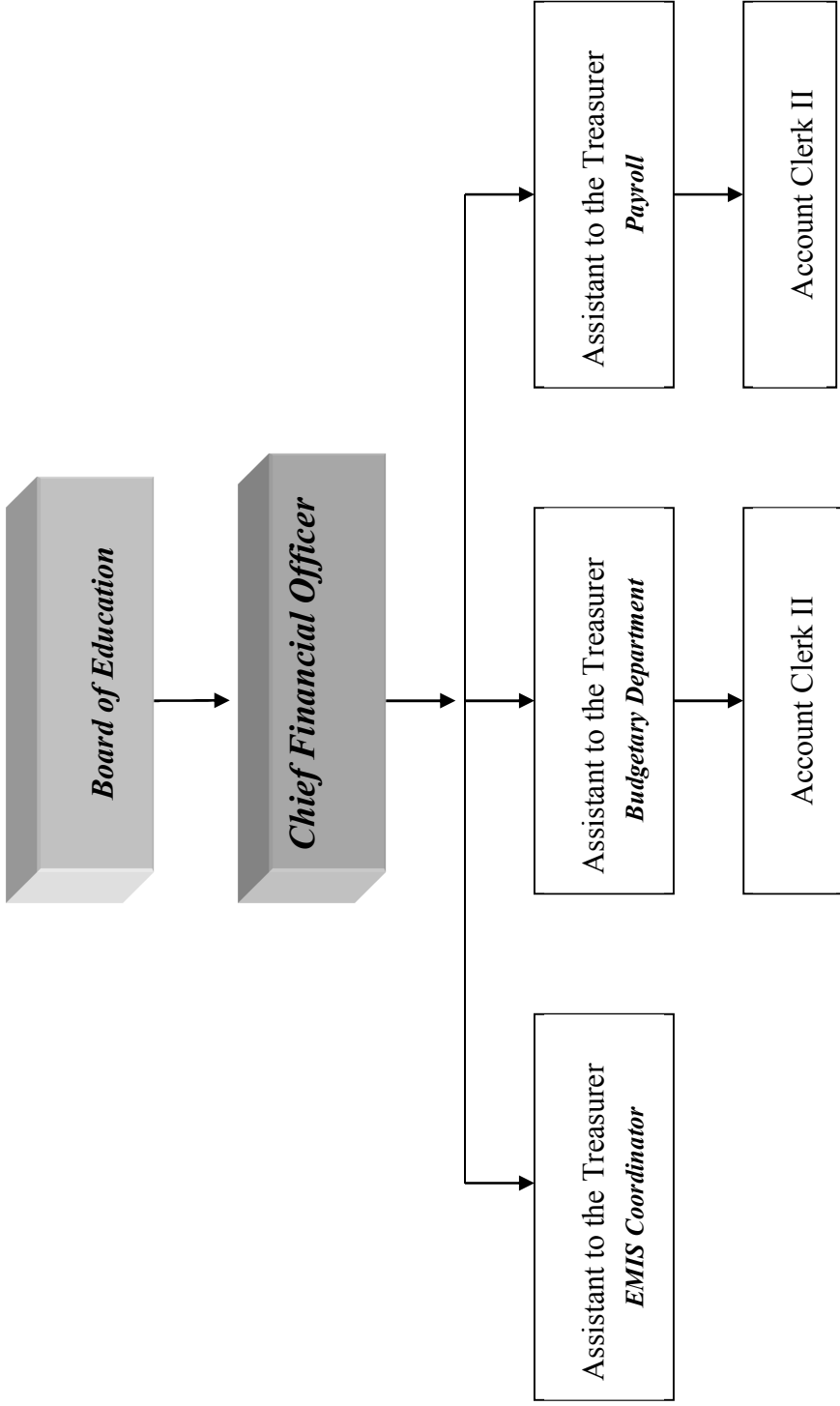
Tracy A. Jarvis  
Treasurer/Chief Financial Officer



**ORGANIZATION CHART  
 SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT  
 JUNE 30, 2011**



**ORGANIZATION CHART  
SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT  
JUNE 30, 2011**





**SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT**



**FINANCIAL SECTION**

## Independent Auditor's Report

Board of Education  
Springboro Community City School District  
1685 South Main Street  
Springboro, OH 45066

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Springboro Community City School District (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, based on our audit the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2011, and the respective changes in financial position and the respective budgetary comparison for the General Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 19, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. As described in Note 19, the District also changed its accounting method from the cash basis of accounting to the basis in conformity with the accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 27, 2012 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report when considering the results of our audit.

Board of Education  
Springboro Community City School District  
Independent Auditor's Report

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

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

J. L. UHRIG AND ASSOCIATES, INC.

April 27, 2012

**Springboro Community City School District, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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The discussion and analysis of the Springboro Community City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

## **FINANCIAL HIGHLIGHTS**

**Key financial highlights for the fiscal year 2011 are as follows:**

- Net assets of governmental activities decreased \$554,273.
- General revenues accounted for \$49,247,351 in revenue or 89% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for \$5,965,132 or 11% of total revenues of \$55,212,438.
- The School District had \$55,766,756 in expenses related to governmental activities; only \$5,965,132 of these expenses were offset by program specific charges for services and sales and grants and contributions.
- All governmental funds had total revenues of \$55,913,188 and expenditures of \$53,212,163.

## **USING THIS ANNUAL FINANCIAL REPORT**

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

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

### ***Reporting the School District as a Whole***

#### *Statement of Net Assets and Statement of Activities*

While this document contains information about the large number of funds used by the School District to provide programs and activities for students, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**Springboro Community City School District, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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

- In the Statement of Net Assets and the Statement of Activities, most of the School District's programs and services are reported as governmental activities including instruction, support services, operation of non instructional services, and extracurricular activities. However, the School District's Fiduciary Funds are not included within these two statements.

***Reporting the School District's Most Significant Funds***

*Fund Financial Statements*

The analysis of the School District's major funds begins on page 12. Fund financial statements provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund and the Bond Retirement Debt Service Fund.

***Governmental Funds*** Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year end available for spending in future periods. These funds are reported using 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 School District's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

***Fiduciary Funds***. Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. The School District's fiduciary funds are agency funds which are used to maintain financial activity of the School District's Student Managed Activities, and private purpose trust funds which are used to maintain the financial activity of the School District's Scholarship Funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements.

**Springboro Community City School District, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

**THE SCHOOL DISTRICT AS A WHOLE**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net assets for 2011 compared to 2010.

Table 1  
Net Assets

	Governmental Activities 2011	Governmental Activities 2010
<b>Assets</b>		
Current and Other Assets	\$48,558,489	\$45,385,640
Capital Assets	85,203,761	89,137,407
Total Assets	<u>133,762,250</u>	<u>134,523,047</u>
<b>Liabilities</b>		
Long-term Liabilities	96,355,320	97,777,576
Current and Other Liabilities	35,878,699	34,662,967
Total Liabilities	<u>132,234,019</u>	<u>132,440,543</u>
<b>Net Assets</b>		
Invested in Capital Assets, Net of Debt	(5,455,821)	(3,536,984)
Restricted	5,615,048	6,625,466
Unrestricted	1,369,004	(1,005,978)
Total Net Assets	<u><u>\$1,528,231</u></u>	<u><u>\$2,082,504</u></u>

The changes in net assets are primarily due to the following factors. Current and other assets have increased primarily due to increases of cash of approximately \$1.9 million due to increased revenues and increases of taxes receivable of approximately \$1.4 million. Capital assets, net have decreased approximately \$3.9 million primarily due to depreciation expense of approximately \$4.3 million which was partially offset by additions of \$.36 million. Current and other liabilities have increased primarily due to increases in deferred revenue of \$.84 million which related to the increase in taxes receivable, increases in accounts payable of approximately \$.25 million and increases in accrued wages and benefits of \$.14 million. Long term liabilities decreased approximately \$1.4 million due to payments on long term debt which were partially offset by increases to long term debt of approximately \$1.1 million due to the implementation of an employee early retirement incentive plan.

**Springboro Community City School District, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

Table 2 shows the changes in net assets for the fiscal year ended June 30, 2011. Since the District prepared their financial statements on the cash basis in fiscal year 2010, there is no comparison reported for fiscal year 2010.

Table 2  
Changes in Net Assets

	Governmental Activities
	2011
<b>Revenues</b>	
Program Revenues	
Charges for Services and Sales	\$3,587,103
Operating Grants and Contributions	2,378,029
Total Program Revenues	5,965,132
General Revenues	
Property Taxes	33,099,217
Grants, Entitlements and Contributions Not Restricted	15,227,204
Investment Earnings	11,867
Miscellaneous	909,063
Total General Revenues	49,247,351
Total Revenues	55,212,483
<b>Program Expenses</b>	
Instruction:	
Regular	23,526,860
Special	4,806,728
Vocational	86,256
Other	471,099
Support Services:	
Pupils	3,087,792
Instructional Staff	3,298,065
Board of Education	172,409
Administration	3,008,089
Fiscal	980,970
Business	245,454
Operation and Maintenance of Plant	5,047,273
Pupil Transportation	3,228,752
Central	230,242
Operation of Non-Instructional Services	1,387,659
Extracurricular Activities	1,188,838
Interest and Fiscal Charges	5,000,270
Total Expenses	55,766,756
Increase (Decrease) in Net Assets	(554,273)
Net Assets at Beginning of Year*	2,082,504
Net Assets at End of Year	\$1,528,231

\* As restated, see Note 19 for additional information.

**Springboro Community City School District, Ohio**

*Management's Discussion and Analysis*

*For the Fiscal Year Ended June 30, 2011*

*Unaudited*

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**Governmental Activities**

Charges for services and sales comprised 6 percent of revenue for governmental activities, while operating grants and contributions comprised 4 percent of revenue for governmental activities of the School District for fiscal year 2011. Property tax revenue comprised 60 percent of revenue for governmental activities. Grants and Entitlements, not restricted for specific programs, comprised 28 percent of revenue for governmental activities.

As indicated by governmental program expenses, instruction is emphasized. Regular Instruction comprised 42 percent of governmental program expenses.

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

Table 3  
Governmental Activities

	Total Cost of Services	Net Cost of Services
	<u>2011</u>	<u>2011</u>
Program Expenses		
Instruction:		
Regular	\$23,526,860	\$22,426,467
Special	4,806,728	4,206,991
Vocational	86,256	81,915
Other	471,099	426,011
Support Services:		
Pupils	3,087,792	2,799,096
Instructional Staff	3,298,065	3,055,773
Board of Education	172,409	163,733
Administration	3,008,089	2,823,778
Fiscal	980,970	936,153
Business	245,454	220,756
Operation and Maintenance of Plant	5,047,273	4,359,620
Pupil Transportation	3,228,752	2,958,365
Central	230,242	215,896
Operation of Non-Instructional Services	1,387,659	(482,478)
Extracurricular Activities	1,188,838	650,538
Interest and Fiscal Charges	5,000,270	4,959,010
Total	<u>\$55,766,756</u>	<u>\$49,801,624</u>



**Springboro Community City School District, Ohio**

*Management's Discussion and Analysis*

*For the Fiscal Year Ended June 30, 2011*

*Unaudited*

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**THE SCHOOL DISTRICT FUNDS**

The School District's governmental funds are accounted for using the modified accrual basis of accounting. The School District has two major funds; the General Fund and the Bond Retirement. The General Fund had revenues in the amount of \$45,691,932, and expenditures in the amount of \$43,068,520. The General Fund's balance increased \$2,623,412. The Bond Retirement Fund had \$6,329,602 in revenues and \$6,318,191 in expenditures resulting in an \$11,411 increase in fund balance.

***General Fund Budgeting Highlights***

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2011, the School District amended its General Fund budget.

For the General Fund, original budget basis revenue was \$42,554,130, below final estimates of \$43,031,415. Of this \$477,285 difference, most was due to more property tax monies being budgeted, which was partially offset by a decrease in budgeted intergovernmental revenue. Original appropriations were \$8,500,845 more than final budgeted appropriations due to conservative budgeting by the School District. The School District's ending unobligated General Fund balance was \$7,910,756.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

***Capital Assets***

At the end of fiscal year 2011, the School District had \$85,203,761 invested in land and land improvements, construction in progress, buildings and improvements, furniture and equipment, vehicles, and books. Table 4 shows fiscal year 2011 balances compared to 2010.

Table 4  
Capital Assets  
(Net of Depreciation)

	Governmental Activities	
	2011	2010
Land & Land Improvements	\$4,694,628	\$5,012,508
Buildings & Improvements	75,913,799	78,419,023
Furniture and Equipment	3,814,083	4,520,830
Vehicles	572,080	811,821
Books	209,171	373,225
Totals	<u>\$85,203,761</u>	<u>\$89,137,407</u>

The change in capital assets is due to current year additions, deletions, and current year depreciation. For additional information on capital assets, see Note 7 to the basic financial statements.

**Springboro Community City School District, Ohio**

*Management's Discussion and Analysis*

*For the Fiscal Year Ended June 30, 2011*

*Unaudited*

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***Debt***

At June 30, 2011, the School District had general obligation bonds outstanding of \$77,871,943. The bonds were issued for school construction. The District also had loans outstanding and capital leases payable of \$15,414,422 issued for various capital acquisition purposes. For additional information regarding debt, see Note 12 to the basic financial statements.

**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 School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Tracy Jarvis, CFO, at Springboro Community City School District, 1685 South Main Street, Springboro, Ohio 45066.



# **Basic Financial Statements**

**Springboro Community City School District, Ohio**  
*Statement of Net Assets*  
*June 30, 2011*

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 14,024,524
Intergovernmental Receivable	147,569
Property Taxes Receivable	32,327,193
Restricted Equity in Pooled Cash and Cash Equivalents	96,355
Restricted Cash and Cash Equivalents with Escrow Agents	1,269,960
Deferred Issuance Costs	692,888
Nondepreciable Capital Assets	1,421,691
Depreciable Capital Assets, Net	83,782,070
 Total Assets	 133,762,250
Liabilities:	
Accounts Payable	289,176
Accrued Wages and Benefits Payable	4,824,779
Accrued Interest Payable	481,315
Unearned Revenue	29,002,381
Intergovernmental Payable	1,281,048
Long-Term Liabilities:	
Due Within One Year	4,250,656
Due In More Than One Year	92,104,664
 Total Liabilities	 132,234,019
Net Assets:	
Invested in Capital Assets, Net of Related Debt	(5,455,821)
Restricted for:	
Capital Projects	753,057
Debt Service	4,499,843
Other Purposes	362,148
Unrestricted	1,369,004
 Total Net Assets	 \$ 1,528,231

The notes to the basic financial statements are an integral part of this statement.

**Springboro Community City School District, Ohio**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2011

	Program Revenues			Net (Expense)
	Charges for	Operating Grants		Revenue and
	Services	and		Changes in
	and Sales	Contributions		Net Assets
Expenses				Governmental
				Activities
Governmental Activities				
Instruction:				
Regular	\$ 23,526,860	\$ 1,059,492	\$ 40,901	\$ (22,426,467)
Special	4,806,728	209,491	390,246	(4,206,991)
Vocational	86,256	4,341	-	(81,915)
Other	471,099	21,811	23,277	(426,011)
Support Services:				
Pupils	3,087,792	142,020	146,676	(2,799,096)
Instructional Staff	3,298,065	149,199	93,093	(3,055,773)
Board of Education	172,409	8,676	-	(163,733)
Administration	3,008,089	138,698	45,613	(2,823,778)
Fiscal	980,970	44,817	-	(936,153)
Business	245,454	12,250	12,448	(220,756)
Operation and Maintenance of Plant	5,047,273	165,522	522,131	(4,359,620)
Pupil Transportation	3,228,752	149,551	120,836	(2,958,365)
Central	230,242	11,262	3,084	(215,896)
Operation of Non-Instructional				
Services	1,387,659	1,089,366	780,771	482,478
Extracurricular Activities	1,188,838	339,347	198,953	(650,538)
Interest and Fiscal Charges	5,000,270	41,260	-	(4,959,010)
Totals	<u>\$ 55,766,756</u>	<u>\$ 3,587,103</u>	<u>\$ 2,378,029</u>	<u>(49,801,624)</u>
General Revenues				
Property Taxes Levied for:				
General Purposes				27,530,283
Debt Service				5,568,934
Grants, Entitlements and Contributions not				
Restricted to Specific Programs				15,227,204
Investment Earnings				11,867
Miscellaneous				909,063
Total General Revenues				49,247,351
Change in Net Assets				(554,273)
<i>Net Assets Beginning of Year - As Restated</i>				2,082,504
Net Assets End of Year				\$ 1,528,231

The notes to the basic financial statements are an integral part of this statement.

**Springboro Community City School District, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2011*

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 8,876,806	\$ 4,411,926	\$ 735,792	\$ 14,024,524
Receivables:				
Property Taxes	26,768,458	5,558,735	-	32,327,193
Interfund	86,311	-	-	86,311
Intergovernmental	-	-	147,569	147,569
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	96,355	-	-	96,355
Cash and Cash Equivalents with Escrow Agents	-	-	1,269,960	1,269,960
	<u>\$ 35,827,930</u>	<u>\$ 9,970,661</u>	<u>\$ 2,153,321</u>	<u>\$ 47,951,912</u>
<b>Total Assets</b>				
	<u>\$ 35,827,930</u>	<u>\$ 9,970,661</u>	<u>\$ 2,153,321</u>	<u>\$ 47,951,912</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 271,929	\$ -	\$ 17,247	\$ 289,176
Accrued Wages and Benefits Payable	4,725,764	-	99,015	4,824,779
Interfund Payable	-	-	86,311	86,311
Intergovernmental Payable	1,240,763	-	40,285	1,281,048
Deferred Revenue	24,673,336	5,123,238	16,971	29,813,545
	<u>30,911,792</u>	<u>5,123,238</u>	<u>259,829</u>	<u>36,294,859</u>
<b>Total Liabilities</b>				
	<u>30,911,792</u>	<u>5,123,238</u>	<u>259,829</u>	<u>36,294,859</u>
<b>Fund Balances:</b>				
Restricted	96,355	4,847,423	1,905,764	6,849,542
Assigned	783,734	-	-	783,734
Unassigned	4,036,049	-	(12,272)	4,023,777
	<u>4,916,138</u>	<u>4,847,423</u>	<u>1,893,492</u>	<u>11,657,053</u>
<b>Total Fund Balances</b>				
	<u>4,916,138</u>	<u>4,847,423</u>	<u>1,893,492</u>	<u>11,657,053</u>
<b>Total Liabilities and Fund Balances</b>				
	<u>\$ 35,827,930</u>	<u>\$ 9,970,661</u>	<u>\$ 2,153,321</u>	<u>\$ 47,951,912</u>

The notes to the basic financial statements are integral part of this statement.

**Springboro Community City School District, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2011*

<b>Total Governmental Fund Balances</b>		\$ 11,657,053
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		85,203,761
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Intergovernmental	16,971	
Unamortized Financing Costs	692,888	
Property Taxes	794,193	
Total	1,504,052	1,504,052
Accrued Interest Payable related to long-term obligations is not reported in the funds.		(481,315)
Long-Term Liabilities, including bonds, the employee severance plan, the long-term portion of compensated absences, capital leases and loans payable are not due in the current period and therefore are not reported in the funds.		
Compensated Absences	(1,948,145)	
Employee Severance Plan	(1,120,810)	
Capital Lease Obligations	(14,683,422)	
School Improvement Bonds - 1996 and 1991	(20,325,000)	
School Improvement Bonds Payable - 2005	(5,390,000)	
Premium on Bond Payable - 2005	(193,995)	
Capital Appreciation Bonds - 2005	(160,000)	
Accreted Debt - 2005	(1,737,088)	
School Improvement Refunding Bonds - 2007	(45,315,000)	
Premium on Bonds Payable - 2007	(5,392,007)	
Accounting Loss on Bonds Payable - 2007	641,147	
Loans Payable	(731,000)	
Total	(96,355,320)	(96,355,320)
<b>Net Assets of Governmental Activities</b>		<b>\$1,528,231</b>

The notes to the basic financial statements are an integral part of this statement.



**Springboro Community City School District, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2011*

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 27,976,110	\$ 5,610,064	\$ -	\$ 33,586,174
Intergovernmental	14,532,031	719,538	2,438,921	17,690,490
Investment Earnings	10,554	-	1,313	11,867
Customer Sales and Services	186,139	-	1,087,956	1,274,095
Tuition and Fees	634,302	-	-	634,302
Rent	684,629	-	11,454	696,083
Extracurricular Activities	679,423	-	303,200	982,623
Gifts and Donations	116,077	-	12,414	128,491
Miscellaneous	872,667	-	36,396	909,063
<i>Total Revenues</i>	<u>45,691,932</u>	<u>6,329,602</u>	<u>3,891,654</u>	<u>55,913,188</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	20,368,847	-	66,266	20,435,113
Special	3,999,623	-	632,265	4,631,888
Vocational	86,256	-	-	86,256
Other	433,385	-	37,714	471,099
<b>Support Services:</b>				
Pupils	2,735,681	-	237,640	2,973,321
Instructional Staff	2,914,078	-	150,826	3,064,904
Board of Education	172,409	-	-	172,409
Administration	2,716,679	-	73,900	2,790,579
Fiscal	882,937	68,188	20,168	971,293
Business	219,666	-	-	219,666
Operation and Maintenance of Plant	3,279,822	-	847,720	4,127,542
Pupil Transportation	2,807,778	-	9,878	2,817,656
Central	223,901	-	4,997	228,898
Operation of Non-Instructional Services	28,012	-	1,201,327	1,229,339
Extracurricular Activities	718,278	-	322,338	1,040,616
Capital Outlay	59,429	-	220,413	279,842
<b>Debt Service:</b>				
Principal	601,859	2,670,000	-	3,271,859
Interest and Fiscal Charges	819,880	3,580,003	-	4,399,883
<i>Total Expenditures</i>	<u>43,068,520</u>	<u>6,318,191</u>	<u>3,825,452</u>	<u>53,212,163</u>
<i>Net Change in Fund Balances</i>	2,623,412	11,411	66,202	2,701,025
<i>Fund Balances Beginning of Year - As Restated</i>	<u>2,292,726</u>	<u>4,836,012</u>	<u>1,827,290</u>	<u>8,956,028</u>
<i>Fund Balances End of Year</i>	<u>\$ 4,916,138</u>	<u>\$ 4,847,423</u>	<u>\$ 1,893,492</u>	<u>\$ 11,657,053</u>

The notes to the basic financial statements are an integral part of this statement.

**Springboro Community City School District, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2011*

**Net Change in Fund Balances - Total Governmental Funds** \$ 2,701,025

**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 depreciation exceeded capital asset additions in the current period.

Capital Asset Additions	362,406	
Current Year Depreciation	<u>(4,296,052)</u>	
Total		(3,933,646)

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

Taxes	(486,957)	
Intergovernmental	<u>(213,748)</u>	
Total		(700,705)

The amortization of premium from the issuance of debt is recorded as a reduction of liability in the statement of net assets, but does not result in an expenditure in the governmental funds.

321,428

The amortization of debt issuance costs are reported in the statement of activities but are not reported as expenditures in the governmental funds.

(48,949)

Deferred amounts on refunding are included as expenditures in the funds, but are deferred and amortized over the life of the bonds in the government-wide financial statements.

(213,716)

Repayment of bond and loan principal are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net assets and does not result in an expense in the statement of activities.

2,792,000

Repayment of capital lease obligations are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net assets and does not result in an expense in the statement of activities.

479,859

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Increase in Compensated Absences	(171,609)	
Increase in Employee Severance Plan	(1,120,810)	
Decrease in Interest Payable	5,746	
Increase in Accreted Debt	<u>(664,896)</u>	

Total		<u>(1,951,569)</u>
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**Net Change in Net Assets of Governmental Activities** **\$ (554,273)**

The notes to the basic financial statements are an integral part of this statement.

**Springboro Community 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, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES:</b>				
Taxes	\$ 24,456,784	\$ 27,086,469	\$ 27,086,469	\$ -
Intergovernmental	16,493,702	14,532,031	14,532,031	-
Investment Earnings	11,317	9,971	9,971	-
Tuition and Fees	198,797	175,153	175,153	-
Rent	33,591	29,596	29,596	-
Extracurricular Activities	579,892	510,923	510,923	-
Customer Sales and Services	2,906	2,560	2,560	-
Miscellaneous	777,141	684,712	684,712	-
Total Revenues	<u>42,554,130</u>	<u>43,031,415</u>	<u>43,031,415</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction:				
Regular	20,840,137	16,697,400	19,775,202	(3,077,802)
Special	3,973,116	3,415,429	4,028,579	(613,150)
Vocational	83,546	72,508	85,525	(13,017)
Other	350,000	378,570	446,532	(67,962)
Support Services:				
Pupils	3,050,713	2,302,557	2,715,920	(413,363)
Instructional Staff	3,061,305	2,493,558	2,941,211	(447,653)
Board of Education	168,073	151,378	178,554	(27,176)
Administration	2,863,946	2,260,300	2,666,077	(405,777)
Fiscal	1,052,191	750,459	885,184	(134,725)
Business	238,225	181,185	213,712	(32,527)
Operation and Maintenance of Plant	3,864,634	2,711,773	3,198,600	(486,827)
Pupil Transportation	2,901,879	2,500,906	2,949,878	(448,972)
Central	246,241	158,429	186,871	(28,442)
Operation of Non-Instructional Services	11,076	9,043	10,667	(1,624)
Extracurricular Activities	646,211	544,657	642,436	(97,779)
Capital Outlay	35,999	45,545	53,721	(8,176)
Debt Service:				
Principal	122,000	207,000	207,000	-
Interest	39,494	167,244	167,244	-
Total Expenditures	<u>43,548,786</u>	<u>35,047,941</u>	<u>41,352,913</u>	<u>(6,304,972)</u>
Excess of Revenues Over (Under) Expenditures	<u>(994,656)</u>	<u>7,983,474</u>	<u>1,678,502</u>	<u>(6,304,972)</u>
<b>OTHER FINANCING SOURCES AND USES:</b>				
Refund of Prior Year Expenditures	-	49,291	49,291	-
Advances In	-	169,318	169,318	-
Refund of Prior Year Receipts	(500)	-	-	-
Advances Out	-	(80,223)	(80,223)	-
Total Other Financing Sources and Uses	<u>(500)</u>	<u>138,386</u>	<u>138,386</u>	<u>-</u>
Net Change in Fund Balance	(995,156)	8,121,860	1,816,888	(6,304,972)
Fund Balance at Beginning of Year	5,304,246	5,304,246	5,304,246	-
Prior Year Encumbrances Appropriated	789,622	789,622	789,622	-
Fund Balance at End of Year	<u>\$ 5,098,712</u>	<u>\$ 14,215,728</u>	<u>\$ 7,910,756</u>	<u>\$ (6,304,972)</u>

The notes to the basic financial statements are an integral part of this statement.

**Springboro Community City School District, Ohio**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*June 30, 2011*

	<u>Private Purpose Trust Fund</u>	<u>Agency Fund</u>
<b>ASSETS:</b>		
Equity in Pooled Cash and Cash Equivalents	<u>\$ 82,294</u>	<u>\$ 148,296</u>
<b>LIABILITIES:</b>		
Undistributed Monies	<u>-</u>	<u>\$ 148,296</u>
<b>NET ASSETS:</b>		
Held in Trust for Scholarships	<u>\$ 82,294</u>	

The notes to the basic financial statements are an integral part of this statement.

**Springboro Community City School District, Ohio**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Private Purpose Trust Fund
ADDITIONS:	
Interest	\$ 970
Total Additions	970
DEDUCTIONS:	
Payments in Accordance with Trust Agreements	2,500
Change in Net Assets	(1,530)
Net Assets Beginning of Year	83,824
Net Assets End of Year	\$ 82,294

The notes to the basic financial statements are an integral part of this statement.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

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

The School District was established in 1990 through the consolidation of existing land areas and school districts. The School District serves an area of approximately 44.7 square miles. It is located in Warren County, and includes the City of Springboro and Clearcreek Township and a small portion of Franklin Township. It is staffed by 229 non-certificated employees and 289 certificated full-time teaching personnel who provide services to 5,755 students and other community members. The School District currently operates 9 instructional buildings, 2 administrative buildings, and 1 garage.

***A. Reporting Entity***

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes.

The School District has no component units.

The School District is associated with three jointly governed organizations. These organizations are the Southwestern Ohio Computer Association (SWOCA), the Warren County Career Center, and the Southwestern Ohio Educational Purchasing Council.

*Southwestern Ohio Computer Association* - The School District is a participating member of the Southwestern Ohio Computer Association (SWOCA). SWOCA provides data services needed by the participating school districts. D. Russell Lee Vocational School serves as the fiscal agent. This is a jointly governed organization and the School District's participation is discussed in Note 16 to the Basic Financial Statements.

*Warren County Career Center* - The School District became a member of a cooperative agreement to establish the Warren County Career Center to provide for the vocational and special education needs of the students. The School District is not involved in the budgeting or management of the Warren County Career Center. A board member appointed by the School District’s school board members serves as a member of the Warren County Career Center Board of Education. This is a jointly governed organization and the School District's participation is discussed in Note 16 to the Basic Financial Statements.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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

*Southwestern Ohio Educational Purchasing Council* - The School District is a participating member of the Southwestern Ohio Educational Purchasing Council (the "Council"). The Council's purpose is to obtain prices for quality merchandise and services commonly used by schools. The Montgomery County Educational Service Center acts as the fiscal agent. This is a jointly governed organization and the School District's participation is discussed in Note 16 to the Basic Financial Statements.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

***A. Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for the fiduciary funds.

The statement of net assets presents the financial condition of the governmental activities of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department, and, therefore, are 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 requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

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

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***B. Fund Accounting***

The School District's accounts are maintained on the basis of funds, each of which is considered a separate accounting entity. The funds used by this School District can be classified using two categories, governmental and fiduciary. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific School District functions or activities.

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

***General Fund*** The General Fund is the operating fund of the School District and is used to account for all financial resources, not accounted for and reported in another fund. The General Fund is available to the School District for any purpose provided it is expended or transferred according to the school laws of Ohio.

***Bond Retirement Fund*** The Bond Retirement Debt Service Fund is a fund provided for the retirement of serial bonds and short term loans. All revenue derived from general or special levies, either within or exceeding the ten-mill limitation, which is levied for debt charges on bonds or loans, shall be paid into this fund. The primary source of revenue for this fund is property tax levies.

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

***Fiduciary Fund Type*** Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary funds are agency funds which account for student managed activities and private purpose trust funds which are used to account for the financial activity of the School District's Scholarship Funds.

***C. Measurement Focus***

***Government-wide Financial Statements*** The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities accounts for increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

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



**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***D. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting.

Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes and grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 5). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

***Deferred/Unearned Revenue*** Deferred/unearned Revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2011, but which were levied to finance fiscal year 2012 operations, have been recorded as deferred/unearned revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred/unearned revenue.

***Expenses/Expenditures*** On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities upon the occurrence of employee resignations and retirements. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***E. Cash and Cash Equivalents***

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

During fiscal year 2011, investments were limited to STAROhio, money market accounts, and overnight repurchase agreements.

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

The School District has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio) during fiscal year 2011. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2011.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund, the Other Governmental Funds, and the Private Purpose Trust Funds during fiscal year 2011 amounted to \$10,554, \$1,313, and \$970, respectively.

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

***F. Capital Assets***

The School District's only capital assets are general capital assets. General capital assets are those assets specifically related to governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five hundred dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Description	Estimated Lives
Land Improvements	10 - 40 years
Buildings and Improvements	20 - 50 years
Furniture and Equipment	5 - 15 years
Vehicles	3 - 15 years
Books	5 years

***G. Compensated Absences***

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

The entire sick leave benefit and vacation liabilities are reported on the government-wide financial statements. On the governmental fund financial statements, sick leave benefits are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are reported as "matured compensated absences payable" in the fund from which the employees who will receive the payment is paid.

***H. Accrued Liabilities and Long-term Obligations***

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds are recognized as a liability on the governmental fund financial statements when due.

***I. Interfund Activity***

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

***J. Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The nonspendable fund balance classification includes amounts that cannot be spent because they are not in the spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Restricted*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education. Those committed amounts cannot be used for any other purpose unless the School District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by policies of the School District Board of Education.

***Unassigned*** Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The School District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

***K. 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. Any unexpended balances from borrowings are added back to this balance. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes represents balances in special revenue funds for grants received which are restricted as to their use by grantors and the amounts restricted for set-asides (see Note 14).

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

Of the District's \$5,615,048 restricted net assets, \$0 is restricted by enabling legislation.

***L. Estimates***

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

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***M. Budgetary Process***

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer has the authority to allocate appropriations to the function and object level without resolution by the Board.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statement are based on estimates made before the end of the prior fiscal year. The amounts reported as the final budgeted amounts in the budgetary statement reflect the amounts in the amended certificate in effect when final appropriations for the fiscal year were passed.

The appropriation resolution is subject to amendment by the Board throughout the fiscal year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year. As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year-end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds.

***N. Restricted Assets***

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation. Restricted assets in the General Fund include amounts required by state statute to be set aside for budget stabilization. See Note 14 for additional information regarding set-asides and the budget stabilization reserve.

The School District maintains cash and cash equivalents in several accounts to account for proceeds from several capital leases. These monies are restricted for capital improvements to School District facilities and these amounts are reported as "Restricted Cash and Cash Equivalents with Escrow Agents" on the financial statements.

***O. Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables" and "Interfund Payables". These amounts are eliminated in the governmental activities column of the statement of net assets.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***P. Unamortized Bond Issuance Costs/Bond Premium and Discount***

On government-wide financial statements, bond issuance costs are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Unamortized bond issuance costs are recorded as an asset on the government wide financial statements.

Bond premiums are deferred and amortized over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds. Capital appreciation bond discounts are accreted over the term of the bonds.

On the governmental-wide financial statements, issuance costs, accretion and bond premiums are recognized in the current period.

**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING**

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

1. Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budgetary basis) rather than as a restriction, commitment or assignment of fund balance (GAAP basis); and
4. Funds treated as General Fund equivalents on the GAAP basis are not included on the budget basis.

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statement for the General Fund.

Net Change in Fund Balance

GAAP Basis	\$ 2,623,412
Revenue Accruals	(723,404)
Expenditure Accruals	265,209
Prospective Difference:	
Activity of Funds Reclassified for GAAP Reporting Purposes	50,879
Encumbrances	<u>(399,208)</u>
Budgetary Basis	<u><u>\$ 1,816,888</u></u>

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 4 – DEPOSITS AND INVESTMENTS**

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or securities issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above 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;
4. Bond; and other obligations of the State of Ohio, its political subdivisions, or other units or agencies of this State or its political subdivisions;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAROhio);
8. Securities lending agreements in which the School District lends securities and the eligible institution agrees to exchange either securities described in division (1) or (2), or cash, or both securities and cash, equal value for equal value;
9. High grade commercial paper in an amount not to exceed five percent of the School District's total average portfolio; and
10. Bankers acceptances for a period not to exceed 270 days in an amount not to exceed ten percent of the School District's total average portfolio.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

*Deposits:* Custodial credit risk is the risk that in the event of a bank failure, the School District’s deposits may not be returned to it. According to state law, public depositories must give security for all public funds on deposit in excess of those funds that are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agency of instrumentality of the federal government. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. The School District’s policy is to deposit money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

As of June 30, 2011, the School District’s bank balance of \$4,419,270 was either covered by FDIC or collateralized by the financial institution’s public entity deposit pools in the manner described above.

As of June 30, 2011, the School District had the following investments and maturities:

	Carrying/Fair Value	Weighted Average Maturity (Years)
STAR Ohio	\$ 33,008	< 1 year
Fifth Third Money Market	5,534,787	< 1 year
Repurchase Agreements	5,939,263	< 1 year
Total Investments	<u>\$ 11,507,058</u>	

Repurchase Agreements – State statutes permit the District to enter into repurchase agreements. All sales of investments under repurchase agreements are for fixed terms. In investing the proceeds of repurchase agreements, District policy is for the term to maturity of the investment to be the same as the term of the repurchase agreement. Such matching existed at year-end.

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

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District’s investment policy limits investments to those authorized by State statute. Investments in STAR Ohio were rated AAAM by Standard & Poor’s. The Fifth Third Money Market was rated AAAM by Standard & Poor’s and Aaa by Moody’s.



**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The School District places no limit on the amount it may invest in any one issuer. The School District has invested .3% in STAR Ohio, 48.1% in Fifth Third Money Market, and 51.6% in Repurchase Agreements.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the School District’s securities are either insured and registered in the name of the School District or at least registered in the name of the School District with the exception of the repurchase agreements which are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty’s trust department or agent, but not in the School District’s name.

The School District has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

**NOTE 5 - 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 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 2011 represents collections of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed value listed as of January 1, 2010, 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 2011 represents collections of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien on December 31, 2009, were levied after April 1, 2010, and are collected in 2011 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar year 2011 (other than public utility property tax) represents the collection of 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2009 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2011 were levied after April 1, 2010, on the value as of December 31, 2010. 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.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

**NOTE 5 - PROPERTY TAXES (Continued)**

The assessed values upon which the fiscal year 2011 taxes were collected are:

	2010 Second-Half Collections		2011 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$829,994,300	95.95%	\$847,749,360	93.43%
Public Utility Personal	34,044,530	3.94%	59,647,115	6.57%
Tangible Personal Property	972,470	0.11%	0	0.00%
<b>Total</b>	<b>\$865,011,300</b>	<b>100.00%</b>	<b>\$907,396,475</b>	<b>100.00%</b>
 Tax Rate per \$1,000 of assessed valuation	 \$60.71		 \$60.71	

The School District receives property taxes from Warren County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real, personal property, and public utility taxes which are measurable as of June 30, 2011, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current year operations. The amount available as an advance at June 30, 2011, was \$2,530,619 and is recognized as revenue: \$2,095,122 in the General Fund and \$435,497 in the Bond Retirement Fund. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

**NOTE 6 – RECEIVABLES**

Receivables at June 30, 2011, consisted of property taxes, interfund, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Other Non-major Governmental Funds:	
Vocational Education Enhancement	\$1,385
Miscellaneous State Grants	7,030
Title VI-B	59,742
Title II-D	77
Title I	11,650
Drug-Free School	2,822
Preschool-Handicapped	5,500
Improving Teacher Quality	59,363
Total Other Non-major Governmental Funds	<u>147,569</u>
Total All Funds	<u>\$147,569</u>

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

**NOTE 7 – CAPITAL ASSETS**

Capital assets activity for the fiscal year ended June 30, 2011, was as follows:

	<u>Ending Balance</u> <u>06/30/10*</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u> <u>06/30/11</u>
<b><u>Governmental Activities</u></b>				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 1,421,691	\$ -	\$ -	\$ 1,421,691
<i>Total Capital Assets Not Being Depreciated</i>	<u>1,421,691</u>	<u>-</u>	<u>-</u>	<u>1,421,691</u>
<i>Total Capital Assets Being Depreciated</i>				
Land Improvements	6,138,852	2,040	-	6,140,892
Buildings and Improvements	100,826,306	-	-	100,826,306
Furniture and Equipment	15,291,043	360,366	(2,308)	15,649,101
Vehicles	4,178,715	-	-	4,178,715
Books	2,761,789	-	-	2,761,789
<i>Total Capital Assets Being Depreciated</i>	<u>129,196,705</u>	<u>362,406</u>	<u>(2,308)</u>	<u>129,556,803</u>
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(2,548,035)	(319,920)	-	(2,867,955)
Buildings and Improvements	(22,407,283)	(2,505,224)	-	(24,912,507)
Furniture and Equipment	(10,770,213)	(1,067,113)	2,308	(11,835,018)
Vehicles	(3,366,894)	(239,741)	-	(3,606,635)
Books	(2,388,564)	(164,054)	-	(2,552,618)
<i>Total Accumulated Depreciation</i>	<u>(41,480,989)</u>	<u>(4,296,052)</u>	<u>2,308</u>	<u>(45,774,733)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>87,715,716</u>	<u>(3,933,646)</u>	<u>-</u>	<u>83,782,070</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$ 89,137,407</u>	<u>\$ (3,933,646)</u>	<u>\$ -</u>	<u>\$ 85,203,761</u>

\* As restated, see Note 19 for additional information.

Depreciation expense was charged to government functions as follows:

Instruction:	
Regular	\$ 2,407,244
Special	11,634
Support Services:	
Pupils	28,057
Instructional Staff	182,475
Administration	178,104
Fiscal	2,047
Business	2,024
Operation and Maintenance of Plant	992,999
Pupil Transportation	247,124
Central	1,456
Operation of Non-Instructional Services	94,666
Extracurricular Activities	148,222
Total Depreciation Expense	<u>\$ 4,296,052</u>

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 8 - RISK MANAGEMENT**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2011, the School District contracted with Ohio Casualty Insurance Company for property insurance with a \$124,398,000 aggregate limit and a \$1,000 deductible and inland marine of \$100,000 limit and a \$500 deductible. Professional liability is protected by the Indiana Insurance Company with a per occurrence limit of \$1,000,000 and a \$2,000,000 aggregate limit with a \$10,000 deductible under a commercial umbrella policy.

The School District's vehicles are covered by the Ohio Casualty Insurance Company, and it holds a \$250 comprehensive deductible and \$500 deductible for collision. Automobile liability has a \$1,000,000 combined single limit of liability. Vehicles are also covered under the commercial umbrella policy.

The Cincinnati Insurance Company maintains a \$50,000 public official bond for the Treasurer and Business Manager and a \$10,000 blanket bond for other employees.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on claim history and administrative costs.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage from last year.

The School District provides medical/surgical insurance through Anthem, dental insurance through Dental Care Plus and vision insurance through Faye Med, commercial insurance companies.

**NOTE 9 – EMPLOYEE BENEFITS**

**A. Compensated Absences**

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators do not earn vacation time, with the exception of the Superintendent, Treasurer, Director of Educational Services, and Director of Support Services. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 275 days for certified and 270 for classified employees. Upon retirement and after being employed in the District for ten years, payment is made for twenty-five percent of the employee's accumulated sick leave up to a maximum of sixty-eight and three-fourth days.

**B. Retirement Incentive**

In fiscal year 2011, the School District adopted a one-time early severance incentive package. Participation is available to teachers and administrators who have ten or more years of service with the School District or will be eligible for full or reduced benefits under the State Teachers Retirement System as of June 30, 2011. Employees under the State Teachers Retirement System who will attain 29 or 34 years as of June 30, 2011 could elect to work through June 30, 2012, provided they made the election within the window period of election, which was February 15, 2011 through April 4, 2011.

Teachers and administrators electing the package will receive \$45,000, plus regular severance payments calculated under the applicable collective bargaining agreement. Payments shall be made as follows:

Group 1 – Employees electing the package who are eligible to retire with full or reduced benefits under the State Teachers Retirement System effective on his or her exit date – Participants will receive the total package benefit over 5 years, divided into 60 equal monthly payments made to the participant's selected post-employment 403(b) account. Group 1 participants cannot opt to receive cash rather than post-employment 403(b) deposits.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 9 – EMPLOYEE BENEFITS (Continued)**

Group 2 – Employees electing the package but are not eligible to retire under the State Teachers Retirement System effective on his or her exit date – Participants will have the total package benefit paid to them over eight years, divided into 96 equal monthly payments. Payments will be subject to withholding for all applicable Medicare, federal, state, and local taxes. Benefits will begin on a date between October 15 and October 30 following the employee’s exit date and will be paid on or about the 15<sup>th</sup> of each month thereafter until all payments are completed.

**NOTE 10 - PENSION PLANS**

**A. School Employees Retirement System**

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

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year 2011, the allocation to pension and death benefits is 11.81 percent. The remaining 2.19 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Fund. The School District’s contributions to SERS which were allocated for pension and death benefits for the fiscal years ended June 30, 2011, 2010 and 2009 were \$872,757, \$1,014,360, and \$1,017,768, respectively; 47 percent of the required contribution has been made for fiscal year 2011 and 100 percent of the required contribution has been made for fiscal years 2010 and 2009. \$464,310 represents the unpaid contribution for fiscal year 2011 and is recorded as a liability within the respective funds.

**B. State Teachers Retirement System**

State Teachers Retirement System of Ohio (STRS Ohio) is a cost-sharing, multiple-employer public employee retirement system.

STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof.

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

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 10 - PENSION PLANS (Continued)**

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

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

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

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

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

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

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

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

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 10 - PENSION PLANS (Continued)**

For the fiscal years ended June 30, 2011, 2010, and 2009, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by STRS Ohio, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010, and 2009 were \$2,338,856, \$2,854,704, and \$2,927,616, respectively; 84% has been contributed for the fiscal year 2011 and 100% for the fiscal year 2010 and 2009. \$373,343 represents the unpaid contribution for fiscal year 2011 and is recorded as a liability within the respective funds.

STRS Ohio issues a stand-alone financial report. Copies of STRS Ohio's Comprehensive Annual Financial Report can be requested by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org).

**B. Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2011, all members of the Board of Education had elected Social Security.

**NOTE 11 - POSTEMPLOYMENT BENEFITS**

**A. State Teachers Retirement System**

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

Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the defined benefit or combined plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. Pursuant to 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

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

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14 percent employer contribution rate, 1 percent of covered payroll was allocated to post-employment health care for the years ended June 30, 2011, 2010 and 2009. The 14 percent employer contribution rate is the maximum rate established under Ohio law. For the School District, these amounts equaled \$183,712, \$203,907, and \$209,115 for fiscal years 2011, 2010, and 2009, respectively, which were equal to the required allocation for each year.

**B. School Employees Retirement System**

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

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 was \$96.40 for most participants, but could be as high as \$369.10 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal years 2011, 2010, and 2009, the actuarially required allocations were 0.76, 0.76 percent, and 0.75 percent. For the School District, contributions for the years ended June 30, 2011, 2010, and 2009, were \$57,299, \$55,066, and \$54,523, which equaled the required allocation for each year.

Health Care Plan

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

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

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14 percent contribution to the Health Care Fund. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2011, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. At June 30, 2011, 2010, and 2009, the health care allocations were 1.43 percent, 0.46 percent, and 4.16 percent, respectively. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2011, 2010, and 2009 fiscal years equaled \$194,811, \$139,108, and \$408,202, respectively, which equaled the required allocation for each year.

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

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



**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

**NOTE 12 - LONG TERM OBLIGATIONS**

The changes in the School District's long-term obligations during the fiscal year consisted of the following:

	Principal Outstanding 06/30/10*	Additions	Reductions	Principal Outstanding 06/30/11	Amounts Due in One Year
<b>Governmental Activities</b>					
<i>School Improvement Bond</i>					
1996 and 1991 Refunding 3.5-6%	\$ 21,545,000	\$ -	\$ 1,220,000	\$ 20,325,000	\$ 1,290,000
<i>School Improvement Bond</i>					
2005 Bonds 2% - 5.125%	5,390,000	-	-	5,390,000	-
Premium	258,661	-	64,666	193,995	-
Capital Appreciation Bonds	335,000	-	175,000	160,000	160,000
Accretion	2,347,192	664,896	1,275,000	1,737,088	1,737,088
<i>School Improvement Bond</i>					
2007 Refunding Bonds 4%-5.25%	45,315,000	-	-	45,315,000	-
Premium	5,648,769	-	256,762	5,392,007	-
Accounting Loss	(854,863)	-	(213,716)	(641,147)	-
Capital Funding Loan Payable	853,000	-	122,000	731,000	122,000
Capital Leases Payable	15,163,281	-	479,859	14,683,422	526,865
Employee Severance Plan	-	1,120,810	-	1,120,810	399,967
Compensated Absences	1,776,536	3,158,185	2,986,576	1,948,145	14,736
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 97,777,576</u>	<u>\$ 4,943,891</u>	<u>\$ 6,366,147</u>	<u>\$ 96,355,320</u>	<u>\$ 4,250,656</u>

\* As restated, see Note 19 for additional information.

Springboro High School Addition General Obligation Bonds - On February 7, 1996, the School District issued \$32,664,632 in voted general obligation bonds for the purpose of constructing a new high school building and to refund a 1991 School Improvement bond issuance. \$6,535,000 were issued as serial bonds with interest rates ranging from 3.50% to 4.40%, and maturity dates of December 1, 1996 to December 1, 2003. \$25,045,000 are term bonds with interest rates ranging from 5.10% to 6.00%, and maturity dates of December 1, 2011, 2016, and 2023. The bonds are being retired from the Bond Retirement Fund.

Springboro Capital Funding Loan - In 2002, Springboro Community City School District borrowed \$1,829,000 from the Ohio School Boards Association School Expanded Asset Pooled Financing Program, for the purpose of HVAC improvements throughout the School District. The loan is for a fifteen year period with final maturity at June 2017. The debt is being retired from the General Fund.

Springboro School Improvement General Obligation Bonds – In July 15, 2004, Springboro Community City School District issued \$61,500,000 in General Obligation Bonds to replace the Bond Anticipation notes issued in the previous fiscal year. The balance above includes a premium received and accreted debt. The bonds will be retired from the Bond Retirement Fund. Of the \$61,165,000, \$31,210,000 are serial bonds with interest rates ranging from 2.0-5.125% and will mature in 2025. \$10,360,000, \$4,570,000, and \$9,025,000 are term bonds with interest rates of 5.00%, 4.75%, and 5.00% respectively. The maturity of these term bonds are 2027, 2029, and 2032 respectively. \$335,000 of the total is capital appreciation bonds. \$175,000 of these capital appreciation bonds have an interest rate of 36.26% and matured in fiscal year 2011. \$160,000 of the capital appreciation bonds have an interest rate of 36.22% and will mature in fiscal year 2012. The capital appreciation bonds were accreted \$664,896 in fiscal year 2011.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

**NOTE 12 - LONG TERM OBLIGATIONS (Continued)**

Springboro School Improvement General Obligation Bonds – In March 2007, Springboro Community City School District issued \$46,020,000 in General Obligation Refunding Bonds to partially refund part of the School District’s outstanding debt. The bonds will be retired from the Bond Retirement Fund. Of the \$46,020,000, \$32,665,000 are serial bonds with interest rates ranging from 4.0-5.25% and will mature in 2030. \$2,415,000, \$5,000,000, and \$5,940,000 are term bonds with interest rates of 5.25%. The maturity of these term bonds are 2024, 2031, and 2033 respectively.

Compensated absences and payments for the Employee Severance Plan will be paid from the fund from which the person is paid, with the General Fund being the most significant. Capital lease obligations will be paid from the general fund.

In prior years, the School District defeased School Improvement General Obligation Bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District’s financial statements.

The overall debt margin of the School District as of June 30, 2011, was \$15,323,106, with an unvoted debt margin of \$907,396. The Board of Education received approval to become a special needs district and issue bonds in an amount in excess of the nine percent debt limitation.

Principal and interest requirements to retire the School Improvement Bonds and the OASBO Loans outstanding at June 30, 2011, are as follows:

Fiscal Year Ending June 30,	School Improvement Bonds			OASBO Loans		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$1,450,000	\$5,211,938	\$6,661,938	\$122,000	\$33,042	\$155,042
2013	3,555,000	3,391,840	6,946,840	122,000	27,566	149,566
2014	4,165,000	3,228,615	7,393,615	122,000	22,012	144,012
2015	1,685,000	3,099,941	4,784,941	122,000	16,498	138,498
2016	2,010,000	3,011,236	5,021,236	122,000	10,354	132,354
2017-2021	17,370,000	13,003,126	30,373,126	121,000	6,099	127,099
2022-2026	18,290,000	8,214,525	26,504,525	-	-	-
2027-2031	16,725,000	3,403,707	20,128,707	-	-	-
2032-2033	5,940,000	313,686	6,253,686	-	-	-
	<u>\$71,190,000</u>	<u>\$42,878,614</u>	<u>\$114,068,614</u>	<u>\$731,000</u>	<u>\$115,571</u>	<u>\$846,571</u>

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 13 – INTERFUND ACTIVITY**

A. Interfund Receivables/Payables

As of June 30, 2011 receivables and payables that resulted from various interfund transactions were as follows:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund (Major Fund)	\$ 86,311	\$ -
Non-major Governmental Funds:		
Auxiliary	-	1,918
Education Management Information	-	403
Vocational Education Enhancement	-	1,109
Miscellaneous State Grants	-	1,734
Title VI-B	-	8,935
Title II-D	-	77
Title I	-	3,090
Title V	-	3,766
Drug-Free School	-	421
Preschool-Handicapped	-	5,495
Improving Teacher Quality	-	59,363
Total Non-major Governmental Funds	-	86,311
Total All Funds	<u>\$ 86,311</u>	<u>\$ 86,311</u>

The General Fund periodically provides advances to grant funds to provide temporary resources to such funds until grant monies are received at which time the advances are repaid.

**NOTE 14 – SET-ASIDE CALCULATIONS AND FUND RESERVES**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition or construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in restricted cash at year-end and carried forward to be used for the same purposes in future years. As of fiscal year ended June 30, 2003, the School District was no longer required to set aside funds in the budget reserve set-aside, with the exception of monies received from the Bureau of Workers' Compensation, which must be retained for budget stabilization or spent for specified purposes.



**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 15 – CAPITALIZED LEASES – LESSEE DISCLOSURE (Continued)**

Copier Lease - During 2010 Springboro Community City School District entered into a lease agreement in the amount of \$240,842 to purchase copiers. The agreement is for 60 months, to be paid monthly, with a final maturity in 2015. The debt is being paid from the General Fund.

School Bus Lease – During 2006 Springboro Community City School District entered into a lease agreement in the amount of \$1,234,670 to purchase school buses. The agreement is paid yearly, with a final maturity in 2017. The debt is being paid from the General Fund.

Healthcare Complex Lease – During fiscal year 2008 the Springboro Community City School District entered into a lease-purchase agreement in the amount of \$6,139,000 for the acquisition, construction, equipping and renovation for School District Facilities including a multi-use building containing locker room, weight room and medical services facilities. The agreement is for 24 years with a final maturity in 2030. The debt is being paid from the General Fund. The School District has entered into a sub-lease agreement during fiscal year 2008 with Miami Valley Hospital, whereby the School District is sub-leasing approximately 25,500 rentable square feet of the facility they are presently constructing. The terms of the agreement are for a multi-year period with payments beginning on November 15, 2008 and concluding on November 15, 2030. The total payments to be received over the life of the sub-lease agreement are \$16,954,809. These sub-lease payments are pledged to pay off the capital lease that the School District entered into during fiscal year 2008 to construct the facilities.

Stadium/Sign Lease –During fiscal year 2008 Springboro Community City School District entered into a lease-purchase agreement in the amount of \$5,624,000 for the purpose of constructing a football/track stadium and the signage for this facility. The agreement is for 24 years with a final maturity in 2030. The debt is being paid from the General Fund. The School District has entered into a naming rights agreement during fiscal year 2008 with Miami Valley Hospital, whereby the School District is providing certain sponsorship and marketing rights to Miami Valley Hospital related to the rebuilt and upgraded high school football and track facility. The terms of the agreement are for a multi-year period with payments beginning on November 15, 2008 and concluding on November 15, 2023. The total payments to be received over the life of the agreement are \$3,177,581. These payments are pledged to pay off the capital lease that the School District entered into during fiscal year 2008 to construct the facilities.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2011.

Fiscal Year Ending June 30,	Minimum Lease Payment
2012	\$1,266,819
2013	1,281,841
2014	1,300,063
2015	1,270,723
2016	1,257,226
2017-2021	6,135,664
2022-2026	5,386,097
2027-2031	4,848,860
2032-2034	272,329
Total	<u>23,019,622</u>
Less: Administrative Fees and Interest	<u>(8,336,200)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$14,683,422</u></u>

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS**

*Southwestern Ohio Computer Association-* The School District is a participant in the Southwestern Ohio Computer Association (SWOCA) which is a computer consortium. SWOCA is an association of public school districts within the boundaries of Warren, Butler, and Preble Counties and Loveland City Schools. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts.

The governing board of SWOCA consists of two representatives from each county elected by majority vote of all charter member school districts within each county plus one representative from the fiscal agent. Financial information can be obtained from Michael Crumley, Executive Director, at 3607 Hamilton-Middletown Road, Hamilton, Ohio 45011.

*Warren County Career Center-* The Warren County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from the participating school district's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Warren County Career Center is not part of the School District and its operations are not included as part of the reporting entity. The School District gave no financial contributions during the fiscal year. Financial information can be obtained from Karen Royer, Treasurer, at 3525 SR48 North, Lebanon, Ohio 45036.

*Southwestern Ohio Educational Purchasing Council -* The School District participates in the Southwestern Ohio Educational Purchasing Council (SOEPC). The Montgomery County Educational Service Center acts as the fiscal agent for the group. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges or other assessments as established by the SOEPC. Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts by the Fiscal Agent. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the General Fund. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, at 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377.

**NOTE 17 - CONTINGENCIES**

***A. Grants***

The School District received 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2011.

***B. Litigation***

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

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

**NOTE 18 – ACCOUNTABILITY AND COMPLIANCE**

A. Accountability

At June 30, 2011, the Education Management Information Systems, Miscellaneous State Grants, Title V, and Drug-Free Grant special revenue funds had deficit fund balances of \$403, \$8,099, \$3,766, and \$4. The deficits in these funds are due to adjustments for accrued liabilities and the timing of grant awards. The General Fund provides transfers when cash is required, not when expenditures are incurred.

B. Compliance

Contrary to Ohio Revised Code Section 5705.36(A)(3), the following funds had Revenue exceeded Estimated Resources:

Fund Name	Amount	Fund Name	Amount
District Managed Activities	\$45,242	Uniform School Supply	\$16,357
EMIS	4,000	Public School Support	27,329
Onenet	2,075	Special Enterprise	62,767
Title I	46,028	Rotary	1,163

Contrary to Ohio Revised Code Section 5705.36(A)(4), the following funds appropriations exceeded available resources :

Fund Name	Original Budget Amount	Final Budget Amount
Other Grants	\$0	\$1,005
Education Management Information	-	242
Vocational Education Enhancement	213	1,716
Education Jobs	-	575,504
Title VI-B	197,002	-
Education Stabilization	6,434	-
Title III	19	378
Title I	6,864	3,884
Drug-Free School	-	2,733
Preschool-Handicapped	25,598	-
Building	-	157,393
Rotary	12,738	-

Contrary to Ohio Revised Code Section 5705.41 (D), the following funds had expenditures plus encumbrances in excess of appropriations:

Fund Name	Amount	Fund Name	Amount
General	\$6,304,972	Education Stabilization	\$880,258
Food Service	11,109	Title II-D	456
Other Grants	7,990	Drug-Free School	2,822
Auxiliary Service	24,514	Preschool-Handicapped	34,026
Onenet	3,502	Improving Teacher Quality	7,462
Miscellaneous State Grants	22,867	Miscellaneous Federal Grants	7,442
Title VI-B	122,446	Employee Benefits	30,837

**NOTE 19 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF BALANCES**

For fiscal year 2011, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions."

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

**Springboro Community City School District, Ohio**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

**NOTE 19 – CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF BALANCES (Continued)**

This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The School District also changed their method of accounting from the cash basis to a basis in accordance with accounting principles generally accepted in the United States of America. The implementation GASB Statement No. 54 and the change in method of accounting resulted in the reclassification of certain funds, and resulted in the following restatement of the School District’s financial statements:

	<u>General</u>	<u>Bond Retirement</u>	<u>Building</u>	<u>All Other Governmental</u>	<u>Total</u>
Fund Balances,					
June 30, 2010	\$6,222,594	\$4,584,932	\$1,476,481	\$1,162,244	\$13,446,251
GASB 54 Fund Reclassifications	575,386	0	0	(575,386)	0
Reclass from Major Fund	0	0	(1,476,481)	1,476,481	0
GAAP Basis Restatements	<u>(4,505,254)</u>	<u>251,080</u>	<u>0</u>	<u>(236,049)</u>	<u>(4,490,223)</u>
Restated Fund Balances,					
June 30, 2010	<u>\$2,292,726</u>	<u>\$4,836,012</u>	<u>\$0</u>	<u>\$1,827,290</u>	<u>\$8,956,028</u>

	<u>Governmental Activities</u>
Net Assets	
June 30, 2010	\$13,446,251
GAAP Basis Restatements	<u>(11,363,747)</u>
Restated Net Assets,	
June 30, 2010	<u>\$2,082,504</u>

**NOTE 20 – FUND BALANCES**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on the fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	<u>General</u>	<u>Bond Retirement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Restricted for</b>				
Food Service Operations	\$0	\$0	\$201,147	\$201,147
Athletics	0	0	129,702	129,702
Title VI-B	0	0	55,008	55,008
Improving Teacher Quality	0	0	39,288	39,288
Other Purposes	0	0	31,862	31,862
Budget Stabilization	96,355	0	0	96,355
Capital Improvements	0	0	1,448,757	1,448,757
Debt Services Payments	0	4,847,423	0	4,847,423
Total Restricted	<u>96,355</u>	<u>4,847,423</u>	<u>1,905,764</u>	<u>6,849,542</u>
<b>Assigned to</b>				
Other Purposes	783,734	0	0	783,734
<b>Unassigned (Deficit)</b>	<u>4,036,049</u>	<u>0</u>	<u>(12,272)</u>	<u>4,023,777</u>
Total Fund Balances	<u>\$4,916,138</u>	<u>\$4,847,423</u>	<u>\$1,893,492</u>	<u>\$11,657,053</u>



**COMBINING AND INDIVIDUAL  
FUND FINANCIAL  
STATEMENTS AND  
SCHEDULES**

**Springboro Community City School District  
Fund Descriptions**

**Special Revenue Funds**

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

*Nonmajor Special Revenue Funds*

*Food Service*

A fund to account for all transactions related to the provision of food service operations for the School District.

*Other Grants*

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

*District Managed Activities*

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

*Auxiliary Services*

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

*Gifted Education*

A fund provided to account for research and demonstration projects and other purposes as established under appropriation line item 200-521, Gifted Pupil Program.

*Education Management Information Systems*

A fund to account for hardware and software development, or other costs associated with the requirements of the management information system.

*Onenet*

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

*Ohio Reads*

A fund used to account for monies received from the State of Ohio for the purpose of implementing community involvement with students in the elementary grades to supplement and enhance the reading proficiency of students.

*Summer School*

A fund used to account for student intervention services satisfying criteria defined in division (E) of section 3313.608 of the Revised Code.

*Vocational Education Enhancement*

A fund used to account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills, and credentials to present to future employers, universities, and other training institutes and 3) replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

**Springboro Community City School District  
Fund Descriptions**

*Nonmajor Special Revenue Funds (Continued)*

Miscellaneous State Grants

A fund used to account for various restricted monies received from State agencies which are not classified elsewhere.

Education Jobs

A fund used to account for Federal monies receive and expended to provide compensation and benefits and other expenditures, such as support servies, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary or secondary educational and related services.

Title VI-B

A fund used to account for programs to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

Education Stabilization

A fund used to account for Federal monies from the American Recovery and Reinvestment Act in State Fiscal Stabilization Funds (SFSF) to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services.

Title II-D

A fund used to account for Federal monies received and expended to improve student academic achievement through the use of technology in schools and to encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

Title III

A fund used to account for monies to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Title I

A fund used to account for Federal monies that are used to help targeted buildings improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards.

Title V

A fund to account for monies used to assist State and local educational agencies in the reform of elementary and secondary education. Funds may be used for various materials, technology, and projects implementing school improvement and parental involvement activities authorized under ESEA, Tite I. This program is subject to non-supplanting requirements and must use a restricted indirect cost rate which is referenced under 34 CFR 76.564-76.569.

Drug-Free School

A fund to provide monies to local educational agencies and consortia of these agencies to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

Preschool-Handicapped

A fund to account for programs that address the improvement and expansion of services for handicapped children ages three through five years.

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**Springboro Community City School District  
Fund Descriptions**

*Nonmajor Special Revenue Funds (Continued)*

*Improving Teacher Quality*

A fund to help schools improve student achievement by adding additional teachers in grades 1-3.

*Miscellaneous Federal Grants*

A fund used to account for various restricted monies received from Federal agencies which are not classified elsewhere.

*Nonmajor Capital Projects Funds*

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital assets or facilities, such as new school buildings or additions to existing buildings, and for major renovation projects, other than those financed by proprietary funds or trust funds.

*Permanent Improvement*

To account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

*Building*

A fund used to accounts for monies received from the sale of School Improvement Bonds and proceeds from capital leases for school construction and renovation purposes.

*Funds Reported Separately for Budgetary Purposes*

The following funds have been combined with the General Fund for reporting in accordance with accounting principles generally accepted in the United States of America. However, their budgets are reported separately in this section for accountability purposes.

*Uniform School Supplies*

A fund used to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the district. Profit derived from such sale is to be used for school purposes or activities in connection with the school.

*Public School Support*

A fund used to account for the specific local revenue sources, other than taxes or expendable trusts (i.e. profits from vending machines, sales of pictures, etc.) that are restricted to expenditures for specified purposes approved by the board resolution. Such expenditures may include curricular and extra-curricular related purchases.

*Special Enterprise*

A fund used to report any activity for which a fee is charged to external users for goods or services. This fund can also account for any activity where debt is backed solely by fees and charges, there is a legal requirement to recover costs, or the school board has decided to recover costs.

*Rotary*

A fund used to account for operations that provide goods or services to other governmental unites on a cost-reimbursement basis.

*Employee Benefits*

A fund used to account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision, or any other similar employee benefits.

**Springboro Community City School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2011*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b><i>Assets:</i></b>			
Equity in Pooled Cash and Cash Equivalents	\$556,995	\$178,797	\$ 735,792
Intergovernmental Receivable	147,569	-	147,569
Cash and Cash Equivalents with Escrow Agents	-	1,269,960	1,269,960
	<u>704,564</u>	<u>1,448,757</u>	<u>2,153,321</u>
<i>Total Assets</i>			
 <b><i>Liabilities and Fund Balances:</i></b>			
<b><i>Liabilities</i></b>			
Accounts Payable	\$17,247	-	17,247
Accrued Wages and Benefits	99,015	-	99,015
Interfund Payable	86,311	-	86,311
Intergovernmental Payable	40,285	-	40,285
Deferred Revenue	16,971	-	16,971
	<u>259,829</u>	<u>-</u>	<u>259,829</u>
<i>Total Liabilities</i>			
 <b><i>Fund Balances:</i></b>			
Restricted for Special Revenue	457,007	-	457,007
Restricted for Capital Outlay	-	1,448,757	1,448,757
Unassigned	(12,272)	-	(12,272)
	<u>444,735</u>	<u>1,448,757</u>	<u>1,893,492</u>
<i>Total Fund Balances</i>			
 <i>Total Liabilities and Fund Balances</i>	<u>\$ 704,564</u>	<u>\$ 1,448,757</u>	<u>\$ 2,153,321</u>

**Springboro Community City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>			
Intergovernmental	\$2,438,921	\$ -	\$ 2,438,921
Investment Earnings	-	1,313	1,313
Extracurricular Activities	303,200	-	303,200
Gifts and Donations	12,414	-	12,414
Customer Sales and Services	1,087,956	-	1,087,956
Rent	11,454	-	11,454
Miscellaneous	36,396	-	36,396
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Revenues</i>	<u>3,890,341</u>	<u>1,313</u>	<u>3,891,654</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	66,266	-	66,266
Special	632,265	-	632,265
Other	37,714	-	37,714
Support Services:			
Pupils	237,640	-	237,640
Instructional Staff	150,826	-	150,826
Administration	73,900	-	73,900
Fiscal	20,168	-	20,168
Operation and Maintenance of Plant	845,940	1,780	847,720
Pupil Transportation	9,878	-	9,878
Central	4,997	-	4,997
Operation of Non-Instructional Services	1,201,327	-	1,201,327
Extracurricular Activities	322,338	-	322,338
Capital Outlay	700	219,713	220,413
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Expenditures</i>	<u>3,603,959</u>	<u>221,493</u>	<u>3,825,452</u>
<i>Net Change in Fund Balances</i>	286,382	(220,180)	66,202
<i>Fund Balances at Beginning of Year</i>	<u>158,353</u>	<u>1,668,937</u>	<u>1,827,290</u>
<i>Fund Balances at End of Year</i>	<u>\$ 444,735</u>	<u>\$ 1,448,757</u>	<u>\$ 1,893,492</u>

**Springboro Community City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2011*

	Food Service	Other Grants	District Managed Activities	Auxiliary Services	Education Management Information Systems
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$325,985	\$1,005	\$130,235	\$30,453	\$0
Intergovernmental Receivable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$325,985</u></u>	<u><u>\$1,005</u></u>	<u><u>\$130,235</u></u>	<u><u>\$30,453</u></u>	<u><u>\$0</u></u>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$533	\$2,956	\$0
Accrued Wages and Benefits	86,177	0	0	0	0
Interfund Payable	0	0	0	1,918	403
Intergovernmental Payable	38,661	0	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>124,838</u>	<u>0</u>	<u>533</u>	<u>4,874</u>	<u>403</u>
<b>Fund Balances:</b>					
Restricted					
Restricted for Food Service	201,147	0	0	0	0
Restricted for Extracurricular Activities	0	0	129,702	0	0
Restricted for Non-public Schools	0	0	0	25,579	0
Restricted for State Programs	0	0	0	0	0
Restricted for Federal Programs	0	0	0	0	0
Restricted for Other	0	1,005	0	0	0
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(403)</u>
<i>Total Fund Balances</i>	<u>201,147</u>	<u>1,005</u>	<u>129,702</u>	<u>25,579</u>	<u>(403)</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$325,985</u></u>	<u><u>\$1,005</u></u>	<u><u>\$130,235</u></u>	<u><u>\$30,453</u></u>	<u><u>\$0</u></u>



<u>Vocational Education Enhancement</u>	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>	<u>Title II-D</u>	<u>Title I</u>	<u>Title V</u>
\$1,916	\$1	\$13,603	\$0	\$6,775	\$0
<u>1,385</u>	<u>7,030</u>	<u>59,742</u>	<u>77</u>	<u>11,650</u>	<u>0</u>
<u>\$3,301</u>	<u>\$7,031</u>	<u>\$73,345</u>	<u>\$77</u>	<u>\$18,425</u>	<u>\$0</u>
\$0	\$0	\$213	\$0	\$5,810	\$0
0	12,838	0	0	0	0
1,109	1,734	8,935	77	3,090	3,766
0	558	0	0	1,066	0
<u>367</u>	<u>0</u>	<u>9,189</u>	<u>0</u>	<u>5,014</u>	<u>0</u>
<u>1,476</u>	<u>15,130</u>	<u>18,337</u>	<u>77</u>	<u>14,980</u>	<u>3,766</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
1,825	0	0	0	0	0
0	0	55,008	0	3,445	0
0	0	0	0	0	0
<u>0</u>	<u>(8,099)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(3,766)</u>
<u>1,825</u>	<u>(8,099)</u>	<u>55,008</u>	<u>0</u>	<u>3,445</u>	<u>(3,766)</u>
<u>\$3,301</u>	<u>\$7,031</u>	<u>\$73,345</u>	<u>\$77</u>	<u>\$18,425</u>	<u>\$0</u>

(Continued)

**Springboro Community City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2011*

	Drug Free School	Preschool - Handicapped	Improving Teacher Quality	Total Nonmajor Special Revenue Funds
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,468	\$3,767	\$40,787	\$556,995
Intergovernmental Receivable	2,822	5,500	59,363	147,569
<i>Total Assets</i>	\$5,290	\$9,267	\$100,150	\$704,564
 <b>Liabilities and Fund Balances:</b>				
<b>Liabilities</b>				
Accounts Payable	\$2,472	\$3,764	\$1,499	\$17,247
Accrued Wages and Benefits	0	0	0	99,015
Interfund Payable	421	5,495	59,363	86,311
Intergovernmental Payable	0	0	0	40,285
Deferred Revenue	2,401	0	0	16,971
<i>Total Liabilities</i>	5,294	9,259	60,862	259,829
 <b>Fund Balances:</b>				
Restricted				
Restricted for Food Service	0	0	0	201,147
Restricted for Extracurricular Activities	0	0	0	129,702
Restricted for Non-public Schools	0	0	0	25,579
Restricted for State Programs	0	0	0	1,825
Restricted for Federal Programs	0	8	39,288	97,749
Restricted for Other	0	0	0	1,005
Unassigned	(4)	0	0	(12,272)
<i>Total Fund Balances</i>	(4)	8	39,288	444,735
<i>Total Liabilities and Fund Balances</i>	\$5,290	\$9,267	\$100,150	\$704,564



**Springboro Community City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Food Service	Other Grants	District Managed Activities
<b>Revenues:</b>			
Intergovernmental	\$206,822	\$10,000	0
Rent	0	0	11,454
Extracurricular Activities	0	0	303,200
Gifts and Donations	0	0	12,414
Customer Sales and Services	1,087,956	0	0
Miscellaneous	0	0	34,490
<i>Total Revenues</i>	<u>1,294,778</u>	<u>10,000</u>	<u>361,558</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	0	0	0
Special	0	0	0
Other	0	0	0
Support Services:			
Pupils	0	7,675	0
Instructional Staff	0	0	0
Administration	0	0	0
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	1,320	0
Central	0	0	0
Operation of Non-Instructional Services	1,130,756	0	0
Extracurricular Activities	0	0	322,338
Capital Outlay	0	0	0
<i>Total Expenditures</i>	<u>1,130,756</u>	<u>8,995</u>	<u>322,338</u>
<i>Net Change in Fund Balances</i>	164,022	1,005	39,220
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>37,125</u>	<u>0</u>	<u>90,482</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$201,147</u></u>	<u><u>\$1,005</u></u>	<u><u>\$129,702</u></u>

Auxiliary Services	Gifted Education	Education Management Information Systems	Onenet	Ohio Reads
\$71,183	\$0	\$5,000	\$15,925	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>71,183</u>	<u>0</u>	<u>5,000</u>	<u>15,925</u>	<u>0</u>
0	0	0	43,187	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	32,473	0
0	0	0	0	0
8,807	16	0	0	2,547
0	0	0	0	0
0	0	0	0	0
0	0	4,997	0	0
70,152	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>78,959</u>	<u>16</u>	<u>4,997</u>	<u>75,660</u>	<u>2,547</u>
(7,776)	(16)	3	(59,735)	(2,547)
<u>33,355</u>	<u>16</u>	<u>(406)</u>	<u>59,735</u>	<u>2,547</u>
<u>\$25,579</u>	<u>\$0</u>	<u>(\$403)</u>	<u>\$0</u>	<u>\$0</u>

(Continued)

**Springboro Community City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Summer School	Vocational Education Enhancement	Miscellaneous State Grants
<b>Revenues:</b>			
Intergovernmental	\$0	\$11,882	\$33,459
Rent	0	0	0
Extracurricular Activities	0	0	0
Gifts and Donations	0	0	0
Customer Sales and Services	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>11,882</u>	<u>33,459</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	0	6,493	0
Special	0	0	8,425
Other	0	0	0
Support Services:			
Pupils	0	0	25,751
Instructional Staff	0	0	0
Administration	0	0	0
Fiscal	1,524	991	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Capital Outlay	0	0	0
<i>Total Expenditures</i>	<u>1,524</u>	<u>7,484</u>	<u>34,176</u>
<i>Net Change in Fund Balances</i>	(1,524)	4,398	(717)
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>1,524</u>	<u>(2,573)</u>	<u>(7,382)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$1,825</u></u>	<u><u>(\$8,099)</u></u>

Title VI-B	Education Stabilization	Title II-D	Title III
\$985,440	\$880,258	\$456	\$365
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<u>985,440</u>	<u>880,258</u>	<u>456</u>	<u>365</u>
3,862	0	380	0
547,465	0	0	0
0	37,714	0	0
181,781	0	0	0
46,905	0	76	167
73,900	0	0	0
0	0	0	41
0	842,544	0	0
4,646	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<u>858,559</u>	<u>880,258</u>	<u>456</u>	<u>208</u>
126,881	0	0	157
<u>(71,873)</u>	<u>0</u>	<u>0</u>	<u>(157)</u>
<u>\$55,008</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

(Continued)

**Springboro Community City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2011*

	<u>Title I</u>	<u>Title V</u>	<u>Drug Free School</u>	<u>Preschool - Handicapped</u>
<b>Revenues:</b>				
Intergovernmental	\$85,383	\$0	\$421	\$56,294
Rent	0	0	0	0
Extracurricular Activities	0	0	0	0
Gifts and Donations	0	0	0	0
Customer Sales and Services	0	0	0	0
Miscellaneous	0	0	0	1
<i>Total Revenues</i>	<u>85,383</u>	<u>0</u>	<u>421</u>	<u>56,295</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	0	4,087	8,257
Special	76,375	0	0	0
Other	0	0	0	0
Support Services:				
Pupils	0	0	0	22,433
Instructional Staff	5,400	0	0	0
Administration	0	0	0	0
Fiscal	0	3,353	0	0
Operation and Maintenance of Plant	0	0	3,396	0
Pupil Transportation	3,912	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	700
<i>Total Expenditures</i>	<u>85,687</u>	<u>3,353</u>	<u>7,483</u>	<u>31,390</u>
<i>Net Change in Fund Balances</i>	(304)	(3,353)	(7,062)	24,905
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>3,749</u>	<u>(413)</u>	<u>7,058</u>	<u>(24,897)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$3,445</u></u>	<u><u>(\$3,766)</u></u>	<u><u>(\$4)</u></u>	<u><u>\$8</u></u>



Improving Teacher Quality	Total Nonmajor Special Revenue Funds
\$76,033	\$2,438,921
0	11,454
0	303,200
0	12,414
0	1,087,956
1,905	36,396
<u>77,938</u>	<u>3,890,341</u>
0	66,266
0	632,265
0	37,714
0	237,640
65,805	150,826
0	73,900
2,889	20,168
0	845,940
0	9,878
0	4,997
419	1,201,327
0	322,338
0	700
<u>69,113</u>	<u>3,603,959</u>
8,825	286,382
<u>30,463</u>	<u>158,353</u>
<u>\$39,288</u>	<u>\$444,735</u>

**Springboro Community City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Project Funds*  
*June 30, 2011*

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<b><i>Assets:</i></b>			
Equity in Pooled Cash and Cash Equivalents	\$133,523	\$45,274	\$178,797
Cash and Cash Equivalents with Escrow Agents	0	1,269,960	1,269,960
<i>Total Assets</i>	<u>\$133,523</u>	<u>\$1,315,234</u>	<u>\$1,448,757</u>
 <b><i>Liabilities and Fund Balances:</i></b>			
<b><i>Liabilities:</i></b>			
Accounts Payable	0	0	0
<i>Total Liabilities</i>	0	0	0
 <b><i>Fund Balances:</i></b>			
Restricted for Capital Outlay	133,523	1,315,234	1,448,757
<i>Total Fund Balances</i>	133,523	1,315,234	1,448,757
<i>Total Liabilities and Fund Balances</i>	<u>\$133,523</u>	<u>\$1,315,234</u>	<u>\$1,448,757</u>

**Springboro Community City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Project Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>			
Investment Earnings	\$0	\$1,313	\$1,313
<i>Total Revenues</i>	0	1,313	1,313
<b>Expenditures:</b>			
Current:			
Support Services:			
Operation and Maintenance Of Plant	0	1,780	1,780
Capital Outlay	58,933	160,780	219,713
<i>Total Expenditures</i>	58,933	162,560	221,493
<i>Net Change in Fund Balances</i>	(58,933)	(161,247)	(220,180)
<i>Fund Balances at Beginning of Year</i>	192,456	1,476,481	1,668,937
<i>Fund Balances at End of Year</i>	\$133,523	\$1,315,234	\$1,448,757

**Springboro Community City School District  
Fund Descriptions**

**Fiduciary Funds**

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

*Student Activities Fund*

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor.

Springboro Community City School District

Statement of Changes in  
Assets and Liabilities  
Agency Funds

Year Ended June 30, 2011

	<u>Balance 07/01/10</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 06/30/11</u>
<b>STUDENT ACTIVITIES</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$142,808</u>	<u>\$281,731</u>	<u>\$276,243</u>	<u>\$148,296</u>
Total Assets	<u>\$142,808</u>	<u>\$281,731</u>	<u>\$276,243</u>	<u>\$148,296</u>
<b>Liabilities</b>				
Undistributed Monies	<u>\$142,808</u>	<u>\$281,731</u>	<u>\$276,243</u>	<u>\$148,296</u>
Total Liabilities	<u>\$142,808</u>	<u>\$281,731</u>	<u>\$276,243</u>	<u>\$148,296</u>

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

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget: Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Debt Service Fund</b>				
Total Revenues and Other Sources	\$5,880,000	\$5,982,314	\$6,145,185	\$162,871
Total Expenditures and Other Uses	<u>6,322,828</u>	<u>6,318,191</u>	<u>6,318,191</u>	<u>0</u>
Net Change in Fund Balance	(442,828)	(335,877)	(173,006)	162,871
Fund Balance, July 1	<u>4,584,935</u>	<u>4,584,935</u>	<u>4,584,935</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$4,142,107</u></u>	<u><u>\$4,249,058</u></u>	<u><u>\$4,411,929</u></u>	<u><u>\$162,871</u></u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Food Service Fund</b>				
Total Revenues and Other Sources	\$1,297,000	\$1,294,777	\$1,294,777	\$0
Total Expenditures and Other Uses	<u>1,345,454</u>	<u>1,118,021</u>	<u>1,129,130</u>	<u>(11,109)</u>
Net Change in Fund Balance	(48,454)	176,756	165,647	(11,109)
Fund Balance, July 1	158,554	158,554	158,554	0
Prior Year Encumbrances Appropriated	<u>300</u>	<u>300</u>	<u>300</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$110,400</u></u>	<u><u>\$335,610</u></u>	<u><u>\$324,501</u></u>	<u><u>(\$11,109)</u></u>
<b>Others Grants Fund</b>				
Total Revenues and Other Sources	\$0	\$0	\$10,000	\$10,000
Total Expenditures and Other Uses	<u>0</u>	<u>1,005</u>	<u>8,995</u>	<u>(7,990)</u>
Net Change in Fund Balance	0	(1,005)	1,005	2,010
Fund Balance, July 1	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>(\$1,005)</u></u>	<u><u>\$1,005</u></u>	<u><u>\$2,010</u></u>
<b>District Managed Activities Fund</b>				
Total Revenues and Other Sources	\$321,885	\$405,600	\$360,358	(\$45,242)
Total Expenditures and Other Uses	<u>317,980</u>	<u>374,786</u>	<u>353,163</u>	<u>21,623</u>
Net Change in Fund Balance	3,905	30,814	7,195	(23,619)
Fund Balance, July 1	80,761	80,761	80,761	0
Prior Year Encumbrances Appropriated	<u>10,936</u>	<u>10,936</u>	<u>10,936</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$95,602</u></u>	<u><u>\$122,511</u></u>	<u><u>\$98,892</u></u>	<u><u>(\$23,619)</u></u>



**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			Variance with Final Budget: Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Auxiliary Services Fund</b>				
Total Revenues and Other Sources	\$57,834	\$50,000	\$71,183	\$21,183
Total Expenditures and Other Uses	<u>79,763</u>	<u>61,937</u>	<u>86,451</u>	<u>(24,514)</u>
Net Change in Fund Balance	(21,929)	(11,937)	(15,268)	(3,331)
Fund Balance, July 1	26,181	26,181	26,181	0
Prior Year Encumbrances Appropriated	<u>9,103</u>	<u>9,103</u>	<u>9,103</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$13,355</u></u>	<u><u>\$23,347</u></u>	<u><u>\$20,016</u></u>	<u><u>(\$3,331)</u></u>
<b>Gifted Education Fund</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>16</u>	<u>16</u>	<u>0</u>
Net Change in Fund Balance	0	(16)	(16)	0
Fund Balance, July 1	16	16	16	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$16</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<b>Education Management Information Fund</b>				
Total Revenues and Other Sources	\$9,000	\$9,000	\$5,000	(\$4,000)
Total Expenditures and Other Uses	<u>242</u>	<u>9,242</u>	<u>5,000</u>	<u>4,242</u>
Net Change in Fund Balance	8,758	(242)	0	242
Fund Balance, July 1	(242)	(242)	(242)	0
Prior Year Encumbrances Appropriated	<u>242</u>	<u>242</u>	<u>242</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$8,758</u></u>	<u><u>(\$242)</u></u>	<u><u>\$0</u></u>	<u><u>\$242</u></u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget: Positive (Negative)
	Original	Final		
<b>Onenet Fund</b>				
Total Revenues and Other Sources	\$14,000	\$18,000	\$15,925	(\$2,075)
Total Expenditures and Other Uses	<u>59,116</u>	<u>72,158</u>	<u>75,660</u>	<u>(3,502)</u>
Net Change in Fund Balance	(45,116)	(54,158)	(59,735)	(5,577)
Fund Balance, July 1	5,051	5,051	5,051	0
Prior Year Encumbrances Appropriated	<u>54,684</u>	<u>54,684</u>	<u>54,684</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$14,619</u></u>	<u><u>\$5,577</u></u>	<u><u>\$0</u></u>	<u><u>(\$5,577)</u></u>
<b>Ohio Reads Fund</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>2,547</u>	<u>2,547</u>	<u>0</u>
Net Change in Fund Balance	0	(2,547)	(2,547)	0
Fund Balance, July 1	<u>2,547</u>	<u>2,547</u>	<u>2,547</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$2,547</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<b>Summer School Fund</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>1,524</u>	<u>1,524</u>	<u>0</u>
Net Change in Fund Balance	0	(1,524)	(1,524)	0
Fund Balance, July 1	<u>1,524</u>	<u>1,524</u>	<u>1,524</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$1,524</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Vocational Education Enhancement Fund</b>				
Total Revenues and Other Sources	\$14,094	\$11,230	\$11,971	\$741
Total Expenditures and Other Uses	15,298	13,937	12,884	1,053
Net Change in Fund Balance	(1,204)	(2,707)	(913)	1,794
Fund Balance, July 1	(2,746)	(2,746)	(2,746)	0
Prior Year Encumbrances Appropriated	3,737	3,737	3,737	0
Fund Balance, June 30	<u>(\$213)</u>	<u>(\$1,716)</u>	<u>\$78</u>	<u>\$1,794</u>
<b>Miscellaneous State Grants Fund</b>				
Total Revenues and Other Sources	\$33,459	\$7,030	\$28,163	\$21,133
Total Expenditures and Other Uses	30,568	5,296	28,163	(22,867)
Net Change in Fund Balance	2,891	1,734	0	(1,734)
Fund Balance, July 1	0	0	0	0
Fund Balance, June 30	<u>\$2,891</u>	<u>\$1,734</u>	<u>\$0</u>	<u>(\$1,734)</u>
<b>Education Jobs Fund</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	0	575,504	0	575,504
Net Change in Fund Balance	0	(575,504)	0	575,504
Fund Balance, July 1	0	0	0	0
Fund Balance, June 30	<u>\$0</u>	<u>(\$575,504)</u>	<u>\$0</u>	<u>\$575,504</u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget: Positive (Negative)
	Original	Final		
<b>Title VI-B Fund</b>				
Total Revenues and Other Sources	\$1,032,212	\$999,064	\$999,064	\$0
Total Expenditures and Other Uses	1,241,887	882,404	1,004,850	(122,446)
Net Change in Fund Balance	(209,675)	116,660	(5,786)	(122,446)
Fund Balance, July 1	(21,474)	(21,474)	(21,474)	0
Prior Year Encumbrances Appropriated	34,147	34,147	34,147	0
Fund Balance, June 30	<u>(\$197,002)</u>	<u>\$129,333</u>	<u>\$6,887</u>	<u>(\$122,446)</u>
<b>Education Stabilization Fund</b>				
Total Revenues and Other Sources	\$774,367	\$880,258	\$880,258	\$0
Total Expenditures and Other Uses	780,801	0	880,258	(880,258)
Net Change in Fund Balance	(6,434)	880,258	0	(880,258)
Fund Balance, July 1	0	0	0	0
Fund Balance, June 30	<u>(\$6,434)</u>	<u>\$880,258</u>	<u>\$0</u>	<u>(\$880,258)</u>
<b>Title II - D Fund</b>				
Total Revenues and Other Sources	\$304	\$0	\$456	\$456
Total Expenditures and Other Uses	304	0	456	(456)
Net Change in Fund Balance	0	0	0	0
Fund Balance, July 1	0	0	0	0
Fund Balance, June 30	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget: Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Title III Fund</b>				
Total Revenues and Other Sources	\$365	\$0	\$365	\$365
Total Expenditures and Other Uses	425	419	406	13
Net Change in Fund Balance	(60)	(419)	(41)	378
Fund Balance, July 1	(378)	(378)	(378)	0
Prior Year Encumbrances Appropriated	419	419	419	0
Fund Balance, June 30	<u>(\$19)</u>	<u>(\$378)</u>	<u>\$0</u>	<u>\$378</u>
<b>Title I Fund</b>				
Total Revenues and Other Sources	\$99,571	\$138,686	\$92,658	(\$46,028)
Total Expenditures and Other Uses	106,435	142,570	92,574	49,996
Net Change in Fund Balance	(6,864)	(3,884)	84	3,968
Fund Balance, July 1	(5,569)	(5,569)	(5,569)	0
Prior Year Encumbrances Appropriated	5,569	5,569	5,569	0
Fund Balance, June 30	<u>(\$6,864)</u>	<u>(\$3,884)</u>	<u>\$84</u>	<u>\$3,968</u>
<b>Title V Fund</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	0	3,353	3,353	0
Net Change in Fund Balance	0	(3,353)	(3,353)	0
Fund Balance, July 1	3,353	3,353	3,353	0
Fund Balance, June 30	<u>\$3,353</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Drug-Free School Fund</b>				
Total Revenues and Other Sources	\$5,133	\$0	\$5,555	\$5,555
Total Expenditures and Other Uses	<u>7,220</u>	<u>7,061</u>	<u>9,883</u>	<u>(2,822)</u>
Net Change in Fund Balance	(2,087)	(7,061)	(4,328)	2,733
Fund Balance, July 1	(2,733)	(2,733)	(2,733)	0
Prior Year Encumbrances Appropriated	<u>7,061</u>	<u>7,061</u>	<u>7,061</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$2,241</u></u>	<u><u>(\$2,733)</u></u>	<u><u>\$0</u></u>	<u><u>\$2,733</u></u>
<b>Preschool-Handicapped Fund</b>				
Total Revenues and Other Sources	\$56,293	\$27,758	\$56,289	\$28,531
Total Expenditures and Other Uses	<u>81,891</u>	<u>22,263</u>	<u>56,289</u>	<u>(34,026)</u>
Net Change in Fund Balance	(25,598)	5,495	0	(5,495)
Fund Balance, July 1	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>(\$25,598)</u></u>	<u><u>\$5,495</u></u>	<u><u>\$0</u></u>	<u><u>(\$5,495)</u></u>
<b>Improving Teacher Quality Fund</b>				
Total Revenues and Other Sources	\$80,001	\$86,312	\$86,312	\$0
Total Expenditures and Other Uses	<u>89,245</u>	<u>102,254</u>	<u>109,716</u>	<u>(7,462)</u>
Net Change in Fund Balance	(9,244)	(15,942)	(23,404)	(7,462)
Fund Balance, July 1	6,488	6,488	6,488	0
Prior Year Encumbrances Appropriated	<u>16,916</u>	<u>16,916</u>	<u>16,916</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$14,160</u></u>	<u><u>\$7,462</u></u>	<u><u>\$0</u></u>	<u><u>(\$7,462)</u></u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			Variance with Final Budget: Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Miscellaneous Federal Grants Fund</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>0</u>	<u>7,442</u>	<u>(7,442)</u>
Net Change in Fund Balance	0	0	(7,442)	(7,442)
Fund Balance, July 1	<u>7,442</u>	<u>7,442</u>	<u>7,442</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$7,442</u></u>	<u><u>\$7,442</u></u>	<u><u>\$0</u></u>	<u><u>(\$7,442)</u></u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget: Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Permanent Improvement Fund</b>				
Total Revenues and Other Sources	\$0	\$0	\$0	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>100,000</u>	<u>58,933</u>	<u>41,067</u>
Net Change in Fund Balance	0	(100,000)	(58,933)	41,067
Fund Balance, July 1	<u>192,456</u>	<u>192,456</u>	<u>192,456</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$192,456</u></u>	<u><u>\$92,456</u></u>	<u><u>\$133,523</u></u>	<u><u>\$41,067</u></u>
<b>Building Fund</b>				
Total Revenues and Other Sources	\$24,193	\$25,096	\$25,096	\$0
Total Expenditures and Other Uses	<u>177,269</u>	<u>365,225</u>	<u>164,634</u>	<u>200,591</u>
Net Change in Fund Balance	(153,076)	(340,129)	(139,538)	200,591
Fund Balance, July 1	153,511	153,511	153,511	0
Prior Year Encumbrances Appropriated	<u>29,225</u>	<u>29,225</u>	<u>29,225</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$29,660</u></u>	<u><u>(\$157,393)</u></u>	<u><u>\$43,198</u></u>	<u><u>\$200,591</u></u>



**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>			Variance with Final Budget: Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Uniform School Supplies Fund</b>				
Total Revenues and Other Sources	\$328,240	\$396,600	\$380,243	(\$16,357)
Total Expenditures and Other Uses	<u>427,333</u>	<u>477,156</u>	<u>393,001</u>	<u>84,155</u>
Net Change in Fund Balance	(99,093)	(80,556)	(12,758)	67,798
Fund Balance, July 1	196,463	196,463	196,463	0
Prior Year Encumbrances Appropriated	<u>4,156</u>	<u>4,156</u>	<u>4,156</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$101,526</u></u>	<u><u>\$120,063</u></u>	<u><u>\$187,861</u></u>	<u><u>\$67,798</u></u>
<b>Public School Support Fund</b>				
Total Revenues and Other Sources	\$338,629	\$484,300	\$456,971	(\$27,329)
Total Expenditures and Other Uses	<u>542,068</u>	<u>648,491</u>	<u>486,761</u>	<u>161,730</u>
Net Change in Fund Balance	(203,439)	(164,191)	(29,790)	134,401
Fund Balance, July 1	289,645	289,645	289,645	0
Prior Year Encumbrances Appropriated	<u>85,141</u>	<u>85,141</u>	<u>85,141</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$171,347</u></u>	<u><u>\$210,595</u></u>	<u><u>\$344,996</u></u>	<u><u>\$134,401</u></u>
<b>Special Enterprise Fund</b>				
Total Revenues and Other Sources	\$837,233	\$900,000	\$837,233	(\$62,767)
Total Expenditures and Other Uses	<u>822,363</u>	<u>840,000</u>	<u>837,233</u>	<u>2,767</u>
Net Change in Fund Balance	14,870	60,000	0	(60,000)
Fund Balance, July 1	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$16,406</u></u>	<u><u>\$61,536</u></u>	<u><u>\$1,536</u></u>	<u><u>(\$60,000)</u></u>

**Springboro Community City School District**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances - Budget and Actual**  
**(Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget: Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Rotary Fund</b>				
Total Revenues and Other Sources	\$2,123	\$6,500	\$5,337	(\$1,163)
Total Expenditures and Other Uses	<u>15,000</u>	<u>6,200</u>	<u>5,476</u>	<u>724</u>
Net Change in Fund Balance	(12,877)	300	(139)	(439)
Fund Balance, July 1	<u>139</u>	<u>139</u>	<u>139</u>	<u>0</u>
Fund Balance, June 30	<u>(\$12,738)</u>	<u>\$439</u>	<u>\$0</u>	<u>(\$439)</u>
<b>Employee Benefits Fund</b>				
Total Revenues and Other Sources	\$60,976	\$46,657	\$46,657	\$0
Total Expenditures and Other Uses	<u>67,661</u>	<u>30,000</u>	<u>60,837</u>	<u>(30,837)</u>
Net Change in Fund Balance	(6,685)	16,657	(14,180)	(30,837)
Fund Balance, July 1	<u>128,587</u>	<u>128,587</u>	<u>128,587</u>	<u>0</u>
Fund Balance, June 30	<u>\$121,902</u>	<u>\$145,244</u>	<u>\$114,407</u>	<u>(\$30,837)</u>

**SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT**



**STATISTICAL SECTION**

## STATISTICAL TABLES

This part of Springboro Community City School District's comprehensive annual financial report presents detailed information as a basis for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the School District's overall financial health.

<b>CONTENTS</b>	<b>PAGES</b>
Financial Trends	S-1 to S-7
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	
Revenue Capacity	S-8 to S-13
These schedules contain information to help the reader assess the School District's most significant local revenue sources.	
Debt Capacity	S-14 to S-20
These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	
Demographic and Economic Information	S-21 to S-22
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating information	S-23 to S-29
These schedules contain service and capital asset data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the financial statements for the relevant year. The School District implemented GASB Statement No. 34 during fiscal year 2003. Fiscal year 2007 was the School District's first year implementation of the GASB 44 statistical tables.

**Springboro Community City School District**

*Net Assets by Component*

*Last Nine Fiscal Years*

*(accrual basis of accounting)*

Governmental Activities

	2003	2004	2005	2006*	2007	2008	2009	2010	2011
Invested in Capital Assets,									
Net of Related Debt	(\$362,854)	(\$61,515,030)	(\$4,938,955)	\$215,837	(\$4,635,547)	(5,847,867)	N/A	N/A	(5,455,821)
Restricted for:									
Capital Projects	112,247	60,813,940	0	0	200,124	228,225	N/A	N/A	753,057
Debt Service	1,185,783	978,349	2,150,978	2,890,902	4,396,587	4,788,900	N/A	N/A	4,499,843
Other Purposes	692,649	379,927	514,587	444,697	243,401	754,873	N/A	N/A	362,148
Unrestricted (Deficit)	(1,450,403)	(3,966,349)	(2,654,105)	(2,143,709)	(1,491,132)	(1,954,206)	N/A	N/A	1,369,004
<b>Total Net Assets</b>	<b>\$177,422</b>	<b>(\$3,309,163)</b>	<b>(\$4,927,495)</b>	<b>\$1,407,727</b>	<b>(\$1,286,567)</b>	<b>(\$2,030,075)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,528,231</b>

Source: School District Financial Records.

\* Amount Restated due to reclassification of funds.

Fiscal Year 2003 is the first year reported in accordance with GASB Statement No. 34. The remaining year is not presented for that reason.

N/A - The School District reported on the cash basis of accounting.

**Springboro Community City School District**  
*Changes in Net Assets of Governmental Activities*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*  
 Governmental Activities

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
Regular Instruction	\$14,862,510	\$16,204,860	\$16,333,041	\$15,274,868	\$21,740,523	\$22,647,567	N/A	N/A	\$23,526,860
Special Instruction	1,685,723	1,765,986	2,174,697	2,152,937	2,897,623	3,209,069	N/A	N/A	4,806,728
Vocational Instruction	245,607	11,151	96,083	153,485	28,666	97,847	N/A	N/A	86,256
Other	119,489	198,926	351,680	91,268	306,679	321,652	N/A	N/A	471,099
Pupil Support	1,332,355	1,566,009	1,748,915	2,351,360	2,911,356	3,197,775	N/A	N/A	3,087,792
Instructional Staff Support	1,778,749	2,297,840	2,545,738	2,327,027	3,856,005	3,270,018	N/A	N/A	3,298,065
Board of Education	118,078	147,308	147,778	123,869	135,247	154,772	N/A	N/A	172,409
Administration	1,946,770	1,949,871	1,977,435	1,933,157	3,243,047	3,460,405	N/A	N/A	3,008,089
Fiscal	742,409	733,718	851,117	904,780	1,132,192	1,146,577	N/A	N/A	980,970
Business	115,296	153,541	109,650	112,355	184,321	184,760	N/A	N/A	245,454
Operation and Maintenance of Plant	2,079,986	1,874,802	2,689,833	2,918,247	4,597,282	4,816,373	N/A	N/A	5,047,273
Pupil Transportation	2,051,344	2,232,970	2,514,956	2,251,166	4,874,719	3,066,648	N/A	N/A	3,228,752
Central	237,081	294,238	101,522	151,518	267,334	206,225	N/A	N/A	230,242
Operation of Non-Instructional Services	1,498,791	1,205,159	1,287,512	1,121,488	2,473,950	1,378,643	N/A	N/A	1,387,659
Extracurricular Activities	837,981	941,997	1,118,062	1,012,247	1,065,237	1,068,926	N/A	N/A	1,188,838
Interest and Fiscal Charges	1,758,508	1,858,151	5,479,224	4,656,041	4,045,443	5,233,160	N/A	N/A	5,000,270
<b>Total Expenses</b>	<b>\$31,410,677</b>	<b>\$33,436,527</b>	<b>\$39,527,243</b>	<b>\$37,535,813</b>	<b>\$53,759,624</b>	<b>\$53,460,417</b>	<b>\$0</b>	<b>\$0</b>	<b>\$55,766,756</b>
<b>Program Revenues</b>									
Charges for Services									
Regular Instruction	\$316,974	\$304,218	\$81,973	\$75,702	\$95,776	\$115,745	N/A	N/A	\$1,059,492
Special	5,310	134,559	48,335	45,463	56,437	59,193	N/A	N/A	209,491
Vocational	885	310	185	279	65	248	N/A	N/A	4,341
Other	443	542	676	285	692	817	N/A	N/A	21,811
Pupils	32,326	32,525	9,484	21,442	20,404	38,899	N/A	N/A	142,020
Instructional Staff	44,487	131,779	40,245	43,596	60,647	65,741	N/A	N/A	149,199
Board of Education	443	1,804	644	231	305	393	N/A	N/A	8,676
Administration	14,078	26,523	5,681	6,514	9,104	12,161	N/A	N/A	138,698
Fiscal	2,478	3,353	1,444	1,430	2,203	2,650	N/A	N/A	44,817
Business	354	387	196	275	416	492	N/A	N/A	12,250
Operation and Maintenance of Plant	11,339	42,297	6,080	5,611	17,185	12,499	N/A	N/A	165,522
Pupil Transportation	6,903	6,118	4,643	4,845	10,564	8,079	N/A	N/A	149,551
Central	708	9,277	4,058	2,340	2,394	524	N/A	N/A	11,262
Operation of Non-Instructional Services	645,623	611,430	912,431	995,632	1,248,347	1,200,667	N/A	N/A	1,089,366
Extracurricular Activities	2,66,357	199,893	590,695	924,905	512,489	504,813	N/A	N/A	339,347
Interest & Fiscal Charges	-	1,417	457	479	624	787	N/A	N/A	41,260
<b>Total Charges for Services</b>	<b>\$1,348,708</b>	<b>\$1,506,432</b>	<b>\$1,707,227</b>	<b>\$2,129,029</b>	<b>\$2,037,652</b>	<b>\$2,023,708</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,587,103</b>

Source: School District Financial Records.

Fiscal Year 2003 is the first year reported in accordance with GASB Statement No. 34. The remaining year is not presented for that reason.

(1) The increase to property taxes levied for debt service for the fiscal years 2006 and 2007 is due to the District passing a new operating levy.

(2) The increase to in vestment earnings for the fiscal years 2005 and 2006 is due to the additional cash for construction.

N/A - The School District reported on the cash basis of accounting.

(continued)

**Springboro Community City School District**  
*Changes in Net Assets of Governmental Activities*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*  
 Governmental Activities

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Operating Grants and Contributions</b>									
Regular Instruction	\$86,368	\$191,160	\$218,869	\$177,945	\$189,522	\$200,082	N/A	N/A	\$40,901
Special Instruction	434,898	515,993	641,901	690,849	757,089	785,732	N/A	N/A	390,246
Other	5,158	-	-	-	-	-	N/A	N/A	23,277
Pupil Support	49,101	20,336	25,415	1,019,447	51,587	94,750	N/A	N/A	146,676
Instructional Support	298,884	90,496	146,300	145,123	184,734	177,257	N/A	N/A	93,093
Board of Education	2,500	1,017	1,487	-	-	-	N/A	N/A	-
Administration	2,708	15,252	7,919	9,350	10,538	14,025	N/A	N/A	45,613
Fiscal	-	7,290	4,959	11,727	21,422	-	N/A	N/A	-
Business	-	-	-	-	-	76	N/A	N/A	12,448
Operation and Maintenance of Plant	27,790	24,404	4,110	1,628	5,796	1,229	N/A	N/A	522,131
Pupil Transportation	791,248	887,381	953,436	959	1,205	2,294	N/A	N/A	120,836
Central	14,784	6,101	15,926	7,686	6,653	-	N/A	N/A	3,084
Operation of Non-Instructional Services	609,691	430,109	541,282	531,382	609,240	524,264	N/A	N/A	780,771
Extracurricular Activities	23,791	142,353	193,421	220,220	167,334	171,333	N/A	N/A	198,953
Interest and Fiscal Charges	0	267,484	331,020	433,856	-	-	N/A	N/A	-
<b>Total Operating Grants and Contributions</b>	<b>2,346,921</b>	<b>2,599,376</b>	<b>3,086,045</b>	<b>3,250,172</b>	<b>2,005,120</b>	<b>1,971,042</b>	<b>-</b>	<b>-</b>	<b>2,378,029</b>
<b>Capital Grants and Contributions</b>									
Regular Instruction	51,521	-	310	1,987	-	-	N/A	N/A	-
Instructional Support	-	405	1,056	140	-	-	N/A	N/A	-
Fiscal	-	-	3,969	1,119	-	-	N/A	N/A	-
Operation and Maintenance of Plant	-	13,875	-	9,195	-	-	N/A	N/A	-
Interest and Fiscal Charges	-	720	42,845	12,559	-	-	N/A	N/A	-
<b>Total Capital Grants and Contributions</b>	<b>51,521</b>	<b>15,000</b>	<b>48,180</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Program Revenues</b>	<b>3,747,150</b>	<b>4,120,808</b>	<b>4,841,452</b>	<b>5,404,201</b>	<b>4,042,772</b>	<b>3,994,750</b>	<b>-</b>	<b>-</b>	<b>5,965,132</b>
Net Expense	(\$27,663,527)	(\$29,315,719)	(\$34,685,791)	(\$32,131,612)	(\$49,716,852)	(\$49,465,667)	\$	\$	(\$49,801,624)
<b>General Revenues</b>									
Property Taxes Levied for:									
General Purposes	\$14,103,015	\$12,883,388	\$15,178,960	\$19,211,459	\$22,908,807	25,623,944	N/A	N/A	27,530,283
Debt Service	2,186,687	1,845,970	3,851,161	6,300,864 (1)	8,194,389 (1)	6,533,549 (1)	N/A	N/A	5,568,934
Gifts and Donations not Restricted to Specific Programs	-	-	-	22,110	1,012	-	N/A	N/A	-
Grants and Entitlements not Restricted to Specific Programs	10,821,674	10,894,303	11,615,074	12,449,018	14,691,174	15,225,896	N/A	N/A	15,227,204
Investment Earnings	75,118	45,702	1,758,679 (2)	1,488,313 (2)	714,658	888,839	N/A	N/A	11,867
Miscellaneous	236,638	245,964	669,566	455,117	512,518	449,931	N/A	N/A	909,063
<b>Total General Revenues</b>	<b>27,423,132</b>	<b>25,915,327</b>	<b>33,073,440</b>	<b>39,926,881</b>	<b>47,022,558</b>	<b>48,722,159</b>	<b>-</b>	<b>-</b>	<b>49,247,351</b>
<b>Change in Net Assets</b>	<b>(\$240,395)</b>	<b>(\$3,400,392)</b>	<b>(\$1,612,351)</b>	<b>\$7,795,269</b>	<b>(\$2,694,294)</b>	<b>(\$743,508)</b>	<b>\$</b>	<b>\$</b>	<b>(\$554,273)</b>

**Springboro Community City School District**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 (1)
<b>General Fund</b>										
Reserved	\$656,285	\$1,927,087	\$928,024	\$542,405	\$2,417,044	\$1,157,067	\$1,304,744	N/A	N/A	\$0
Unreserved	(647,636)	(1,816,722)	(3,628,464)	(3,688,585)	751,343	(1,286,598)	(1,470,571)	N/A	N/A	0
Restricted	0	0	0	0	0	0	0	N/A	N/A	96,355
Assigned	0	0	0	0	0	0	0	N/A	N/A	783,734
Unassigned	0	0	0	0	0	0	0	N/A	N/A	4,036,049
<b>Total General Fund</b>	<b>8,649</b>	<b>110,365</b>	<b>(2,700,440)</b>	<b>(3,146,180)</b>	<b>3,168,387</b>	<b>(129,531)</b>	<b>(165,827)</b>	<b>0</b>	<b>0</b>	<b>4,916,138</b>
<b>All Other Governmental Funds</b>										
Reserved	365,086	379,243	5,845,888	41,453,387	6,183,300	961,987	836,417	N/A	N/A	0
Unreserved, Undesignated, Reported in:										
Special Revenue Funds	634,059	701,143	399,452	500,248	449,231	246,830	437,120	N/A	N/A	0
Debt Service Funds	732,195	760,625	813,249	2,013,360	2,596,777	5,423,478	5,139,353	N/A	N/A	0
Capital Projects Funds	594,053	(123,110)	55,094,315	6,414,813	(927,037)	(592,499)	9,088,234	N/A	N/A	0
Restricted	0	0	0	0	0	0	0	N/A	N/A	6,753,187
Assigned	0	0	0	0	0	0	0	N/A	N/A	0
Unassigned	0	0	0	0	0	0	0	N/A	N/A	(12,272)
<b>Total All Other Governmental Funds</b>	<b>2,325,393</b>	<b>1,717,901</b>	<b>62,152,904</b>	<b>50,381,808</b>	<b>8,302,271</b>	<b>6,039,796</b>	<b>15,501,124</b>	<b>0</b>	<b>0</b>	<b>6,740,915</b>
<b>Total Governmental Funds</b>	<b>\$2,334,042</b>	<b>\$1,828,266</b>	<b>\$59,452,464</b>	<b>\$47,235,628</b>	<b>\$11,470,658</b>	<b>\$5,910,265</b>	<b>\$15,335,297</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,657,053</b>

Source: School District Financial Records.  
N/A - The School District reported on the cash basis of accounting.  
(1) - The School District implemented GASB 54.





**Springboro Community City School District**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

	2002	2003	2004	2005	2006
<b>Revenues</b>					
Taxes	\$13,436,308	\$16,572,202	\$14,446,858	\$18,647,748	\$26,039,265
Intergovernmental	11,136,586	12,462,146	13,460,091	14,690,575	15,653,186
Investment Earnings	114,138	75,118	45,702	1,484,178	1,764,930
Tuition and Fees	103,706	351,696	359,981	381,965	405,502
Extracurricular Activities	367,698	370,823	451,107	541,644	863,708
Gifts and Donations	71,969	82,757	62,937	56,600	87,853
Customer Sales and Services	821,572	626,189	683,496	778,657	850,690
Rental	2,833	-	-	4,960	9,130
Miscellaneous	110,384	236,638	245,964	667,450	455,117
<i>Total Revenues</i>	<u>26,165,194</u>	<u>30,777,569</u>	<u>29,756,136</u>	<u>37,253,777</u>	<u>46,129,381</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	11,498,645	12,883,793	14,633,438	15,208,637	15,288,438
Special	1,486,022	1,696,229	1,745,837	2,125,397	2,137,866
Vocational	65,619	67,923	70,540	82,119	151,583
Other	239,077	119,489	198,977	351,680	91,268
Support Services:					
Pupils	918,750	1,319,238	1,532,486	1,731,589	2,321,336
Instructional Staff	1,363,860	1,759,790	2,242,805	2,543,128	2,277,830
Board of Education	166,245	118,088	147,289	148,127	125,664
Administration	1,369,543	1,919,879	1,904,060	1,980,201	1,919,273
Fiscal	628,324	711,160	745,897	847,257	909,953
Business	114,739	114,032	138,711	111,111	107,971
Operation and Maintenance of Plant	2,347,901	2,598,500	2,316,194	2,648,612	2,906,965
Pupil Transportation	1,459,315	1,941,638	2,177,397	2,465,153	2,372,020
Central	215,259	237,489	250,918	147,292	149,816
Operation of Non-Instructional Services	1,223,547	1,398,280	1,167,324	1,292,362	1,135,267
Extracurricular Activities	678,475	831,608	936,870	1,104,007	1,030,322
Capital Outlay	2,413,069	1,197,981	1,375,998	13,891,091	43,248,337
Debt Service:					
Principal	1,221,120	950,254	2,544,446	62,660,924	2,404,503
Interest and Fiscal Charges	1,483,590	1,561,128	1,644,669	4,883,605	4,338,289
Issuance Costs	-	-	-	900,668	-
<i>Total Expenditures</i>	<u>28,893,100</u>	<u>31,426,499</u>	<u>35,773,856</u>	<u>115,122,960</u>	<u>82,916,701</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,727,906)</u>	<u>(648,930)</u>	<u>(6,017,720)</u>	<u>(77,869,183)</u>	<u>(36,787,320)</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	-	4,730	-	-	-
Proceeds from Sale of Notes	2,670,000	-	61,500,000	-	-
General Obligation/Refunding Bonds Issued	-	-	-	61,500,000	-
Premium on Bonds Issued	-	-	-	3,186,396	-
Proceeds from Capital Lease	843,600	142,345	2,157,662	971,932	1,234,670
Payments to Refunded Bond Escrow Agent	-	-	-	-	-
Transfers In	338,750	254,046	-	-	859,136
Transfers Out	(338,750)	(254,046)	-	-	(859,136)
<i>Total Other Financing Sources (Uses)</i>	<u>3,513,600</u>	<u>147,075</u>	<u>63,657,662</u>	<u>65,658,328</u>	<u>1,234,670</u>
<i>Net Change in Fund Balances</i>	<u>\$785,694</u>	<u>(\$501,855)</u>	<u>\$57,639,942</u>	<u>(\$12,210,855)</u>	<u>(\$35,552,650)</u>
Debt Service as a Percentage of					
Noncapital Expenditures (1)	10.21%	8.31%	12.18%	67.61%	17.00%

(1) Calculation represents debt service expenditures divided by the product of the remaining balance of total expenditures minus capital asset additions.

N/A - The School District reported on the cash basis of accounting.

2007	2008	2009	2010	2011
\$30,889,072	\$32,185,387	N/A	N/A	\$33,586,174
16,647,141	17,063,848	N/A	N/A	17,690,490
714,658	888,839	N/A	N/A	11,867
476,853	546,538	N/A	N/A	634,302
465,144	446,503	N/A	N/A	982,623
52,727	111,553	N/A	N/A	128,491
892,047	1,025,304	N/A	N/A	1,274,095
203,608	5,366	N/A	N/A	696,083
512,518	449,931	N/A	N/A	909,063
<u>50,853,768</u>	<u>52,723,269</u>	<u>0</u>	<u>0</u>	<u>55,913,188</u>
18,276,638	19,810,782	N/A	N/A	20,435,113
2,873,318	3,200,036	N/A	N/A	4,631,888
26,212	96,299	N/A	N/A	86,256
306,679	321,652	N/A	N/A	471,099
2,889,625	3,180,644	N/A	N/A	2,973,321
3,749,796	3,221,192	N/A	N/A	3,064,904
135,247	154,772	N/A	N/A	172,409
2,790,870	2,970,060	N/A	N/A	2,790,579
1,124,668	1,145,980	N/A	N/A	971,293
184,681	182,274	N/A	N/A	219,666
4,520,681	4,788,641	N/A	N/A	4,127,542
4,534,856	2,870,856	N/A	N/A	2,817,656
265,788	206,665	N/A	N/A	228,898
2,376,613	1,283,494	N/A	N/A	1,229,339
1,009,259	1,023,630	N/A	N/A	1,040,616
5,619,201	1,785,561	N/A	N/A	279,842
2,963,124	3,836,240	N/A	N/A	3,271,859
3,498,687	4,776,181	N/A	N/A	4,399,883
577,833	206,278	N/A	N/A	0
<u>57,723,776</u>	<u>55,061,237</u>	<u>0</u>	<u>0</u>	<u>53,212,163</u>
<u>(6,870,008)</u>	<u>(2,337,968)</u>	<u>0</u>	<u>0</u>	<u>2,701,025</u>
-	-	N/A	N/A	-
-	-	N/A	N/A	-
46,020,000	-	N/A	N/A	-
6,675,817	-	N/A	N/A	-
-	11,763,000	N/A	N/A	-
(52,117,984)	-	N/A	N/A	-
-	176,324	N/A	N/A	-
-	(176,324)	N/A	N/A	-
<u>577,833</u>	<u>11,763,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(\$6,292,175)</u>	<u>\$9,425,032</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,701,025</u>
13.51%	16.55%	N/A	N/A	14.52%

**Springboro Community City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2002	\$454,748,330	\$28,679,840	\$1,381,223,343	\$25,955,990	\$29,495,443
2003	484,328,440	30,855,800	1,471,954,971	26,717,040	30,360,273
2004	549,279,050	34,222,080	1,667,146,086	27,503,270	31,253,716
2005	588,129,690	38,496,590	1,790,360,800	30,451,610	34,604,102
2006	635,791,290	42,432,000	1,937,780,829	29,576,900	33,610,114
2007	763,930,020	57,081,370	2,345,746,829	29,625,580	33,665,432
2008	803,549,930	59,075,360	2,464,643,686	27,575,680	31,336,000
2009	854,794,750	61,511,880	2,618,018,943	31,491,010	35,785,239
2010	764,800,840	65,193,460	2,371,412,286	34,044,530	38,686,965
2011	773,107,300	74,642,060	2,422,141,029	59,647,115	67,780,810

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

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

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

**Source:** Office of the County Auditor, Warren County, Ohio

(continued)

Tangible Personal Property		Total			Weighted Average Tax Rate
General Business		Assessed	Estimated	Ratio	
Assessed Value	Estimated Actual Value	Value	Value		
\$24,067,880	\$96,271,520	\$533,452,040	\$1,506,990,306	35.40%	\$51.86
22,656,210	90,624,840	564,557,490	1,592,940,084	35.44%	50.91
23,073,800	92,295,200	634,078,200	1,790,695,002	35.41%	49.91
23,973,070	95,892,280	681,050,960	1,920,857,182	35.46%	55.76
18,289,481	73,157,924	726,089,671	2,044,548,867	35.51%	65.27
14,485,733	77,257,243	865,122,703	2,456,669,504	35.22%	62.86
7,654,125	61,233,000	897,855,095	2,557,212,686	35.11%	61.21
1,479,440	14,794,400 *	949,277,080	2,668,598,582	35.57%	59.46
972,470	19,449,400 *	865,011,300	2,429,548,651	35.60%	60.71
0	0	907,396,475	2,489,921,839	36.44%	60.71

\* Communication companies value @ 10% for TY2009 & 5% for TY2010

**Springboro Community City School District**  
*Property Tax Rates Direct and Overlapping Governments*  
(per \$1,000 of assessed value)  
*Last Ten Years*

Calendar Year	District Direct Rate	Warren County	City of Springboro	Clearcreek Township	Overlapping Rates					Warren County Health District
					Joint Vocational School District	Warren-Clinton Community Mental Health	Turtlecreek Township	Franklin Township	Warren County Health District	
2001	51.86	4.00	1.11	16.97	4.50	1.00	5.62	3.62	0.50	
2002	50.91	4.96	1.11	16.97	4.50	1.00	5.62	3.62	0.50	
2003	49.91	6.53	1.11	16.97	4.50	1.00	5.62	3.62	0.50	
2004	55.76	6.46	1.11	16.97	4.50	1.00	5.62	3.62	0.50	
2005	65.27	6.46	1.11	16.97	4.50	1.00	5.62	3.62	0.50	
2006	62.86	6.71	1.11	16.97	4.50	1.00	5.62	3.62	0.50	
2007	61.21	6.71	1.11	16.97	4.50	1.00	5.62	3.87	0.50	
2008	59.46	5.21	1.11	16.97	4.50	1.00	9.12	3.87	0.50	
2009	60.71	5.78 *	1.11	16.97	4.50	1.00	9.12	3.87	0.50	
2010	60.71	5.78	1.11	16.97	4.50	1.00	9.12	3.87	0.50	

**Source:** County Auditor and Ohio Department of Taxation  
\* Starting in TY2009 Mary I Cook Library 1.00 (Dist 1) Franklin Public Library 1.00 (Dist 5,6,7) and Lebanon Public Library 1.00 (Dist 57)

**Springboro Community City School District**

*Property Tax Levies and Collections*

*Last Ten Years*

Collection Year	Current Tax Levy (1)	Current Tax Collections (1)	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections to Current Tax Levy
2002	\$ 15,863,175	\$ 15,405,058	97.11	\$ 563,975	\$ 15,969,033	100.67
2003	16,625,450	16,245,548	97.71	415,507	16,661,055	100.21
2004	18,045,684	17,646,831	97.79	343,944	17,990,775	99.70
2005	15,186,393	14,524,317	95.64	384,140	14,908,457	98.17
2006	31,464,204	30,620,358	97.32	670,894	31,291,252	99.45
2007	33,967,049	32,850,972	96.71	874,626	33,725,598	99.29
*2008	34,449,888	33,361,531	96.84	1,162,016	34,523,547	100.21
*2009	34,302,231	33,320,166	97.14	1,020,060	34,340,226	100.11
*2010	33,794,099	32,832,878	97.16	1,237,960	34,070,838	100.82
*2011	37,794,355	35,562,216	94.09	850,676	36,412,892	96.34

**Source:** Office of the County Auditor, Warren County, Ohio

\*Real Property Only

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

**Springboro Community City School District**

*Principal Taxpayers*

*Real Estate Tax*

*2011 and 2002 (1)*

Name of Taxpayer	2011	
	Assessed Value	Percent of Real Property Assessed Value
MCS Land Development LLC	\$ 2,938,120	0.35%
Promotional Wholesaleers	2,920,200	0.34%
Gayston Corp	2,231,750	0.26%
Sycamore Creek Country Club	1,896,860	0.22%
Stolle Properties Inc	1,770,470	0.21%
Otterbein Homes	1,763,510	0.21%
Falls Apartment Community	1,742,400	0.21%
Desig LLC	1,523,150	0.18%
Sprinboro Shopping Center	1,456,320	0.17%
Springboro Pointe Inc	1,408,340	0.17%
Totals	<u>\$ 19,651,120</u>	<u>2.32%</u>
Total Assessed Valuation	<u>\$847,749,360</u>	

Name of Taxpayer	2002	
	Assessed Value	Percent of Real Property Assessed Value
N/A		
Totals	<u>\$ -</u>	<u>0.00%</u>
Total Assessed Valuation	<u>\$ -</u>	

(1) The amounts presented represent the assessed values upon which 2011 and 2002 collections were based.

N/A - Information was not available.

Source: Office of the County Auditor, Warren County, Ohio



**Springboro Community City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*2011 and 2002(1)*

Name of Taxpayer	2011	
	Assessed Value	Percent of Public Utility Assessed Value
Rockies Express Pipeline LLC	\$30,547,020	51.21%
Texas Eastern trans LP	12,514,050	20.98%
Duke Energy Ohio	4,686,400	7.86%
Vectren Energy Delivery Oh	4,686,400	7.86%
<b>Total</b>	<b>\$52,433,870</b>	<b>87.91%</b>
<b>Total Assessed Valuation</b>	<b>\$59,647,115</b>	

Name of Taxpayer	2002	
	Assessed Value	Percent of Public Utility Assessed Value
N/A		
<b>Total</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total Assessed Valuation</b>	<b>\$0</b>	

(1) The amounts presented represent the assessed values upon which 2011 and 2002 collections were based.

N/A - Information not available.

**Source:** Office of the County Auditor, Warren County, Ohio

**Springboro Community City School District**  
*Ratio of Outstanding Debt By Type*

*Last Ten Fiscal Years*

Fiscal Year	Governmental Activities			Total Primary Government	(2) Percentage of Personal Income	(2) Per Capita
	(1) General Obligation Bonds	(1) Long Term Notes/Loans Payable	(1) Capital Leases			
2002	\$28,596,028	\$2,670,000	\$841,371	\$32,107,399	11.63%	\$1,409
2003	28,066,998	2,548,000	885,462	31,500,460	7.57%	1,302
2004	88,968,152	1,585,000	2,281,678	92,834,830	22.30%	3,639
2005	91,600,565	1,463,000	3,124,686	96,188,251	23.10%	3,588
2006	89,858,278	1,341,000	4,106,853	95,306,131	18.91%	3,386
2007	87,559,774	1,219,000	3,770,729	92,549,503	18.36%	3,191
2008	84,494,897	1,097,000	15,254,489	100,846,386	20.01%	3,762
2009	N/A	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	77,871,943	731,000	14,683,422	93,286,365	18.51%	3,160

(1) See notes to the basic financial statements regarding the District's debt obligations and capital leases.

(2) See Schedule "Demographic and Economic Statistics, Last Ten Fiscal Years" for personal income and enrollment information.

N/A - The School District reported on the cash basis of accounting.

**Springboro Community City School District**  
*Ratio of General Bonded Debt Outstanding*

*Last Ten Fiscal Years*

Fiscal Year	General Bonded Debt	Resources Available to Pay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
2002	\$28,596,028	\$822,095	\$27,773,933	4.92%	\$1,219
2003	28,066,998	1,065,495	27,001,503	4.26%	1,116
2004	88,968,152	813,249	88,154,903	12.94%	3,455
2005	91,600,565	2,150,978	89,449,587	12.32%	3,337
2006	89,858,278	2,821,777	87,036,501	10.06%	3,093
2007	87,559,774	5,651,863	81,907,911	9.12%	2,824
2008	84,494,897	5,390,609	79,104,288	8.81%	2,710
2009	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A
2011	77,871,943	4,847,423	73,024,520	8.05%	2,473

N/A - The School District reported on the cash basis of accounting.

**Springboro Community City School District**

*Ratio of Debt*

*to Estimated Actual Value and Debt per Capita*

*Last Ten Fiscal Years*

Fiscal Year	Population (1)	Estimated Actual Value of Taxable Property(2)	General Obligation Debt			Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
			General Obligation Debt Outstanding	Resources Available to Pay Principal	Net General Bonded Debt		
2002	22,785	\$1,506,990,306	\$28,596,028	\$822,095	\$27,773,933	1.84%	\$1,219
2003	24,201	1,592,940,084	28,066,998	1,065,495	27,001,503	1.70%	1,116
2004	25,514	1,790,695,002	88,968,152	813,249	88,154,903	4.92%	3,455
2005	26,807	1,920,857,182	91,600,565	2,150,978	89,449,587	4.66%	3,337
2006	28,144	2,044,548,867	89,858,278	2,821,777	87,036,501	4.26%	3,093
2007	29,001	2,456,669,504	87,559,774	5,651,863	81,907,911	3.33%	2,824
2008	29,195	2,557,212,686	84,494,897	5,390,609	79,104,288	3.09%	2,710
2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2011	29,525	2,489,921,839	77,871,943	4,847,423	73,024,520	2.93%	2,473

**Sources:** (1) U.S. Bureau of Census, Census of Population  
(2) Warren County Auditor  
N/A - The School District reported on the cash basis of accounting.

(continued)

General Debt					
General Obligation Debt Outstanding	Capital Leases	Long-Term Notes/Loans Payable	Total Debt	Ratio of General Debt to Estimated Actual Value	General Debt Per Capita
\$27,773,933	\$841,371	\$2,670,000	\$31,285,304	2.08%	\$1,373
27,001,503	885,462	2,548,000	30,434,965	1.91%	1,258
88,154,903	2,281,678	1,585,000	92,021,581	5.14%	3,607
89,449,587	3,124,686	1,463,000	94,037,273	4.90%	1,609
87,036,501	4,106,853	1,341,000	92,484,354	4.52%	1,641
81,907,911	3,770,729	1,219,000	86,897,640	3.54%	1,620
79,104,288	15,254,489	1,097,000	95,455,777	3.73%	3,270
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
73,024,520	14,683,422	731,000	88,438,942	3.55%	2,995

**Springboro Community City School District**  
*Computation of Legal Debt Margin*  
*Last Ten Fiscal Years*

	2002	2003	2004	2005 (2)	2006 (2)
Tax Valuation	\$533,452,040	\$564,557,490	\$634,078,200	\$681,050,960	\$726,089,671
Debt Limit - 9% of Taxable Valuation (1)	48,010,684	50,810,174	57,067,038	61,294,586	65,348,070
Amount of Debt Applicable to Debt Limit					
General Obligation Bonds	27,700,000	28,655,000	89,335,000	88,425,000	85,801,376
Less Amount Available in Debt Service	(822,095)	(1,065,495)	(813,249)	(2,150,978)	(2,821,777)
Amount of Debt Subject to Limit	26,877,905	27,589,505	88,521,751	86,274,022	82,979,599
Legal Debt Margin	\$21,132,779	\$23,220,669	(\$31,454,713)	(\$24,979,436)	(\$17,631,529)
Legal Debt Margin as a Percentage of the Debt Limit	44.02%	45.70%	-55.12%	-40.75%	-26.98%
Unvoted Debt Limit - .10% of Taxable Valuation (1)	533,452	564,557	634,078	681,051	726,090
Amount of Debt Subject to Limit	0	0	0	0	0
Unvoted Legal Debt Margin	\$533,452	\$564,557	\$634,078	\$681,051	\$726,090
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%

**Source:** Warren County Auditor and School District Financial Records

- (1) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.
- (2) The Board of Education received approval to become a special needs district and issue bonds in an amount in excess of the nine percent debt limitation.
- (3) The District reported on the cash basis of accounting for 2009 and 2010. The fund balance for 2009 was calculated on the cash balance while the fund balance for 2010 was restated and is reported on a basis in accordance with accounting principles generally accepted in the United States of America.

**Note:** The amount of debt presented as subject to the limit should be the balances used to compute the margin as specified by statute, i.e. the gross balances, not amounts that are net of premiums or discounts. On deep discount or capital appreciation bonds, this would be the original issue amount.

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

(continued)

2007	2008	2009	2010	2011
<u>\$865,122,703</u>	<u>\$897,855,095</u>	<u>\$949,277,080</u>	<u>\$865,011,300</u>	<u>\$907,396,475</u>
<u>77,861,043</u>	<u>80,806,959</u>	<u>85,434,937</u>	<u>77,851,017</u>	<u>81,665,683</u>
<u>81,320,000</u> <u>(5,651,863)</u>	<u>77,885,000</u> <u>(5,390,609)</u>	<u>74,785,000</u> <u>(4,786,973)</u>	<u>72,585,000</u> <u>(4,836,012)</u>	<u>71,190,000</u> <u>(4,847,423)</u>
<u>75,668,137</u>	<u>72,494,391</u>	<u>69,998,027</u>	<u>67,748,988</u>	<u>66,342,577</u>
<u>\$2,192,906</u>	<u>\$8,312,568</u>	<u>\$15,436,910</u>	<u>\$10,102,029</u>	<u>\$15,323,106</u>
2.82%	10.29%	18.07%	12.98%	18.76%
865,123	897,855	949,277	865,011	907,396
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$865,123</u>	<u>\$897,855</u>	<u>\$949,277</u>	<u>\$865,011</u>	<u>\$907,396</u>
100.00%	100.00%	100.00%	100.00%	100.00%

**Springboro Community City School District**

*Computation of Direct and Overlapping*

*Debt Attributable to Governmental Activities*

*June 30, 2011*

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Overlapping Debt:			
Warren County	\$7,753,762	15.69%	\$1,216,565
City of Springboro	15,501,555	100.00%	15,501,555
Montgomery County	37,111,573	0.19%	70,512
Turtle Creek Township	2,100,000	0.66%	13,860
Clearcreek Township	<u>225,000</u>	57.10%	<u>128,475</u>
Total Overlapping Debt	\$62,691,890		\$16,930,967
Direct Debt	<u>77,871,943</u>	100.00%	<u>77,871,943</u>
Total Direct and Overlapping Debt	<u>\$140,563,833</u>		<u>\$94,802,910</u>

**Source:** Information from each of political subdivisions reported above for debt balances.

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



**Springboro Community City School District**  
*Demographic and Economic Statistics*  
*Last Ten Years*

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Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2002	22,785	718,001	\$31,512	4.50%
2003	24,201	762,864	31,522	5.00%
2004	25,514	808,768	31,699	4.50%
2005	26,807	877,795	32,745	4.70%
2006	28,144	979,411	34,800	4.90%
2007	29,001	1,074,197	37,040	4.60%
2008	29,195	1,124,270	38,509	5.50%
2009	29,195	1,155,188	39,568	8.60%
2010	29,525	1,147,548	38,867	8.70%
2011	29,525	1,147,548	38,867	7.60%

**Sources:** 1) Bureau of Census  
2) Calculated by population times per capita personal income  
3) Warren County Per Capita Personal Income  
4) Ohio Department of Job and Family Services  
N/A - Information not available

**Springboro Community City School District**  
*Principal Employers*  
*Current Year and Nine Years Ago*

Employer	Nature of Business	2011			2002		
		Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment (1)
Springboro Schools	Education	856	1	7.71%	587	1	5.01%
Gayston Corp.	Industry	493	2	4.44%	251	6	2.14%
Sourcelink Ohio, LLC	Industry	372	3	3.35%	(1)	N/A	
DLM Springboro, LLC	Grocery Store	302	4	2.72%	(1)	N/A	
Hillspring Rehabilitation Center	Nursing Home	269	5	2.42%	221	9	1.89%
Lacomedia Enterprises, Inc.	Dinner Theatre	263	6	2.37%	(1)	N/A	
Pioneer Automotive Tech, Inc.	Industry	238	7	2.14%	353	2	3.01%
Dayton Metro YMCA	YMCA Center	235	8	2.12%	210	10	1.79%
Ovonic Energy Products, Inc.	Industry	194	9	1.75%	(1)	N/A	
Kroger	Grocery Store	183	10	1.65%	287	5	2.45%
Miami Valley Dinner Theatre	Dinner Theatre	(1)	(1)	(1)	321	3	2.74%
Kmart Corp.	Retail	(1)	(1)	(1)	304	4	2.60%
Bob Evans Farms, Inc.	Restaurant	(1)	(1)	(1)	243	7	2.08%
Global Innovations, LLS	Industry	(1)	(1)	(1)	241	8	2.06%
Total		<u>3,405</u>			<u>3,018</u>		
Total Employment within the City of Springboro		<u>11,100</u>			<u>11,709</u>		

Source: City of Springboro 2010 Comprehensive Annual Financial Report  
(1) Not on List from Nine Years Ago

**Springboro Community City School District**  
*School District Employees by Function/Program*  
*Last Seven Fiscal Years*

Function/Program	2005	2006	2007	2008	2009	2010	2011
<b>Regular Instruction</b>							
Elementary Classroom Teachers (K-5)	95.00	95.00	116.00	118.50	118.90	117.00	116.30
Middle School Classroom Teachers (6-8)	51.00	49.00	55.00	55.00	56.93	58.22	59.42
High School Classroom Teachers (9-12)	58.00	59.00	66.00	69.00	68.10	66.73	66.40
<b>Special Instruction</b>							
Elementary Classroom Teachers (K-5)	14.00	14.00	17.00	26.00	19.00	20.00	20.50
Middle School Classroom Teachers (6-8)	8.00	8.00	9.00	10.00	11.00	13.00	13.00
Gifted Education Teachers	2.00	2.00	4.00	4.00	4.00	4.00	4.00
High School Classroom Teachers (9-12)	8.00	8.00	9.00	9.00	8.43	9.00	9.00
<b>Pupil Support Services</b>							
Guidance Counselors	8.00	8.00	8.00	10.00	10.00	10.00	11.00
Librarians	2.00	2.00	2.00	8.00	8.62	8.37	7.87
Psychologists	0.00	44.00	4.00	5.00	4.68	4.68	5.68
Speech and Language Pathologists	3.00	6.00	5.00	5.00	5.00	5.00	4.45
Nurses	4.00	3.00	3.00	7.00	7.00	7.50	6.50
Teacher Aides	26.00	31.00	37.00	45.00	42.00	44.00	46.50
Technology	3.00	3.00	4.00	3.00	4.00	3.00	3.00
Secretaries	14.00	14.00	16.00	17.00	18.00	14.50	14.50
<b>Administrators</b>							
District	10.00	11.00	14.00	16.00	12.00	12.00	10.91
Elementary	2.00	2.00	7.00	6.00	6.00	5.00	5.00
Middle School	2.00	2.00	2.00	3.00	3.00	3.00	3.00
High School	3.00	3.00	3.00	3.00	3.00	5.00	6.00
Secretaries	13.00	13.00	15.00	8.00	5.00	4.00	4.00
Fiscal Services	5.00	5.00	6.00	6.00	7.00	6.00	7.00
<b>Operation of Plant</b>							
Custodians	21.00	23.00	32.00	33.50	32.00	27.00	21.55
Maintenance	6.00	5.00	6.00	7.00	4.00	4.00	4.00
<b>Pupil Transportation</b>							
Bus Drivers	53.00	51.00	66.00	52.75	44.90	44.07	46.13
<b>Extracurricular Activities</b>							
Secretaries	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Food Service Program</b>							
Elementary Cooks	10.00	11.00	16.00	7.12	8.23	8.25	8.92
Middle School Cooks	10.00	10.00	8.00	5.04	5.07	6.11	4.78
High School Cooks	11.00	9.00	13.00	9.38	6.60	7.74	7.74
Totals:	<u>443.00</u>	<u>492.00</u>	<u>544.00</u>	<u>549.29</u>	<u>523.46</u>	<u>518.17</u>	<u>518.15</u>

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee. The count is performed on September 1 of each year.

Information prior to 2005 is not available.

**Springboro Community City School District**  
*Operating Statistics*  
*Last Nine Fiscal Years*

Fiscal Year	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2003	\$31,410,677	4,051	\$7,754	N/A	221	18.3
2004	33,436,527	4,321	7,738	-0.20%	226	19.1
2005	39,527,243	4,522	8,741	12.96%	233	19.4
2006	37,535,813	4,785	7,844	-10.26%	232	20.6
2007 *	53,759,624	5,056	10,633	35.55%	305	16.6
2008	53,460,417	5,228	10,226	-3.83%	292	17.9
2009	N/A	5,551	N/A	N/A	286	19.4
2010	N/A	5,688	N/A	N/A	288	19.8
2011	55,766,756	5,755	9,690	N/A	289	19.9

Source: School District Records. Expense information is not available prior to 2003.

N/A - Not available as the School District reported on a cash basis for fiscal years 2009 and 2010.

\* - This increase in expenses from 2006 to 2007 is due primarily to the addition of over 80 new staff members coupled with the cost to open and supply two new elementary buildings.



**Springboro Community City School District**

*Building Statistics*

*Last Seven Fiscal Years*

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	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>FE Elementary School (1)</b>			
Total Building Square Footage			126,795
Enrollment			401
Regular Instruction Classrooms			25
Regular Instruction Teachers			25
Special Instruction Classrooms			2
Special Instruction Teachers			2
<b>FW Elementary (1)</b>			
Total Building Square Footage			126,795
Enrollment			325
Regular Instruction Classrooms			14
Regular Instruction Teachers			14
Special Instruction Classrooms			2
Special Instruction Teachers			2
<b>SI Elementary</b>			
Total Building Square Footage	79,163	79,163	79,163
Enrollment	711	747	403
Regular Instruction Classrooms	35	35	19
Regular Instruction Teachers	35	35	19
Special Instruction Classrooms	7	6	3
Special Instruction Teachers	7	6	3
<b>JH Middle School</b>			
Total Building Square Footage	103,948	103,948	133,948
Enrollment	1,039	1,077	746
Regular Instruction Classrooms	59	49	36
Regular Instruction Teachers	59	49	36
Special Instruction Classrooms	8	8	6
Special Instruction Teachers	8	8	6

2008	2009	2010	2011
126,795	126,795	126,795	126,795
430	446	615	606
23	22	29	28
23	22	29	28
4	4	4	4
4	4	4	4
126,795	126,795	126,795	126,795
387	415	550	610
21	20	27	29
21	20	27	29
4	4	4	4
4	4	4	4
79,163	79,163	79,163	79,163
392	446	437	427
20	18	18	19
20	18	18	19
4	4	4	4
4	4	4	4
133,948	133,948	133,948	133,948
780	796	857	887
36	41	43	44
36	41	43	44
6	6	6	6
6	6	6	6

**Springboro Community City School District**

*Building Statistics*

*Last Seven Fiscal Years*

	2005	2006	2007
<b>JW Elementary School (2)</b>			
Total Building Square Footage	52,583	52,582	52,582
Enrollment	747	769	450
Regular Instruction Classrooms	27	33	17
Regular Instruction Teachers	27	33	17
Special Instruction Classrooms	3	5	1
Special Instruction Teachers	3	5	1
<b>CC Elementary School</b>			
Total Building Square Footage	58,003	58,003	58,003
Enrollment Grades K-5	732	769	450
Regular Instruction Classrooms	33	33	17
Regular Instruction Teachers	33	33	17
Special Instruction Classrooms	4	5	1
Special Instruction Teachers	4	5	1
<b>DE Elementary School (1)</b>			
Total Building Square Footage			126,795
Enrollment Grades K-5			366
Regular Instruction Classrooms			23
Regular Instruction Teachers			23
Special Instruction Classrooms			3
Special Instruction Teachers			3
<b>DW Elementary School (1)</b>			
Total Building Square Footage			126,795
Enrollment Grades 6-8			460
Regular Instruction Classrooms			20
Regular Instruction Teachers			20
Special Instruction Classrooms			5
Special Instruction Teachers			5
<b>Springboro Community High School</b>			
Total Building Square Footage	217,523	217,523	284,523
Enrollment Grades 9-12	1,293	940	1,404
Regular Instruction Classrooms	58	59	66
Regular Instruction Teachers	58	59	66
Special Instruction Classrooms	8	8	9
Special Instruction Teachers	8	8	9

Source: School District Capital Asset and Average Daily Membership Records.

(1) School Building not in service prior to fiscal year 2007.

(2) School Building not in service after fiscal year 2009.



2008	2009	2010	2011
52,582	52,582		
466	567		
16	15		
16	15		
4	4		
4	4		
58,003	58,003	58,003	58,003
442	453	526	476
16	16	10	8
16	16	10	8
2	2	2	2
2	2	2	2
126,795	126,795	126,795	126,795
399	440	579	600
21	27	27	20
21	27	27	20
6	6	6	6
6	6	6	6
126,795	126,795	126,795	126,795
479	499	600	586
25	23	29	27
25	23	29	27
6	6	6	6
6	6	6	6
284,523	284,523	284,523	284,523
1,453	1,489	1,524	1,563
69	65	68	66
69	65	68	66
9	9	9	9
9	9	9	9





# Dave Yost • Auditor of State

**SPRINGBORO COMMUNITY CITY SCHOOL DISTRICT**

**WARREN 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  
DECEMBER 31, 2012**