

Cincinnati City School District

Hamilton County

Single Audit

July 1, 2007 through June 30, 2008

Fiscal Year Audited Under GAGAS: 2008

**Caudill & Associates, CPA's**

725 5<sup>th</sup> Street

Portsmouth, OH 45662





Mary Taylor, CPA  
Auditor of State

Board of Education  
Cincinnati City School District  
2651 Burnet Avenue  
Cincinnati, Ohio 45219

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

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

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

June 30, 2009

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**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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**CINCINNATI CITY SCHOOL DISTRICT**

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2008

Federal Grantor/Program Title	Pass Through Entity Number	Federal CFDA Number	Federal Receipts	Non-Cash Receipts	Federal Expenditures	Non-Cash Expenditures
<b>US Department of Agriculture</b>						
Child Nutrition Cluster:						
Food Donation (Pass Through The Ohio Department of Education)	n/a	10.579		984,941		984,941
School Breakfast Program	5	10.553	3,192,257		3,192,257	
National Lunck Program	LL/VG	10.555	7,038,514		7,038,514	
Summer Food Service Program for Children	24	10.559	466,692		466,692	
<b>Total Child Nutrition Cluster</b>			<u>10,697,463</u>	<u>984,941</u>	<u>10,697,463</u>	<u>984,941</u>
Child and Adult Care Food Progra Nutrition Education & Training program	CC	10.558 10.564	61,339 600		61,339 441	
<b>Total U.S. Department of Agriculture</b>			<u>10,759,402</u>	<u>984,941</u>	<u>10,759,244</u>	<u>984,941</u>
<b>US Department of Education</b>						
Impact Aid -Facilities Maintenance	n/a	84.040	87,778		78,095	
Community Technology Centers	n/a	84.341A				
Safe & Drug-Free Schools & Communities - National Program	n/a	84.184E	154,733		158,837	
Transition to teaching	n/a	84.350			20,293	
(Pass Through The Ohio Department of Education)						
Adult Education-State Grant Program	AB	84.002	767,390		1,177,842	
Title I Grants-to Local Education Agencies	C1	84.010	23,513,514		26,485,010	
Title I Program for Neglected and Delinquent Children	ND	84.013	202,194		425,423	
Special Education Cluster:						
Special Education- Grants to States	6B	84.027	12,261,165		11,967,645	
Special Education- Preschool Grants	PG	84.173	306,369		327,191	
<b>Special Education Cluster Total</b>			<u>12,567,534</u>	<u>-</u>	<u>12,294,836</u>	<u>-</u>
Vocational Education - Basic Grants to States	20	84.048	1,404,488		1,544,387	
Safe & Drug-Free Schools & Communities - State grants	DR	84.186	261,508		320,800	
Education for Homeless Children and Youth	HC	84.196	219,078		504,301	
Twenty- First Century Community Learning Centers	T1	84.287	1,673,169		1,738,912	
State Grants for Innovative Programs	C2	84.298	31,801		43,070	
Education Technology State Grants	TJ	84.318	854,554		881,416	
Comprehensive School reform Demonstration	RF	84.332	-		57,309	
Reading First State Grants	RS	84.357	405		29,458	
English Language Acquisition Grants	T3	84.365	147,211		201,143	
Improving Teacher Quality State Grants	TR	84.367	4,192,828		5,095,179	
Teacher Incentive Fund	TB	84.374	1,107,483		1,100,073	
Foreign language Assistance Program	N/A	84.293	207,998		214,974	
<b>Total U.S. Department of Education</b>			<u>47,393,666</u>	<u>-</u>	<u>52,371,358</u>	<u>-</u>
<b>U.S. Department of Health &amp; Human Services</b>						
(Ohio Department of Jobs & Family Services)						
Temporary Assistance for Needy Families	N/A	93.558	5,609,494	-	4,732,898	-
(Passed through the Cincinnati-Hamilton County Community Action Agency)						
Head Start	N/A	93.600	3,125,984	-	2,773,490	-
<b>Total U.S. Department of Health &amp; Human Services</b>			<u>8,735,478</u>	<u>-</u>	<u>7,506,388</u>	<u>-</u>
<b>Total Federal Awards</b>			<u>66,888,546</u>	<u>984,941</u>	<u>70,636,989</u>	<u>984,941</u>

**CINCINNATI CITY SCHOOL DISTRICT**

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2008

**Note A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B- FOOD DONATION**

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

**NOTE C - TRANSFERS**

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

During fiscal year 2008, the Ohio Department of Education authorized the following transfers:

Program Title	Pass-through Entity Number (Grant Number)	CFDA Number	Transfer Out	Transfers In
Title I - Grants to Local Educational Agencies Schoolwide Pool	C1 N/A	84.010 N/A	10,157,680	
Special Education - Grants to States Schoolwide Pool	6B N/A	84.027 N/A	4,430,886	10,157,680 4,430,886
Safe and Drug-Free Schools and Communities Schoolwide Pool	DR N/A	84.186	168,817	168,817
Improving Teacher Quality - Grants to States Schoolwide Pool	TR N/A	84.367A	2,844,182	2,844,182

**NOTE D - SCHOOL-WIDE POOL**

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

Program Title	CFDA	Fund	Allocated Amount
General Fund	NA	1	\$125,500,441
Title I - Grants to Local Educational Agencies Improving Teacher Quality_ Reducing Class Size	84.010 84.367	572 590	10,157,680 2,844,182
Title V - Drug Free Schools	84.186	584	168,817
Special Education_IDEAB	84.027	516	<u>4,430,886</u>
Total School Wide Pool			<u><u>\$143,102,006</u></u>

# Caudill & Associates, CPA's

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Portsmouth, OH 45662

Member American Institute of Certified Public Accountants

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

## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

To the Board of Education  
Cincinnati City School District  
Hamilton County  
2651 Burnet Avenue  
Cincinnati, Ohio 45431

We have audited the financial statements of the government activities, each major fund, and the aggregate remaining fund information of the Cincinnati City School District, Hamilton County, Ohio (the "School District") as of and for the year ended June 30, 2008, which collectively comprise the School District's financial statements and have issued our report thereon dated March 10, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Internal Control over Financial Reporting**

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

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School District's financial statements that is more than inconsequential will not be prevented or detected by the School District's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting and are labeled as 2008-001.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. However, we believe that none of the significant deficiencies described above are material weaknesses.



Cincinnati City School District  
Hamilton County

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

### **Compliance and Other Matters**

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

We noted certain noncompliances and other matters that we reported to management of the School District in a separate letter dated March 10, 2009.

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

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

*Caudill & Associates, CPAs*

Caudill & Associates, CPA's  
March 10, 2009

# Caudill & Associates, CPA's

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

Member American Institute of Certified Public Accountants

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

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

To the Board of Education  
Cincinnati City School District  
Hamilton County  
2651 Burnet Avenue  
Cincinnati, Ohio 45431

### **Compliance**

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

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

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

### **Internal Control Over Compliance**

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

Members of Board of Education  
Cincinnati City School District

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

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the School District's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2008-002 and 2008-003 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material compliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

The School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned cost. We did not audit the School District's responses and accordingly, we express an opinion on it.

**Federal Awards Receipts and Expenditures Schedule**

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School District as of and for the year end June 30, 2008. Our audit was performed to form opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying federal awards receipts and expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

*Caudill & Associates, CPAs*

Caudill & Associates, CPA's  
March 10, 2009

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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**FOR THE YEAR ENDED JUNE 30, 2008**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(ii)</i>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any significant control deficiency(ies) reported at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(iii)</i>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weakness reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant internal control deficiency(ies) for major federal programs?</b>	Yes
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	<i>Child Nutrition Cluster: CFDA 10.579 – Food Donation, CFDA 10.553 – School Breakfast Program, CFDA 10.555 – National Lunch Program, CFDA 10.559 – Summer Food Service Program for Children, CFDA 84.002 – Adult Education-State Grant Program, CFDA 84.048 – Vocational Education – Basic Grants to States, CFDA 84.287 – Twenty-First Century Community Learning Centers, CFDA 84.318 – Education Technology State Grants, CFDA 84.374 – Teacher Incentive Fund</i>
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A\B Programs</b>	\$2,148,658
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	Yes

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2008**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2008-001**

**Significant Deficiency – Control Deficiency – Procurement Card Disbursements**

During examination of the credit card disbursements, we identified various internal control issues and violations of the School District’s written procurement card procedures. These issues included purchases made by School District employees for personal items, gift certificates, entertainment, splitting charges to override the \$100 per purchase limit, and lack of supporting documentation for purchases made that were not in accordance with the School District’s written procurement card policy and procedure. This issue has been referred to the Auditor of State.

The Cincinnati Public Schools procurement card procedures states, “The Procurement Card shall only be used in strict conformity with CPS policy and procedures and within the terms and conditions of the cardholder agreement from Visa. Only the CPS employee whose name is embossed on the card may use the Procurement Card. No other person is authorized to use the card. The CPS cardholder is responsible and accountable for all transactions that occur on their card. The Purchasing Card is to be used for Cincinnati Public School authorized purchases only and cannot be used for personal items. The PNC procurement cardholder is issued a credit limit of \$100 for a single purchase made on the Procurement Card. Prior approval must be made in writing to the Purchasing Card Administrator should the single transaction amount need to be increased. For those cardholders authorized to use the Travel application, a higher limit will be established in conjunction with the School Principal/Department Head and the Director of Schools. Final authorization is requested through the Assistant Treasurer.”

“A non-travel purchase may be made of multiple items, but the invoice cannot exceed a cost of \$100 or more. Purchases over \$100 must be submitted through an on-line purchase requisition made through the CPS purchasing system and a purchase order processed. Charges for the purchases shall not be split in order to stay within the \$100 per purchase limit. Splitting charges will be considered abuse of the Procurement Card Program and usage of the procurement card may be terminated. The following supplies and services shall not be purchased with the Purchasing: (1) Personal items, (2) Cash advances, (3) Gift Certificates, (4) Postage, (5) Hotel and Airfare (except Travel –authorized (6) Vehicle Repairs (except Fleet), (7) Gas and Oil products (except Fleet), (8) Entertainment, (9) Telephone Calls, (10) Capital Equipment (Fixed Assets), (11) Medical Services, (12) Legal Services, (13) New Cellular Phones.”

Due to lack of oversight and the School District Employees not following controls over the procurement card as implemented by the School District Management, unauthorized and unsupported charges occurred.

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

**FOR THE YEAR ENDED JUNE 30, 2008**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**FINDING NUMBER 2008-001(Continued)**

In order to reduce the probability of future non-compliance with the School District's Procurement Card policy and increasing risk of theft and abuse of the School District's monies via the procurement card we recommend the following:

- (1) The School District needs to adhere to the current policy and procedure in place.
- (2) The number of card users should be drastically reduced from around 278 card holders to a number that would be more manageable and should be approved by the District's Board of Education.
- (3) The ultimate oversight of the procurement card purchases should reside with the Treasurer's office.
- (4) The internal audit department should incorporate District wide procurement card testing into the internal audit's annual audit plan with periodic testing conducted throughout the year with conclusions of the testing communicated via a written internal audit report to both the Treasurer's Department and the District's Board of Education.

**School District's Response:**

District Management informed the auditors that employees had been removed from their positions during October 2008 as a result of inappropriate and unauthorized expenditures of District funds. The auditors were also informed by management that the Accounts Payable Supervisor had been removed from her position as a result of the internal investigation which disclosed that internal controls to ensure that purchase card users submit itemized receipts for all purchases were not followed.

Management agrees that District employees needed to adhere to the purchase card policies and procedures in place, and appropriate disciplinary action was taken against the employees that did not adhere to the policies.

Management has reviewed the current cardholders to ensure that only those employees with a need for the purchasing card have one. Management feels that the number of purchase card holders is not unreasonable given the numbers of employees in the District. As long as procedures are followed by card holders and consistently enforced the number of issued cards and the processing of such are manageable. The policies and guidelines were reviewed and modified by Management to provide continual improvement as business best practices changed or further clarification needed and will continue to be reviewed on at least an annual basis.

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

**FOR THE YEAR ENDED JUNE 30, 2008**

<b>3. FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS</b>
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**FINDING NUMBER 2008-001(Continued)**

The ultimate oversight of the procurement card purchases resided with the Treasurer’s Office prior to the audit. An employee was assigned and charged with the responsibility of reviewing card users statements and receipts to ensure that purchases were properly approved, substantiated, and within the guidelines of the purchasing card policy. As stated previously, that employee did not properly discharge the assigned responsibilities, and appropriate disciplinary action was taken. Ultimate oversight of the procurement card purchases will continue to reside with the Treasurer’s Office.

The position of internal auditor was filled during March 2009, and inclusion of District wide procurement card testing in the annual audit plan will be considered as part of the risk-based methodology being used to develop the plan.

**FINDING NUMBER 2008-002**

**Significant Deficiency – Control Deficiency – Schedule of Expenditures of Federal Awards**

In accordance with the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, management is responsible for identifying all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity. We noted several programs on the School District’s schedule of Expenditures of Federal Awards for which program receipts and expenditures were not accurate. The final Schedule of Expenditures of Federal Awards has been corrected. The School District should develop policies and procedures to ensure the Schedule of Expenditures of Federal Awards is complete and accurate.

**School District’s Response:**

Due to office reorganization and high level management changes over the last two years, the preparation and review processes were inadequate. With the new hire of the Treasurer/CFO and Assistant Treasurer/Controller, we plan to implement the required training, procedures, and management controls.

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

**FOR THE YEAR ENDED JUNE 30, 2008**

<b>3. FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS</b>
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**FINDING NUMBER 2008-003**

**Significant Deficiency – Control Deficiency – Federal Programs Inventory**

During examination of inventory under Federal Programs, we identified various internal control issues with tracking equipment, including incomplete listing and the lack of tracking of disposed equipments. It also appears that the School District is not adhering to the current policies and procedures related to Federal inventory but not using equipment inventory request forms. Most equipment transactions appeared to be recorded in the accounting system when purchased, however, we were unable to ensure that equipment purchased is property included on inventory. Therefore, completeness of the population could not be determined. We couldn't obtain a complete inventory for equipment purchased through federal monies. Based upon discussion with Grants Administration, inventory is performed over a three to five year period district-wide. There is no specific inventory of federal equipment for any federal program.

OMB Circular 102-31 requires the following:

- (1) Equipment records shall be maintained accurately and shall include the following information: (A) A description of the equipment. (B) Manufacturer's serial number, model number, Federal Stock number, or other identification number. (C) Source of equipment, including the award number. (D) Whether title vests in the recipient or the Federal Government. (E) Acquisition date (or date received, if the equipment was furnished by the Federal Government) and cost. (F) Information form which one can calculate the percentage of Federal participation in the cost of the equipment (not applicable to equipment furnished by the Federal Government). (G) Location and condition of the equipment and the date the information was reported. (H) Unit acquisition cost. (I) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the Federal awarding agency for its share.
  
- (2) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years. Any differences between quantities determined by the physical inventory and those shown in the accounting records shall be investigated to determine the cause of the difference. The recipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.



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

**FOR THE YEAR ENDED JUNE 30, 2008**

<b>3. FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS</b>
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**FINDING NUMBER 2008-003 (Continued)**

- (3) When the recipient no longer needs the equipment, the equipment may be used for other activities in accordance with the following standards. For equipment with a current per unit fair market value of \$5,000 or more, the recipient may retain the equipment for other uses provided that compensation is made to the original Federal awarding agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value of the equipment. If the recipient has no need for the equipment, the recipient shall request disposition instructions from the Federal awarding agency. The Federal awarding agency shall determine whether the equipment can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the equipment shall be reported to the General Services Administration by the Federal awarding agency to determine whether a requirement for the equipment exist in other Federal agencies. The Federal awarding agency shall issue instructions to the recipient no later than 120 calendar days after the recipient's request.

Changes in position and responsibility in the Treasurer's office, and changes/updates in inventory system created a disconnect in the procedures. Food Services division was totally unaware of current written policies and procedures.

We recommend that the District adhere to current policies and procedures over inventory of equipment under federal programs. Also, we recommend that the District update current policies related to performing inventory over the District's federal equipment from once every three years to once a year.

**School District's Response:**

Grants Administration has reviewed and updated inventory policies and procedures to ensure compliance with fixed assets purchased with federal funds. In regards to Perkins and ABLE, these programs now reside under Grants Administration effective August 1, 2008. These grants have now been included with the Grants Administration inventory. All inventory purchases made with Federal and/or State Funds will follow the same inventory tracking process. Physical inventory lists are sent to each school on an annual basis for reconciliation of records for consolidated grants by the Grants Administration Department, and observed once every two years. The discussion of inventory performed over a three to five year period was with the Food Services Department regarding Commodities Inventory, and resides within the District in its own department and reports to the Chief Operating Officer. District-wide inventory procedures are being enhanced to ensure compliance with all federal programs regardless of office location in the District. A fixed asset team is in the process of developing and implementing a fixed asset system to ensure compliance with federal and state regulations District-wide.

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY**

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

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2007-001	Audit adjustments	Yes	N/A
2007-002	Noncompliance of Ohio Rev. Code Section 5705.39 – Certificate of Estimated Resources Compliance	No	Partially corrected – reissued as management letter citation
2007-003	Non-compliance with Ohio Revised Code Section 5705.41(B) Expenditures exceeding appropriations	Yes	N/A
2007-004	Schedule of Expenditures of Federal Awards	No	Not corrected – reissued as 2008-002

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY  
For the Year Ended June 30, 2008**

**CORRECTIVE ACTION PLAN  
OMB CIRCULAR A -133 § .315 (c)<sup>1</sup>**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2008-001	<p>(1) Personnel changes were made in the accounts payable department to ensure that credit card statements and itemized receipts are verified for completeness and compliance with District purchasing guidelines.</p> <p>(2) Purchase card holders were reviewed to ensure that only those with a genuine need maintained the cards.</p> <p>(3) The administration of the purchasing cards remains with the Purchasing department; however, review of purchasing card statements and itemized receipts to ensure compliance with District policies is completed by the Treasurer's office. Incidents of non-compliance are reported to Purchasing, who will then take appropriate action, including revocation of purchasing card privileges.</p> <p>(4) The position of internal auditor was filled during March 2009, and inclusion of District wide procurement card testing in the annual audit plan will be considered as part of the risk-based methodology being used to develop the plan.</p>	<p>(1) October 2008 (2) January 2009 (3) November 2008 (4) August 2009</p>	Boyd
2008-002	<p>Procedures for preparing the Schedule of Expenditures of Federal Awards were developed. Review of the schedule will also be included as part of the annual internal audit plan.</p>	August 2009	Johnson
2008-003	<p>(1) District-wide inventory</p>	<p>(1) April 2009</p>	Durkin

**CINCINNATI CITY SCHOOL DISTRICT  
HAMILTON COUNTY  
For the Year Ended June 30, 2008**

**CORRECTIVE ACTION PLAN  
OMB CIRCULAR A -133 § .315 (c)<sup>1</sup>**

	<p>procedures were updated to ensure compliance with all federal programs. The procedures include a requirement that fixed assets are inventoried annually.</p> <p>(2) The District will issue a Request for Proposal and solicit bids to have a physical inventory of the District's fixed assets completed.</p> <p>(3) The District will begin implementing a fixed asset system. Full implementation is expected to take 6 – 12 months.</p>	<p>(2) May 2009 (3) September 2009</p>	
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# Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2008



Cincinnati Public Schools  
Cincinnati, Ohio



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

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*Hamilton County, Ohio*

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2008**

*Prepared by:*  
Jonathan Boyd  
Treasurer/CFO





**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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HAMILTON COUNTY, OHIO**

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**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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# Introductory Section





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

March 10, 2009

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

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Board of Education of the Cincinnati City School District (the "District") for the fiscal year ended June 30, 2008. This report was prepared by the Office of the Treasurer/CFO and includes the report of the independent auditor, Caudill & Associates. The independent auditors' report concludes that the District's financial statements for the year ended June 30, 2008 are prepared in conformity with generally accepted accounting principles. The independent auditor's report is included as the first component of the financial section of this report.

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

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

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

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

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

***For the Fiscal Year Ended June 30, 2008***

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

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

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

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

The District operates 62 schools: 47 elementary schools and 15 high schools (9-12). Several high school buildings contain more than one school. Through the use of a five-year building and maintenance plan, all facilities are kept in the best operating and physical condition possible. The District has been sensitive to an energy conservation program and is in the fifth year of a \$985 million, 10-year facilities improvement program.

The District's enrollment (K-12) for the 2007-08 school year was 33,781 students. The District served 66% of the 51,062 children who reside within its boundaries. The majority of enrolled students were members of ethnic minorities -- in the 2007-08 school year, 69.4 percent of students were African-American, 0.8 percent were Asian, 23.8 percent were Caucasian, 0.1 percent were Native American, 4.3 percent were other/multiracial, and 1.6 percent were Hispanic.

A significant majority of students in the District -- 68.86 percent - were on free or reduced lunch plans during the 2007-08 school year. Seventy percent of the District's elementary schools served student populations that were 75 percent or higher in poverty. Twenty and a one half percent of the students attending were served with Special Education needs.

Transportation was provided daily for 14,884 public students, 3,920 for charter students and 3,991 for non-public students. Buses traveled an average of 25,415 miles each day. A self-supporting Food Services Department served an average of 18,629 lunches and 12,176 breakfasts per day for the 2007-08 school year.



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

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### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2008***

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The District offers a comprehensive academic curriculum through the following programs: college preparatory classes, advanced placement courses, gifted education vocational programs and a full range of services in special education. The District provides tutorial help, resource rooms, speech/language therapy, psychological services and counseling. In addition to academic and related services, the District also offers students the opportunity to participate in a wide range of extracurricular activities to extend their learning and increase their enjoyment of school. On the State of Ohio's 2007-08 Report Card, the District is in its fourth year of "Continuous Improvement" and continues to make gains in academic achievement.

The Board of Education of the Cincinnati City School District (Board) is a body both politic and corporate charged with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by the general laws of the State of Ohio (Ohio Revised Code). The Board is comprised of seven (7) members who are elected for overlapping four-year terms. The Board members during the fiscal year ended June 30, 2008 were:

	<u>Date Current Term Commenced</u>	<u>Present Term Expires</u>
Eve Bolton, President	01/01/08	12/31/11
Chris Nelms, Vice President	01/01/08	12/31/11
Susan Cranley	01/01/06	12/31/09
Eileen Cooper Reed	01/01/06	12/31/09
Catherine Ingram	01/01/06	12/31/09
Melanie Bates	01/01/06	12/21/09
Michael Flannery	01/01/08	12/31/11

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

The Cincinnati Board of Education named Mary A. Ronan as the Interim Superintendent effective August 1, 2008 for a term expiring July 31, 2009. Mrs. Ronan began her 32-year career with Cincinnati Public Schools as a math and science teacher at the former Merry Middle School – a building that now houses her office as Interim Superintendent in the district's Education Center.

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

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

---

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

***For the Fiscal Year Ended June 30, 2008***

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

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

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

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

The Board appointed Jonathan L. Boyd as Treasurer/CFO for a three-year term commencing May 1, 2007 and ending July 31, 2010. Mr. Boyd holds a Masters Degree in Administration from Central Michigan University and has served as a Treasurer in other Ohio Public Schools for the past 22 years. In 1998 Mr. Boyd was recognized by the Foundation of School Business Management as the Treasurer of Year for his accomplishments in serving Ohio Public Schools.

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

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

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

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

***For the Fiscal Year Ended June 30, 2008***

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

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

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

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

The Ohio Bureau of Employment Services estimated total employment in Hamilton County at 412,400 at June 30, 2008. This 95.0% employment rate is slightly above the State of Ohio employment rate of 93.7% at June 30, 2008 and trails the national rate of 94.5% at this date.

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

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

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

***For the Fiscal Year Ended June 30, 2008***

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

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

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

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

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

The District's ten-year, \$985 million Facilities Master Plan (FMP) officially launched with the passage of a \$480 million bond issue in May 2003. During the period from January 2005 thru January 2008, the District has either renovated or constructed a total of 17 schools. By the end of 2008 there will be 18 additional schools either being renovated or under construction for the next phase of the Facilities Master Plan. The District's new schools are distinctive, eye-catching buildings, with technology-ready classrooms and stand-out architectural features that provide an abundance of natural light and include courtyards that invite outdoor learning, and welcoming rotundas. As state-of-the-art, 21<sup>st</sup> century schoolhouses, these buildings quickly will become local landmarks and community anchors. The District's FMP is now fully funded.

The District's 10-year rebuilding plan will generate an economic impact of \$2.35 billion for Greater Cincinnati, including creating 2,339 jobs and \$718 million in wages, according to a University of Cincinnati study. To help more businesses get a piece of that pie, the district has revamped its policies to generate more opportunities for Small Business Enterprises (SBE) and Disadvantaged Business Enterprises (DBE), which includes small businesses, and minority- and female-owned businesses. The District's expanded Supplier Diversity Program is working to cultivate new relationships with a broader base of businesses. Beginning July 2003 through June 2008, over 52% of the District's construction contracts were awarded to SBE, DBE and minority owned enterprises, exceeding the Board's 25% goal.

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Letter of Transmittal* *For the Fiscal Year Ended June 30, 2008*

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### **Awards and Acknowledgments**

***GFOA Certificate of Achievement.*** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2007. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The June 30, 2007 CAFR was the eighth consecutive CAFR prepared by the District to receive this prestigious award.

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

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

***Independent Audit.*** State statute requires an annual audit be performed by the Auditor of State or by an independent certified public accountant approved by the Auditor of State. The Auditor of State has contracted the District Audit for fiscal year ended June 30, 2008 to Caudill & Associates, an independent certified public accounting firm. In addition to meeting the requirements of state statutes, the audit was also designed to meet the requirements of the federal Single Audit Act of 1984, the 1996 amendments thereto, and the related U.S. Office of Management and Budget's Circular A-133. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

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

Sincerely,



Jonathan L. Boyd  
Treasurer/CFO

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

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## ***List of Principal Officials June, 30, 2008***

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

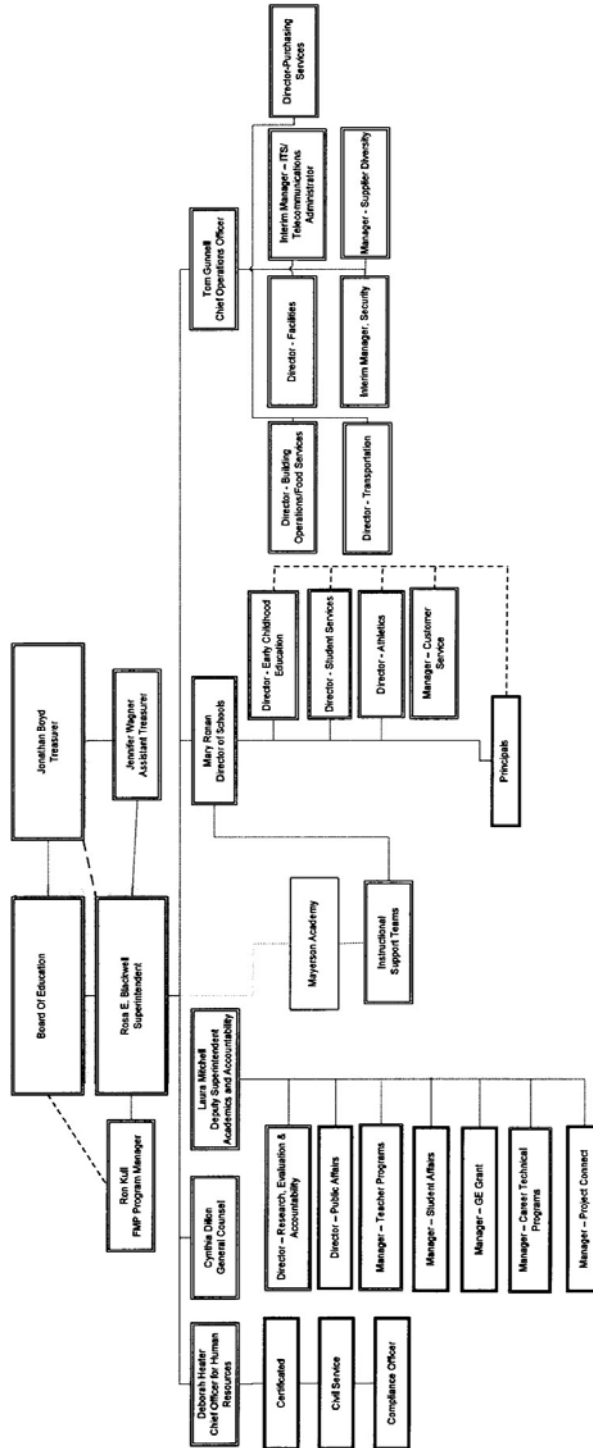
<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Eve Bolton	President	December 31, 2011
A. Chris Nelms	Vice President	December 31, 2011
Melanie Bates	Member	December 31, 2009
Susan Cranley	Member	December 31, 2009
Michael Flannery	Member	December 31, 2011
Catherine D. Ingram	Member	December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

### **District Administration:**

<b><u>Name</u></b>	<b><u>Title</u></b>
Rosa E. Blackwell	Superintendent
Jonathan L. Boyd	Treasurer/CFO
Thomas J. Gunnell	Chief Operating Officer
Mary Ronan	Director of Schools
Deborah Heater	Chief Officer of Human Resources
Janet Walsh	Chief Officer of Community Engagement

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## School District Organizational Chart For the Fiscal Year Ended June, 30, 2008



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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*Government Finance Officers Association of the United States and Canada  
Certificate of Achievement for Excellence in Financial Reporting*

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

Presented to

**Cincinnati City  
School District**

**Ohio**

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

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



President

Executive Director





# Financial Section



# Caudill & Associates, CPA's

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

Member American Institute of Certified Public Accountants

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

## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Cincinnati City School District  
Hamilton County  
2651 Burnet Avenue  
Cincinnati, Ohio 45431

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cincinnati City School District, Cincinnati, Ohio, (the "School District"), as of and for the year ended June 30, 2008, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cincinnati City School District, Cincinnati, Ohio, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund and the Schoolwide Building Program Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2009, on the District's internal control over financial reporting and on our test of its compliance with certain provision of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Cincinnati City School District  
Hamilton County  
Independent Auditor's Report

The Management's Discussion and Analysis on pages 3 through 12 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

*Caudill & Associates, CPAs*

Caudill & Associates, CPA's

March 10, 2009

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008*

*Unaudited*

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

## **FINANCIAL HIGHLIGHTS**

### **Key financial highlights for 2008 are as follows:**

General revenues accounted for \$437,322,899 in revenue or 75.4% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$142,474,981 or 24.6% of total revenues of \$579,797,880.

The District had \$560,623,764 in expenses related to governmental activities; only \$142,474,981 of these expenses was offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$233,410,409, revenue in lieu of taxes totaling \$10,948,197, unrestricted state and federal revenues totaling \$150,048,088, investment earnings totaling \$30,097,980 plus prior year carry over revenues) were adequate to provide for these programs.

The assets of the District exceeded its liabilities at June 30, 2008 by \$442,338,940 (net assets). Of this amount, \$40,306,909 is considered unrestricted and may be used to meet the District's on-going obligations.

The District's total net assets increased \$19,174,116 in fiscal year 2008, which represents a 4.5% increase from the fiscal year 2007 balance. The increase in fiscal year 2008 is attributable to an overall increase of 7% in revenues offset by a 3.5% increase in program expenses. Increased revenues were recognized for property taxes grants and entitlements and other revenues. Increased interest expense on debt and increased depreciation expense on the District's capital assets are the primary causes for the overall increases in program expenses during fiscal year 2008.

Among major funds, the general fund had \$380,576,086 in revenue, \$229,486,688 in expenditures and (\$138,173,617) in net other financing uses, resulting in the general fund balance increasing by \$12,915,781 to \$41,713,876.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008*

*Unaudited*

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These statements are as follows:

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

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

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

## **Government-wide Statements**

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

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

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

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

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

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

## **Fund Financial Statements**

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

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008*

*Unaudited*

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

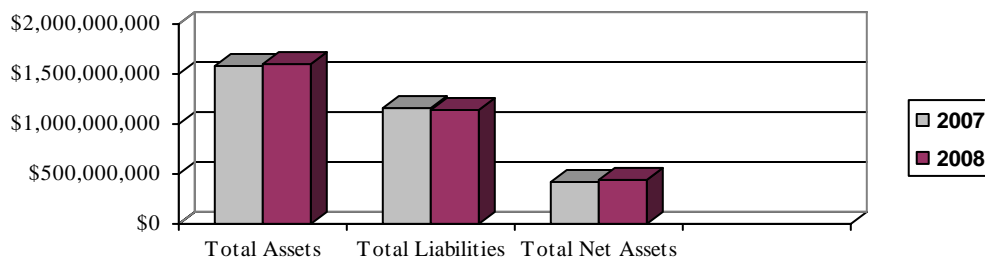
**Fiduciary Funds** – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries.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

## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District's net assets for 2008 compared to 2007:

	Governmental Activities		Increase (Decrease)
	2008	2007	
Current and other assets	\$1,007,314,815	\$1,108,045,580	(\$100,730,765)
Capital assets, Net	581,481,677	470,028,728	111,452,949
Total assets	1,588,796,492	1,578,074,308	10,722,184
Long-term debt outstanding	828,296,502	851,711,196	(23,414,694)
Other liabilities	318,161,050	303,198,288	14,962,762
Total liabilities	1,146,457,552	1,154,909,484	(8,451,932)
Net assets			
Invested in capital assets, net of related debt	273,865,981	218,829,785	55,036,196
Restricted	128,166,050	151,743,480	(23,577,430)
Unrestricted	40,306,909	52,591,559	(12,284,650)
Total net assets	\$442,338,940	\$423,164,824	\$19,174,116

**Cincinnati City Schools Governmental Activities**



## CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008*

*Unaudited*

*Changes in Net Assets* – The following table shows the net assets for the fiscal year 2008 compared to 2007:

	Governmental Activities		Increase (Decrease)
	2008	2007	
Revenues			
Program revenues:			
Charges for Services	\$14,586,414	\$15,391,801	(\$805,387)
Operating Grants	127,168,655	109,768,466	17,400,189
Capital Grants	719,912	81,068,698	(80,348,786)
General revenues:			
Property Taxes	233,410,409	214,930,624	18,479,785
Revenue in Lieu of Taxes	10,948,197	11,299,519	(351,322)
Grants and Entitlements	150,048,088	157,791,118	(7,743,030)
Other	42,916,205	33,220,283	9,695,922
Total revenues	<u>579,797,880</u>	<u>623,470,509</u>	<u>(43,672,629)</u>
Program Expenses			
Instruction:			
Regular	175,998,596	182,146,228	(6,147,632)
Special	72,421,383	69,266,976	3,154,407
Vocational	7,216,845	6,693,031	523,814
Other	40,553,924	32,417,953	8,135,971
Support Services:			
Pupils	23,484,223	27,257,081	(3,772,858)
Instructional Staff	44,812,063	42,835,422	1,976,641
Board of Education	403,963	347,852	56,111
Administration	33,167,537	34,880,780	(1,713,243)
Fiscal Services	2,905,859	3,306,297	(400,438)
Business	1,217,184	1,071,616	145,568
Operation and Maintenance of Plant	40,791,667	41,057,796	(266,129)
Pupil Transportation	23,321,223	22,799,539	521,684
Central	19,888,633	15,159,365	4,729,268
Non-Instructional Services	32,584,206	30,191,515	2,392,691
Extracurricular Activities	5,066,751	5,323,580	(256,829)
Interest and Fiscal Charges	36,789,707	27,316,555	9,473,152
Total expenses	<u>560,623,764</u>	<u>542,071,586</u>	<u>18,552,178</u>
Total Change in Net Assets	19,174,116	81,398,923	(62,224,807)
Beginning Net Assets	<u>423,164,824</u>	<u>341,765,901</u>	<u>81,398,923</u>
Ending Net Assets	<u><u>\$442,338,940</u></u>	<u><u>\$423,164,824</u></u>	<u><u>\$19,174,116</u></u>



# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Management's Discussion and Analysis For the Fiscal Year Ended June, 30, 2008

Unaudited

The most significant reasons for the \$19.2 million increase in Net Assets from FY 2007 to FY 2008 are as follows:

The District's total net assets increased \$19,174,116 in fiscal year 2008, representing a 4.5% increase from the ending fiscal year 2007 net asset balance. In comparison, total net assets increased in fiscal year 2007 by \$81,398,923. FY 2007 results include the recognition of \$81,068,698 in OCSF capital grant revenues which are recognized in the year the grant was awarded. Without the effects of the OCSF grant, the 2007 increase in net asset balances that is comparable to the FY 2008 increase would have been \$330,225.

The majority of the increase in fiscal year 2008 net assets is attributable to an overall 7% increase in non-OCSF revenues with only a 3.5% increase in program expenses.

Property taxes revenues increased \$18.4 million. Fiscal year 2008 saw increases in the amounts that the County collected, reported as available to the District as advances and year-end receivables when compared to amounts for fiscal year 2007. These factors resulted in a high level of property taxes to be recognized as revenues during 2008 when compared to 2007.

In addition, increases in grants and entitlements recognized as program and general revenues of \$9.6 million and other general revenues of \$9.7 million also contributed to the overall 7% increase in revenues.

Total expenses increased by 3.5% largely due to increased interest expense on debt of \$9.5 million and an increase in depreciation expense on the District's capital assets of \$2.6 million as seven new schools became operational in 2008.

### Governmental Activities

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

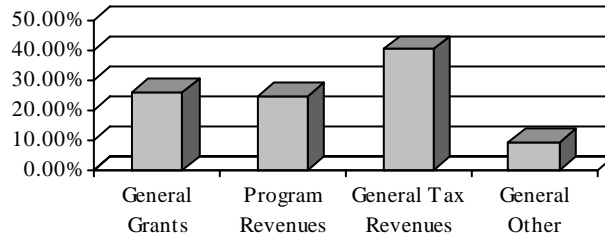
Property taxes made up 40.3% of revenues for governmental activities for the Cincinnati City School District in fiscal year 2008. The District's reliance upon tax revenues is demonstrated by the following table and graph:

Revenue Sources	2008	Percent of Total
General Grants	\$150,048,088	25.88%
Program Revenues	142,474,981	24.57%
General Tax Revenues	233,410,409	40.26%
General Other	53,864,402	9.29%
Total Revenue	<u>\$579,797,880</u>	<u>100.00%</u>

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008*

*Unaudited*



## FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$523,296,031, which is less than last year's total of \$610,292,712. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2008 and 2007.

	Fund Balance June 30, 2008	Fund Balance June 30, 2007	Increase (Decrease)
General	\$41,713,876	\$28,798,095	\$12,915,781
Schoolwide Building Program	(9,259,870)	0	(9,259,870)
Building Capital Projects Classroom Facilities	359,146,867	383,198,231	(24,051,364)
Capital Projects	94,474,011	161,692,532	(67,218,521)
Other Governmental	37,221,147	36,603,854	617,293
<b>Total</b>	<b>\$523,296,031</b>	<b>\$610,292,712</b>	<b>(\$86,996,681)</b>

The increase in the District's General Fund is largely due to recognizing increased property taxes revenues and the establishment of the Schoolwide Building Project Fund. Approximately \$136 million of expenditures that normally would have been reported within the General Fund were reported in the Schoolwide Building Project Fund during fiscal year 2008. During 2008, the General Fund transferred \$126.9 million to provide funding for the Schoolwide Building Project Fund

The Schoolwide Building Project Fund was established during 2008 to pool Federal state and local funds in order to upgrade the overall instructional program of a school building where at least 40 percent of the children are from low-income families. The Fund maintains a negative fund balance at year end that arises from the recognition of expenditures on the modified accrual basis of accounting. Funds are transferred when cash is required rather when accrual occur.

The decreases in the Building Capital Projects Fund balance and in the Classroom Facilities Capital Projects Fund are due to the continued payments made to vendors during fiscal year 2008. The FMP program activity increased as seven new schools became operational in 2008.

## CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008**

**Unaudited**

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

	2008 Revenues	2007 Revenues	Increase (Decrease)
Taxes	\$212,873,538	\$173,439,635	\$39,433,903
Tuition	1,561,674	1,721,249	(159,575)
In Lieu of Taxes	5,949,847	6,299,537	(349,690)
Investment Earnings	4,019,795	4,599,808	(580,013)
Intergovernmental - State	153,637,758	153,808,416	(170,658)
Intergovernmental - Federal	1,932,309	386,414	1,545,895
All Other Revenue	601,165	2,670,347	(2,069,182)
<b>Total</b>	<b>\$380,576,086</b>	<b>\$342,925,406</b>	<b>\$37,650,680</b>

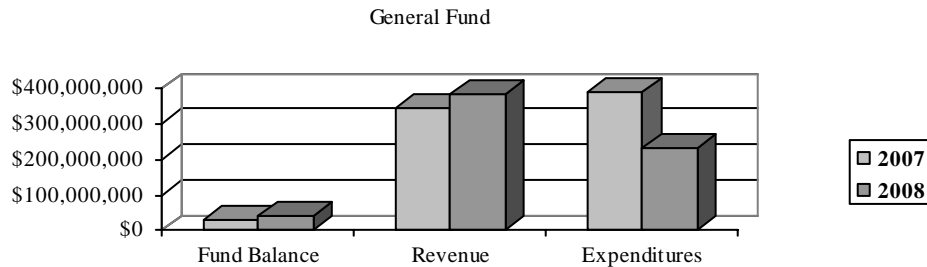
General Fund revenues in 2008 increased from 2007 primarily due to recognizing increased property taxes revenues as a result in timing differences in the collection of those taxes by Hamilton County, the amounts reported by the County as available to the District for advances and reductions in amounts reported by the County at outstanding at year end.

	2008 Expenditures	2007 Expenditures	Increase (Decrease)
<b>Instruction:</b>			
Regular	\$74,697,670	\$176,369,434	(\$101,671,764)
Special	31,093,339	51,638,246	(20,544,907)
Vocational	5,574,640	5,136,694	437,946
Other	441,675	515,898	(74,223)
<b>Supporting Services:</b>			
Pupils	12,163,533	15,650,624	(3,487,091)
Instructional Staff	11,572,925	25,690,352	(14,117,427)
Board of Education	398,416	348,361	50,055
Administration	15,852,466	30,486,113	(14,633,647)
Fiscal Services	2,023,194	2,254,959	(231,765)
Business	876,504	605,988	270,516
Operation and Maintenance of Plant	32,804,812	37,691,645	(4,886,833)
Pupil Transportation	21,959,056	22,384,843	(425,787)
Central	14,658,469	11,000,045	3,658,424
Non-Instructional Services	0	55,924	(55,924)
Extracurricular Activities	3,336,054	4,510,881	(1,174,827)
Capital Outlay	592,227	1,663,056	(1,070,829)
<b>Debt Service:</b>			
Interest & Fiscal Charges	1,441,708	1,852,083	(410,375)
<b>Total</b>	<b>\$229,486,688</b>	<b>\$387,855,146</b>	<b>(\$158,368,458)</b>

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008*

*Unaudited*



The \$158.4 million decrease in total expenditures is a result of the establishment of the Schoolwide Building Project Fund. As stated above, approximately \$136 million of expenditures that normally would have been reported within the General Fund were reported in the Schoolwide Building Project Fund during fiscal year 2008. During 2008, the General Fund transferred \$126.9 million to provide funding for the Schoolwide Building Project.

If transfers are considered as part of General fund expenditures the General Fund saw a net decrease of approximately \$31.5 million from FY 2007 levels. This decrease is a result of continuing to reduce expenditures as a result of a reduced work force and the continued enactment of the Fiscal Accountability Plan.

During the course of fiscal year 2008 the District amended its General Fund budget for revenues and expenditures several times.

The General Fund's final budgeted revenues were decreased 9.2% or \$39.3 million compared to the original budget estimates while appropriations were decreased by 11.1% or \$31.8 million. Both of these decreases were primarily a result of revisions resulting from the fund restructuring required with the establishment of the Schoolwide Building Project Fund. The District also made revisions to appropriated amounts as a result of its continued conservative spending levels determined by the Fiscal Accountability Plan.

Actual final budget basis revenues were 1.8% below, or \$6.9 million, final budgeted amounts primarily as a result of lower property tax receipts collected by Hamilton County. Actual final budget basis expenditures were in line with final appropriated amounts and varied by only 0.2% or \$0.6 million.

## CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008*

*Unaudited*

### CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets** - At the end of fiscal 2008 the District had \$581,481,677 net of accumulated depreciation invested in land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and construction in progress. The following table shows fiscal year 2008 balances:

	Governmental Activities		Increase (Decrease)
	2008	2007	
Land	\$35,594,698	\$34,791,207	\$803,491
Construction in Progress	178,386,451	189,671,655	(11,285,204)
Land Improvements	9,367,759	9,723,349	(355,590)
Buildings and Improvements	461,124,402	337,388,546	123,735,856
Furniture, Fixtures and Equipment	5,030,308	4,927,076	103,232
Vehicles	629,654	660,853	(31,199)
Less: Accumulated Depreciation	(108,651,595)	(107,133,958)	(1,517,637)
Totals	\$581,481,677	\$470,028,728	\$111,452,949

For financial reporting purposes the District capitalizes all assets in excess of \$25,000 unless they are purchased with Federal funding, in which case the threshold is \$5,000. The \$123,735,856, net increase in Buildings and Improvements during 2008 was a result of completing construction of seven building projects as part of the District's ten year, \$985 million Facilities Master Plan and reclassified from construction in progress to other asset classifications as well as for those schools where construction continued during 2008 and remained classified as construction in progress. The increase in capital asset balances, coupled with changes in debt balances, contributed to a net increase in Government Activities Investment in Capital Assets, Net of Related Debt in the amount of \$55,036,196. The net decrease in the balance of the Restricted for Capital Projects in the amount of \$8,288,072 was the result of the continuing activity within the District's capital facility plans. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 9).

**Debt** - At June 30, 2008, the District had \$651,203,169 in General Obligation Bonds outstanding, \$22,342,876 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2008:

	2008	2007
Governmental Activities:		
General Obligation Bonds	\$651,203,169	\$673,331,045
Capital Leases	125,367,234	126,617,792
Compensated Absences	51,726,099	51,762,359
Totals	\$828,296,502	\$851,711,196

Under current state statutes, the District's debt issue is subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2008, the District's outstanding debt was below the legal limit. Detailed information regarding debt is included in the notes to the basic financial statements (Notes 12-14).

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2008*

*Unaudited*

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## **ECONOMIC FACTORS**

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

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

The Ohio Bureau of Employment Services estimated total employment in Hamilton County at 412,400 at June 30, 2008. This 95.0% employment rate is slightly above the State of Ohio employment rate of 93.7% at June 30, 2008 and trails the national rate of 94.5% at this date. All of these factors were considered in preparing the District's budget for the 2008 fiscal year.

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

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



# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Statement of Net Assets June 30, 2008

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in Pooled Cash and Investments	\$ 552,305,266
Investments	236,876
Receivables:	
Taxes	307,310,550
Accounts	207,996
Intergovernmental - State and Local	105,619,784
Intergovernmental - Federal	14,610,873
Interest	4,417,873
Inventory of Supplies at Cost	375,907
Inventory Held for Resale	328,665
Restricted Assets:	
Pooled Cash and Investments	16,014,885
Non-Depreciable Capital Assets	213,981,149
Depreciable Capital Assets, Net	367,500,528
Unamortized Bond Issuance Costs	5,886,140
<b>Total Assets</b>	<b><u>1,588,796,492</u></b>
<b>Liabilities:</b>	
Accounts Payable	17,237,216
Accrued Wages and Benefits	27,803,045
Intergovernmental Payable	9,287,577
Claims Payable	4,959,468
Unearned Revenue - Taxes	228,096,391
Accrued Interest Payable	3,322,353
Tax Anticipation Notes Payable	27,455,000
Long Term Liabilities:	
Due Within One Year	30,404,108
Due in More Than One Year	797,892,394
<b>Total Liabilities</b>	<b><u>1,146,457,552</u></b>
<b>Net Assets:</b>	
Invested in Capital Assets, Net of Related Debt	273,865,981
Restricted For:	
Capital Projects	105,140,366
Debt Service	21,760,253
Permanent Fund:	
Expendable	497,397
Nonexpendable	768,034
Unrestricted	40,306,909
<b>Total Net Assets</b>	<b><u>\$ 442,338,940</u></b>

See accompanying notes to the basic financial statements



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Statement of Activities  
For the Fiscal Year Ended June 30, 2008**

		Program Revenues			Net (Expense)
		Charges for	Operating Grants	Capital Grants	Revenue and
		Services and	and	and	Changes in
	Expenses	Sales	Contributions	Contributions	Net Assets
					Governmental
					Activities
<b>Governmental Activities:</b>					
Instruction:					
Instruction - Regular	\$ 175,998,596	\$ 4,295,206	\$ 39,255,295	\$ 0	\$ (132,448,095)
Instruction - Special	72,421,383	62,824	15,568,020	0	(56,790,539)
Instruction - Vocational	7,216,845	30,517	1,170,006	0	(6,016,322)
Instruction - Other	40,553,924	12,374	701,513	0	(39,840,037)
Support Services:					
Pupils	23,484,223	311,009	6,551,984	0	(16,621,230)
Instructional Staff	44,812,063	5,536,784	22,141,466	0	(17,133,813)
Board of Education	403,963	0	0	0	(403,963)
Administration	33,167,537	1,119,927	4,036,077	0	(28,011,533)
Fiscal Services	2,905,859	67	886,924	0	(2,018,868)
Business	1,217,184	2,647	0	0	(1,214,537)
Operation and Maintenance of Plant	40,791,667	189,017	2,954,504	719,912	(36,928,234)
Pupil Transportation	23,321,223	7,617	1,547,554	0	(21,766,052)
Central	19,888,633	5,561	4,565,417	0	(15,317,655)
Operation of Non-Instructional Services	32,584,206	2,262,012	27,789,895	0	(2,532,299)
Extracurricular Activities	5,066,751	750,852	0	0	(4,315,899)
Interest and Fiscal Charges	36,789,707	0	0	0	(36,789,707)
<b>Total Governmental Activities</b>	<b>\$ 560,623,764</b>	<b>\$ 14,586,414</b>	<b>\$ 127,168,655</b>	<b>\$ 719,912</b>	<b>(418,148,783)</b>

**General Revenues**

Property Taxes Levied for:	
General Purposes	200,054,022
Debt Service	33,356,387
Revenue in Lieu of Taxes	10,948,197
Grants and Entitlements not Restricted to Specific Programs	150,048,088
Investment Earnings	30,097,980
Miscellaneous	12,818,225
<b>Total General Revenues</b>	<b>437,322,899</b>
Change in Net Assets	19,174,116
Net Assets Beginning of Year	423,164,824
Net Assets End of Year	<b>\$ 442,338,940</b>

See accompanying notes to the basic financial statements

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2008**

	General	Schoolwide Building Program	Building
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$ 52,791,825	\$ 6,708,560	\$ 357,335,699
Investments	0	0	0
Receivables:			
Taxes	273,660,648	0	0
Accounts	159,911	299	5,902
Intergovernmental - State and Local	0	0	0
Intergovernmental - Federal	0	0	0
Interest	284,669	0	2,795,541
Interfund Loans Receivable	0	0	2,548,193
Advances to Other Funds	564,733	0	211,547
Inventory of Supplies at Cost	0	0	0
Inventory Held for Resale	0	0	0
Restricted Assets:			
Pooled Cash and Investments	1,420,826	0	0
<b>Total Assets</b>	<b>\$ 328,882,612</b>	<b>\$ 6,708,859</b>	<b>\$ 362,896,882</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 3,703,486	\$ 124,548	\$ 2,612,035
Accrued Wages and Benefits	9,730,269	11,404,649	100,685
Intergovernmental Payable	3,255,311	3,815,484	33,685
Claims Payable	532,428	624,048	5,509
Interfund Loans Payable	974,057	0	0
Advances from Other Funds	589,732	0	0
Deferred Revenue - Taxes	240,183,243	0	0
Deferred Revenue	83,053	0	998,101
Compensated Absences Payable	204,574	0	0
Accrued Interest Payable	457,583	0	0
Tax Anticipation Notes Payable	27,455,000	0	0
<b>Total Liabilities</b>	<b>287,168,736</b>	<b>15,968,729</b>	<b>3,750,015</b>
<b>Fund Balances:</b>			
Reserved for Encumbrances	8,712,381	569,172	30,247,087
Reserved for Debt Service	0	0	0
Reserved for Property Taxes	33,477,405	0	0
Reserved for Budget Stabilization	1,420,826	0	0
Reserved for Endowments	0	0	0
Reserved for Advances	564,733	0	211,547
Unreserved, Undesignated in:			
General Fund	(2,461,469)	0	0
Special Revenue Funds	0	(9,829,042)	0
Capital Projects Funds	0	0	328,688,233
Permanent Fund	0	0	0
<b>Total Fund Balances</b>	<b>41,713,876</b>	<b>(9,259,870)</b>	<b>359,146,867</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 328,882,612</b>	<b>\$ 6,708,859</b>	<b>\$ 362,896,882</b>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Classroom Facilities	Other Governmental Funds	Total Governmental Funds
\$ 100,658,658	\$ 30,810,522	\$ 548,305,264
0	236,876	236,876
0	33,649,902	307,310,550
0	41,884	207,996
105,504,308	115,476	105,619,784
0	14,610,873	14,610,873
1,337,663	0	4,417,873
0	238,654	2,786,847
0	527,850	1,304,130
0	375,907	375,907
0	328,665	328,665
0	14,594,059	16,014,885
<u>\$ 207,500,629</u>	<u>\$ 95,530,668</u>	<u>\$ 1,001,519,650</u>
\$ 7,003,468	\$ 3,793,679	\$ 17,237,216
0	6,567,442	27,803,045
0	2,183,097	9,287,577
0	358,483	1,520,468
0	1,812,790	2,786,847
0	714,398	1,304,130
0	30,428,955	270,612,198
106,023,150	12,450,677	119,554,981
0	0	204,574
0	0	457,583
0	0	27,455,000
<u>113,026,618</u>	<u>58,309,521</u>	<u>478,223,619</u>
50,899,184	4,575,565	95,003,389
0	24,770,281	24,770,281
0	3,220,947	36,698,352
0	0	1,420,826
0	768,034	768,034
0	527,850	1,304,130
0	0	(2,461,469)
0	3,312,222	(6,516,820)
43,574,827	(451,149)	371,811,911
0	497,397	497,397
<u>94,474,011</u>	<u>37,221,147</u>	<u>523,296,031</u>
<u>\$ 207,500,629</u>	<u>\$ 95,530,668</u>	<u>\$ 1,001,519,650</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Reconciliation Of Total Governmental Fund Balances  
To Net Assets Of Governmental Activities  
June 30, 2008***

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**Total Governmental Fund Balances** \$ 523,296,031

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

Capital Assets used in governmental activities are not  
resources and therefore are not reported in the funds. 581,481,677

Other long-term assets are not available to pay for current-  
period expenditures and therefore are deferred in the funds.

Taxes Receivable - accrual basis	42,515,807	
Interest Receivable - accrual basis	1,599,997	
Grants Receivable - accrual basis	<u>117,954,984</u>	
Total		162,070,788

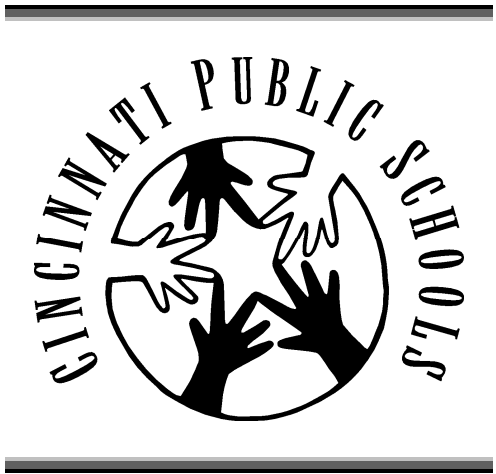
Internal service funds are used by management to charge  
the costs of insurance to individual funds. The assets  
and liabilities of the internal service funds are included in  
governmental activities in the statement of net assets. 561,002

Long-term liabilities, including bonds payable, are not due  
and payable in the current period and therefore are not  
reported in the funds.

Amounts Due Within One Year	(30,404,108)	
Amounts Due in More Than One Year	(797,892,394)	
Compensated Absences - accrued on fund basis	204,574	
Accrued Interest on Long-Term Debt	(2,864,770)	
Bond Issuance Costs	<u>5,886,140</u>	
Total		<u>(825,070,558)</u>

***Net Assets of Governmental Activities*** \$ 442,338,940

See accompanying notes to the basic financial statements



## CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	General	Schoolwide Building Program	Building
<b>Revenues:</b>			
Taxes	\$ 212,873,538	\$ 0	\$ 0
Tuition	1,561,674	0	0
In Lieu of Taxes	5,949,847	0	0
Investment Earnings	4,019,795	0	18,319,419
Food Services	0	0	0
Intergovernmental - State	153,637,758	0	0
Intergovernmental - Federal	1,932,309	0	0
All Other Revenue	601,165	0	18,355
<b>Total Revenue</b>	<b>380,576,086</b>	<b>0</b>	<b>18,337,774</b>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	74,697,670	91,983,570	53,092
Special	31,093,339	29,223,974	0
Vocational	5,574,640	0	0
Other	441,675	0	0
Supporting Services:			
Pupils	12,163,533	5,256,833	0
Instructional Staff	11,572,925	9,939,236	0
Board of Education	398,416	0	0
Administration	15,852,466	12,494,617	0
Fiscal Services	2,023,194	0	42,191
Business	876,504	0	247,548
Operation & Maintenance of Plant	32,804,812	4,028,145	390,461
Pupil Transportation	21,959,056	5,350	69,077
Central	14,658,469	1,710	153,035
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	3,336,054	834,570	0
Capital Outlay	592,227	0	41,433,734
Debt Service:			
Principal Retirement	0	0	0
Interest & Fiscal Charges	1,441,708	0	0
<b>Total Expenditures</b>	<b>229,486,688</b>	<b>153,768,005</b>	<b>42,389,138</b>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Classroom Facilities	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 35,686,852	\$ 248,560,390
0	874,949	2,436,623
0	5,000,000	10,949,847
8,196,383	763,445	31,299,042
0	2,183,555	2,183,555
10,308,808	54,749,914	218,696,480
0	67,156,619	69,088,928
157,797	22,044,181	22,821,498
<u>18,662,988</u>	<u>188,459,515</u>	<u>606,036,363</u>
0	4,662,708	171,397,040
0	10,725,553	71,042,866
0	1,060,844	6,635,484
0	38,306,577	38,748,252
0	5,604,828	23,025,194
0	22,639,318	44,151,479
0	0	398,416
0	4,357,708	32,704,791
0	787,754	2,853,139
0	74,294	1,198,346
0	2,607,361	39,830,779
0	1,010,139	23,043,622
0	4,012,962	18,826,176
0	25,947,645	25,947,645
0	803,008	4,973,632
85,881,509	904,278	128,811,748
0	19,685,000	19,685,000
0	38,317,727	39,759,435
<u>85,881,509</u>	<u>181,507,704</u>	<u>693,033,044</u>

(Continued)

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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

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	General	Schoolwide Building Program	Building
Excess (Deficiency) of Revenues Over Expenditures	151,089,398	(153,768,005)	(24,051,364)
<b>Other Financing Sources (Uses):</b>			
Transfers In	0	144,508,135	0
Transfers Out	(138,173,617)	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>(138,173,617)</u>	<u>144,508,135</u>	<u>0</u>
Net Change in Fund Balance	12,915,781	(9,259,870)	(24,051,364)
<b>Fund Balances at Beginning of Year</b>	<u>28,798,095</u>	<u>0</u>	<u>383,198,231</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 41,713,876</u></u>	<u><u>\$ (9,259,870)</u></u>	<u><u>\$ 359,146,867</u></u>

See accompanying notes to the basic financial statements



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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<u>Classroom Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
(67,218,521)	6,951,811	(86,996,681)
0	11,267,047	155,775,182
<u>0</u>	<u>(17,601,565)</u>	<u>(155,775,182)</u>
<u>0</u>	<u>(6,334,518)</u>	<u>0</u>
(67,218,521)	617,293	(86,996,681)
<u>161,692,532</u>	<u>36,603,854</u>	<u>610,292,712</u>
<u><u>\$ 94,474,011</u></u>	<u><u>\$ 37,221,147</u></u>	<u><u>\$ 523,296,031</u></u>

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

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### ***Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For The Fiscal Year Ended June 30, 2008***

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**Net Change in Fund Balances - Total Governmental Funds** \$ (86,996,681)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 113,818,536

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received. (2,365,587)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (26,238,483)

The repayment of principal of long-term debt consumes current financial resources of governmental funds, however it does not effect net assets. 19,685,000

In the statement of activities, interest is accrued on outstanding bonds and long-term notes payable, whereas in governmental funds, an interest expenditure is reported when due. 2,969,728

Some expenses reported in the statement of activities, long-term compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (1,277,397)

The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. (421,000)

***Change in Net Assets of Governmental Activities*** \$ 19,174,116

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended June 30, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 217,189,874	\$ 221,288,118	\$ 212,587,753	\$ (8,700,365)
Tuition	1,966,844	1,553,119	1,577,293	24,174
In Lieu of Taxes	7,414,865	5,883,127	5,946,285	63,158
Investment Earnings	5,403,168	4,287,000	4,333,023	46,023
Intergovernmental - State	191,582,338	152,005,901	153,637,758	1,631,857
Intergovernmental - Federal	2,660,344	2,110,779	2,133,439	22,660
All Other Revenues	726,672	557,656	582,748	25,092
<b>Total Revenues</b>	<u>426,944,105</u>	<u>387,685,700</u>	<u>380,798,299</u>	<u>(6,887,401)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	100,683,225	89,513,497	89,289,728	223,769
Special	38,645,690	34,351,796	34,271,313	80,483
Vocational	6,631,240	5,894,448	5,880,638	13,810
Other	437,748	389,110	388,199	911
Support Services:				
Pupils	14,710,401	13,075,939	13,045,303	30,636
Instructional Staff	14,919,028	13,261,385	13,230,316	31,069
Board of Education	462,277	410,914	409,951	963
Administration	20,039,208	17,812,666	17,770,933	41,733
Fiscal Services	2,430,428	2,160,385	2,155,324	5,061
Business	879,885	782,121	780,289	1,832
Operation and Maintenance of Plant	38,963,465	34,634,263	34,553,119	81,144
Pupil Transportation	26,147,963	23,242,682	23,188,227	54,455
Central	16,310,302	14,498,077	14,464,109	33,968
Extracurricular Activities	4,009,837	3,564,307	3,555,956	8,351
Capital Outlay	747,221	664,198	662,642	1,556
<b>Total Expenditures</b>	<u>286,017,918</u>	<u>254,255,788</u>	<u>253,646,047</u>	<u>609,741</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	140,926,187	133,429,912	127,152,252	(6,277,660)
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(148,028,242)	(148,028,242)	(148,028,242)	0
Advances In	32,633,866	32,633,866	32,633,866	0
Advances Out	(24,538,529)	(24,538,529)	(24,538,529)	0
Refund of Prior Year's Receipts	(11,052)	(9,350)	(9,321)	29
<b>Total Other Financing Sources (Uses):</b>	<u>(139,943,957)</u>	<u>(139,942,255)</u>	<u>(139,942,226)</u>	<u>29</u>
Net Change in Fund Balance	982,230	(6,512,343)	(12,789,974)	(6,277,631)
Fund Balance at Beginning of Year	49,411,839	49,411,839	49,411,839	0
Prior Year Encumbrances	5,649,641	5,649,641	5,649,641	0
<b>Fund Balance at End of Year</b>	<u>\$ 56,043,710</u>	<u>\$ 48,549,137</u>	<u>\$ 42,271,506</u>	<u>\$ (6,277,631)</u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Special Revenue Fund – Schoolwide Building Program Fund  
For the Fiscal Year Ended June 30, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	86,687,978	82,940,385	3,747,593
Special	0	27,407,651	26,222,795	1,184,856
Support Services:				
Pupils	0	4,931,045	4,717,872	213,173
Instructional Staff	0	9,415,154	9,008,129	407,025
Administration	0	11,738,857	11,231,377	507,480
Operation and Maintenance of Plant	0	3,779,448	3,616,059	163,389
Pupil Transportation	0	4,359	4,171	188
Central	0	762	729	33
Extracurricular Activities	<u>0</u>	<u>785,746</u>	<u>751,778</u>	<u>33,968</u>
Total Expenditures	<u>0</u>	<u>144,751,000</u>	<u>138,493,295</u>	<u>6,257,705</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(144,751,000)	(138,493,295)	6,257,705
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>0</u>	<u>144,751,392</u>	<u>144,508,135</u>	<u>(243,257)</u>
Total Other Financing Sources (Uses):	<u>0</u>	<u>144,751,392</u>	<u>144,508,135</u>	<u>(243,257)</u>
Net Change in Fund Balance	0	392	6,014,840	6,014,448
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 392</u></u>	<u><u>\$ 6,014,840</u></u>	<u><u>\$ 6,014,448</u></u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Statement of Net Assets  
Proprietary Fund  
June 30, 2008***

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	Governmental Activities - Internal Service Fund
<b>Assets:</b>	
<i>Current Assets:</i>	
Equity in Pooled Cash and Investments	\$ 4,000,002
<b>Total Assets</b>	<u>4,000,002</u>
<b>Liabilities:</b>	
<i>Current Liabilities:</i>	
Claims Payable	<u>3,439,000</u>
<b>Total Liabilities</b>	<u>3,439,000</u>
<b>Net Assets:</b>	
Unrestricted	<u>561,002</u>
<b>Total Net Assets</b>	<u><u>\$ 561,002</u></u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Fund**  
**For the Fiscal Year Ended June 30, 2008**

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	Governmental Activities - Internal Service Fund
<b>Operating Revenues:</b>	
Interfund Charges	<u>\$ 38,163,554</u>
<b>Total Operating Revenues</b>	<u>38,163,554</u>
<b>Operating Expenses:</b>	
Claims	<u>38,584,554</u>
<b>Total Operating Expenses</b>	<u>38,584,554</u>
Change in Net Assets	(421,000)
Net Assets Beginning of Year	<u>982,002</u>
Net Assets End of Year	<u><u>\$ 561,002</u></u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Statement of Cash Flows***  
***Proprietary Fund***  
***For the Fiscal Year Ended June 30, 2008***

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	Governmental Activities - Internal Service Fund
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$38,163,554
Cash Payments for Claims	<u>(38,163,554)</u>
Net Cash Used by Operating Activities	<u>0</u>
Net Change in Cash and Cash Equivalents	0
Cash and Cash Equivalents at Beginning of Year	<u>4,000,002</u>
Cash and Cash Equivalents at End of Year	<u><u>\$4,000,002</u></u>
<u>Reconciliation of Operating Loss to Net Cash</u>	
<u>Used by Operating Activities:</u>	
Operating Loss	(\$421,000)
Adjustments to Reconcile Operating Loss to	
Net Cash Used by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Claims Payable	<u>421,000</u>
Total Adjustments	<u>421,000</u>
Net Cash Used by Operating Activities	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Statement of Net Assets**  
**Fiduciary Funds**  
**June 30, 2008**

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	Private Purpose Trust <u>Special Trust</u> Fund	<u>Agency</u>
<b>Assets:</b>		
Equity in Pooled Cash and Investments	\$ 819,099	\$ 39,998
Investments	<u>318,757</u>	<u>0</u>
<b>Total Assets</b>	<u>1,137,856</u>	<u>39,998</u>
<b>Liabilities:</b>		
Accounts Payable	729	0
Due to Students	<u>0</u>	<u>39,998</u>
<b>Total Liabilities</b>	<u>729</u>	<u>39,998</u>
<b>Net Assets:</b>		
Unrestricted	<u>1,137,127</u>	<u>0</u>
<b>Total Net Assets</b>	<u>\$ 1,137,127</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Statement of Changes in Net Assets  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2008***

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	<u>Private Purpose Trust Special Trust Fund</u>
<b>Additions:</b>	
Contributions:	
Private Donations	\$ 25,326
Total Contributions	<u>25,326</u>
Investment Earnings:	
Interest	56,292
Net Decrease in the Fair Value of Investments	<u>(198,160)</u>
Total Investment Earnings	<u>(141,868)</u>
Total Additions	<u>(116,542)</u>
<b>Deductions:</b>	
Administrative Expenses	3,333
Community Services	<u>12,492</u>
Total Deductions	<u>15,825</u>
Change in Net Assets	(132,367)
Net Assets at Beginning of Year	<u>1,269,494</u>
Net Assets End of Year	<u>\$ 1,137,127</u>
See accompanying notes to the basic financial statements	

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The District is the third largest in the State of Ohio and includes the cities of Cincinnati and Cheviot, and the villages of Amberley and Golf Manor, most of the city of Silverton, and part of each of the following: the city of Wyoming, the village of Fairfax and the townships of Anderson, Columbia, Delhi, Green and Springfield. The District's total area is approximately 90 square miles. As of June 30, 2008, the District employed 4,686 employees, including 2,636 certified by the Ohio Department of Education serving as classroom teachers, education specialists and administrators.

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

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

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

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

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

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

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

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

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

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

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

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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

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

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

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

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

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

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

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

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

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

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

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

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

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

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

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

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

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

Current property taxes measurable at June 30, 2008, and which are not intended to finance fiscal 2008 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2008 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

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

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

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

**Revenues – Exchange and Non-exchange Transactions** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

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

##### 1. Tax Budget

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

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

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

##### 2. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2008.

##### 3. Appropriations

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

##### 4. Encumbrances

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

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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

**E. Budgetary Process (Continued)**

**5. Lapsing of Appropriations**

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

**6. Budgetary Basis of Accounting**

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

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

Net Change in Fund Balance	
	<u>General Fund</u>
GAAP Basis (as reported)	\$12,915,781
Increase (Decrease):	
Accrued Revenues at June 30, 2008, received during FY 2009	(33,928,943)
Accrued Revenues at June 30, 2007, received during FY 2008	34,291,004
Accrued Expenditures at June 30, 2008, paid during FY 2009	17,883,651
Accrued Expenditures at June 30, 2007, paid during FY 2008	(31,355,937)
Interfund Balances 2008	1,563,789
Interfund Balances 2007	6,531,548
Payment on Tax Anticipation Note	(8,275,000)
Encumbrances Outstanding	(12,415,867)
Budget Basis	<u>(\$12,789,974)</u>



# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

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

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

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 4, "Cash, Cash Equivalents and Investments."

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

#### **G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District records all its investments at fair value. See Note 4, "Cash, Cash Equivalents and Investments."

The District has invested funds in the STAR Ohio during 2008. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2008. See Note 4, "Cash, Cash Equivalents and Investments."

#### **H. Inventory**

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

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

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

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

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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

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

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

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

**2. Depreciation**

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

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

**J. Long-Term Obligations**

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

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

**K. Compensated Absences**

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

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

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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

**K. Compensated Absences (Continued)**

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

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

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

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

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

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

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

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

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

#### **M. Pensions**

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

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

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

#### **O. Restricted Assets**

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

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

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

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

#### **Q. Estimates**

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

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

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

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

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

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008

### NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

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

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

Capital Asset Additions	122,808,876
Depreciation Expense	<u>(8,990,340)</u>
	\$113,818,536

*Governmental revenues not reported in the funds:*

Decrease in Delinquent Tax Revenue	(\$15,149,981)
Decrease in Accounts Receivable	(199,434)
Decrease in Interest Receivable	(1,201,062)
Decrease in Grants Receivable	<u>(9,688,006)</u>
	(\$26,238,483)

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

Bond Principal Payment	\$19,685,000
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*Interest expense not reported in the funds:*

Decrease in accrued interest on long term debt	\$51,675
Amortization of Bond Premium	5,733,055
Amortization of Deferred Loss on Defeasance	(2,039,621)
Amortization of Bond Issuance Costs	<u>(775,381)</u>
	\$2,969,728

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 3 – DEFICIT FUND EQUITIES**

The fund deficits at June 30, 2008 of \$9,259,870 in the Schoolwide Building Program Fund, \$144,000 in the Auxiliary Services Fund, \$566,129 in the Head Start Fund, \$4,368,759 in the Poverty Based Assistance Fund, \$476,002 in the Title VI-B Fund (special revenue funds) and of \$48,295 in the Ohio School Net Fund, \$765,631 in the School Building Assistance Fund and of \$60,380 in the Emergency School Repair Fund (capital projects funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides operating transfers when cash is required, not when accruals occur.

#### **NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

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

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

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

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

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

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

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

#### **A. Deposits**

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

At year end the carrying amount of the District's deposits was \$103,438,536 and the bank balance was \$118,262,810. The Federal Deposit Insurance Corporation (FDIC) covered \$750,000 of the bank balance and \$102,688,536 was insured by collateralized securities held by the pledging institution's trust department in the District's name.



## CINCINNATI CITY SCHOOL DISTRICT, OHIO

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

#### NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

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

The District's investments at June 30, 2008 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years)	
			less than 1	1-3
STAR Ohio	\$1,797,174	AAAm <sup>2</sup>	\$1,797,174	\$0
Farmer Mac	1,063,328	Aaa <sup>1</sup> , AAA <sup>2</sup>	1,063,328	0
Freddie Mac	34,781,840	Aaa <sup>1</sup> , AAA <sup>2</sup>	25,805,060	8,976,780
FNMA	194,019,889	Aaa <sup>1</sup> , AAA <sup>2</sup>	192,958,577	1,061,312
FFCB	7,863,544	Aaa <sup>1</sup> , AAA <sup>2</sup>	4,884,154	2,979,390
FHLB	226,214,937	Aaa <sup>1</sup> , AAA <sup>2</sup>	200,130,803	26,084,134
Common Stock	555,633	N/A	0	0
Total Investments	<u>\$466,296,345</u>		<u>\$426,639,096</u>	<u>\$39,101,616</u>

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

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

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

*Concentration of Credit Risk* – The District places no limit on the amount the District may invest in one issuer. Of the District's total investments, .37% are Star Ohio, .22% are Farmer Mac, 7.5% are Freddie Mac, 41.6% are FNMA, 1.7% are FFCB, 48.5% are FHLB and .11 % are common stock (all donated).

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

*Credit Risk* – The District follows the Ohio Revised Code (ORC) which limits the amount of credit risk it's going to allow any governmental entity to become involved in. It accomplishes this by compiling a specific list of investments, to the exclusion of all other investments, which governmental entities are legally allowed to participate in. The District further minimizes its credit risk by placing most of its available funds in obligations of the US Government or its Agencies; STAR Ohio, which is comprised mostly of US Government and Agency obligations and is specifically authorized and endorsed by the Ohio State Treasurer.

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008

### NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

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

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

	Pooled Cash and Investments *	Investments
Per Combined Balance Sheet	\$569,179,248	\$555,633
U.S. Government Securities	(463,943,538)	463,943,538
STAR Ohio	(1,797,174)	1,797,174
Per GASB Statement No. 3	\$103,438,536	\$466,296,345

\* - Includes restricted pooled cash and investments

### 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 tax distributions occur in the first half of the following fiscal year.

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

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

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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

Tangible personal property tax revenue received during calendar 2008 (other than public utility property) represents the collection of 2008 taxes. Tangible personal property taxes received in calendar year 2008 were levied after April 1, 2007, on the value as of December 31, 2007. Tangible personal property is currently assessed at twenty-five percent of true value for capital assets and twenty-four percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

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

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

The amount available as an advance at June 30, 2008 was \$33,477,405 in the general fund and \$3,220,947 in the debt service fund. The amount available as an advance at June 30, 2007, was \$33,191,620 in the general fund and \$2,725,768 in the debt service fund.

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

#### **NOTE 6 - RECEIVABLES**

Receivables at June 30, 2008 consisted of taxes, accounts receivable, interest receivable and intergovernmental receivables.

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 7 - TRANSFERS**

Following is a summary of transfers in and out for all funds at June 30, 2008:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$138,173,617
Schoolwide Building Program Fund	144,508,135	0
Other Governmental Funds	11,267,047	17,601,565
Total All Funds	<u>\$155,775,182</u>	<u>\$155,775,182</u>

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

The General Fund provided transfers of \$11,267,047 to the Debt Service Fund for the retirement of various debt issues. All of the other transfers were made to cover the expenditures of the Schoolwide Building Program Fund.

**NOTE 8 - INTERFUND RECEIVABLES/PAYABLES**

Interfund loans receivable/payable and advances to/from other funds at June 30, 2008 from one individual fund to another are as follows:

Fund	Receivables	Payables
General Fund	\$564,733	\$1,563,789
Building Capital Projects Fund	2,759,740	0
Other Governmental Funds	766,504	2,527,188
Total	<u>\$4,090,977</u>	<u>\$4,090,977</u>

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

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

**NOTE 9 - CAPITAL ASSETS**

Summary by category of changes in governmental activities capital assets at June 30, 2008:

*Historical Cost:*

Class	June 30, 2007	Additions	Deletions	June 30, 2008
<b>Capital assets not being depreciated:</b>				
Land	\$ 34,791,207	\$ 803,491	\$ 0	\$35,594,698
Construction In Progress	189,671,655	121,862,291	(133,147,495)	178,386,451
<b>Capital assets being depreciated:</b>				
Land Improvements	9,723,349	0	(355,590)	9,367,759
Buildings and Improvements	337,388,546	133,187,357	(9,451,501)	461,124,402
Furniture, Fixtures, and Equipment	4,927,076	103,232	0	5,030,308
Vehicles	660,853	0	(31,199)	629,654
Total Cost	<u>\$ 577,162,686</u>	<u>\$ 255,956,371</u>	<u>(\$142,985,785)</u>	<u>\$ 690,133,272</u>
<b>Accumulated Depreciation:</b>				
Class	June 30, 2007	Additions	Deletions	June 30, 2008
Land Improvements	(\$7,344,606)	(\$172,852)	\$115,567	(\$7,401,891)
Buildings and Improvements	(95,738,944)	(8,263,885)	7,325,937	(96,676,892)
Furniture, Fixtures, and Equipment	(3,541,277)	(508,797)	0	(4,050,074)
Vehicles	(509,131)	(44,806)	31,199	(522,738)
Total Depreciation	<u>(\$107,133,958)</u>	<u>(\$8,990,340) *</u>	<u>\$7,472,703</u>	<u>(\$108,651,595)</u>
<b>Net Value:</b>	<u>\$470,028,728</u>			<u>\$581,481,677</u>

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

Instruction:	
Regular	\$1,545,986
Special	49,343
Vocational	347,272
Support Services:	
Pupils	175,007
Instructional Staff	36,341
Administration	6,992
Fiscal	42,639
Operation and Maintenance of Plant	322,568
Pupil Transportation	7,907
Central	279,011
Extracurricular Activities	8,013
Other Noninstructional Services	6,169,261
Total Depreciation Expense	<u>\$8,990,340</u>

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 10 - DEFINED BENEFIT PENSION PLANS**

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

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

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2008, 9.16 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2008, 2007 and 2006 were \$6,944,237, \$7,510,367 and \$6,233,642 respectively, which were equal to the required contributions for each year.

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

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

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)**

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

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

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

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

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2008, 2007, and 2006 were \$26,253,992, \$26,002,802, and \$27,954,325 respectively; which were equal to the required contributions for each year. Contributions to the DC and Combined Plans for fiscal year 2008 were \$679,363 made by the District and \$322,012 made by the plan members.

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)**

##### **C. Social Security System**

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

#### **NOTE 11 - POSTEMPLOYMENT BENEFITS**

##### **A. School Employee Retirement System**

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

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

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

The District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$3,168,877, \$1,870,560, and \$1,678,516 respectively; which were equal to the required contributions for each year.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2008, this actuarially required allocation was 0.66 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2008, 2007, and 2006 were \$500,349, \$464,124, and \$391,456 respectively; which were equal to the required contributions for each year.



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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

**B. State Teachers Retirement System**

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2008, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District’s contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$2,019,538, \$1,857,343, and \$1,996,738 respectively; which were equal to the required contributions for each year.

**NOTE 12 – TAX ANTICIPATION NOTE PAYABLE**

Note Payable activity of the District for the year ended June 30, 2008, was as follows:

Notes Payable		Balance June 30, 2007	Additions	Deletions	Balance June 30, 2008
Tax Anticipation Note	5.00%	\$35,730,000	\$0	(\$8,275,000)	\$27,455,000
		\$35,730,000	\$0	(\$8,275,000)	\$27,455,000

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

## CINCINNATI CITY SCHOOL DISTRICT, OHIO

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008*

#### NOTE 13- LONG-TERM DEBT AND OTHER OBLIGATIONS

Detail of the changes in the long-term debt of the District for the year ended June 30, 2008 is as follows:

		Balance June 30, 2007	Additions	Deductions	Balance June 30, 2008	Amount Due Within One Year
School Improvement	2.0-5.25%	\$103,190,000	\$0	(\$4,740,000)	\$98,450,000	\$4,955,000
	(Original Issue Amount = \$120,000,000)					
School Improvement	0.970%	5,000,000	0	0	5,000,000	0
	(Original Issue Amount = \$5,000,000)					
School Improvement	3.25-5.375%	68,685,000	0	(7,270,000)	61,415,000	7,590,000
	(Original Issue Amount = \$480,000,000)					
Energy Conservation	2.97-5.0%	11,290,000	0	(2,635,000)	8,655,000	2,755,000
	(Original Issue Amount = \$13,800,000)					
Computer Technology	2.97-5.0%	10,640,000	0	(2,485,000)	8,155,000	2,595,000
	(Original Issue Amount = \$13,000,000)					
School Improvement Refunding	3.0-5.0%	68,765,000	0	0	68,765,000	0
	(Original Issue Amount = \$69,405,000)					
School Improvement Refunding	4.0-5.25%	371,425,000	0	(2,555,000)	368,870,000	2,005,000
	(Original Issue Amount = \$380,945,000)					
Sub-Total General Obligation Bonds		638,995,000	0	(19,685,000)	619,310,000	19,900,000
Premium General Obligation Bond		61,231,040	0	(4,482,497)	56,748,543	4,482,497
Deferred Loss on Refunding		(26,894,995)	0	2,039,621	(24,855,374)	(2,039,621)
Total General Obligation Bonds		673,331,045	0	(22,127,876)	651,203,169	22,342,876
Capital Leases Payable		120,365,000	0	0	120,365,000	0
Premium on Capital Lease		6,252,792	0	(1,250,558)	5,002,234	1,250,558
Total Capital Leases Payable		126,617,792	0	(1,250,558)	125,367,234	1,250,558
Compensated Absences		51,762,359	51,726,099	(51,762,359)	51,726,099	6,810,674
Total Governmental Long-Term Debt		\$851,711,196	\$51,726,099	(\$75,140,793)	\$828,296,502	\$30,404,108

# CINCINNATI CITY SCHOOL DISTRICT, OHIO

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008

### NOTE 13- LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)

#### A. Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements including principal and interest payments as of June 30, 2008 follows:

Years	General Obligation Bonds		
	Principal	Interest	Total
2009	\$19,900,000	\$30,891,549	\$50,791,549
2010	22,235,000	29,960,100	52,195,100
2011	23,410,000	28,870,158	52,280,158
2012	17,870,000	27,878,632	45,748,632
2013	27,430,000	26,800,008	54,230,008
2014-2018	147,210,000	112,940,238	260,150,238
2019-2023	148,830,000	75,396,256	224,226,256
2024-2028	105,885,000	42,431,401	148,316,401
2029-2032	106,540,000	11,544,470	118,084,470
Totals	<u>\$619,310,000</u>	<u>\$386,712,812</u>	<u>\$1,006,022,812</u>

#### B. Defeased Debt

In September 2007, the District partially refunded \$397,305,000 of General Obligation Bonds for School Improvement, dated May 6, 2003, original issue amount \$480,000,000, through the issuance of \$380,945,000 of General Obligation Bonds. The net proceeds of the 2007 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$397,305,000 at June 30, 2008, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 13- LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)**

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

In March 2008, the District refunded \$32,525,000 of General Obligation Bonds for School Improvement Series 2001, original issue amount of \$123,945,000, through the issuance of \$120,365,000 of Certificates of Participation (COPS), recorded as a capital lease. Proceeds in the amount of \$33,432,400 from the 2008 COPS have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$22,660,000, at June 30, 2008, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In July 2005, the District refunded \$70,095,000 of General Obligation Bonds for School Improvement Series 2001, through the issuance of \$69,405,000 of General Obligation Bonds. The net proceeds of the 2007 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$70,095,000, at June 30, 2008, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

#### **NOTE 14 - CAPITAL LEASE COMMITMENT**

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

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 14 - CAPITAL LEASE COMMITMENT (Continued)**

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2008:

<u>Year Ending June 30,</u>	<u>Capital Leases</u>
2009	\$5,992,862
2010	5,992,862
2011	12,481,487
2012	12,480,237
2013	6,192,362
2014-2018	30,933,537
2019-2023	58,035,493
2024-2028	55,373,625
2029-2033	<u>58,533,750</u>
Minimum Lease Payments	246,016,215
Less: Amount representing interest at the District's incremental borrowing rate of interest	<u>(125,651,215)</u>
Present value of minimum lease payments	<u><u>\$120,365,000</u></u>

#### **NOTE 15 - OPERATING LEASE COMMITMENTS**

The District is committed under various leases for furniture and office equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the fiscal year ended June 30, 2008 amounted to \$263,472. Future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Operating Leases</u>
2009	<u>\$24,579</u>
Total Lease Payments	<u><u>\$24,579</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 16 - RISK MANAGEMENT**

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

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

For fiscal year 2008 the District participated in the Ohio Bureau of Workers Compensation Retrospective Rating Program, which requires a minimum 20% annual premium payment plus actual claims from District employees for the prior 10 calendar years. The cost for Workers Compensation claims paid in fiscal year 2008 was \$1,746,563. The premium cost paid in fiscal year 2008 was \$2,608,763. Premium cost is for administrative charges for Ohio Bureau of Workers Compensation. In addition to the claims paid during fiscal year 2008, the Ohio Bureau of Workers Compensation established a reserve of \$1,520,468 for future claim payments.

The District is self insured for employee health care. The District began accounting for the self-insurance in a separate Internal Service Fund in 2001. The Self Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on a rate of 15.91% of gross payroll. Incurred but not reported liabilities (IBNR's) are determined by the Actuarial Firm of Timothy P. Berghoff, FSA, MAAA. For the fiscal year ending June 30, 2008, the IBNR's were determined to be \$3,439,000.

Changes in the fund's claims liability amount in 2008 and 2007 were:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2007	\$3,962,000	\$34,666,151	(\$35,610,151)	\$3,018,000
2008	3,018,000	38,584,554	(38,163,554)	3,439,000

Dental insurance is offered to employees through Dental Care Plus. Total Premiums paid to Dental Care Plus were \$2,146,532. Dental Care Plus does not require an employee payroll deduction.

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008**

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**NOTE 16 - RISK MANAGEMENT (Continued)**

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

**NOTE 17 – STATUTORY RESERVES**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2008, the reserve activity (cash-basis) was as follows:

	Textbook Reserve	Capital Acquisition Reserve	Budget Stabilization Reserve	Total
Set-aside Cash Balance as of June 30, 2007	(\$37,828,543)	\$0	\$1,420,826	(\$36,407,717)
Current Year Set-Aside Requirement	5,560,105	5,560,105	0	11,120,210
Current Year Offset Credits	0	(19,429,150)	0	(19,429,150)
Qualifying Disbursements	(6,193,602)	(325,416)	0	(6,519,018)
Total	<u>(\$38,462,040)</u>	<u>(\$14,194,461)</u>	<u>\$1,420,826</u>	<u>(\$51,235,675)</u>
Balance Carried Forward to FY 2009	<u>(\$38,462,040)</u>	<u>\$0</u>	<u>\$1,420,826</u>	<u>(\$37,041,214)</u>
Amount Designated for Budget Stabilization			<u>\$1,420,826</u>	

Am. Sub. Senate Bill 345 amended ORC Section 5705.29 effectively eliminating the requirement for the District to establish and maintain a budget stabilization reserve. By resolution, the Board can eliminate the reserve in accordance with the Act. As of June 30, 2008, the Board had not acted on the Senate Bill requirements to eliminate the reserve balance. In the General Fund, the \$1,420,826 portion of the non-BWC (Bureau of Workers' Compensation) monies was designated for set-aside. The District is still required by State law to maintain the textbook reserve and the capital acquisition reserve.

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2008***

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#### **NOTE 18 - CONTRACTUAL COMMITMENTS**

As of June 30, 2008, the District had entered into various construction contracts for renovations and improvements which it had a remaining unperformed and unpaid total commitment of approximately \$91 million.

#### **NOTE 19 - CONTINGENCIES**

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

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

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

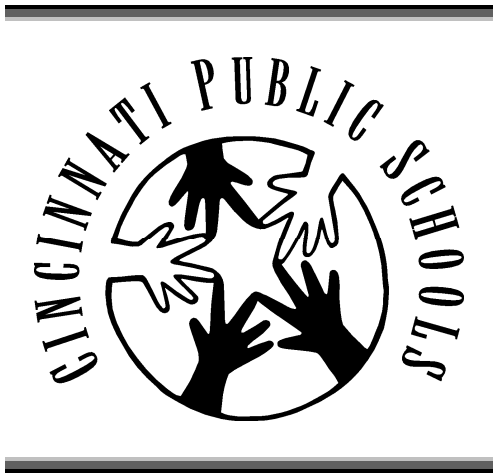
The District is party to legal proceedings. The District's management is of the opinion that the ultimate disposition of claims will not have a material effect, if any, on the financial condition of the District.



*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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



*Nonmajor Governmental Funds*

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*Special Revenue Funds*

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

**Food Service Fund**

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

**Other Grants Fund**

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

**District Managed Student Activity Fund**

Used to account for those student activity programs which have student participation in the activity, but do not have student management of the programs

**Auxiliary Services Fund**

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

**Head Start Fund**

Used to account for monies distributed to Head Start agencies to expand their programs to serve more eligible children.

**Poverty Based Assistance Fund**

Used to account for monies received for disadvantaged pupil aid.

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

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

**Title II A – Economic Opportunity Act Fund**

Used to account for funds provided to political subdivisions on the local level, or through a community action agency, which is the endorsing agency for federal assistance to the community.

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

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

**Other Special Revenue Fund**

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

## *CINCINNATI CITY SCHOOL DISTRICT, OHIO*

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### *Debt Service Fund*

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

#### **Debt Service Fund**

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

### *Capital Projects Funds*

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

#### **Permanent Improvement Fund**

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

#### **Replacement Fund**

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

#### **Energy Conservation Fund**

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

#### **Power Up Fund**

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

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

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

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

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

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

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

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

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

## *CINCINNATI CITY SCHOOL DISTRICT, OHIO*

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### *Permanent Fund*

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

#### **Endowments Fund**

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

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$ 18,930,179	\$ 10,176,222	\$ 669,728	\$ 1,034,393	\$ 30,810,522
Investments	5,838	0	0	231,038	236,876
Receivables:					
Taxes	0	33,649,902	0	0	33,649,902
Accounts	4,904	0	36,980	0	41,884
Intergovernmental - State and Local	115,476	0	0	0	115,476
Intergovernmental - Federal	14,610,873	0	0	0	14,610,873
Interfund Loans Receivable	238,654	0	0	0	238,654
Advances to Other Funds	527,850	0	0	0	527,850
Inventory of Supplies at Cost	375,907	0	0	0	375,907
Inventory Held for Resale	328,665	0	0	0	328,665
Restricted Assets:					
Cash and Cash Equivalents	0	14,594,059	0	0	14,594,059
<b>Total Assets</b>	<b>\$ 35,138,346</b>	<b>\$ 58,420,183</b>	<b>\$ 706,708</b>	<b>\$ 1,265,431</b>	<b>\$ 95,530,668</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 3,788,604	\$ 0	\$ 5,075	\$ 0	\$ 3,793,679
Accrued Wages and Benefits	6,521,719	0	45,723	0	6,567,442
Intergovernmental Payable	2,181,618	0	1,479	0	2,183,097
Claims Payable	356,812	0	1,671	0	358,483
Interfund Loans Payable	986,779	0	826,011	0	1,812,790
Advances from Other Funds	714,398	0	0	0	714,398
Deferred Revenue - Taxes	0	30,428,955	0	0	30,428,955
Deferred Revenue	12,450,677	0	0	0	12,450,677
<b>Total Liabilities</b>	<b>27,000,607</b>	<b>30,428,955</b>	<b>879,959</b>	<b>0</b>	<b>58,309,521</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	4,297,667	0	277,898	0	4,575,565
Reserved for Debt Service	0	24,770,281	0	0	24,770,281
Reserved for Property Taxes	0	3,220,947	0	0	3,220,947
Reserved for Endowments	0	0	0	768,034	768,034
Reserved for Advances	527,850	0	0	0	527,850
Unreserved, Undesignated in:					
Special Revenue Funds	3,312,222	0	0	0	3,312,222
Capital Projects Funds	0	0	(451,149)	0	(451,149)
Permanent Fund	0	0	0	497,397	497,397
<b>Total Fund Balances</b>	<b>8,137,739</b>	<b>27,991,228</b>	<b>(173,251)</b>	<b>1,265,431</b>	<b>37,221,147</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 35,138,346</b>	<b>\$ 58,420,183</b>	<b>\$ 706,708</b>	<b>\$ 1,265,431</b>	<b>\$ 95,530,668</b>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2008**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 0	\$ 35,686,852	\$ 0	\$ 0	\$ 35,686,852
Tuition	874,949	0	0	0	874,949
In Lieu of Taxes	0	5,000,000	0	0	5,000,000
Investment Earnings	156,514	566,473	0	40,458	763,445
Food Services	2,183,555	0	0	0	2,183,555
Intergovernmental - State	49,348,353	4,428,187	973,374	0	54,749,914
Intergovernmental - Federal	67,156,619	0	0	0	67,156,619
All Other Revenue	17,243,813	4,800,368	0	0	22,044,181
<b>Total Revenue</b>	<b>136,963,803</b>	<b>50,481,880</b>	<b>973,374</b>	<b>40,458</b>	<b>188,459,515</b>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	4,642,708	0	0	20,000	4,662,708
Special	10,725,553	0	0	0	10,725,553
Vocational	1,060,844	0	0	0	1,060,844
Other	38,306,577	0	0	0	38,306,577
Supporting Services:					
Pupils	5,604,828	0	0	0	5,604,828
Instructional Staff	22,634,243	0	5,075	0	22,639,318
Administration	3,927,764	429,944	0	0	4,357,708
Fiscal Services	787,754	0	0	0	787,754
Business	74,294	0	0	0	74,294
Operation & Maintenance of Plant	2,605,873	0	1,488	0	2,607,361
Pupil Transportation	1,010,139	0	0	0	1,010,139
Central	4,012,962	0	0	0	4,012,962
Operation of Non-Instructional Services	25,947,645	0	0	0	25,947,645
Extracurricular Activities	803,008	0	0	0	803,008
Capital Outlay	904,278	0	0	0	904,278
Debt Service:					
Principal Retirement	0	19,685,000	0	0	19,685,000
Interest & Fiscal Charges	0	38,317,727	0	0	38,317,727
<b>Total Expenditures</b>	<b>123,048,470</b>	<b>58,432,671</b>	<b>6,563</b>	<b>20,000</b>	<b>181,507,704</b>
Excess (Deficiency) of Revenues Over Expenditures	13,915,333	(7,950,791)	966,811	20,458	6,951,811
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	11,267,047	0	0	11,267,047
Transfers Out	(17,601,565)	0	0	0	(17,601,565)
<b>Total Other Financing Sources (Uses)</b>	<b>(17,601,565)</b>	<b>11,267,047</b>	<b>0</b>	<b>0</b>	<b>(6,334,518)</b>
Net Change in Fund Balance	(3,686,232)	3,316,256	966,811	20,458	617,293
<b>Fund Balances at Beginning of Year</b>	<b>11,823,971</b>	<b>24,674,972</b>	<b>(1,140,062)</b>	<b>1,244,973</b>	<b>36,603,854</b>
<b>Fund Balances End of Year</b>	<b>\$ 8,137,739</b>	<b>\$ 27,991,228</b>	<b>\$ (173,251)</b>	<b>\$ 1,265,431</b>	<b>\$ 37,221,147</b>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2008**

	<u>Food Service</u>	<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$ 1,379,417	\$ 2,910,836	\$ 2,023,831	\$ 850,914
Investments	0	0	5,838	0
Receivables:				
Accounts	0	0	17	761
Intergovernmental - State and Local	0	72,056	0	0
Intergovernmental - Federal	0	0	0	0
Interfund Loans Receivable	0	15,160	0	0
Advances to Other Funds	1	5,198	0	0
Inventory of Supplies at Cost	375,907	0	0	0
Inventory Held for Resale	328,665	0	0	0
<b>Total Assets</b>	<u><u>\$ 2,083,990</u></u>	<u><u>\$ 3,003,250</u></u>	<u><u>\$ 2,029,686</u></u>	<u><u>\$ 851,675</u></u>
<b>Liabilities:</b>				
Accounts Payable	\$ 334,143	\$ 280,108	\$ 250,314	\$ 467,554
Accrued Wages and Benefits	642,277	300,618	4,690	380,142
Intergovernmental Payable	214,877	100,573	1,569	127,178
Claims Payable	35,145	16,449	256	20,801
Interfund Loans Payable	0	0	600	0
Advances from Other Funds	0	0	0	0
Deferred Revenue	328,665	0	0	0
<b>Total Liabilities</b>	<u><u>1,555,107</u></u>	<u><u>697,748</u></u>	<u><u>257,429</u></u>	<u><u>995,675</u></u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	2,934	817,098	138,938	302,331
Reserved for Advances	1	5,198	0	0
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	525,948	1,483,206	1,633,319	(446,331)
<b>Total Fund Balances (Deficit)</b>	<u><u>528,883</u></u>	<u><u>2,305,502</u></u>	<u><u>1,772,257</u></u>	<u><u>(144,000)</u></u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 2,083,990</u></u>	<u><u>\$ 3,003,250</u></u>	<u><u>\$ 2,029,686</u></u>	<u><u>\$ 851,675</u></u>



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

Head Start	Poverty Based Assistance	Title VI-B	Title II-A	Chapter I	Other Special Revenue	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 252,930	\$ 580,971	\$ 488,327	\$ 10,442,953	\$ 18,930,179
0	0	0	0	0	0	5,838
0	0	0	0	0	4,126	4,904
0	0	0	0	0	43,420	115,476
0	0	2,635,838	508,012	7,035,250	4,431,773	14,610,873
0	0	218,838	0	0	4,656	238,654
0	0	0	0	434,748	87,903	527,850
0	0	0	0	0	0	375,907
0	0	0	0	0	0	328,665
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,107,606</u>	<u>\$ 1,088,983</u>	<u>\$ 7,958,325</u>	<u>\$ 15,014,831</u>	<u>\$ 35,138,346</u>
\$ 0	\$ 0	\$ 347,218	\$ 23,445	\$ 1,025,120	\$ 1,060,702	\$ 3,788,604
748	3,144,635	432,285	219,650	751,428	645,246	6,521,719
0	1,052,053	144,619	73,485	251,395	215,869	2,181,618
0	172,071	23,648	12,019	41,117	35,306	356,812
0	0	0	79,862	0	906,317	986,779
565,381	0	0	0	0	149,017	714,398
0	0	2,635,838	390,664	5,461,681	3,633,829	12,450,677
<u>566,129</u>	<u>4,368,759</u>	<u>3,583,608</u>	<u>799,125</u>	<u>7,530,741</u>	<u>6,646,286</u>	<u>27,000,607</u>
0	0	182,324	18,374	972,058	1,863,610	4,297,667
0	0	0	0	434,748	87,903	527,850
<u>(566,129)</u>	<u>(4,368,759)</u>	<u>(658,326)</u>	<u>271,484</u>	<u>(979,222)</u>	<u>6,417,032</u>	<u>3,312,222</u>
<u>(566,129)</u>	<u>(4,368,759)</u>	<u>(476,002)</u>	<u>289,858</u>	<u>427,584</u>	<u>8,368,545</u>	<u>8,137,739</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,107,606</u>	<u>\$ 1,088,983</u>	<u>\$ 7,958,325</u>	<u>\$ 15,014,831</u>	<u>\$ 35,138,346</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008**

	Food Service	Other Grants	District Managed Student Activity	Auxiliary Services
<b>Revenues:</b>				
Tuition	\$ 0	\$ 873,727	\$ 0	\$ 0
Investment Earnings	0	776	68,255	87,483
Food Services	2,183,555	0	0	0
Intergovernmental - State	442,883	0	0	9,628,811
Intergovernmental - Federal	12,841,360	0	0	0
All Other Revenue	0	7,498,067	1,930,189	0
<b>Total Revenue</b>	<u>15,467,798</u>	<u>8,372,570</u>	<u>1,998,444</u>	<u>9,716,294</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	1,343,537	1,213,620	0
Special	0	51,061	18,088	0
Vocational	0	33,944	0	0
Other	0	13,751	0	0
Supporting Services:				
Pupils	0	337,972	8,032	0
Instructional Staff	0	6,091,478	74,646	0
Administration	0	1,247,971	0	0
Fiscal Services	0	67	0	185,759
Business	0	2,950	0	71,344
Operation & Maintenance of Plant	0	13,597	555	0
Pupil Transportation	0	8,487	0	0
Central	0	5,950	0	0
Operation of Non-Instructional Services	14,358,176	86,886	509	8,487,121
Extracurricular Activities	0	61,000	742,008	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	<u>14,358,176</u>	<u>9,298,651</u>	<u>2,057,458</u>	<u>8,744,224</u>
Excess (Deficiency) of Revenues Over Expenditures	1,109,622	(926,081)	(59,014)	972,070
<b>Other Financing Sources (Uses):</b>				
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	1,109,622	(926,081)	(59,014)	972,070
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>(580,739)</u>	<u>3,231,583</u>	<u>1,831,271</u>	<u>(1,116,070)</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 528,883</u>	<u>\$ 2,305,502</u>	<u>\$ 1,772,257</u>	<u>\$ (144,000)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

<u>Head Start</u>	<u>Poverty Based Assistance</u>	<u>Title VI-B</u>	<u>Title II-A</u>	<u>Chapter I</u>	<u>Other Special Revenue</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,222	\$ 874,949
0	0	0	0	0	0	156,514
0	0	0	0	0	0	2,183,555
0	36,984,814	0	0	0	2,291,845	49,348,353
0	0	12,286,165	2,378,100	25,508,355	14,142,639	67,156,619
5	0	0	0	0	7,815,552	17,243,813
<u>5</u>	<u>36,984,814</u>	<u>12,286,165</u>	<u>2,378,100</u>	<u>25,508,355</u>	<u>24,251,258</u>	<u>136,963,803</u>
0	0	1,408	397,972	10,779	1,675,392	4,642,708
0	0	1,469,453	1,422,381	7,146,466	618,104	10,725,553
0	0	0	0	0	1,026,900	1,060,844
0	37,677,116	0	0	0	615,710	38,306,577
0	0	1,159,327	591,351	133,437	3,374,709	5,604,828
0	495,607	2,292,355	321,386	5,898,476	7,460,295	22,634,243
0	0	910,716	93,662	1,160,137	515,278	3,927,764
0	0	132,477	22,146	314,171	133,134	787,754
0	0	0	0	0	0	74,294
0	0	0	3,399	6,143	2,582,179	2,605,873
0	0	0	0	976,219	25,433	1,010,139
0	0	0	0	0	4,007,012	4,012,962
0	0	1,391,269	0	1,530,129	93,555	25,947,645
0	0	0	0	0	0	803,008
0	0	0	0	0	904,278	904,278
<u>0</u>	<u>38,172,723</u>	<u>7,357,005</u>	<u>2,852,297</u>	<u>17,175,957</u>	<u>23,031,979</u>	<u>123,048,470</u>
5	(1,187,909)	4,929,160	(474,197)	8,332,398	1,219,279	13,915,333
0	0	(4,430,886)	0	(10,157,680)	(3,012,999)	(17,601,565)
<u>0</u>	<u>0</u>	<u>(4,430,886)</u>	<u>0</u>	<u>(10,157,680)</u>	<u>(3,012,999)</u>	<u>(17,601,565)</u>
5	(1,187,909)	498,274	(474,197)	(1,825,282)	(1,793,720)	(3,686,232)
(566,134)	(3,180,850)	(974,276)	764,055	2,252,866	10,162,265	11,823,971
<u>\$ (566,129)</u>	<u>\$ (4,368,759)</u>	<u>\$ (476,002)</u>	<u>\$ 289,858</u>	<u>\$ 427,584</u>	<u>\$ 8,368,545</u>	<u>\$ 8,137,739</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2008**

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	<u>Permanent Improvement</u>	<u>Replacement</u>	<u>Energy Conservation</u>	<u>Power Up</u>
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$ 96,969	\$ 1,177	\$ 287,599	\$ 64,415
Receivables:				
Accounts	0	0	0	0
<b>Total Assets</b>	<u>\$ 96,969</u>	<u>\$ 1,177</u>	<u>\$ 287,599</u>	<u>\$ 64,415</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	45,723	0
Intergovernmental Payable	0	0	1,479	0
Claims Payable	0	0	1,671	0
Interfund Loans Payable	0	0	0	0
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>48,873</u>	<u>0</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	0	0	5,000	0
Unreserved, Undesignated in:				
Capital Projects Funds (Deficit)	96,969	1,177	233,726	64,415
<b>Total Fund Balances</b>	<u>96,969</u>	<u>1,177</u>	<u>238,726</u>	<u>64,415</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 96,969</u>	<u>\$ 1,177</u>	<u>\$ 287,599</u>	<u>\$ 64,415</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Interactive Video Distance Learning	Ohio School Net	School Building Assistance	Emergency School Repair	Total Nonmajor Capital Projects Funds
\$ 14,401	\$ 205,167	\$ 0	\$ 0	\$ 669,728
<u>36,980</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>36,980</u>
<u>\$ 51,381</u>	<u>\$ 205,167</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 706,708</u>
\$ 0	\$ 5,075	\$ 0	\$ 0	\$ 5,075
0	0	0	0	45,723
0	0	0	0	1,479
0	0	0	0	1,671
0	0	765,631	60,380	826,011
<u>0</u>	<u>5,075</u>	<u>765,631</u>	<u>60,380</u>	<u>879,959</u>
0	272,898	0	0	277,898
<u>51,381</u>	<u>(72,806)</u>	<u>(765,631)</u>	<u>(60,380)</u>	<u>(451,149)</u>
<u>51,381</u>	<u>200,092</u>	<u>(765,631)</u>	<u>(60,380)</u>	<u>(173,251)</u>
<u>\$ 51,381</u>	<u>\$ 205,167</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 706,708</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008**

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	<u>Permanent Improvement</u>	<u>Replacement</u>	<u>Energy Conservation</u>	<u>Power Up</u>
<b>Revenues:</b>				
Intergovernmental - State	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Revenue</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Supporting Services:				
Instructional Staff	0	0	0	0
Operation & Maintenance of Plant	0	0	1,488	0
<b>Total Expenditures</b>	<u>0</u>	<u>0</u>	<u>1,488</u>	<u>0</u>
Excess (Deficiency) of Revenues				
Over Expenditures	0	0	(1,488)	0
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>96,969</u>	<u>1,177</u>	<u>240,214</u>	<u>64,415</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 96,969</u>	<u>\$ 1,177</u>	<u>\$ 238,726</u>	<u>\$ 64,415</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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Interactive Video Distance Learning	Ohio School Net	School Building Assistance	Emergency School Repair	Total Nonmajor Capital Projects Funds
\$ 0	\$ 253,462	\$ 719,912	\$ 0	\$ 973,374
<u>0</u>	<u>253,462</u>	<u>719,912</u>	<u>0</u>	<u>973,374</u>
0	5,075	0	0	5,075
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,488</u>
<u>0</u>	<u>5,075</u>	<u>0</u>	<u>0</u>	<u>6,563</u>
0	248,387	719,912	0	966,811
<u>51,381</u>	<u>(48,295)</u>	<u>(1,485,543)</u>	<u>(60,380)</u>	<u>(1,140,062)</u>
<u>\$ 51,381</u>	<u>\$ 200,092</u>	<u>\$ (765,631)</u>	<u>\$ (60,380)</u>	<u>\$ (173,251)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Governmental Funds – General Fund  
For the Fiscal Year Ended June 30, 2008***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 459,577,971	\$ 420,319,566	\$ 413,432,165	\$ (6,887,401)
Total Expenditures and Other Financing Uses	458,595,741	426,831,909	426,222,139	609,770
Net Change in Fund Balance	982,230	(6,512,343)	(12,789,974)	(6,277,631)
Fund Balances, Beginning of Year	49,411,839	49,411,839	49,411,839	0
Prior Year Encumbrances	5,649,641	5,649,641	5,649,641	0
Fund Balances, End of Year	<u>\$ 56,043,710</u>	<u>\$ 48,549,137</u>	<u>\$ 42,271,506</u>	<u>\$ (6,277,631)</u>



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Governmental Funds – Special Revenue Fund  
For the Fiscal Year Ended June 30, 2008***

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	<b>SCHOOLWIDE BUILDING PROGRAM FUND</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 144,751,392</u>	<u>\$ 144,508,135</u>	<u>\$ (243,257)</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>144,751,000</u>	<u>138,493,295</u>	<u>6,257,705</u>
Net Change in Fund Balance	0	392	6,014,840	6,014,448
Fund Balances, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 392</u></u>	<u><u>\$ 6,014,840</u></u>	<u><u>\$ 6,014,448</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Governmental Funds – Capital Projects Fund  
For the Fiscal Year Ended June 30, 2008***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 16,901,300	\$ 19,569,366	\$ 2,668,066
Total Expenditures and Other Financing Uses	<u>301,976,227</u>	<u>76,115,535</u>	<u>225,860,692</u>
Net Change in Fund Balance	(285,074,927)	(56,546,169)	228,528,758
Fund Balances, Beginning of Year	362,065,666	362,065,666	0
Prior Year Encumbrances	<u>16,976,227</u>	<u>16,976,227</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 93,966,966</u>	<u>\$ 322,495,724</u>	<u>\$ 228,528,758</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Governmental Funds – Capital Projects Fund  
For the Fiscal Year Ended June 30, 2008***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 19,658,920</u>	<u>\$ 19,658,920</u>
Total Expenditures and Other Financing Uses	<u>169,708,002</u>	<u>147,482,797</u>	<u>22,225,205</u>
Net Change in Fund Balance	(169,708,002)	(127,823,877)	41,884,125
Fund Balances, Beginning of Year	86,701,626	86,701,626	0
Prior Year Encumbrances	<u>83,006,375</u>	<u>83,006,375</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ (1)</u>	<u>\$ 41,884,124</u>	<u>\$ 41,884,125</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 14,414,872	\$ 14,448,964	\$ 34,092
Total Expenditures and Other Financing Uses	14,629,549	13,665,622	963,927
Net Change in Fund Balance	(214,677)	783,342	998,019
Fund Balances, Beginning of Year	29,449	29,449	0
Prior Year Encumbrances	229,549	229,549	0
Fund Balances, End of Year	<u>\$ 44,321</u>	<u>\$ 1,042,340</u>	<u>\$ 998,019</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 8,925,300	\$ 8,990,665	\$ 65,365
Total Expenditures and Other Financing Uses	<u>11,837,049</u>	<u>10,206,994</u>	<u>1,630,055</u>
Net Change in Fund Balance	(2,911,749)	(1,216,329)	1,695,420
Fund Balances, Beginning of Year	2,492,910	2,492,910	0
Prior Year Encumbrances	<u>537,049</u>	<u>537,049</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 118,210</u>	<u>\$ 1,813,630</u>	<u>\$ 1,695,420</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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**DISTRICT MANAGED STUDENT ACTIVITY FUND**

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 1,298,200	\$ 1,999,667	\$ 701,467
Total Expenditures and Other Financing Uses	<u>2,472,981</u>	<u>2,280,714</u>	<u>192,267</u>
Net Change in Fund Balance	(1,174,781)	(281,047)	893,734
Fund Balances, Beginning of Year	1,702,567	1,702,567	0
Prior Year Encumbrances	<u>213,059</u>	<u>213,059</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 740,845</u>	<u>\$ 1,634,579</u>	<u>\$ 893,734</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<b>AUXILIARY FUND</b>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	\$ 14,747,435	\$ 13,763,174	\$ (984,261)
Total Expenditures and Other Financing Uses	<u>15,530,203</u>	<u>14,542,144</u>	<u>988,059</u>
Net Change in Fund Balance	(782,768)	(778,970)	3,798
Fund Balances, Beginning of Year	0	0	0
Prior Year Encumbrances	<u>859,999</u>	<u>859,999</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 77,231</u>	<u>\$ 81,029</u>	<u>\$ 3,798</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<b>HEAD START FUND</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues			
and Other Financing Sources	\$ 0	\$ 5	\$ 5
Total Expenditures			
and Other Financing Uses	0	0	0
Net Change in Fund Balance	0	5	5
Fund Balances, Beginning of Year	0	0	0
Fund Balances, End of Year	\$ 0	\$ 5	\$ 5



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 43,187,096	\$ 36,984,814	\$ (6,202,282)
Total Expenditures and Other Financing Uses	43,187,096	36,984,814	6,202,282
Net Change in Fund Balance	0	0	0
Fund Balances, Beginning of Year	0	0	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<b>TITLE VI-B FUND</b>		
	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	<u>\$ 16,515,436</u>	<u>\$ 16,515,401</u>	<u>\$ (35)</u>
Total Expenditures and Other Financing Uses	<u>17,828,869</u>	<u>17,828,869</u>	<u>0</u>
Net Change in Fund Balance	(1,313,433)	(1,313,468)	(35)
Fund Balances, Beginning of Year	0	0	0
Prior Year Encumbrances	<u>1,036,856</u>	<u>1,036,856</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ (276,577)</u></u>	<u><u>\$ (276,612)</u></u>	<u><u>\$ (35)</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<i>TITLE IIA FUND</i>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	\$ 2,921,901	\$ 3,215,885	\$ 293,984
Total Expenditures and Other Financing Uses	<u>2,918,318</u>	<u>2,905,211</u>	<u>13,107</u>
Net Change in Fund Balance	3,583	310,674	307,091
Fund Balances, Beginning of Year	217,146	217,146	0
Prior Year Encumbrances	<u>11,332</u>	<u>11,332</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 232,061</u>	<u>\$ 539,152</u>	<u>\$ 307,091</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<b>CHAPTER I FUND</b>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	\$ 29,190,783	\$ 29,190,769	\$ (14)
Total Expenditures and Other Financing Uses	<u>34,725,205</u>	<u>34,725,205</u>	<u>0</u>
Net Change in Fund Balance	(5,534,422)	(5,534,436)	(14)
Fund Balances, Beginning of Year	688,631	688,631	0
Prior Year Encumbrances	<u>3,336,954</u>	<u>3,336,954</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ (1,508,837)</u>	<u>\$ (1,508,851)</u>	<u>\$ (14)</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 42,416,914	\$ 38,990,796	\$ (3,426,118)
Total Expenditures and Other Financing Uses	<u>55,783,066</u>	<u>47,857,484</u>	<u>7,925,582</u>
Net Change in Fund Balance	(13,366,152)	(8,866,688)	4,499,464
Fund Balances, Beginning of Year	13,574,922	13,574,922	0
Prior Year Encumbrances	<u>2,790,804</u>	<u>2,790,804</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 2,999,574</u>	<u>\$ 7,499,038</u>	<u>\$ 4,499,464</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Fund  
For the Fiscal Year Ended June 30, 2008***

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	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	<u>\$ 72,806,125</u>	<u>\$ 71,108,373</u>	<u>\$ (1,697,752)</u>
Total Expenditures and Other Financing Uses	<u>89,000,000</u>	<u>68,287,296</u>	<u>20,712,704</u>
Net Change in Fund Balance	(16,193,875)	2,821,077	19,014,952
Fund Balances, Beginning of Year	<u>21,949,204</u>	<u>21,949,204</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 5,755,329</u>	<u>\$ 24,770,281</u>	<u>\$ 19,014,952</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

---

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	96,967	0	96,967
Net Change in Fund Balance	(96,967)	0	96,967
Fund Balances, Beginning of Year	96,969	96,969	0
Fund Balances, End of Year	<u>\$ 2</u>	<u>\$ 96,969</u>	<u>\$ 96,967</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

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	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 0	\$ 33	\$ 33
Total Expenditures and Other Financing Uses	1,177	33	1,144
Net Change in Fund Balance	(1,177)	0	1,177
Fund Balances, Beginning of Year	1,177	1,177	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 1,177</u>	<u>\$ 1,177</u>



**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

---

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	289,087	6,488	282,599
Net Change in Fund Balance	(289,087)	(6,488)	282,599
Fund Balances, Beginning of Year	289,087	289,087	0
Fund Balances, End of Year	\$ 0	\$ 282,599	\$ 282,599

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

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

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

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**INTERACTIVE VIDEO DISTANCE LEARNING FUND**

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	14,400	0	14,400
Net Change in Fund Balance	(14,400)	0	14,400
Fund Balances, Beginning of Year	14,401	14,401	0
Fund Balances, End of Year	<u>\$ 1</u>	<u>\$ 14,401</u>	<u>\$ 14,400</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2008***

---

	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
Total Revenues and Other Financing Sources	\$ 467,122	\$ 350,788	\$ (116,334)
Total Expenditures and Other Financing Uses	420,622	418,520	2,102
Net Change in Fund Balance	46,500	(67,732)	(114,232)
Fund Balances, Beginning of Year	1	1	0
Fund Balances, End of Year	\$ 46,501	\$ (67,731)	\$ (114,232)

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Fund  
For the Fiscal Year Ended June 30, 2008***

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	<b>PERMANENT FUND</b>		<b>Variance with Final Budget Positive (Negative)</b>
	<b>Final Budget</b>	<b>Actual</b>	
Total Revenues and Other Financing Sources	<u>\$ 47,300</u>	<u>\$ 49,340</u>	<u>\$ 2,040</u>
Total Expenditures and Other Financing Uses	<u>100,000</u>	<u>20,000</u>	<u>80,000</u>
Net Change in Fund Balance	(52,700)	29,340	82,040
Fund Balances, Beginning of Year	<u>1,039,135</u>	<u>1,039,135</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 986,435</u></u>	<u><u>\$ 1,068,475</u></u>	<u><u>\$ 82,040</u></u>

***Fiduciary Funds***

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

***Agency Fund***

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**Student Managed Activity Fund**

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

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Schedule of Changes in Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended June 30, 2008***

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	Balance June 30, 2007	Additions	Deductions	Balance June 30, 2008
<b><u>Student Managed Activity Fund</u></b>				
Assets:				
Equity in Pooled Cash and Investments	\$39,517	\$34,024	(\$33,543)	\$39,998
Total Assets	<u>\$39,517</u>	<u>\$34,024</u>	<u>(\$33,543)</u>	<u>\$39,998</u>
Liabilities:				
Due to Students	\$39,517	\$34,024	(\$33,543)	\$39,998
Total Liabilities	<u>\$39,517</u>	<u>\$34,024</u>	<u>(\$33,543)</u>	<u>\$39,998</u>

*CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENTAL FUNDS*

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**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Source  
June 30, 2008***

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Capital Assets

Land	\$35,594,698
Construction in Progress	178,386,451
Land Improvements	9,367,759
Buildings and Improvements	461,124,402
Furniture, Fixtures and Equipment	5,030,308
Vehicles	629,654
	<hr/>
Total Capital Assets	<u><u>\$690,133,272</u></u>

Investment in Capital Assets from:

Acquisitions Prior to 1999	\$125,087,691
General Fund	11,210,368
Special Revenue Funds	1,044,579
Special Revenue Funds - Food Service	567,493
Capital Project Funds	543,582,609
Donations	8,640,532
	<hr/>
Total Investment in Capital Assets	<u><u>\$690,133,272</u></u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Function and Activity  
June 30, 2008***

Function and Activity	Land	Construction in Progress	Land Improvements
Instructional Services			
Regular	\$11,001,378	\$0	\$6,535,300
Special	0	0	0
Vocational	75,100	0	0
Support Services:			
Pupils	0	0	26,374
Instructional Staff	0	0	0
Administration	0	0	0
Fiscal Services	0	0	0
Operation and Maintenance of Plant	0	0	468,837
Pupil Transportation	0	0	0
Central	561,000	0	123,000
Extracurricular Activities	0	0	172,800
Other Noninstructional Services	0	0	0
Facility Services	0	0	2,007,934
Site Acquisition	10,947,830	0	0
Architecture and Engineering	0	13,353,061	0
Building Acquisition and Construction	13,009,390	165,033,390	0
Building Improvement	0	0	33,514
Total Capital Assets	<u>\$35,594,698</u>	<u>\$178,386,451</u>	<u>\$9,367,759</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

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<u>Buildings and Improvements</u>	<u>Furniture, Fixtures and Equipment</u>	<u>Vehicles</u>	<u>Total</u>
\$98,523,459	\$1,338,700	\$0	\$117,398,837
0	403,378	0	403,378
13,153,592	384,788	0	13,613,480
0	1,279,452	0	1,305,826
0	254,387	0	254,387
0	80,544	0	80,544
0	298,473	0	298,473
5,844,405	78,112	25,972	6,417,326
0	55,348	0	55,348
6,854,000	843,849	0	8,381,849
325,200	0	0	498,000
224,551	13,277	342,943	580,771
7,778,657	0	260,739	10,047,330
0	0	0	10,947,830
1,839,714	0	0	15,192,775
325,621,965	0	0	503,664,745
958,859	0	0	992,373
<u>\$461,124,402</u>	<u>\$5,030,308</u>	<u>\$629,654</u>	<u>\$690,133,272</u>

**CINCINNATI CITY SCHOOL DISTRICT, OHIO**

***Capital Assets Used in the Operation of Governmental Funds  
Schedule Changes by Function and Activity  
For the Fiscal Year Ended June 30, 2008***

Function and Activity	June 30, 2007	Additions	Deletions	June 30, 2008
Instructional Services				
Regular	\$126,157,251	\$0	(\$8,758,414)	\$117,398,837
Special	300,146	103,232	0	403,378
Vocational	13,613,480	0	0	13,613,480
Support Services:				
Pupils	1,305,826	0	0	1,305,826
Instructional Staff	254,387	0	0	254,387
Administration	80,544	0	0	80,544
Fiscal Services	298,473	0	0	298,473
Operation and Maintenance of Plant	6,841,660	0	(424,334)	6,417,326
Pupil Transportation	55,348	0	0	55,348
Central	8,381,849	0	0	8,381,849
Extracurricular Activities	498,000	0	0	498,000
Other Noninstructional Services	611,970	0	(31,199)	580,771
Facility Services	10,671,673	0	(624,343)	10,047,330
Site Acquisition	10,144,339	803,491	0	10,947,830
Architecture and Engineering	15,192,775	0	0	15,192,775
Building Acquisition and Construction	381,762,592	255,049,648	(133,147,495)	503,664,745
Building Improvement	992,373	0	0	992,373
Total Capital Assets	<u>\$577,162,686</u>	<u>\$255,956,371</u>	<u>(\$142,985,785)</u>	<u>\$690,133,272</u>



# Statistical Section



## STATISTICAL TABLES

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

### Contents

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

**Sources Note:**

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

***Cincinnati Public School District***

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

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

Source: District Treasurer's Office

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



*Cincinnati Public School District*

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<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$123,801,968	\$163,202,797	\$218,829,785	\$273,865,981
59,677,761	47,111,594	113,428,438	105,140,366
13,412,818	22,755,122	27,315,500	21,760,253
350,786	350,786	476,939	497,397
768,034	768,034	768,034	768,034
20,193,869	16,034,254	9,754,569	0
31,471,831	91,543,314	52,591,559	40,306,909
<u>\$249,677,067</u>	<u>\$341,765,901</u>	<u>\$423,164,824</u>	<u>\$442,338,940</u>

## Cincinnati Public School District

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

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

*Cincinnati Public School District*

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

(Continued)

***Cincinnati Public School District***

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

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

Source: District Treasurer's Office

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

*Cincinnati Public School District*

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

***Cincinnati Public School District***

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

	1999	2000	2001	2002
General Fund				
Reserved	\$84,913,658	\$36,753,989	\$74,103,330	\$60,916,774
Unreserved	(78,841,977)	15,702,774	22,613,806	68,034,263
<i>Total General Fund</i>	<u>6,071,681</u>	<u>52,456,763</u>	<u>96,717,136</u>	<u>128,951,037</u>
All Other Governmental Funds				
Reserved	11,223,622	21,906,347	32,446,112	18,022,379
Unreserved, Undesignated in:				
Special Revenue Funds	3,869,489	8,831,545	13,272,099	15,726,294
Capital Projects Funds	(3,047,769)	(23,659,446)	99,234,369	96,634,588
Permanent Fund	0	0	0	317,754
<i>Total All Other Governmental Funds</i>	<u>12,045,342</u>	<u>7,078,446</u>	<u>144,952,580</u>	<u>130,701,015</u>
<i>Total Governmental Funds</i>	<u>\$18,117,023</u>	<u>\$59,535,209</u>	<u>\$241,669,716</u>	<u>\$259,652,052</u>

Source: District Treasurer's Office

*Cincinnati Public School District*

2003	2004	2005	2006	2007	2008
\$67,344,758	\$77,001,382	\$77,117,030	\$77,952,939	\$38,214,228	\$44,175,345
71,156,036	27,795,469	6,933,639	10,401,021	(9,416,133)	(2,461,469)
138,500,794	104,796,851	84,050,669	88,353,960	28,798,095	41,713,876
20,605,566	67,574,219	90,082,799	83,004,473	123,506,930	115,789,667
9,898,574	9,150,321	8,996,661	12,122,469	5,072,611	(6,516,820)
206,121,719	673,909,505	542,525,627	489,401,006	452,438,137	371,811,911
324,214	354,528	350,786	397,465	476,939	497,397
236,950,073	750,988,573	641,955,873	584,925,413	581,494,617	481,582,155
\$375,450,867	\$855,785,424	\$726,006,542	\$673,279,373	\$610,292,712	\$523,296,031

## *Cincinnati Public School District*

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

	1999	2000	2001	2002
<b>Revenues:</b>				
Local Sources:				
Taxes	\$233,348,040	\$179,700,792	\$214,021,076	\$238,784,104
Tuition	1,305,060	1,394,557	1,084,570	1,091,966
In Lieu of Taxes	0	8,771,721	9,598,900	13,853,036
Investment Earnings	4,605,204	5,420,695	10,254,870	10,510,893
Food Services	0	0	0	2,823,116
Intermediate Sources	0	0	0	0
Intergovernmental - State	154,274,812	177,900,740	199,746,658	192,853,460
Intergovernmental - Federal	30,292,599	35,768,021	34,826,350	44,632,835
All Other Revenue	9,737,746	10,245,691	9,272,846	7,007,546
<b>Total Revenue</b>	<u>433,563,461</u>	<u>419,202,217</u>	<u>478,805,270</u>	<u>511,556,956</u>
<b>Expenditures:</b>				
Current:				
Instruction				
Regular	165,271,317	162,704,228	184,720,120	209,542,378
Special	50,078,326	49,668,188	45,980,215	55,423,644
Vocational	12,800,910	9,472,984	7,939,467	10,123,352
Other Instruction	3,567,379	2,830,101	1,589,980	1,852,969
Supporting Services:				
Pupils	22,379,104	18,056,966	17,271,836	21,407,476
Instructional Staff	24,740,813	23,268,614	25,739,415	24,227,809
Board of Education	267,170	196,996	208,969	241,577
Administration	27,623,980	27,713,852	29,909,627	32,731,322
Fiscal Services	2,777,796	2,609,556	2,189,842	5,278,194
Business	1,958,498	694,281	402,902	347,721
Operation and Maintenance of Plant	27,128,682	28,375,672	41,214,967	32,917,105
Pupil Transportation	20,678,282	21,039,542	21,798,906	23,555,262
Central	13,450,468	20,489,853	16,035,589	10,087,713
Non-Instructional Services (1)	9,033,661	10,003,707	11,100,306	25,330,107
Extracurricular Activities	3,177,713	3,534,149	3,981,969	4,532,356
Capital Outlay	6,499,311	15,755,943	10,809,755	25,388,396
Debt Service:				
Principal Retirement	1,633,816	26,454,342	24,798,093	33,450,000
Interest and Fiscal Charges	6,143,072	2,785,816	4,944,240	7,815,070
<b>Total Expenditures</b>	<u>399,210,298</u>	<u>425,654,790</u>	<u>450,636,198</u>	<u>524,252,451</u>
Excess (Deficiency) of Revenues Over Expenditures	34,353,163	(6,452,573)	28,169,072	(12,695,495)



*Cincinnati Public School District*

2003	2004	2005	2006	2007	2008
\$242,059,637	\$265,814,744	\$256,325,144	\$322,180,008	\$196,490,568	\$248,560,390
1,090,918	1,484,343	1,734,775	2,474,762	2,513,899	2,436,623
15,295,671	14,317,383	14,877,443	15,743,651	11,299,537	10,949,847
8,682,782	6,461,084	18,711,996	26,498,394	29,948,910	31,299,042
2,756,395	2,644,972	2,557,890	2,509,797	2,344,784	2,183,555
0	0	292,406	0	0	0
186,026,797	216,768,811	232,669,945	205,315,594	213,837,132	218,696,480
52,297,299	65,839,661	74,329,708	68,695,133	65,064,133	69,088,928
9,992,701	10,403,047	10,436,186	15,075,461	13,762,600	22,821,498
518,202,200	583,734,045	611,935,493	658,492,800	535,261,563	606,036,363
218,138,993	232,384,048	222,580,079	216,803,272	182,770,612	171,397,040
62,761,098	68,500,148	78,066,020	78,112,990	70,735,576	71,042,866
6,261,609	6,966,426	7,695,731	5,883,214	6,394,581	6,635,484
2,097,045	1,672,990	1,759,044	1,192,485	31,921,738	38,748,252
21,915,606	28,976,925	28,779,045	25,877,478	27,326,156	23,025,194
24,817,267	33,650,585	35,844,378	33,425,507	42,360,630	44,151,479
426,281	329,933	349,910	300,309	348,361	398,416
33,985,048	37,521,512	42,846,546	73,453,592	35,301,777	32,704,791
6,837,264	4,743,865	4,311,076	3,747,809	3,294,436	2,853,139
886,604	1,110,054	1,172,056	1,318,991	1,071,324	1,198,346
39,741,738	49,452,172	40,051,151	40,489,901	41,047,302	39,830,779
22,293,435	24,513,078	24,597,832	24,710,901	23,234,772	23,043,622
18,785,890	30,449,946	16,795,704	14,421,486	14,965,653	18,826,176
27,760,318	29,381,857	29,089,662	24,583,057	27,119,187	25,947,645
5,379,870	5,569,357	5,715,176	4,952,035	5,348,011	4,973,632
22,193,145	31,182,823	129,917,744	109,456,508	121,280,997	128,811,748
32,795,000	28,410,000	42,505,000	44,970,000	26,350,000	19,685,000
10,202,014	32,759,197	35,675,089	38,910,773	35,072,745	39,759,435
557,278,225	647,574,916	747,751,243	742,610,308	695,943,858	693,033,044
(39,076,025)	(63,840,871)	(135,815,750)	(84,117,508)	(160,682,295)	(86,996,681)

(Continued)

**Cincinnati Public School District**

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

	1999	2000	2001	2002
<b>Other Financing Sources (Uses):</b>				
General Obligation Notes Issued	0	23,032,000	20,550,000	25,000,000
General Obligation Bonds Issued	0	0	131,195,000	0
Premium on General Obligation Bonds	0	0	2,010,435	0
Issuance of Refunding Bonds	0	0	0	0
Premium on Refunding Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
New Capital Leases	0	0	210,000	651,788
Premium on Capital Leases	0	0	0	0
Transfers In	9,674,248	3,703,223	4,719,417	9,186,312
Transfers Out	(9,293,038)	(3,259,642)	(4,719,417)	(9,186,312)
Other Miscellaneous Sources (Uses)	2,985,225	(484,821)	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>3,366,435</u>	<u>22,990,760</u>	<u>153,965,435</u>	<u>25,651,788</u>
<b>Net Change in Fund Balance</b>	<u>\$37,719,598</u>	<u>\$16,538,187</u>	<u>\$182,134,507</u>	<u>\$12,956,293</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	2.01%	7.56%	7.15%	9.03%

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

Source: District Treasurer's Office

*Cincinnati Public School District*

2003	2004	2005	2006	2007	2008
22,200,000	32,400,000	29,600,000	0	0	0
125,000,000	480,000,000	0	26,800,000	0	0
7,097,571	13,300,428	0	3,817,959	0	0
0	0	0	69,405,000	380,945,000	0
0	0	0	7,482,626	48,836,975	0
0	0	0	(76,115,246)	(459,954,691)	0
273,894	0	0	0	120,365,000	0
0	0	0	0	7,503,350	0
50,749,244	9,261,682	679,493,721	16,164,576	14,626,125	155,775,182
(50,749,244)	(9,261,682)	(679,493,721)	(16,164,576)	(14,626,125)	(155,775,182)
0	0	0	0	0	0
<u>154,571,465</u>	<u>525,700,428</u>	<u>29,600,000</u>	<u>31,390,339</u>	<u>97,695,634</u>	<u>0</u>
<u>\$115,495,440</u>	<u>\$461,859,557</u>	<u>(\$106,215,750)</u>	<u>(\$52,727,169)</u>	<u>(\$62,986,661)</u>	<u>(\$86,996,681)</u>

8.69%	10.94%	14.27%	15.15%	12.22%	11.64%
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***Cincinnati Public School District***

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

<b>Tax year</b>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
<b>Real Property</b>				
Assessed	\$4,262,469	\$4,951,206	\$4,953,069	\$4,964,324
Actual	12,178,483	14,146,303	14,151,626	14,183,783
<b>Public Utility</b>				
Assessed	435,847	440,481	416,613	333,228
Actual	435,847	440,481	416,613	333,228
<b>Tangible Personal Property</b>				
Assessed	728,161	717,580	728,376	737,473
Actual	2,912,644	2,870,320	2,913,504	2,949,892
<b>Total</b>				
Assessed	5,426,477	6,109,267	6,098,058	6,035,025
Actual	15,526,974	17,457,104	17,481,743	17,466,903
<b>Assessed Value as a Percentage of Actual Value</b>	34.95%	35.00%	34.88%	34.55%
<b>Total Direct Tax Rate</b>	\$53	\$53	\$52	\$57

Source: Hamilton County Auditor

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

N/A = not available

***Cincinnati Public School District***

2002	2003	2004	2005	2006	2007
\$5,514,802	\$5,578,562	\$5,487,899	\$6,253,727	\$6,270,949	\$6,273,021
15,756,577	15,938,749	15,679,711	17,867,791	17,916,997	17,922,917
351,842	354,261	348,115	352,496	339,324	282,091
351,842	354,261	348,115	352,496	339,324	282,091
690,729	577,134	575,490	434,739	297,008	181,603
2,762,916	2,308,536	2,301,960	1,738,956	1,188,032	726,412
6,557,373	6,509,957	6,411,504	7,040,962	6,907,281	6,736,715
18,871,335	18,601,546	18,329,786	19,959,243	19,444,353	18,931,420
34.75%	35.00%	34.98%	35.28%	35.52%	35.58%
\$57	\$56	\$61	\$61	\$60	\$59

## *Cincinnati Public School District*

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

Collection Year	1999	2000	2001	2002
<b>Direct District Rates</b>				
General Fund	52.22	51.77	56.79	57.01
Permanent Improvement	0.74	0.00	0.00	0.00
Bond Retirement Fund	0.17	0.17	0.14	0.14
Total	<u>53.13</u>	<u>51.94</u>	<u>56.93</u>	<u>57.15</u>
<b>Overlapping Rates</b>				
Hamilton County	19.01	19.54	20.83	19.92
Cities:				
Cheviot	12.82	12.66	12.62	12.56
Cincinnati	11.46	10.90	10.76	10.76
Indian Hill	0.96	0.96	0.96	0.96
Madeira	7.50	7.50	7.50	7.50
Norwood	11.40	11.40	11.40	11.40
Silverton	8.15	8.15	8.15	8.15
Wyoming	10.00	10.00	10.00	10.00
Villages:				
Amberly	6.00	6.00	7.00	7.00
Fairfax	2.76	2.76	2.76	2.76
Golf Manor	19.42	19.42	25.32	24.52
Mairemont	12.44	12.44	12.44	12.44
Townships:				
Anderson	12.18	12.18	14.15	14.15
Columbia	17.96	17.96	17.96	17.96
Delhi	20.46	20.46	20.46	20.46
Green	8.81	8.81	8.81	8.31
Springfield	14.30	14.30	14.30	20.30
Sycamore	7.75	7.75	7.75	7.75
Fairfax - Madison Pl.	0.00	0.00	0.00	2.50
Total	<u><u>256.51</u></u>	<u><u>255.13</u></u>	<u><u>270.10</u></u>	<u><u>276.55</u></u>

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

**Source:**

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

***Cincinnati Public School District***

2003	2004	2005	2006	2007	2008
56.11	56.09	56.19	55.13	54.81	54.90
0.00	0.00	0.00	0.00	0.00	0.00
0.14	4.66	4.64	4.64	4.56	4.77
56.25	60.75	60.83	59.77	59.37	59.67
21.47	21.87	21.51	20.81	20.18	20.56
12.42	12.24	12.22	14.52	14.52	14.52
10.63	10.36	10.34	10.19	9.93	9.89
0.96	0.96	0.96	0.96	0.96	0.96
7.50	7.50	7.50	7.50	7.50	7.50
11.40	11.40	11.40	11.40	11.40	11.40
8.15	8.15	8.15	8.15	8.15	8.15
10.00	10.00	10.00	10.00	10.00	10.00
7.00	7.00	7.00	7.00	7.00	7.00
2.76	2.76	2.76	2.76	2.76	2.76
24.52	24.52	24.52	30.52	30.52	38.52
12.44	14.37	14.37	14.37	14.37	14.37
14.15	14.15	14.15	14.15	14.15	14.15
17.96	21.26	21.26	21.26	14.76	14.76
20.46	20.46	20.46	26.34	26.34	26.34
8.31	8.31	8.31	9.81	9.81	9.81
20.30	20.30	20.30	20.30	20.30	20.30
7.75	7.75	7.75	7.75	8.75	8.75
2.50	2.76	2.76	2.76	0.00	0.00
276.93	286.87	286.55	300.32	290.77	299.41

## Cincinnati Public School District

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

		Calendar Year 2007		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Cincinnati Bell Telephone Co., LLC	Consumer Goods-Telecomm.	\$25,460,830	1	14.02%
The Procter and Gamble Company	Consumer Goods Manufacturing	12,979,280	2	7.15%
New Par	Consumer Goods-Telecomm.	10,016,050	3	5.52%
Kroger Company	Consumer Goods Distribution	8,175,990	4	4.50%
Cincinnati Bell Wireless, LLC	Consumer Goods-Telecomm.	7,280,270	5	4.01%
Cincinnati SMSA Limited Partnership	Real Estate Holdings	6,593,100	6	3.63%
Duramed Pharmaceuticals Inc.	Pharmaceuticals	5,682,660	7	3.13%
Banc of America Leasing and Capital LLC	Banking Services	5,647,420	8	3.11%
Coca Cola Enterprises Inc.	Consumer Products	5,088,750	9	2.80%
Kroger Limited PTSP 1	Real Estate Holdings	4,959,820	10	2.73%
Subtotal		91,884,170		50.60%
All Others		89,718,735		49.40%
Total		<u>\$181,602,905</u>		<u>100.00%</u>

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

Source: Hamilton County Auditor - Land and Buildings

Based on valuation of property in 2007 and 2003.

Note: Information was not available prior to 2003.

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



## *Cincinnati Public School District*

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

		Calendar Year 2007		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Duke Electric	Public Utility	\$266,418,680	1	4.06%
City of Cincinnati	Municipal Government	86,438,770	2	1.32%
The Proctor & Gamble Co.	Consumer Goods Manufacturing	71,689,590	3	1.09%
Cincinnati Bell Telephone Co.	Public Utility	29,158,860	4	0.44%
Carew Realty	Real Estate Holdings	26,250,000	5	0.40%
Ohio Teachers Retirement System	Real Estate Holdings	24,239,670	6	0.37%
Columbia Development	Real Estate Holdings	24,192,250	7	0.37%
Fifth Third Bank	Financial Institution	21,573,720	8	0.33%
HK New Plan Exchange Property	Real Estate Holdings	20,749,510	9	0.32%
Fifth Third Center Association	Real Estate Holdings	19,737,930	10	0.30%
Subtotal		590,448,980		9.00%
All Others		5,964,663,020		91.00%
Total		<u>\$6,555,112,000</u>		<u>100.00%</u>

		Calendar Year 1998		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Cinergy	Public Utility	\$308,384,170	1	6.56%
The Proctor & Gamble Co.	Consumer Goods Manufacturing	128,653,610	2	2.74%
Cincinnati Bell Telephone, Inc.	Public Utility	95,172,510	3	2.03%
Emery Realty	Real Estate Holdings	30,975,000	4	0.66%
Prudential Insurance	Real Estate Holdings	28,000,000	5	0.60%
Columbia Development	Real Estate Holdings	28,000,000	6	0.60%
Ohio Teachers Retirement System	Real Estate Holdings	26,775,000	7	0.57%
Fifth Third Center	Real Estate Holdings	21,350,000	8	0.45%
580 Walnut Partners	Real Estate Holdings	21,000,000	9	0.45%
Senior Lifestyle	Real Estate Holdings	19,285,280	10	0.41%
Subtotal		707,595,570		15.07%
All Others		3,990,720,430		84.93%
Total		<u>\$4,698,316,000</u>		<u>100.00%</u>

Source: Hamilton County Auditor - Land and Buildings  
Based on valuation of property in 2007 and 1998

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

## *Cincinnati Public School District*

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

<b>Collection Year</b>	<u>1998</u>	<u>1999</u>	<u>2000</u>
<b>Total Tax Levy</b> (1)	\$221,284	\$224,300	\$228,955
<b>Collections within the Fiscal Year of the Levy</b>			
Current Tax Collections (2)	212,143	215,308	206,750
Percent of Levy Collected	95.87%	95.99%	90.30%
Delinquent Tax Collections	<u>8,858</u>	<u>9,589</u>	<u>7,184</u>
Total Tax Collections	221,001	224,897	213,934
<b>Percent of Total Tax Collections To Tax Levy</b>	99.87%	100.27%	93.44%
<b>Accumulated Outstanding Delinquent Taxes</b> (3)	18,217	20,182	14,926
<b>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</b>	8.23%	9.00%	6.52%

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

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

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

Source: Hamilton County Auditor's Office

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

***Cincinnati Public School District***

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2001	2002	2003	2004	2005	2006	2007
\$228,488	\$236,177	\$269,841	\$268,011	\$277,611	\$276,704	\$281,679
203,990	208,901	232,064	231,599	237,378	232,726	234,117
89.28%	88.45%	86.00%	86.41%	85.51%	84.11%	83.11%
8,523	9,007	10,874	10,910	12,621	12,233	12,665
212,513	217,908	242,938	242,509	249,999	244,959	246,782
93.01%	92.26%	90.03%	90.48%	90.05%	88.53%	87.61%
6,250	7,138	9,655	11,049	12,343	12,395	17,877
2.74%	3.02%	3.58%	4.12%	4.45%	4.48%	6.35%

## *Cincinnati Public School District*

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

	1999	2000	2001	2002
<b>Governmental Activities</b> <sup>(1)</sup>				
General Obligation Bonds Payable	\$7,465,000	\$5,915,000	\$128,250,000	\$122,600,000
Long-Term Notes Payable	0	23,032,000	27,800,000	25,000,000
Tax Anticipation Notes Payable	42,700,000	46,790,000	30,050,000	15,000,000
Capital Leases	237,712	162,970	216,775	527,997
Total Primary Government	<u>\$50,402,712</u>	<u>\$75,899,970</u>	<u>\$186,316,775</u>	<u>\$163,127,997</u>
<b>Population</b> <sup>(2)</sup>				
City of Cincinnati	364,040	364,040	331,285	331,285
Outstanding Debt Per Capita	138	208	562	492
<b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	\$11,544,436	11,744,658	12,219,731	11,509,503
Percentage of Personal Income	0.44%	0.65%	1.52%	1.42%

**Sources:**

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

N/A = Not available

*Cincinnati Public School District*

2003	2004	2005	2006	2007	2008
\$246,547,692	\$732,790,633	\$721,838,146	\$736,003,676	\$673,331,045	\$651,203,169
22,200,000	32,400,000	29,600,000	0	0	0
10,000,000	5,000,000	0	43,600,000	35,730,000	27,455,000
470,019	172,081	29,772	0	126,617,792	125,367,234
<u>\$279,217,711</u>	<u>\$770,362,714</u>	<u>\$751,467,918</u>	<u>\$779,603,676</u>	<u>\$835,678,837</u>	<u>\$804,025,403</u>
331,285	331,285	331,285	331,285	331,285	331,285
843	2,325	2,268	2,353	2,523	2,427
11,977,940	12,342,354	13,074,825	13,702,279	13,525,704	13,740,708
2.33%	6.24%	5.75%	5.69%	6.18%	5.85%

***Cincinnati Public School District***

*Ratios of General Bonded Debt Outstanding  
Last Ten Years*

Year	1999	2000	2001	2002
<b>Population</b> (1)	364,040	364,040	331,285	331,285
<b>Assessed Value</b> (in thousands) (2)	\$5,426,477	6,109,267	6,098,058	6,035,025
<b>General Bonded Debt</b> (3)				
General Obligation Bonds	\$7,465,000	5,915,000	128,250,000	122,600,000
<b>Resources Available to Pay Principal</b> (4)	\$3,749,868	6,496,441	13,592,362	5,067,945
<b>Net General Bonded Debt</b>	\$3,715,132	(581,441)	114,657,638	117,532,055
<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	0.07%	(0.01%)	1.88%	1.95%
<b>Net Bonded Debt per Capita</b>	10	(2)	346	355

**Source:**

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

N/A = Not available

*Cincinnati Public School District*

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<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
331,285	331,285	331,285	331,285	331,285	331,285
6,557,373	6,509,957	6,411,504	7,040,962	6,907,281	6,736,715
246,547,692	732,790,633	721,838,146	736,003,676	673,331,045	651,203,169
5,501,964	15,765,336	15,714,852	21,561,481	24,674,972	27,991,228
241,045,728	717,025,297	706,123,294	714,442,195	648,656,073	623,211,941
3.68%	11.01%	11.01%	10.15%	9.39%	9.25%
728	2,164	2,131	2,157	1,958	1,881





## *Cincinnati Public School District*

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2008*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to Cincinnati Public School District</u>	<u>Amount Applicable to Cincinnati Public School District</u>
<b>Direct:</b>			
Cincinnati Public School District	\$651,203,169	100.00%	\$651,203,169
<b>Overlapping:</b>			
Hamilton County	106,915,000	33.48%	35,795,142
Cities:			
Cheviot	127,298	100.00%	127,298
Cincinnati	323,445,000	99.96%	323,315,622
Madeira	815,000	0.45%	3,668
Norwood	8,578,193	0.07%	6,005
Silverton	925,600	93.30%	863,585
Wyoming	9,142,514	0.37%	33,827
Villages:			
Amberly	6,000,000	100.00%	6,000,000
Fairfax	490,000	16.98%	83,202
Golf Manor	0	100.00%	0
Townships:			
Anderson	0	0.56%	0
Columbia	0	53.69%	0
Delhi	6,225,000	1.93%	120,143
Green	3,835,000	12.50%	479,375
Springfield	12,750,000	4.95%	631,125
Anderson Township Park District	823,686	0.56%	4,613
	<u>480,072,291</u>	Subtotal	<u>367,463,605</u>
		Total	<u><u>\$1,018,666,774</u></u>

Source: Hamilton County Auditor

## *Cincinnati Public School District*

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

	1998	1999	2000	2001
<b>Net Assessed Valuation</b>	\$5,426,477	\$6,109,267	\$6,098,058	\$6,035,025
<b>Overall Direct Debt Limitation</b>				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	488,383	549,834	548,825	543,152
Applicable District Debt Outstanding	8,955	7,465	5,915	128,250
Less: Applicable Debt Service Fund Amounts (2)	(3,723)	(3,750)	(6,496)	(13,592)
Net Indebtedness Subject to Limitation	5,232	3,715	(581)	114,658
Overall Legal Debt Margin	<u>\$483,150</u>	<u>\$546,119</u>	<u>\$549,407</u>	<u>\$428,495</u>
<b>Unvoted Direct Debt Limitation</b>				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	5,426	6,109	6,098	6,035
Applicable District Debt Outstanding	8,955	7,465	5,915	128,250
Unvoted Legal Debt Margin	<u>\$14,381</u>	<u>\$13,574</u>	<u>\$12,013</u>	<u>\$134,285</u>
<b>Energy Conservation Bond Limitation</b>				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	48,838	54,983	54,883	54,315
Authorized by the Board	0	0	0	0
Unvoted Energy Conservation				
Bond Legal Debt Margin	<u>\$48,838</u>	<u>\$54,983</u>	<u>\$54,883</u>	<u>\$54,315</u>

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

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

N/A = Not available

*Cincinnati Public School District*

2002	2003	2004	2005	2006	2007
\$6,557,373	\$6,509,957	\$6,411,504	\$7,040,962	\$6,907,281	\$6,736,715
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
590,164	585,896	577,035	633,687	621,655	606,304
122,600	246,548	732,791	721,838	736,004	673,331
(5,068)	(5,502)	(15,765)	(15,715)	(21,561)	(24,675)
117,532	241,046	717,025	706,123	714,442	648,656
\$472,632	\$344,850	(\$139,990)	(\$72,437)	(\$92,787)	(\$42,352)
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
6,557	6,510	6,412	7,041	6,907	6,737
122,600	246,548	732,791	721,838	736,004	673,331
\$129,157	\$253,058	\$739,202	\$728,879	\$742,911	\$680,068
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
59,016	58,590	57,704	63,369	62,166	60,630
0	0	0	0	0	0
\$59,016	\$58,590	\$57,704	\$63,369	\$62,166	\$60,630

## *Cincinnati Public School District*

### *Demographic and Economic Statistics*

*Last Ten Years*

<b>Calendar Year</b>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
<b>Population</b> <sup>(1)</sup>				
City of Cincinnati	364,040	364,040	364,040	331,285
Hamilton County	866,228	866,228	845,303	845,303
<b>Income</b> <sup>(2) (a)</sup>				
Total Personal (in thousands)	\$11,544,436	11,744,658	12,219,731	11,509,503
Per Capita	\$31,712	32,262	33,567	34,742
<b>Unemployment Rate</b> <sup>(3)</sup>				
Federal	4.5%	4.2%	3.8%	4.8%
State	4.3%	4.3%	3.7%	4.3%
Hamilton County	3.4%	3.5%	3.6%	3.6%
<b>Fiscal Year</b>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
<b>School Enrollment</b> <sup>(4)</sup>				
Grades K - 5	25,768	23,785	22,194	20,663
Grades 6 - 8	10,887	10,305	10,273	10,077
Grades 9 - 12	10,528	10,192	10,116	10,509
Total	<u>47,183</u>	<u>44,282</u>	<u>42,583</u>	<u>41,249</u>

**Sources:**

(1) US Bureau of Census of Population

(2) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

(3) State Department of Labor Statistics

(4) District Treasurer's Office

*Cincinnati Public School District*

2002	2003	2004	2005	2006	2007
331,285	331,285	331,285	331,285	331,285	331,285
845,303	845,303	845,303	845,303	845,303	845,303
11,977,940	12,342,354	13,074,825	13,702,279	13,525,704	13,740,708
36,156	37,256	39,467	41,361	40,828	41,477
5.8%	6.0%	5.5%	5.0%	4.6%	4.6%
5.7%	6.1%	6.0%	5.9%	5.5%	5.6%
5.1%	5.1%	5.7%	5.7%	5.0%	5.0%
2003	2004	2005	2006	2007	2008
19,826	18,153	16,907	15,964	15,534	15,279
10,004	9,690	9,071	8,573	7,606	7,278
10,580	10,936	11,190	11,029	11,089	10,681
40,410	38,779	37,168	35,566	34,229	33,238



## *Cincinnati Public School District*

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

		2008	
Employer	Nature of Business	Number of Employees	Rank
University of Cincinnati	Public University	15,864	1
The Kroger Co.	National Grocery Retailer	15,600	2
Health Alliance of Grtr Cinti	Health Care System	14,785	3
The Proctor & Gamble Co	Consumer Goods Manufacturing	12,315	4
Childrens Hospital	Pediatric Medical Center	9,464	5
TriHealth	Health Care System	9,400	6
Fifth Third Bank	Financial Services Company	7,645	7
WalMart Stores	National Retailer	7,500	8
ABX Air Inc.	All-cargo Airline	7,500	9
General Electric Co. Aircraft	Aircraft Engines	7,400	10
Total		<u>107,473</u>	
		1999	
Employer	Nature of Business	Number of Employees	Rank
The Proctor & Gamble Co	Consumer Goods Manufacturing	14,700	1
U.S. Government	Government	13,600	2
The Kroger Co.	National Grocery Retailer	12,000	3
University of Cincinnati	Education	11,700	4
General Electric Co. Aircraft	Aircraft Engines	8,000	5
City of Cincinnati	Government	6,090	6
Hamilton County	Government	5,900	7
Cincinnati Public Schools	Education	5,400	8
Cincinnati Gas & Electric Co.	Public Utility	5,000	9
Cincinnati Milacron Inc.	Machine Tools	4,500	10
Total		<u>86,890</u>	

**Sources:** Cincinnati Chamber of Commerce

## *Cincinnati Public School District*

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

	1999	2000	2001	2002
<b>Supervisory</b>				
Instructional Administrators	15.67	9.41	10.29	10.07
Noninstructional Administrators	66.12	61.56	55.10	41.38
Consultants/Supervisors of Instruction	56.86	24.56	23.47	31.16
Principals	81.90	76.55	76.34	84.73
Assistant Principals	50.15	46.67	41.77	49.79
<b>Instruction</b>				
Classroom Teachers	3,282.30	3,130.73	3,007.39	3,211.60
<b>Student Services</b>				
Guidance Counselors	27.66	23.76	19.02	21.08
Social Workers	20.45	22.86	24.29	27.10
Psychologists	53.07	53.33	56.99	63.08
Librarians	76.53	61.56	53.54	50.87
Other Professionals (noninstructional)	119.40	93.05	84.03	118.24
<b>Support Services</b>				
Clerical/Secretaries	437.43	418.69	410.06	411.97
Tutors/Aides	1,189.54	977.39	1,008.89	1,105.29
Safety/Security	124.57	149.50	169.09	191.25
Food Service	237.40	235.34	249.04	251.46
Maintenance/Grounds	442.40	395.83	390.46	416.36
Warehouse				
<i>Total Employees</i>	<u>6,281.45</u>	<u>5,780.79</u>	<u>5,679.77</u>	<u>6,085.43</u>

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

Source: District Treasurer's Office



***Cincinnati Public School District***

2003	2004	2005	2006	2007	2008
6.80	4.00	2.00	4.00	3.00	2.00
45.14	45.50	43.00	34.00	37.40	36.00
34.32	16.80	9.50	3.00	23.80	25.00
90.80	88.20	81.00	73.00	76.00	68.00
54.00	59.90	58.80	51.80	50.30	39.00
3,165.06	3,115.73	3,035.34	2,719.36	2,480.04	2,268.05
23.00	20.00	21.00	18.00	19.00	17.60
68.76	37.40	40.80	34.50	40.68	37.10
68.61	76.90	75.35	77.50	72.85	63.40
46.00	29.30	32.00	27.00	28.90	25.55
117.21	67.94	89.97	80.83	108.64	107.12
419.30	441.30	423.78	392.49	351.32	332.37
1,067.45	1,023.53	933.88	889.50	895.56	938.84
166.40	165.61	150.67	138.51	116.66	144.27
251.64	254.45	238.20	213.26	207.71	183.38
425.03	404.19	389.60	364.00	401.04	367.03
<u>6,055.32</u>	<u>5,850.75</u>	<u>5,624.89</u>	<u>5,120.75</u>	<u>4,912.90</u>	<u>4,654.71</u>

***Cincinnati Public School District***

*Operating Indicators - Cost per Pupil  
Last Ten Years*

Fiscal Year	1999	2000	2001	2002
Enrollment	47,183	44,282	42,583	41,249
<b>Modified Accrual Basis</b>				
Operating Expenditures (1)	\$384,934,099	380,658,689	410,084,110	457,598,985
Cost per Pupil	8,158	8,596	9,630	11,094
Percentage of Change	N/A	5.4%	12.0%	15.2%
<b>Accrual Basis</b>				
Operating Expenses (2)	N/A	N/A	N/A	468,119,843
Cost per Pupil	N/A	N/A	N/A	11,349
Percentage of Change	N/A	N/A	N/A	N/A
Teaching Staff	N/A	3,183	3,067	3,114
<b>Pupil to Teacher Ratio</b>				
Cincinnati	N/A	13.9	13.9	13.2
State Average	18.6	18.1	18.0	16.9

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

N/A = Not available

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

(2) Expenses do not include interest expense

*Cincinnati Public School District*

2003	2004	2005	2006	2007	2008
40,410	38,779	37,168	35,566	34,229	33,238
492,088,066	555,222,896	539,653,410	549,273,027	513,240,116	504,776,861
12,177	14,318	14,519	15,444	14,994	15,187
9.8%	17.6%	1.4%	6.4%	(2.9%)	1.3%
496,926,347	557,773,531	581,527,086	525,843,641	514,755,031	523,834,057
12,297	14,383	15,646	14,785	15,039	15,760
8.4%	17.0%	8.8%	(5.5%)	1.7%	4.8%
2,953	2,929	2,565	2,639	2,401	2,351
13.7	13.2	14.5	13.5	14.3	14.1
16.9	18.5	18.5	18.6	19.6	18.6

## *Cincinnati Public School District*

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

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

Source: District Treasurer's Office

Information not available in this format prior to 2005

*Cincinnati Public School District*

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2008

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33,438

1,803

18.22%

3.00%

94.80

21,595

27,485

7,949,000

925

86.00%

46

23,676

25,415

431

3,315,962

2,893,212

87.25%

100

***Cincinnati Public School District***

*Operating Indicators - Teacher Base Salaries  
Last Ten Years*

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Fiscal Year	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Minimum Salary	\$29,299	29,886	30,783	31,706
Maximum Salary	\$64,325	65,612	67,582	69,608
District Average Salary	\$48,846	51,660	52,686	51,513
County Average Salary	\$45,853	47,367	48,609	49,439
State Average Salary	\$40,746	41,713	42,892	44,266

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

*Operating Indicators - Teacher Base Salaries  
Last Ten Years*

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Fiscal Year	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Bachelor's Degree	N/A	640	525	500
Bachelor + 15	N/A	785	786	815
Master's Degree	N/A	1,238	1,271	1,266
Master's Degree + 30	N/A	473	441	486
Doctorate	N/A	<u>47</u>	<u>44</u>	<u>47</u>
Total		3,183	3,067	3,114

Source: District Treasurer's Office

N?A = not available

*Cincinnati Public School District*

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<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
32,657	33,866	34,882	35,824	35,824	36,905
71,696	76,581	78,879	81,008	81,008	83,455
43,967	55,348	58,362	60,275	62,760	64,029
47,239	52,837	54,288	54,967	54,576	55,001
45,515	47,495	49,438	50,772	51,346	53,410

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<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
463	413	243	230	155	160
772	723	658	692	570	519
1,199	1,236	1,077	1,111	1,083	1,080
472	506	541	560	549	545
47	51	46	46	44	47
2,953	2,929	2,565	2,639	2,401	2,351





**Cincinnati Public School District**

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*Capital Asset Statistics by Building  
Last Four Years*

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

Source: District Treasurer's Office

Information not available in this format prior to 2005

## *Cincinnati Public School District*

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

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

*Cincinnati Public School District*

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

(Continued)

## *Cincinnati Public School District*

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

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

Source: District Treasurer's Office

Note: Information was not available prior to 2002.

*Cincinnati Public School District*

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

## *Cincinnati Public School District*

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

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

**Source:**

District's Student Records and Ohio Department of Education

Note: Information was not available prior to 2002.

*Cincinnati Public School District*

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2006	2007	2008
19.4	19.4	19.0
21.5	21.6	21.7
21.1	21.2	21.1
483	475	497
480	469	486
535	536	534
544	542	544
503	502	502
518	515	515
3	3	0
13	15	11
11,970	12,025	12,315
8,744	9,343	9,939
118,613	121,514	129,086
88,671	91,193	101,747
94.80%	94.70%	94.80%
94.10%	94.10%	94.20%
76.60%	77.20%	80.00%
86.20%	86.10%	86.90%







**Mary Taylor, CPA**  
Auditor of State

**CINCINNATI CITY SCHOOL DISTRICT**  
**HAMILTON COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED**  
**JUNE 8, 2010**