

Cincinnati City School District

Hamilton County

Single Audit

July 1, 2010 through June 30, 2011

Fiscal Year Audited Under GAGAS: 2011



Caudill & Associates, CPA

725 5th Street Portsmouth, OH 45662

P: 740.353.5171 | F: 740.353.3749

www.caudillcpa.com



Dave Yost • Auditor of State

Board of Education
Cincinnati City School District
2651 Burnet Ave
P.O. Box 5384
Cincinnati, Ohio 45431

We have reviewed the *Independent Auditor's Report* of the Cincinnati City School District, Hamilton County, prepared by Caudill & Associates, CPAs, for the audit period July 1, 2010 through June 30, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

January 30, 2012

This page intentionally left blank.

**CINCINNATI CITY SCHOOL DISTRICT
HAMILTON COUNTY**

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Schedule of Expenditures of Federal Awards.....	1
Notes to the Schedule of Expenditures of Federal Awards.....	2
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards,.....	3
Independent Auditors’ Report on Compliance with Requirements Applicable to Each Major Federal Programs and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	5
Schedule of Findings and Questioned Costs – <i>OMB Circular A-133 § .505</i>	7
Schedule of Prior Audit Findings and Questioned Costs – <i>OMB Circular A-133 § .315(b)</i>	10
Independent Auditor’s Report on Applying Agreed Upon Procedures.....	11

This page intentionally left blank.

CINCINNATI CITY SCHOOL DISTRICT
HAMILTON COUNTY, OHIO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Federal Receipts	Non-Cash Receipts	Federal Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE					
Child Nutrition Cluster :					
<i>Passed Through Ohio Department of Education:</i>					
: School Breakfast Program	10.553	3,363,315	-	3,363,315	-
: National School Lunch Program	10.555	8,684,130	1,505,295	8,684,130	1,505,295
: Summer Food Service Program for Children	10.559	423,302	-	423,302	-
<i>Total Child Nutrition Cluster</i>		12,470,747	1,505,295	12,470,747	1,505,295
Fresh Fruit and Vegetable Program	10.582	571,407	-	571,407	-
State Administrative Expenses for Child Nutrition	10.560	2,000	-	2,000	-
Child and Adult Care Food Program	10.558	93,102	-	93,102	-
<i>Total U.S Department of Agriculture</i>		13,137,256	1,505,295	13,137,256	1,505,295
U.S. DEPARTMENT OF EDUCATION					
Impact Aid Cluster					
Impact Aid	84.041	38,603	-	30,573	-
<i>Total Impact Aid Cluster</i>		38,603	-	30,573	-
<i>Passed Through Ohio Department of Education:</i>					
<i>Title I Part A Cluster:</i>					
Title I Grants to Local Education Agencies	84.010	23,870,045	-	23,930,291	-
ARRA - Title I Grants to Local Education Agencies	84.389	10,024,527	-	8,817,363	-
<i>Title I Part A Cluster:</i>		33,894,572	-	32,747,654	-
<i>Special Education Cluster:</i>					
Special Education Grants to States	84.027	11,180,677	-	11,301,574	-
ARRA - Special Education Grants to States	84.391	5,834,168	-	5,781,027	-
Special Education Preschool Grants	84.173	164,959	-	158,239	-
ARRA - Special Education - Preschool Grants	84.392	295,354	-	289,187	-
<i>Total Special Education Cluster</i>		17,475,158	-	17,530,027	-
<i>Education Technology State Grants Cluster</i>					
Education Technology State Grants (Enhancing Education through Tecnology Program)	84.318	378,395	-	354,156	-
ARRA - Education Technology State Grants	84.386	503,625	-	543,767	-
<i>Education Technology State Grants Cluster:</i>		882,020	-	897,923	-
<i>Teacher Incentive Fund Cluster</i>					
Teacher Incentive Fund	84.374	2,316	-	2,316	-
ARRA - Teacher Incentive Fund	84.385	147,637	-	221,287	-
<i>Teacher Incentive Fund Cluster:</i>		149,953	-	223,603	-
<i>School Improvement Grants Cluster</i>					
ARRA - School Improvement Grant	84.388	4,791,888	-	4,816,176	-
<i>School Improvement Grants Cluster</i>		4,791,888	-	4,816,176	-
<i>State Fiscal Stabilization Fund Cluster</i>					
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants	84.394	11,475,255	-	11,475,255	-
<i>State Fiscal Stabilization Fund Cluster</i>		11,475,255	-	11,475,255	-
<i>Education of Homeless Children and Youth Cluster</i>					
Education of Homeless Children and Youth	84.196	247,382	-	272,225	-
ARRA - Education of Homeless Children and Youth	84.387	133,128	-	133,808	-
<i>State Fiscal Stabilization Fund Cluster</i>		380,510	-	406,033	-
Adult Education - Basic Grants to States	84.002	1,135,053	-	1,161,955	-
Career and Technical Education - Basic Grants To States	84.048	1,231,874	-	1,134,614	-
Safe and Drug-Free Schools and Communitis State Grants	84.186	82,413	-	101,757	-
Fund for the Improvement of Education	84.215	39,498	-	66,691	-
Twenty-First Century Community Learning Centers	84.287	2,669,616	-	2,833,031	-
Foreign Language Assistance Program	84.293	144,236	-	238,499	-
English Language Acquisition Grants	84.365	260,021	-	244,732	-
Improving Teacher Quality State Grants	84.367	4,121,740	-	4,301,341	-
Advanced Placement Program	84.330	17,813	-	17,813	-
ARRA - State Fiscal Stabilization Fund (SFSF) - Race to the Top Incentive Grants, Recovery Act	84.395	2,993,457	-	2,972,415	-
<i>Total U.S. Department Of Education</i>		81,783,680	-	81,200,092	-
NATIONAL SCIENCE FOUNDATION					
<i>Passed Through Ohio Department of Education:</i>					
Education and Human Resources	47.076	313,105	-	149,816	-
<i>Total National Science Foundation</i>		313,105	-	149,816	-
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES					
<i>Passed through the Ohio Department of Jobs & Family Services</i>					
Temporary Assistance for Needy Families	93.558	62,446	-	219,972	-
		62,446	-	219,972	-
<i>Passed through the Cincinnati-Hamilton County Community Action Agency</i>					
Head Start	93.600	3,884,633	-	3,729,119	-
<i>Total US Department of Health & Human Services</i>		3,947,079	-	3,949,091	-
Totals Federal Awards		99,181,120	1,505,295	98,436,255	1,505,295

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

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Note A - SIGNIFICANT ACCOUNTING POLICIES

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

Note B - FOOD DONATION

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

Note C - TRANSFERS

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

During fiscal year 2011, the Ohio Department of Education authorized the following transfers:

Program Title	Pass Through Entity Number	Federal CFDA Number	Transfer Out	Transfer In
Title I - Grants to Local Educational Agencies Schoolwide Pool	C1 n/a	84.010 n/a	8,773,265	8,773,265
Title I - ARRA Schoolwide Pool	n/a	84.389 n/a	1,548,223	1,548,223
Special Education - Grants to States Schoolwide Pool	6B n/a	84.027 n/a	2,902,769	2,902,769
Improving Teacher Quality - Grants to States Schoolwide Pool	TR n/a	84.367 n/a	2,874,262	2,874,262

Note D - SCHOOL-WIDE POOL

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

Program Title	Pass Through Entity Number	Federal CFDA Number	Fund No.	Allocated Amount
General Fund			0001	120,814,736
Title I - Grants to Local Educational Agencies	C1	84.010	0572	8,773,265
Title I - ARRA			0572	1,548,223
Title IIA - Agencies Improving Teacher Quality- Reducing Class Size	TR	84.367	0590	2,874,262
Special Education - Grants to States	6B	84.027	0516	2,902,769
Total School-Wide Pool				<u>136,913,255</u>



Caudill & Associates, CPA

725 5th Street Portsmouth, OH 45662
P: 740.353.5171 | F: 740.353.3749
www.caudillcpa.com

Member American Institute of Certified Public Accountants

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

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

Cincinnati City School District
Hamilton County
2651 Burnet Ave
Cincinnati, Ohio 45219

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cincinnati City School District, Hamilton County, (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Board of Education
Cincinnati City School District

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

We did note certain matters not requiring inclusion in this report that we reported to the School District's management in a separate letter dated December 22, 2011.

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

Caudill & Associates, CPA

Caudill & Associates, CPA
December 22, 2011



Caudill & Associates, CPA

725 5th Street Portsmouth, OH 45662
P: 740.353.5171 | F: 740.353.3749
www.caudillcpa.com

Member American Institute of Certified Public Accountants

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

Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133

Cincinnati City School District
Hamilton County
2651 Burnet Ave
Cincinnati, Ohio 45219

To the Board of Education:

Compliance

We have audited the compliance of Cincinnati City School District, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect Cincinnati City School District's major federal program for the year ended June 30, 2011. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the Government'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 included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Government's compliance with those requirements.

In our opinion, Cincinnati City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2011.

Internal Control Over Compliance

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

Internal Control Over Compliance (Continued)

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

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

Federal Awards Receipts and Expenditures Schedule

We have also audited the financials statements of the governmental activities, each major fund and the aggregate remaining fund information of Cincinnati City School District, as of and for the year ended June 30, 2011 and have issued our report thereon dated December 22, 2011. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements taken as a whole. 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. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with the auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Caudill & Associates, CPA

Caudill & Associates, CPA
December 22, 2011

**CINCINNATI CITY SCHOOL DISTRICT
HAMILTON COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS
--

FOR THE YEAR ENDED JUNE 30, 2011

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other Significant Deficiencies in internal controls reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other Significant Deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No

**CINCINNATI CITY SCHOOL DISTRICT
HAMILTON COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS (Continued)
--

FOR THE YEAR ENDED JUNE 30, 2011

<i>(d)(1)(vii)</i>	Major Programs (list):	<p><i>Child Nutrition Cluster:</i> School Breakfast Program CFDA # 10.553, National School Lunch Program CFDA # 10.555, Summer Food Service Program for Children CFDA # 10.559</p> <p><i>Title I, Part A Cluster:</i> Title 1 Grants to Local Educational Agencies CFDA # 84.010, ARRA – Title I Grants to Local Educational Agencies CFDA # 84.389</p> <p><i>Special Education Cluster:</i> Special Education Grant to States CFDA #84.027, ARRA – Special Education Grants to States CFDA #84.391, Special Education – Preschool Grants, CFDA #84.173, ARRA – Special Education – Preschool Grants, CFDA #84.392</p> <p><i>School Improvement Grants Cluster:</i> ARRA – School Improvement Grants CFDA # 84.388</p> <p><i>State Fiscal Stabilization Fund Cluster:</i> ARRA – State Fiscal Stabilization Fund (SFSF) –Education State Grants CFDA # 84.394</p> <p>ARRA - State Fiscal Stabilization Fund (SFSF) – Race to the Top Incentive Grants, CFDA #84.395</p> <p><i>Education Technology State Grants Cluster:</i> Education Technology State Grants CFDA # 84.318, ARRA – Education Technology State Grants CFDA # 84.386</p> <p><i>Education of Homeless Children and Youth Cluster:</i> Education of Homeless Children and Youth CFDA # 84.196, ARRA – Education of Homeless Children and Youth CFDA # 84.387</p>
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	\$2,998,247
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

**CINCINNATI CITY SCHOOL DISTRICT
HAMILTON COUNTY
FOR THE YEAR ENDED JUNE 30, 2011**

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

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

None Noted.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None Noted.

**CINCINNATI CITY SCHOOL DISTRICT
HAMILTON COUNTY
FOR THE YEAR ENDED JUNE 30, 2011**

**SCHEDULE OF PRIOR AUDIT FINDINGS
*OMB CIRCULAR A-133 §.315 (b)***

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2010-001	Significant Deficiency – Internal Controls over Accounting System	Yes	Finding No Longer Valid
2010-002	Material Weakness – Journal Entries	Yes	Finding No Longer Valid



Caudill & Associates, CPA

725 5th Street Portsmouth, OH 45662

P: 740.353.5171 | F: 740.353.3749

www.caudillcpa.com

Member American Institute of Certified Public Accountants

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

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Cincinnati City School District
Hamilton County
2651 Burnet Ave
Cincinnati, Ohio 45219

To the Board of Education

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

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

1. In our reported dated December 31, 2010, we noted the Board revised its anti-harassment policy on April 4, 2008. However, this policy did not include all matters required by Ohio Rev. Code 3313.666.
2. The Board amended the policy on March 14, 2011. We read the amended policy, noting it now includes all the requirements listed in Ohio Rev. Code 3313.666.

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

This report is intended solely for the information and use of the Board of Education, management and the Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

Caudill & Associates, CPA

Caudill & Associates, CPA
December 22, 2011

This page intentionally left blank.



Hamilton County, OH

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2011





CINCINNATI CITY SCHOOL DISTRICT, OHIO

Hamilton County, Ohio

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2011**

Prepared by:
Diana C. Whitt
Treasurer/CFO



TABLE OF CONTENTS

CINCINNATI CITY SCHOOL DISTRICT
HAMILTON COUNTY, OHIO

I INTRODUCTORY SECTION

A Letter of Transmittalv
B List of Principal Officials.....xii
C Organization Chart.....xiii
D Certificate of Achievement.....xiv

II FINANCIAL SECTION

A Independent Auditors’ Report..... 1
B Management’s Discussion and Analysis 3
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Assets..... 14
 Statement of Activities 15
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet 16
 Reconciliation of Total Governmental Fund Balances to Net Assets of
 Governmental Activities..... 18
 Statement of Revenues, Expenditures and Changes in Fund Balances 20
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities..... 24
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual:
 General Fund..... 26
 Schoolwide Building Program Fund 28
 Proprietary Fund:
 Statement of Net Assets..... 29
 Statement of Revenues, Expenses and Changes in Fund Net Assets 30
 Statement of Cash Flows 31
 Fiduciary Funds:
 Statement of Net Assets..... 32
 Statement of Changes in Net Assets.... 33
Notes to the Basic Financial Statements..... 34

CINCINNATI CITY SCHOOL DISTRICT, OHIO

D Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	73
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	76
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	79

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):

Major Governmental Funds:

<i>General Fund</i>	80
<i>Special Revenue Fund:</i>	
Schoolwide Building Program Fund.....	81
<i>Capital Projects Fund:</i>	
Classroom Facilities Fund.....	82

Nonmajor Governmental Funds:

Special Revenue Funds:

Food Service Fund.....	83
Other Grants Fund.....	84
Classroom Facilities Maintenance Fund.....	85
Auxiliary Services Fund.....	86
Title VI B – Special Education Assistance Fund.....	87
American Recovery and Reinvestment Act (ARRA) Fund.....	88
Chapter I Fund – Education Consolidation and Improvement Act Fund...	89
Miscellaneous Federal Grants Fund.....	90
Other Special Revenue Funds.....	91

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Debt Service Fund:

Bond Retirement Fund 92

Capital Projects Funds:

Permanent Improvement Fund 93
Building Fund..... 94
Replacement Fund..... 95

Permanent Fund:

Permanent Fund..... 96

E Fiduciary Funds – Agency Fund:

Schedule of Changes in Assets and Liabilities 99



CINCINNATI CITY SCHOOL DISTRICT, OHIO

III

STATISTICAL SECTION

Net Assets by Component - Last Ten Years S 2
Changes in Net Assets - Last Ten Years S 4
Fund Balances, Governmental Funds - Last Ten Years S 8
Changes in Fund Balances, Governmental Funds - Last Ten Years S 10
Assessed Valuations and Estimated True Values of Taxable Property - Last Ten
Calendar Years S 14
Property Tax Rates of Direct and Overlapping Governments - Last Ten
Calendar Years S 16
Principal Taxpayers - Real Estate Tax and Public Utilities - Current Year and
Nine Years Ago S 19
Property Tax Levies and Collections - Last Ten Years S 20
Ratio of Outstanding Debt By Type - Last Ten Years S 22
Ratios of General Bonded Debt Outstanding - Last Ten Years S 24
Computation of Direct and Overlapping - Debt Attributable to Governmental
Activities - Current Year S 27
Debt Limitations - Last Ten Years S 28
Demographic and Economic Statistics - Last Ten Years S 30
Principal Employers - Current Year and Nine Years Ago S 33
School District Employees by Type - Last Ten Years S 34
Operating Indicators - Cost per Pupil - Last Ten Years S 36
Operating Indicators by Function - Last Seven Years S 38
Operating Indicators - Teacher Base Salaries - Last Ten Years S 40
Capital Asset Statistics by Building - Last Seven Years S 42
Educational and Operating Statistics - Last Ten Years S 44



Introductory Section





CINCINNATI CITY SCHOOL DISTRICT, OHIO



**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**

December 22, 2011

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, 2011. 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, 2011 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 E-Business Suite version 11.5.10.2 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 version 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

Letter of Transmittal For the Fiscal Year Ended June 30, 2011

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 1996 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 59 schools: 40 elementary schools and 7 high schools and 9 combined elementary and high school. 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 eighth year of a \$985 million, 10-year facilities improvement program.

The District's average daily student enrollment (K-12) for the 2010 -11 school year was 32,009 students. The District served 66% of 49,062 of school aged children residing within the boundaries. The majority of enrolled students were members of ethnic minorities -- in the 2010-11 school year, 66.9 percent of students were African-American, 1.0 percent were Asian, 24.2 percent were Caucasian white, 0.1 percent were Native American, 5.3 percent were other/multiracial, and 2.6 percent were Hispanic.

A significant majority of students in the District – 73.55 percent were on free or reduced lunch plans during the 2010-11 school year. Eighty percent of the District's elementary schools served student populations that were 75 percent or higher in poverty. Twenty-one percent of the students attending were served with Special Education needs.

Transportation was provided daily for 15,918 public students, 3,365 for charter students and 4,196 for non-public students. Buses traveled an average of 31,079 miles each day. A self-supporting Food Services Department served an average of 19,857 lunches and 12,589 breakfasts per day for the 2010-11 school year.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2011

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 2010-11 Report Card, the District was rated "effective" for second time since the State began rating public school districts a decade ago.

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, 2011 were:

	<u>Current Term Commenced</u>	<u>Current Term Expires</u>
Eve Bolton, President	01/01/08	12/31/11
Vanessa White, Vice President	01/01/10	12/31/13
Melanie Bates	01/01/10	12/31/13
Catherine D. Ingram	01/01/10	12/31/13
A. Chris Nelms	01/01/08	12/31/11
Sean T. Parker	04/26/10	12/31/11
Eileen Cooper Reed	01/01/10	12/31/13

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

The Cincinnati Board of Education named Mary A. Ronan as the Superintendent effective April 16, 2010 for a term expiring July 31, 2012. Mrs. Ronan began her more than 30-year career with Cincinnati Public Schools as a math and science teacher at the former Merry Middle School – a building that now houses her office as Superintendent in the district's Education Center.

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2011

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 Cincinnati Public Schools to become the highest rated urban school district in Ohio and the first to earn the Effective rating, an accomplishment that occurred two consecutive years (August 2010 and August 2011). More than 80 percent of the district's schools are rated as Excellent, Effective or in Continuous Improvement in the state's rating system. According to an analysis by Battelle for Kids, CPS ranked in the top 5 percent of districts statewide in the amount of learning growth experienced by students during the 2010-11 school year. 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; their successful academic turnaround contributed to the district's overall progress. 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 to 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.

During the 2010-2011 fiscal year the Treasurer/CFO of the District was Mr. Jonathan L. Boyd. The Board appointed Jonathan L. Boyd as Treasurer/CFO for a three-year term commencing May 1, 2007 and ending July 31, 2010. In October 2010 the Board extended his contract through July 31, 2012. Mr. Boyd holds a Masters Degree in Administration from Central Michigan University and has served as a Treasurer in other Ohio Public Schools for the past 25 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. Subsequent to June 30, 2011, Mr. Boyd retired and, after a national search, the position was filled by Mrs. Diana C. Whitt. Mrs. Whitt has extensive experience that includes being the District Treasurer and Chief Financial Officer at Trotwood Madison City Schools near Dayton, Ohio, since September 2002. Mrs. Whitt also has corporate experience in financial management, consulting and sales. Mrs. Whitt received her B.A. Degree from Notre Dame College in South Euclid, Ohio and her Masters Degree from the University of Phoenix.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2011

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.

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: 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 11.9 million net square feet of office space in the downtown Cincinnati area and 25.1 million net square feet in suburban office buildings and parks. There are approximately 273 million square feet of industrial space. The retail market includes more than 50 million square feet regionally (3.8 million square feet downtown).

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 478,500 in 2010 by the U.S. Bureau of Labor Statistics. The U.S. Bureau of Labor Statistics estimated total employment in Hamilton County at 396,938 at June 30, 2011. This 90.8% employment rate is slightly below the State of Ohio employment rate of 91.2% at June 30, 2011 and trails the national rate of 90.8% 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

Letter of Transmittal

For the Fiscal Year Ended June 30, 2011

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 (21st) 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 sixth straight year. We were again able to meet this goal because of our continuing effort to right-size the District, aggressively monitoring and evaluating spending and the District is making aggressive efforts to attract and retain students.

Facilities Master Plan (FMP) Surges Forward

The District's ten-year, \$985 million Facilities Master Plan (FMP) officially launched with the passage of a \$480 million bond issue in May 2003. During the period from January 2005 thru June 2011, the District has either renovated or constructed a total of 36 schools. By the end of 2011, one more school will be completed to make a total of 37. By spring 2012 all of the remaining 13 additional schools will be in construction to complete the Facilities Master Plan. The District's new schools are distinctive, eye-catching buildings, with technology-ready classrooms and energy efficient features. The buildings provide an abundance of natural light and include outdoor educational areas. As state-of-the-art, 21st 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), Minority Business Enterprises (MBE) and Women Business Enterprises (WBE). The District's expanded Supplier Diversity Program is working to cultivate new relationships with a broader base of businesses. Beginning February 2010 a new initiative increased MBE participation to twenty-two percent (22%) for the last 13 projects bid. We are slightly under the Board's goal of 25% MBE participation. Our participation levels exceed the performance of other public capital projects in the area.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal *For the Fiscal Year Ended June 30, 2011*

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, 2010. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The June 30, 2010 CAFR was the eleventh consecutive CAFR prepared by the District to receive this prestigious award.

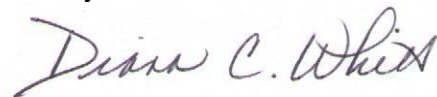
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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, 2011 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,



Diana C. Whitt
Treasurer/CFO

CINCINNATI CITY SCHOOL DISTRICT, OHIO

List of Principal Officials June 30, 2011

Members of the Board of Education:

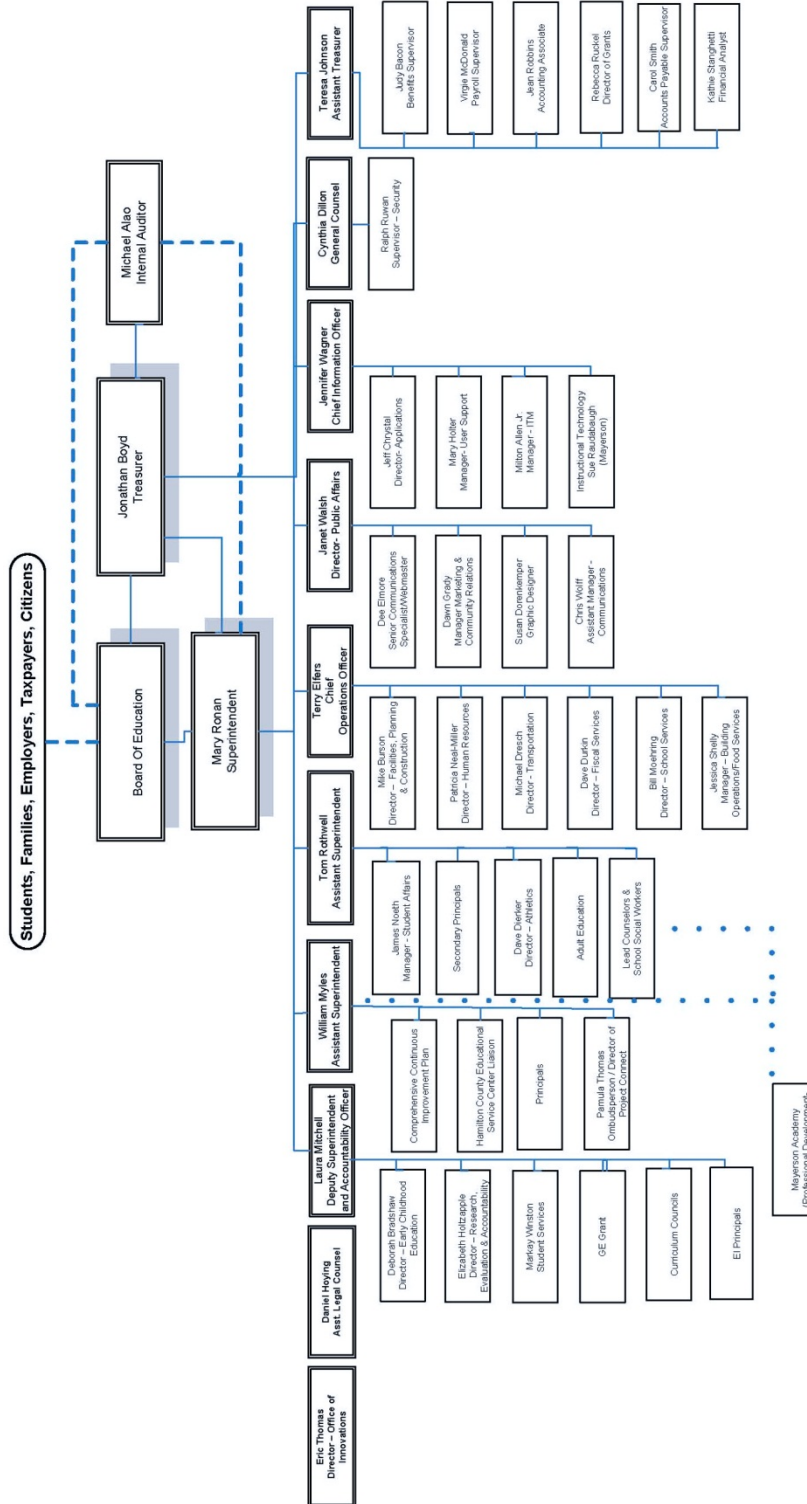
<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Eve Bolton	President	December 31, 2011
Vanessa White	Vice President	December 31, 2013
Melanie Bates	Member	December 31, 2013
Catherine D. Ingram	Member	December 31, 2013
A. Chris Nelms	Member	December 31, 2011
Sean T. Parker	Member	December 31, 2011
Eileen Cooper Reed	Member	December 31, 2013

District Administration:

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

School District Organizational Chart For the Fiscal Year Ended June 30, 2011



CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

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, 2010

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.



Linda C. Danison

President

Jeffrey R. Emer

Executive Director



Financial Section







Caudill & Associates, CPA

725 5th Street Portsmouth, OH 45662
P: 740.353.5171 | F: 740.353.3749
www.caudillcpa.com

Member American Institute of Certified Public Accountants

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

Independent Auditor's Report

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

To the Board of Education:

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, Hamilton County, Ohio, as of and for the fiscal year ended June 30, 2011, which collectively comprise the Cincinnati City School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Cincinnati City 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 the *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, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund and the Schoolwide Building Program Fund for the fiscal 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 December 22, 2011, on our consideration of the Cincinnati City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing, 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.

Board of Education
Cincinnati City School District

Independent Auditor's Report (Continued)

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.

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

Caudill & Associates, CPAs

Caudill & Associates, CPA
December 22, 2011

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011*

Unaudited

The discussion and analysis of the Cincinnati City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2011. 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 2011 are as follows:

General revenues accounted for \$492,155,914 in revenue or 72.6% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$185,701,050 or 27.4% of total revenues of \$677,856,964.

The District had \$596,064,519 in expenses related to governmental activities; only \$185,701,050 of these expenses was offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$265,290,427, revenue in lieu of taxes totaling \$23,453,928, unrestricted state and federal revenues totaling \$197,164,514, investment earnings totaling \$1,298,188 plus prior year carry over revenues) were adequate to provide for these programs.

The assets of the District exceeded its liabilities at June 30, 2011 by \$615,927,380 (net assets). Of this amount, \$189,176,164 is considered unrestricted and may be used to meet the District's on-going obligations.

The District's total net assets increased \$81,792,445 in fiscal year 2011, which represents a 15.3% increase from the fiscal year 2010 balance. Revenues and expenses both increased 4% from prior year amounts. Revenues increases included the recognition of an additional \$47.5 million capital grant from the Ohio School Facilities Commission (OSFC) offset by \$21.2 million of reductions in property taxes and \$12.0 million in operating grants. Expense levels, while increasing, continue to remain well below revenue collections.

Among major funds, the general fund had \$461,818,269 in revenue, \$294,312,774 in expenditures and (\$138,157,699) in net other financing uses, resulting in the general fund balance increasing by \$29,347,796 to \$148,031,151.

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

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

Unaudited

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, 2011**

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.

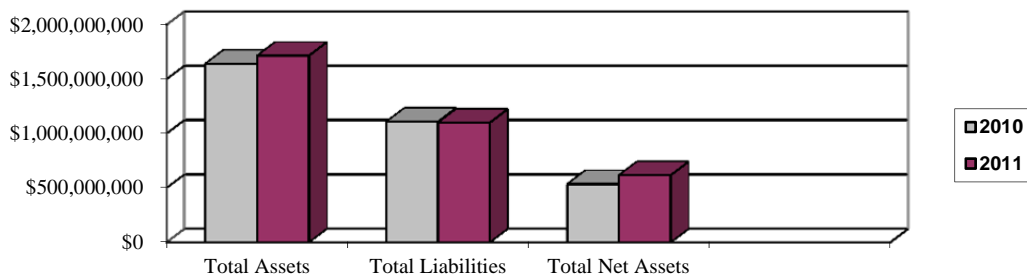
Fiduciary Funds – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. 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 2011 compared to 2010:

	Governmental Activities		Increase (Decrease)
	2011	2010	
Current and other assets	\$819,947,362	\$853,645,517	(\$33,698,155)
Capital assets, Net	894,567,072	788,425,058	106,142,014
Total assets	1,714,514,434	1,642,070,575	72,443,859
Long-term debt outstanding	794,310,009	818,308,406	(23,998,397)
Other liabilities	304,277,045	289,627,234	14,649,811
Total liabilities	1,098,587,054	1,107,935,640	(9,348,586)
Net assets			
Invested in capital assets, net of related debt	407,388,120	353,689,363	53,698,757
Restricted	19,363,096	32,392,909	(13,029,813)
Unrestricted	189,176,164	148,052,663	41,123,501
Total net assets	<u>\$615,927,380</u>	<u>\$534,134,935</u>	<u>\$81,792,445</u>

Cincinnati City Schools Governmental Activities



CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011*

Unaudited

Changes in Net Assets – The following table shows the net assets for the fiscal year 2011 compared to 2010:

	Governmental Activities		Increase (Decrease)
	2011	2010	
Revenues			
Program revenues:			
Charges for Services	\$21,964,268	\$18,160,734	\$3,803,534
Operating Grants	107,155,658	119,193,346	(12,037,688)
Capital Grants	56,581,124	11,920,000	44,661,124
General revenues:			
Property Taxes	265,290,427	286,554,339	(21,263,912)
Revenue in Lieu of Taxes	23,453,928	17,497,711	5,956,217
Grants and Entitlements	197,164,514	192,804,062	4,360,452
Other	6,247,045	5,282,866	964,179
Total revenues	<u>677,856,964</u>	<u>651,413,058</u>	<u>26,443,906</u>
Program Expenses			
Instruction:			
Regular	212,617,087	215,218,926	(2,601,839)
Special	77,918,902	77,739,067	179,835
Vocational	7,046,640	6,839,266	207,374
Other	613,450	324,254	289,196
Support Services:			
Pupils	29,702,228	29,830,994	(128,766)
Instructional Staff	49,720,996	39,819,027	9,901,969
Board of Education	343,414	339,142	4,272
Administration	35,904,173	35,453,480	450,693
Fiscal Services	7,006,980	6,833,916	173,064
Business	1,244,023	1,196,647	47,376
Operation and Maintenance of Plant	47,998,030	41,693,266	6,304,764
Pupil Transportation	27,155,167	31,574,052	(4,418,885)
Central	15,024,579	10,143,405	4,881,174
Non-Instructional Services	43,667,894	37,670,655	5,997,239
Extracurricular Activities	5,605,603	6,370,590	(764,987)
Interest and Fiscal Charges	34,495,353	31,351,857	3,143,496
Total expenses	<u>596,064,519</u>	<u>572,398,544</u>	<u>23,665,975</u>
Total Change in Net Assets	81,792,445	79,014,514	2,777,931
Beginning Net Assets	<u>534,134,935</u>	<u>455,120,421</u>	<u>79,014,514</u>
Ending Net Assets	<u><u>\$615,927,380</u></u>	<u><u>\$534,134,935</u></u>	<u><u>\$81,792,445</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

Unaudited

The most significant reasons for the \$81.8 million increase in Net Assets from FY 2010 to FY 2011 are as follows:

The District's total net assets increased \$81,792,445 in fiscal year 2011, representing a 15.3% increase from the ending fiscal year 2010 net asset balance. In comparison, total net assets increased in fiscal year 2010 by \$79,014,514.

The majority of the increase in fiscal year 2011 net assets is attributable to a large increase in grant revenues in 2011. The District recognized an additional \$47.5 million capital grant from the Ohio School Facilities Commission (OSFC) for Segment 3b under its Master Facilities Plan.

Property taxes revenues decreased \$21.3 million or 7.4%. All grant revenues combined increased \$37 million.

Total expenses increased at a 4% pace, consistent with total revenues.

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.

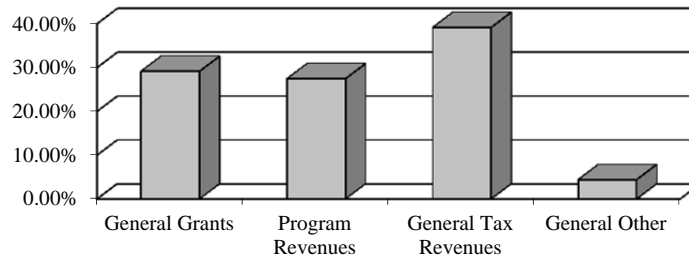
Property taxes made up 39.1% of revenues for governmental activities for the Cincinnati City School District in fiscal year 2011. The District's reliance upon tax revenues is demonstrated by the following table and graph:

Revenue Sources	2011	Percent of Total
General Grants	\$197,164,514	29.09%
Program Revenues	185,701,050	27.40%
General Tax Revenues	265,290,427	39.13%
General Other	29,700,973	4.38%
Total Revenue	<u>\$677,856,964</u>	<u>100.00%</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011*

Unaudited



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$413,221,192, which is less than last year's total of \$469,861,986. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2011 and 2010.

	Fund Balance June 30, 2011	Fund Balance June 30, 2010	Increase (Decrease)
General	\$148,031,151	\$118,683,355	\$29,347,796
Schoolwide Building Program	(321,073)	(1,954,719)	1,633,646
Classroom Facilities			
Capital Projects	213,986,898	226,924,548	(12,937,650)
Other Governmental	51,524,216	126,208,802	(74,684,586)
Total	\$413,221,192	\$469,861,986	(\$56,640,794)

The District's General Fund's fund balance increased during Fiscal year 2011 by \$29.3 million as revenues exceeded the total of expenditures and transfers in/out from/to other funds. By comparison, the fiscal year 2010 increase was \$44.6 million. Revenues for 2011 decreased by \$1.5 million largely due to decreased tax revenues. Operating expenditures decreased \$5.3 million. Net transfers out to other funds increased \$19.1 million.

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

The decrease in the Classroom Facilities Capital Projects Fund is primarily due to construction activity. The FMP program activity increased as eight new schools became operational in 2011 as well as continuing construction in progress efforts on other locations included in the FMP.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011*

Unaudited

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

	2011 Revenues	2010 Revenues	Increase (Decrease)
Taxes	\$249,982,815	\$251,534,175	(\$1,551,360)
Tuition	1,123,004	1,751,707	(628,703)
In Lieu of Taxes	7,534,813	7,037,841	496,972
Investment Earnings	486,071	839,094	(353,023)
Intergovernmental - State	196,917,974	197,447,504	(529,530)
Intergovernmental - Federal	248,271	1,186,081	(937,810)
All Other Revenue	5,525,321	3,537,808	1,987,513
Total	\$461,818,269	\$463,334,210	(\$1,515,941)

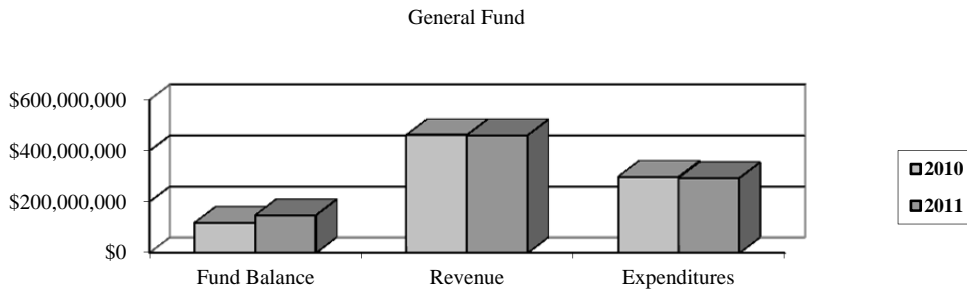
General Fund revenues in 2011 decreased from 2010 primarily due to decreases in tax revenues.

	2011 Expenditures	2010 Expenditures	Increase (Decrease)
Instruction:			
Regular	\$126,174,501	\$129,631,758	(\$3,457,257)
Special	36,953,750	32,510,098	4,443,652
Vocational	5,525,707	5,526,041	(334)
Other	17,744	0	17,744
Supporting Services:			
Pupils	21,588,714	21,753,894	(165,180)
Instructional Staff	12,656,584	14,862,437	(2,205,853)
Board of Education	346,538	341,454	5,084
Administration	20,341,123	19,032,089	1,309,034
Fiscal Services	2,134,839	2,946,496	(811,657)
Business	1,142,991	862,456	280,535
Operation and Maintenance of Plant	22,306,516	26,223,482	(3,916,966)
Pupil Transportation	26,783,214	31,031,749	(4,248,535)
Central	14,129,288	9,559,416	4,569,872
Extracurricular Activities	3,846,782	4,491,657	(644,875)
Capital Outlay	284,400	136,861	147,539
Debt Service:			
Interest & Fiscal Charges	80,083	705,595	(625,512)
Total	\$294,312,774	\$299,615,483	(\$5,302,709)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011*

Unaudited



The \$5.3 million decrease in total operating expenditures is a result of a decrease of student enrollment which required less instructional and support staff directly related to students as well as a decrease in student transportation costs. Reductions were realized in the operation and maintenance of plant as facilities come on line as part of the FMP program thereby reducing operational costs.

During the course of fiscal year 2011 the District amended its General Fund budget for revenues and expenditures several times.

The General Fund's final budgeted revenues were increased .1% or \$4.9 million compared to the original budget estimates due to increasing estimated revenues primarily for Miscellaneous revenues. Appropriations were increased by \$9.1 million primarily for regular instruction and administration costs.

Actual final budget basis revenues were 3.8% above, or \$18.1 million, final budgeted amounts primarily as a result of higher than budgeted property tax receipts collected by Hamilton County. Actual final budget basis expenditures were lower than final appropriated amounts and varied by 5% or \$26.8 million.

This space left blank intentionally.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011*

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At the end of fiscal 2011 the District had \$894,567,072 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 2011 balances:

	Governmental Activities		Increase (Decrease)
	2011	2010	
Land	\$37,249,030	\$36,913,235	\$335,795
Construction in Progress	178,590,342	268,489,796	(89,899,454)
Land Improvements	9,092,640	9,092,640	0
Buildings and Improvements	782,952,105	580,826,502	202,125,603
Furniture, Fixtures and Equipment	7,438,538	5,339,800	2,098,738
Vehicles	824,267	799,007	25,260
Less: Accumulated Depreciation	(121,579,850)	(113,035,922)	(8,543,928)
Totals	\$894,567,072	\$788,425,058	\$106,142,014

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 \$202,125,603 net increase in Buildings and Improvements during 2011 was a result of completing construction of eight 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. The \$89,899,454 net decrease in Construction in Progress is a result of those schools where construction ended during 2011 and therefore reclassified as buildings and improvements. 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 \$53,698,757. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 11).

Debt - At June 30, 2011, the District had \$624,312,582 in General Obligation Bonds outstanding, \$13,995,935 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2011:

	2011	2010
Governmental Activities:		
General Obligation Bonds	\$624,312,582	\$640,782,247
Capital Leases	114,960,560	122,866,118
Compensated Absences	55,036,867	54,660,041
Totals	\$794,310,009	\$818,308,406

Detailed information regarding debt is included in the notes to the basic financial statements (Notes 14-16).

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2011*

Unaudited

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, reduction of federal title funding, loss of federal stimulus dollars and anticipated revenue cuts coming from the state will challenge the district budget while continuing successful programs and elementary initiatives currently in place. The District continues to be vigilant in creating efficiencies and strategic investments in all operations in order to balance the budget. The diverse economic base in industry will continue to be a source of stability for the area, protecting it from severe peaks and valleys in the business cycle.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Diane C. Whitt, 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, 2011

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$ 431,725,626
Investments	249,756
Receivables:	
Taxes	332,483,866
Accounts	528,017
Intergovernmental - State and Local	9,221,403
Intergovernmental - Federal	28,331,309
Interest	120,902
Inventory of Supplies at Cost	57,506
Inventory Held for Resale	450,912
Restricted Assets:	
Pooled Cash and Investments	12,604,372
Non-Depreciable Capital Assets	215,839,372
Depreciable Capital Assets, Net	678,727,700
Unamortized Bond Issuance Costs	4,173,693
Total Assets	1,714,514,434
Liabilities:	
Accounts Payable	18,399,198
Accrued Wages and Benefits	30,301,129
Intergovernmental Payable	8,582,332
Claims Payable	3,361,000
Unearned Revenue - Taxes	240,901,426
Accrued Interest Payable	2,731,960
Long Term Liabilities:	
Due Within One Year	28,866,880
Due in More Than One Year	765,443,129
Total Liabilities	1,098,587,054
Net Assets:	
Invested in Capital Assets, Net of Related Debt	407,388,120
Restricted For:	
Capital Projects	2,109,383
Debt Service	1,898,503
Permanent Fund:	
Expendable	498,731
Nonexpendable	768,034
State and Federal Grants	14,088,445
Unrestricted	189,176,164
Total Net Assets	\$ 615,927,380

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Activities
For the Fiscal Year Ended June 30, 2011

		Program Revenues			Net (Expense)
					Revenue and
					Changes in
					Net Assets
					Governmental
	Expenses	Charges for	Operating	Capital Grants	Activities
		Services and	Grants and	and	
		Sales	Contributions	Contributions	
Governmental Activities:					
Instruction:					
Instruction - Regular	\$ 212,617,087	\$ 9,120,598	\$ 2,561,366	\$ 0	\$ (200,935,123)
Instruction - Special	77,918,902	83,212	22,321,159	0	(55,514,531)
Instruction - Vocational	7,046,640	78,457	1,314,421	0	(5,653,762)
Instruction - Other	613,450	13,265	625,653	0	25,468
Support Services:					
Pupils	29,702,228	249,677	5,205,109	0	(24,247,442)
Instructional Staff	49,720,996	5,677,980	23,659,867	0	(20,383,149)
Board of Education	343,414	0	0	0	(343,414)
Administration	35,904,173	352,532	4,979,808	0	(30,571,833)
Fiscal Services	7,006,980	37,181	5,054,835	0	(1,914,964)
Business	1,244,023	0	0	0	(1,244,023)
Operation and Maintenance of Plant	47,998,030	126,785	9,148,050	56,581,124	17,857,929
Pupil Transportation	27,155,167	178	515,650	0	(26,639,339)
Central	15,024,579	4,529	191,459	0	(14,828,591)
Operation of Non-Instructional Services	43,667,894	2,035,610	29,679,381	0	(11,952,903)
Extracurricular Activities	5,605,603	4,184,264	1,898,900	0	477,561
Interest and Fiscal Charges	34,495,353	0	0	0	(34,495,353)
Total Governmental Activities	\$ 596,064,519	\$ 21,964,268	\$ 107,155,658	\$ 56,581,124	(410,363,469)

General Revenues

Property Taxes Levied for:	
General Purposes	250,219,075
Debt Service	15,071,352
Revenue in Lieu of Taxes	23,453,928
Grants and Entitlements not Restricted to Specific Programs	197,164,514
Investment Earnings	1,298,188
Miscellaneous	4,948,857
Total General Revenues	492,155,914
Change in Net Assets	81,792,445
Net Assets Beginning of Year	534,134,935
Net Assets End of Year	\$ 615,927,380

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Balance Sheet
Governmental Funds
June 30, 2011

	General	Schoolwide Building Program	Classroom Facilities Capital Projects
Assets:			
Equity in Pooled Cash and Investments	\$ 113,505,701	\$ 14,907,858	\$ 220,435,001
Investments	0	0	0
Receivables:			
Taxes	296,964,170	0	0
Accounts	470,969	0	567
Intergovernmental - State and Local	0	0	8,987,611
Intergovernmental - Federal	0	0	0
Interest	56,200	0	5,067
Interfund Loans Receivable	21,792,465	0	0
Advances to Other Funds	648,635	0	0
Inventory of Supplies at Cost	0	0	0
Inventory Held for Resale	0	0	0
Restricted Assets:			
Pooled Cash and Investments	12,604,372	0	0
Total Assets	<u>\$ 446,042,512</u>	<u>\$ 14,907,858</u>	<u>\$ 229,428,246</u>
Liabilities:			
Accounts Payable	\$ 4,211,942	\$ 200,979	\$ 6,452,399
Accrued Wages and Benefits	14,243,490	11,710,992	0
Intergovernmental Payable	4,034,252	3,316,960	0
Interfund Loans Payable	4,397,421	0	0
Advances from Other Funds	3,508,048	0	0
Deferred Revenue - Taxes	267,414,992	0	0
Deferred Revenue	31,115	0	8,988,949
Compensated Absences Payable	170,101	0	0
Total Liabilities	<u>298,011,361</u>	<u>15,228,931</u>	<u>15,441,348</u>
Fund Balances:			
Nonspendable	0	0	0
Restricted	0	0	213,986,898
Assigned	11,987,019	0	0
Unassigned	136,044,132	(321,073)	0
Total Fund Balances	<u>148,031,151</u>	<u>(321,073)</u>	<u>213,986,898</u>
Total Liabilities and Fund Balances	<u>\$ 446,042,512</u>	<u>\$ 14,907,858</u>	<u>\$ 229,428,246</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 71,906,705	\$ 420,755,265
249,756	249,756
35,519,696	332,483,866
49,698	521,234
233,792	9,221,403
28,331,309	28,331,309
59,635	120,902
2,307	21,794,772
3,738,175	4,386,810
57,506	57,506
450,912	450,912
0	12,604,372
\$ 140,599,491	\$ 830,978,107
\$ 7,488,495	\$ 18,353,815
4,346,647	30,301,129
1,231,120	8,582,332
17,397,351	21,794,772
878,762	4,386,810
32,479,830	299,894,822
25,253,070	34,273,134
0	170,101
89,075,275	417,756,915
1,276,452	1,276,452
51,220,665	265,207,563
0	11,987,019
(972,901)	134,750,158
51,524,216	413,221,192
\$ 140,599,491	\$ 830,978,107

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities June 30, 2011

Total Governmental Fund Balances \$ 413,221,192

*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. 894,567,072

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

Accounts Receivable - accrual basis	12,694	
Taxes Receivable - accrual basis	58,993,396	
Interest Receivable - accrual basis	55,839	
Grants Receivable - accrual basis	<u>34,204,601</u>	
Total		93,266,530

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. 7,570,761

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	(28,866,880)	
Amounts Due in More Than One Year	(765,443,129)	
Compensated Absences - accrued on fund basis	170,101	
Accrued Interest on Long-Term Debt	(2,731,960)	
Bond Issuance Costs	<u>4,173,693</u>	
Total		<u>(792,698,175)</u>

Net Assets of Governmental Activities \$ 615,927,380

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, 2011**

	General	Schoolwide Building Program	Classroom Facilities Capital Projects
Revenues:			
Taxes	\$ 249,982,815	\$ 0	\$ 0
Tuition	1,123,004	0	0
In Lieu of Taxes	7,534,813	0	0
Investment Earnings	486,071	0	124,757
Food Services	0	0	0
Intergovernmental - State	196,917,974	0	46,110,265
Intergovernmental - Federal	248,271	0	0
All Other Revenue	5,525,321	0	0
Total Revenue	<u>461,818,269</u>	<u>0</u>	<u>46,235,022</u>
Expenditures:			
Current:			
Instruction:			
Regular	126,174,501	81,014,357	0
Special	36,953,750	23,570,520	0
Vocational	5,525,707	13,777	0
Other	17,744	0	0
Supporting Services:			
Pupils	21,588,714	3,685,985	0
Instructional Staff	12,656,584	12,040,413	0
Board of Education	346,538	0	0
Administration	20,341,123	11,477,293	0
Fiscal Services	2,134,839	0	0
Business	1,142,991	0	0
Operation & Maintenance of Plant	22,306,516	3,447,853	0
Pupil Transportation	26,783,214	0	0
Central	14,129,288	0	0
Operation of Non-Instructional Services	0	137	0
Extracurricular Activities	3,846,782	29,275	0
Capital Outlay	284,400	0	101,412,239
Debt Service:			
Principal Retirement	0	0	0
Interest & Fiscal Charges	80,083	0	0
Total Expenditures	<u>294,312,774</u>	<u>135,279,610</u>	<u>101,412,239</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 15,231,679	\$ 265,214,494
774,585	1,897,589
15,919,115	23,453,928
747,605	1,358,433
1,875,863	1,875,863
15,402,128	258,430,367
99,487,447	99,735,718
17,949,016	23,474,337
<u>167,387,438</u>	<u>675,440,729</u>
3,904,629	211,093,487
18,006,619	78,530,889
1,312,348	6,851,832
592,052	609,796
4,961,502	30,236,201
25,053,444	49,750,441
0	346,538
4,581,072	36,399,488
4,914,765	7,049,604
137,025	1,280,016
22,510,380	48,264,749
419,071	27,202,285
344,920	14,474,208
30,506,827	30,506,964
1,888,858	5,764,915
23,752,802	125,449,441
24,605,000	24,605,000
<u>36,585,586</u>	<u>36,665,669</u>
<u>204,076,900</u>	<u>735,081,523</u>

(Continued)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2011**

	General	Schoolwide Building Program	Classroom Facilities Capital Projects
Excess (Deficiency) of Revenues			
Over Expenditures	167,505,495	(135,279,610)	(55,177,217)
Other Financing Sources (Uses):			
Issuance of General Obligation Bonds	0	0	0
Transfers In	0	136,913,256	42,239,567
Transfers Out	(138,157,699)	0	0
Total Other Financing Sources (Uses)	<u>(138,157,699)</u>	<u>136,913,256</u>	<u>42,239,567</u>
Net Change in Fund Balance	29,347,796	1,633,646	(12,937,650)
Fund Balances at Beginning of Year	<u>118,683,355</u>	<u>(1,954,719)</u>	<u>226,924,548</u>
Fund Balances End of Year	<u>\$ 148,031,151</u>	<u>\$ (321,073)</u>	<u>\$ 213,986,898</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Other Governmental Funds	Total Governmental Funds
(36,689,462)	(59,640,794)
3,000,000	3,000,000
17,342,963	196,495,786
(58,338,087)	(196,495,786)
(37,995,124)	3,000,000
(74,684,586)	(56,640,794)
126,208,802	469,861,986
<u>\$ 51,524,216</u>	<u>\$ 413,221,192</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds To the Statement of Activities For the Fiscal Year Ended June 30, 2011

Net Change in Fund Balances - Total Governmental Funds \$ (56,640,794)

***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. 109,661,448

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. (3,519,434)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 3,030,361

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. 21,605,000

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. 2,170,316

Some expenses reported in the statement of activities, including the long-term portion of compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (403,804)

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. 5,889,352

Change in Net Assets of Governmental Activities \$ 81,792,445

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, 2011***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 254,033,603	\$ 251,755,440	\$ 284,385,985	\$ 32,630,545
Tuition	2,781,511	6,962,991	1,123,885	(5,839,106)
In Lieu of Taxes	8,050,658	7,978,460	7,683,716	(294,744)
Investment Earnings	596,270	590,923	569,093	(21,830)
Intergovernmental - State	206,320,845	204,470,569	196,916,930	(7,553,639)
Intergovernmental - Federal	260,127	257,795	248,271	(9,524)
All Other Revenues	541,558	5,459,779	4,644,207	(815,572)
Total Revenues	<u>472,584,572</u>	<u>477,475,957</u>	<u>495,572,087</u>	<u>18,096,130</u>
Expenditures:				
Current:				
Instruction:				
Regular	140,481,015	144,672,074	134,429,942	10,242,132
Special	41,745,373	41,745,373	38,673,859	3,071,514
Vocational	6,355,126	6,355,126	5,887,532	467,594
Other	19,162	19,162	17,752	1,410
Support Services:				
Pupils	25,036,867	25,036,867	23,194,720	1,842,147
Instructional Staff	14,586,220	14,586,220	13,513,005	1,073,215
Board of Education	390,674	390,674	361,930	28,744
Administration	20,501,724	25,364,344	21,580,937	3,783,407
Fiscal Services	2,437,222	2,437,222	2,257,898	179,324
Business	1,284,774	1,300,276	1,205,747	94,529
Operation and Maintenance of Plant	25,771,814	25,771,814	23,875,592	1,896,222
Pupil Transportation	36,308,783	36,308,783	33,637,279	2,671,504
Central	15,470,255	15,470,255	14,331,994	1,138,261
Extracurricular Activities	4,454,827	4,454,827	4,127,053	327,774
Capital Outlay	326,088	326,088	302,095	23,993
Total Expenditures	<u>335,169,924</u>	<u>344,239,105</u>	<u>317,397,335</u>	<u>26,841,770</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	137,414,648	133,236,852	178,174,752	44,937,900

CINCINNATI CITY SCHOOL DISTRICT, OHIO

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers Out	(148,007,949)	(148,007,949)	(148,007,949)	0
Advances In	39,316,691	39,326,917	39,326,917	0
Advances Out	(44,998,161)	(45,008,207)	(45,008,207)	0
Refund of Prior Year's Expenditures	<u>0</u>	<u>0</u>	<u>441,974</u>	<u>441,974</u>
Total Other Financing Sources (Uses):	<u>(153,689,419)</u>	<u>(153,689,239)</u>	<u>(153,247,265)</u>	<u>441,974</u>
Net Change in Fund Balance	(16,274,771)	(20,452,387)	24,927,487	45,379,874
Fund Balance at Beginning of Year	67,587,435	67,587,435	67,587,435	0
Prior Year Encumbrances	<u>15,717,749</u>	<u>15,717,749</u>	<u>15,717,749</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 67,030,413</u>	<u>\$ 62,852,797</u>	<u>\$ 108,232,671</u>	<u>\$ 45,379,874</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, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Current:				
Instruction:				
Regular	91,670,156	82,497,033	82,496,802	231
Special	26,684,063	24,013,880	24,013,812	68
Vocational	11,729	10,555	10,555	0
Support Services:				
Pupils	4,203,625	3,782,983	3,782,972	11
Instructional Staff	13,515,039	12,162,635	12,162,600	35
Administration	12,939,510	11,644,697	11,644,664	33
Operation and Maintenance of Plant	3,904,037	3,513,373	3,513,363	10
Operation of Non-Instructional Services	148	134	134	0
Extracurricular Activities	34,696	31,224	31,224	0
Total Expenditures	<u>152,963,003</u>	<u>137,656,514</u>	<u>137,656,126</u>	<u>388</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(152,963,003)	(137,656,514)	(137,656,126)	388
Other Financing Sources (Uses):				
Transfers In	147,211,135	131,904,646	136,913,256	5,008,610
Total Other Financing Sources (Uses):	<u>147,211,135</u>	<u>131,904,646</u>	<u>136,913,256</u>	<u>5,008,610</u>
Net Change in Fund Balance	(5,751,868)	(5,751,868)	(742,870)	5,008,998
Fund Balance at Beginning of Year	5,000,001	5,000,001	5,000,001	0
Prior Year Encumbrances	751,868	751,868	751,868	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 5,008,999</u>	<u>\$ 5,008,998</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Net Assets
Proprietary Fund
June 30, 2011

	Governmental Activities - Internal Service Fund
Assets:	
<i>Current Assets:</i>	
Equity in Pooled Cash and Investments	\$ 10,970,361
Receivables:	
Accounts	6,783
Total Assets	<u>10,977,144</u>
Liabilities:	
<i>Current Liabilities:</i>	
Accounts Payable	45,383
Claims Payable	3,361,000
Total Liabilities	<u>3,406,383</u>
Net Assets:	
Unrestricted	7,570,761
Total Net Assets	<u>\$ 7,570,761</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2011

	Governmental Activities - Internal Service Fund
Operating Revenues:	
Interfund Charges	\$ 53,029,449
Total Operating Revenues	<u>53,029,449</u>
Operating Expenses:	
Claims	<u>47,140,097</u>
Total Operating Expenses	<u>47,140,097</u>
Change in Net Assets	5,889,352
Net Assets Beginning of Year	<u>1,681,409</u>
Net Assets End of Year	<u><u>\$ 7,570,761</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2011***

	Governmental Activities - Internal Service Fund
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$53,029,449
Cash Payments for Claims	<u>(46,359,090)</u>
Net Cash Provided by Operating Activities	<u>6,670,359</u>
Net Change in Cash and Cash Equivalents	6,670,359
Cash and Cash Equivalents at Beginning of Year	<u>4,300,002</u>
Cash and Cash Equivalents at End of Year	<u><u>\$10,970,361</u></u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>	
Operating Income	\$5,889,352
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(6,783)
Increase in Accounts Payable	31,790
Increase in Claims Payable	<u>756,000</u>
Total Adjustments	<u>781,007</u>
Net Cash Provided by Operating Activities	<u><u>\$6,670,359</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Net Assets
Fiduciary Funds
June 30, 2011

	Private Purpose Trust	
	Special Trust Fund	Agency
Assets:		
Equity in Pooled Cash and Investments	\$ 1,258,168	\$ 121,489
Investments	277,432	0
Total Assets	<u>1,535,600</u>	<u>121,489</u>
Liabilities:		
Accounts Payable	368	0
Due to Students	0	121,489
Total Liabilities	<u>368</u>	<u>121,489</u>
Net Assets:		
Unrestricted	<u>1,535,232</u>	<u>0</u>
Total Net Assets	<u>\$ 1,535,232</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Statement of Changes in Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2011***

	Private Purpose Trust Special Trust Fund
Additions:	
Contributions:	
Private Donations	\$ 338,690
Total Contributions	<u>338,690</u>
Investment Earnings:	
Interest	29,648
Net Change in the Fair Value of Investments	<u>(19,306)</u>
Total Investment Earnings	<u>10,342</u>
Total Additions	<u>349,032</u>
Deductions:	
Administrative Expenses	2,631
Community Services	<u>13,560</u>
Total Deductions	<u>16,191</u>
Change in Net Assets	332,841
Net Assets at Beginning of Year	<u>1,202,391</u>
Net Assets End of Year	<u><u>\$ 1,535,232</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

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, 2011, the District employed 5,702 employees, including 3,161 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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation – Financial Statements (Continued)

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

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

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

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

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

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

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.

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

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, 2011, and which are not intended to finance fiscal 2011 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. 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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement, as final budget, reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2011.

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.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

4. 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.

5. 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 on the budgetary basis.

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

	Net Change in Fund Balance	
	General Fund	Schoolwide Building Program Fund
GAAP Basis (as reported)	\$29,347,796	\$1,633,646
Increase (Decrease):		
Accrued Revenues at June 30, 2011, received during FY 2012	(30,192,908)	0
Accrued Revenues at June 30, 2010, received during FY 2011	64,388,831	0
Accrued Expenditures at June 30, 2011, paid during FY 2012	11,332,053	5,915,272
Accrued Expenditures at June 30, 2010, paid during FY 2011	(18,406,858)	(7,706,588)
Interfund Activity 2011	(5,681,290)	0
Payment on Tax Anticipation Note	(9,610,000)	0
Encumbrances Outstanding	(16,250,137)	(585,200)
Budget Basis	\$24,927,487	(\$742,870)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

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 6, "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 6, "Cash, Cash Equivalents and Investments."

The District has invested funds in the STAR Ohio during 2011. 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, 2011. See Note 6, "Cash, Cash Equivalents and Investments."

H. Inventory

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

I. Capital Assets and Depreciation

1. Property, Plant and Equipment - Governmental Activities

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011**

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:

Description	Estimated Lives (in years)
Land Improvements	20
Buildings and Improvements	20 - 45
Furniture, Fixtures and Equipment	7 - 20
Vehicles	5

J. Long-Term Obligations

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

Obligation	Fund
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, 2011**

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:

	<u>Certificated</u>	<u>Administrators</u>	<u>Non-Certificated</u>
<u>Vacation:</u> How Earned	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.
Maximum Accumulation	Not Applicable	54 days	2 times the yearly accrual plus current year's accumulation
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
<u>Sick Leave:</u> How Earned	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.
Maximum Accumulation	Unlimited	Unlimited	Unlimited
Vested	As Earned	As Earned	As Earned
Termination Entitlement	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.
<u>Personal Leave:</u> How Earned	3 days granted as of August 1	3 days granted as of August 1	3 days granted as of August 1
Maximum Accumulation	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
Vested	Not Applicable	Not Applicable	Not Applicable
Termination Entitlement	Not Applicable	Not Applicable	Not Applicable

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

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.

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 and amounts set aside for debt retirement purposes. The budget stabilization reserve is required by State statute and can be used only after receiving approval from the Board of Education.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balance

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

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

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

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

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

This space left blank intentionally.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011**

NOTE 2 – CHANGES IN ACCOUNTING PRINCIPLES

For the fiscal year 2011, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 54 which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The implementation of this statement did not result in a restatement of the District's financial statements.

NOTE 3 – FUND BALANCES

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

<u>Fund Balances</u>	<u>General Fund</u>	<u>Schoolwide Building Program</u>	<u>Classroom Facilities Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:					
Inventories	\$0	\$0	\$0	\$508,418	\$508,418
Endowment	0	0	0	768,034	768,034
Total Nonspendable	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,276,452</u>	<u>1,276,452</u>
Restricted:					
Targeted Assistance	0	0	0	13,372,321	13,372,321
Non-Public School Assistance	0	0	0	277,727	277,727
Food Service	0	0	0	4,171,009	4,171,009
Construction and Maintenance	0	0	213,986,898	33,399,608	247,386,506
Total Restricted	<u>0</u>	<u>0</u>	<u>213,986,898</u>	<u>51,220,665</u>	<u>265,207,563</u>
Assigned to Other Purposes	11,987,019	0	0	0	11,987,019
Unassigned	<u>136,044,132</u>	<u>(321,073)</u>	<u>0</u>	<u>(972,901)</u>	<u>134,750,158</u>
Total Fund Balances	<u>\$148,031,151</u>	<u>(\$321,073)</u>	<u>\$213,986,898</u>	<u>\$51,524,216</u>	<u>\$413,221,192</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 4 – 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	\$126,148,497
Depreciation Expense	(16,487,049)
	<u>\$109,661,448</u>

Governmental revenues not reported in the funds:

Increase in Delinquent Tax Revenue	\$75,933
Increase in Accounts Receivable	12,694
Decrease in Interest Receivable	(60,245)
Increase in Grants Receivable	3,001,979
	<u>\$3,030,361</u>

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

Bond Principal Payment	\$17,950,000
General Obligation Bond Issuance	(3,000,000)
Capital Lease Payment	6,655,000
	<u>\$21,605,000</u>

Interest expense not reported in the funds:

Increase in accrued interest on long term debt	\$58,236
Amortization of Bond Premium	5,336,733
Amortization of Deferred Loss on Defeasance	(2,566,510)
Amortization of Bond Issuance Costs	(658,143)
	<u>\$2,170,316</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 5 – DEFICIT FUND EQUITIES

The fund deficits at June 30, 2011 of \$321,073 in the Schoolwide Building Program Fund, \$85,215 in the ARRA Fund and of \$604,813 in the Miscellaneous Federal Grants Fund (special revenue funds) and of \$282,873 in the Debt Service Fund 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 6 - 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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 6 - 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 \$253,223,334 and the bank balance was \$270,166,487. The Federal Deposit Insurance Corporation (FDIC) covered \$750,000 of the bank balance and \$269,416,487 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, 2011

NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

The District's investments at June 30, 2011 were as follows:

	Fair Value	Credit Rating as of June 30, 2011	Investment Maturities (in Years)	
			less than 1	1-3
STAR Ohio	\$666,183	AAAm ²	\$666,183	\$0
US T-Bill	6,299,606	Aaa ¹ , AAA ²	6,299,606	0
Freddie Mac	65,515,455	Aaa ¹ , AAA ²	57,522,415	7,993,040
FNMA	40,965,448	Aaa ¹ , AAA ²	35,463,423	5,502,025
FHLM	1,000,910	Aaa ¹ , AAA ²	0	1,000,910
FFCB	33,306,185	Aaa ¹ , AAA ²	12,552,675	20,753,510
FHLB	44,732,534	Aaa ¹ , AAA ²	26,489,974	18,242,560
Common Stock	527,188	N/A	0	0
Total Investments	\$193,013,509		\$138,994,276	\$53,492,045

¹ Moody's Investor Service

² 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, .3% are Star Ohio, 3.3% are US T-bills, 33.9% are Freddie Mac, 21.2% are FNMA, .5% are FHLM, 17.3% are FFCB, 23.2% are FHLB and .3 % are common stock (all donated).

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

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011**

NOTE 6 - 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	\$445,709,655	\$527,188
U.S. Government Securities	(191,820,138)	191,820,138
STAR Ohio	(666,183)	666,183
Per GASB Statement No. 3	<u>\$253,223,334</u>	<u>\$193,013,509</u>

* - Includes restricted pooled cash and investments

NOTE 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the school district. Real property tax revenue received in calendar year 2011 represents collections of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed value listed as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2011 represents collections of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien December 31, 2010, were levied after April 1, 2010 and are collected in 2011 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 7 - PROPERTY TAXES (Continued)

Tangible personal property tax revenues received in 2011 (other than public utility property) represent the collection of 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2011 were levied after October 1, 2010 on values as of December 31, 2010. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. House Bill No. 66 was to hold districts harmless by replacing a portion of the revenue lost by the District due to the phasing out of the tax. In fiscal years 2006-2009, the District was fully reimbursed for the lost revenue. In fiscal years after 2010, the District will not be reimbursed for the lost revenue.

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, 2011, are available to finance fiscal year 2011 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2011 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the 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, 2011 was \$29,549,178 in the general fund and \$3,039,866 in the debt service fund. The amount available as an advance at June 30, 2010, was \$63,952,348 in the general fund and \$6,178,512 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 8 - RECEIVABLES

Receivables at June 30, 2011 consisted of taxes, accounts receivable, interest receivable, interfund and intergovernmental receivables.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011**

NOTE 9 - TRANSFERS

Following is a summary of transfers in and out for all funds at June 30, 2011:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$138,157,699
Schoolwide Building Program Fund	136,913,256	0
Classroom Facilities Capital Projects Fund	42,239,567	0
Other Governmental Funds	17,342,963	58,338,087
Total All Funds	<u>\$196,495,786</u>	<u>\$196,495,786</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 \$12,342,963 to the Debt Service Fund for the retirement of various debt issues, \$5,000,000 to the Classroom Facilities Maintenance Fund to provide operating funds and \$120,814,736 to cover the expenditures of the Schoolwide Building Program Fund. Other governmental funds' transfers consisted of \$42,239,567 from the Building Capital Projects Fund to the Classroom Facilities Capital Projects Fund to provide funding of project expenditures and \$16,098,520 from various other funds to cover the expenditures of the Schoolwide Building Program Fund.

NOTE 10 - INTERFUND RECEIVABLES/PAYABLES

Interfund loans receivable/payable and advances to/from other funds at June 30, 2011 from one individual fund to another are as follows:

Fund	Receivables	Payables
General Fund	\$22,441,100	\$7,905,469
Other Governmental Funds	3,740,482	18,276,113
Total	<u>\$26,181,582</u>	<u>\$26,181,582</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, 2011

NOTE 11 - CAPITAL ASSETS

Summary by category of changes in governmental activities capital assets at June 30, 2011:

Historical Cost:

Class	June 30, 2010	Additions	Deletions	June 30, 2011
Capital Assets Not Being Depreciated:				
Land	\$36,913,235	\$338,795	(\$3,000)	\$37,249,030
Construction In Progress	268,489,796	93,381,982	(183,281,436)	178,590,342
Subtotal	<u>305,403,031</u>	<u>93,720,777</u>	<u>(183,284,436)</u>	<u>215,839,372</u>
Capital Assets Being Depreciated:				
Land Improvements	9,092,640	0	0	9,092,640
Buildings and Improvements	580,826,502	211,273,010	(9,147,407)	782,952,105
Furniture, Fixtures, and Equipment	5,339,800	4,410,886	(2,312,148)	7,438,538
Vehicles	799,007	25,260	0	824,267
Subtotal	<u>596,057,949</u>	<u>215,709,156</u>	<u>(11,459,555)</u>	<u>800,307,550</u>
Total Cost	<u>\$901,460,980</u>	<u>\$309,429,933</u>	<u>(\$194,743,991)</u>	<u>\$1,016,146,922</u>
Accumulated Depreciation:				
Class	June 30, 2010	Additions	Deletions	June 30, 2011
Land Improvements	(\$7,536,961)	(\$133,447)	\$0	(\$7,670,408)
Buildings and Improvements	(100,353,023)	(15,807,739)	5,693,801	(110,466,961)
Furniture, Fixtures, and Equipment	(4,484,135)	(487,020)	2,249,320	(2,721,835)
Vehicles	(661,803)	(58,843)	0	(720,646)
Total Depreciation	<u>(\$113,035,922)</u>	<u>(\$16,487,049) *</u>	<u>\$7,943,121</u>	<u>(\$121,579,850)</u>
Net Value:	<u>\$788,425,058</u>			<u>\$894,567,072</u>

* Depreciation expenses were charged to governmental functions as follows:

Instruction:	
Regular	\$2,205,717
Special	79,421
Vocational	338,042
Support Services:	
Pupils	15,935
Instructional Staff	16,013
Administration	1,506
Operation and Maintenance of Plant	250,486
Central	170,064
Extracurricular Activities	13,407,665
Other Noninstructional Services	2,200
Total Depreciation Expense	<u>\$16,487,049</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 12 - 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 Employee Retirement System

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

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 2011, 11.81 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 contributions for pension obligations to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$6,379,446, \$7,819,678 and \$7,449,899 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.

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

B. State Teachers Retirement System (Continued)

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, 2011, 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 2010, 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 contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010, and 2009 were \$23,222,271, \$25,424,903, and \$24,308,579 respectively; which were equal to the required contributions for each year. Contributions to the DC and Combined Plans for fiscal year 2011 were \$14,290,629 made by the District and \$14,737,211 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2011, three members of the Board of Education have elected Social Security. The contribution rate is 6.2 percent of wages.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 13 - 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 (SERS) 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 SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2011, 1.43 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 2011, 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, 2011, 2010, and 2009 were \$772,448, \$2,605,000, and \$3,223,000 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 2011, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009 were \$410,532, \$809,895, and \$771,597 respectively; which were equal to the required contributions for each year.

B. State Teachers Retirement System

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011**

NOTE 13 - POSTEMPLOYMENT BENEFITS (Continued)

B. State Teachers Retirement System (Continued)

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2011, 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, 2011, 2010, and 2009 were \$1,786,329, \$2,633,293, and \$2,517,674 respectively; which were equal to the required contributions for each year.

NOTE 14 –NOTES PAYABLE

Note Payable activity of the District for the year ended June 30, 2011, was as follows:

Notes Payable	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Tax Anticipation Note 5.00%	\$9,610,000	\$0	(\$9,610,000)	\$0

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.

This space left blank intentionally.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 15- LONG-TERM DEBT AND OTHER OBLIGATIONS

Detail of the changes in the long-term debt of the District for the year ended June 30, 2011 is as follows:

		Balance June 30, 2010	Additions	Deductions	Balance June 30, 2011	Amount Due Within One Year
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%	44,660,000	0	(9,670,000)	34,990,000	10,185,000
(Original Issue Amount = \$480,000,000)						
Energy Conservation	2.97-5.0%	3,025,000	0	(3,025,000)	0	0
(Original Issue Amount = \$13,800,000)						
Computer Technology	2.97-5.0%	2,850,000	0	(2,850,000)	0	0
(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%	364,580,000	0	(2,405,000)	362,175,000	2,535,000
(Original Issue Amount = \$380,945,000)						
School Improvement Refunding	2.5-5.25%	104,900,000	0	0	104,900,000	0
(Original Issue Amount = \$104,900,000)						
Energy Conservation	5.439%	21,715,000	0	0	21,715,000	0
(Original Issue Amount = \$21,715,000)						
Energy Conservation	4.991%	0	3,000,000	0	3,000,000	0
(Original Issue Amount = \$3,000,000)						
Sub-Total General Obligation Bonds		615,495,000	3,000,000	(17,950,000)	600,545,000	12,720,000
Premium General Obligation Bond		52,912,931	0	(4,086,175)	48,826,756	2,839,070
Deferred Loss on Refunding		(27,625,684)	0	2,566,510	(25,059,174)	(1,563,135)
Total General Obligation Bonds		640,782,247	3,000,000	(19,469,665)	624,312,582	13,995,935
Capital Leases Payable	4.0-5.0%	120,365,000	0	(6,655,000)	113,710,000	6,995,000
Premium on Capital Lease		2,501,118	0	(1,250,558)	1,250,560	1,250,560
Total Capital Leases Payable		122,866,118	0	(7,905,558)	114,960,560	8,245,560
Compensated Absences		54,660,041	6,936,031	(6,559,205)	55,036,867	6,625,385
Total Governmental Long-Term Debt		\$818,308,406	\$9,936,031	(\$33,934,428)	\$794,310,009	\$28,866,880

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 15- 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, 2011 follows:

Years	General Obligation Bonds		
	Principal	Interest	Total
2012	\$12,720,000	\$30,063,871	\$42,783,871
2013	26,350,000	29,254,391	55,604,391
2014	27,635,000	28,033,606	55,668,606
2015	29,065,000	26,693,046	55,758,046
2016	24,840,000	25,383,871	50,223,871
2017-2021	144,080,000	106,520,932	250,600,932
2022-2026	152,960,000	70,569,103	223,529,103
2027-2031	154,180,000	29,178,783	183,358,783
2032	28,715,000	753,769	29,468,769
Totals	<u>\$600,545,000</u>	<u>\$346,451,372</u>	<u>\$946,996,372</u>

B. Defeased Debt

In September 2006, the District partially refunded \$397,305,000 of General Obligation Bonds for School Improvement, dated May 6, 2003, original issue amount \$480,000,000, through the issuance of \$380,945,000 of General Obligation Bonds. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$397,305,000 at June 30, 2011, 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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 15- LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)

B. Defeased Debt (Continued)

In March 2007, the District refunded \$32,525,000 of General Obligation Bonds for School Improvement Series 2001, original issue amount of \$123,945,000, through the issuance of \$120,365,000 of Certificates of Participation (COPS), recorded as a capital lease. Proceeds in the amount of \$33,432,400 from the 2007 COPS have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$11,835,000, at June 30, 2011, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In July 2005, the District refunded \$70,095,000 of General Obligation Bonds for School Improvement Series 2001, through the issuance of \$69,405,000 of General Obligation Bonds. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$68,760,000, at June 30, 2011, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In May 2010, the District refunded \$93,495,000 of General Obligation Bonds for School Improvement Series 2002, original issue amount of \$120,000,000, through the issuance of \$104,900,000 of School Improvement Refunding Bonds, Series 2010. Proceeds in the amount of \$103,964,664 from the 2010 Refunding Bond 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 \$93,495,000, at June 30, 2011, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

NOTE 16 - CAPITAL LEASE COMMITMENT

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 16 - 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, 2011:

<u>Year Ending June 30,</u>	<u>Capital Leases</u>
2012	\$12,480,237
2013	6,192,362
2014	6,194,387
2015	6,189,909
2016	6,184,788
2017-2021	30,906,194
2022-2026	49,842,000
2027-2031	57,745,000
2032-2033	23,413,125
Minimum Lease Payments	199,148,002
Less: Amount representing interest at the District's incremental borrowing rate of interest	<u>(85,438,002)</u>
Present value of minimum lease payments	<u><u>\$113,710,000</u></u>

NOTE 17 - RISK MANAGEMENT

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

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

For fiscal year 2011 the District participated in the Ohio Bureau of Workers Compensation Retrospective Rating Program, which requires a minimum 31% 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 2011 was \$1,039,358. The premium cost paid in fiscal year 2011 was \$1,307,514. Premium cost is for administrative charges for Ohio Bureau of Workers Compensation. In addition to the claims paid during fiscal year 2011, the Ohio Bureau of Workers Compensation established a reserve of \$1,936,002 for future claim payments.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011**

NOTE 17 - RISK MANAGEMENT (Continued)

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 23.69% 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, 2011, the IBNR's were determined to be \$3,361,000.

Changes in the fund's claims liability amount in 2011 and 2010 were:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year End</u>
2010	\$3,524,600	\$39,933,467	(\$40,853,067)	\$2,605,000
2011	2,605,000	47,140,097	(46,384,097)	3,361,000

Dental insurance is offered to employees through Dental Care Plus. Total Premiums paid to Dental Care Plus were \$2,251,497. Dental Care Plus does not require an employee payroll deduction.

The District offered to all employees who worked a minimum of sixty-percent of full time a benefit called Benefit Bank. Each non-AFSCME employee that qualified was given \$350 on January 2 each year and employees that are married or have dependents could receive an additional \$75 if they return the application for additional funds. AFSCME employees received \$75, with an additional \$25 with completion of the application for additional funds. Substitute teachers also qualified for a \$300 benefit if in the prior school year the substitute teacher worked at least eighty-five 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.

Effective with the collective bargaining agreements that were negotiated in FY11, Benefit Bank ended and a new Wellness Program created.

CFT, ACPSOP and Building Trades have a deadline of June 30, 2011 to spend any remaining Benefit Bank dollars from previous years and must submit claims by June 30, 2012. There is not currently a deadline for CAAS, AFSCME or IUOE to use their remaining Benefit Bank dollars. The Benefit Bank obligations to employees as of June 30, 2011 were fully funded.

The CPS Wellness Works Program began January 1, 2011 and is managed by TriHealth (3rd party administrator), with a CPS Wellness Coordinator running the program and scheduling the events, such as health screenings, flu shots, walking logs, etc. Qualifying wellness activities are promoted on CPS's StaffNet home page and on TriHealth's website.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 17 - RISK MANAGEMENT (Continued)

With the CPS Wellness Works program, benefit eligible employees (and their spouse) must complete wellness activities during a calendar year (deadline December 31), which earns the employee dollars. Wellness activities have a specific dollar value associated with each activity. CPS Wellness Works program has a scorecard with the list of approved activities. Each benefits eligible employee/spouse can earn up to \$500 per calendar year. TriHealth will notify Benesyst of how many wellness dollars each employee/spouse earned during the year. The money will be loaded on the Benny Card for use by the end of March.

There is a \$1,500 maximum limit that applies to both single and joint accounts. Once a Benny account reaches \$1,500, no further dollars will be credited to it.

The Benesyst Benny Card is a MasterCard that can be used at eligible providers to pay for HRA-eligible healthcare expenses. When an employee used the Benny Card, they need to keep the receipts for those services or products. IRS regulations may require evidence that the claim is for an HRA-eligible expense. Employees may swipe their card at a provider's or a paper claim may be filed with Benesyst, for reimbursement of paid medical expenses.

NOTE 18 - CONTRACTUAL COMMITMENTS

As of June 30, 2011, the District had entered into various construction contracts for renovations and improvements which it had a remaining unperformed and unpaid total commitment of approximately \$158.5 million.

This space left blank intentionally.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011

NOTE 19 – 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, 2011, 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, 2010	(\$34,777,907)	\$0	\$1,420,826	(\$33,357,081)
Current Year Set-Aside Requirement	4,569,684	4,569,684	0	9,139,368
Current Year Offset Credits	0	(33,118,350)	0	(33,118,350)
Qualifying Disbursements	(2,464,194)	(598,299)	0	(3,062,493)
Total	<u>(\$32,672,417)</u>	<u>(\$29,146,965)</u>	<u>\$1,420,826</u>	<u>(\$60,398,556)</u>
Balance Carried Forward to FY 2012	<u>(\$32,672,417)</u>	<u>\$0</u>	<u>\$1,420,826</u>	<u>(\$31,251,591)</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, 2011, 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.

NOTE 20 - CONTINGENCIES

A. Grants

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2011.

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*

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Food Service Fund

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

Other Grants Fund

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

Classroom Facilities Maintenance Fund

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

Auxiliary Services Fund

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

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.

ARRA Fund

Used to account for ARRA (American Recovery and Reinvestment Act) funds as a result of the Federal economic stimulus package enacted in 2010 to help stabilize budgets and to avoid reductions in education and essential services. Monies are used primarily for education reform, enhanced student academic achievement and general school improvements with an emphasis on improved teacher effectiveness, technological systems and equipment and progress tracking. The District maintains three related funds (Education Stabilization, Technology – ARRA Title II-D (Formula) and (Competitive) and ARRA School Improvement – Title I) which are being reported as a single ARRA Fund.

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.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Special Revenue Funds

Miscellaneous Federal Grants Fund

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

Other Special Revenue Funds

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.

Debt Service Fund

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

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.

Building Fund

Used to account for revenues and expenditures related to all special bond funds in the District.

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.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Permanent Fund

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

Permanent Fund

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$ 37,934,969	\$ 5,876,769	\$ 27,061,613	\$ 1,033,354	\$ 71,906,705
Investments	6,103	0	0	243,653	249,756
Receivables:					
Taxes	0	35,519,696	0	0	35,519,696
Accounts	49,698	0	0	0	49,698
Intergovernmental - State and Local	233,792	0	0	0	233,792
Intergovernmental - Federal	28,331,309	0	0	0	28,331,309
Interest	0	0	59,635	0	59,635
Interfund Loans Receivable	2,307	0	0	0	2,307
Advances to Other Funds	978,435	0	2,759,740	0	3,738,175
Inventory of Supplies at Cost	57,506	0	0	0	57,506
Inventory Held for Resale	450,912	0	0	0	450,912
Total Assets	<u>\$ 68,045,031</u>	<u>\$ 41,396,465</u>	<u>\$ 29,880,988</u>	<u>\$ 1,277,007</u>	<u>\$ 140,599,491</u>
Liabilities:					
Accounts Payable	\$ 4,348,796	\$ 0	\$ 3,129,457	\$ 10,242	\$ 7,488,495
Accrued Wages and Benefits	4,213,087	0	133,560	0	4,346,647
Intergovernmental Payable	1,193,291	0	37,829	0	1,231,120
Interfund Loans Payable	8,197,843	9,199,508	0	0	17,397,351
Advances from Other Funds	878,762	0	0	0	878,762
Deferred Revenue - Taxes	0	32,479,830	0	0	32,479,830
Deferred Revenue	25,225,088	0	27,982	0	25,253,070
Total Liabilities	<u>44,056,867</u>	<u>41,679,338</u>	<u>3,328,828</u>	<u>10,242</u>	<u>89,075,275</u>
Fund Balances:					
Nonspendable	508,418	0	0	768,034	1,276,452
Restricted	24,169,774	0	26,552,160	498,731	51,220,665
Unassigned	<u>(690,028)</u>	<u>(282,873)</u>	<u>0</u>	<u>0</u>	<u>(972,901)</u>
Total Fund Balances	<u>23,988,164</u>	<u>(282,873)</u>	<u>26,552,160</u>	<u>1,266,765</u>	<u>51,524,216</u>
Total Liabilities and Fund Balances	<u>\$ 68,045,031</u>	<u>\$ 41,396,465</u>	<u>\$ 29,880,988</u>	<u>\$ 1,277,007</u>	<u>\$ 140,599,491</u>

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, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ 0	\$ 15,231,679	\$ 0	\$ 0	\$ 15,231,679
Tuition	774,585	0	0	0	774,585
In Lieu of Taxes	0	15,919,115	0	0	15,919,115
Investment Earnings	67,406	16,059	611,246	52,894	747,605
Food Services	1,875,863	0	0	0	1,875,863
Intergovernmental - State	10,588,905	4,813,223	0	0	15,402,128
Intergovernmental - Federal	98,938,612	548,835	0	0	99,487,447
All Other Revenue	12,804,832	0	5,144,184	0	17,949,016
Total Revenue	125,050,203	36,528,911	5,755,430	52,894	167,387,438
Expenditures:					
Current:					
Instruction:					
Regular	3,884,868	0	0	19,761	3,904,629
Special	18,006,619	0	0	0	18,006,619
Vocational	1,297,389	0	14,959	0	1,312,348
Other	592,052	0	0	0	592,052
Supporting Services:					
Pupils	4,961,502	0	0	0	4,961,502
Instructional Staff	25,053,444	0	0	0	25,053,444
Administration	4,488,720	92,352	0	0	4,581,072
Fiscal Services	4,483,556	367,446	63,763	0	4,914,765
Business	2,521	0	134,504	0	137,025
Operation & Maintenance of Plant	13,025,012	0	9,485,368	0	22,510,380
Pupil Transportation	419,071	0	0	0	419,071
Central	183,592	0	161,328	0	344,920
Operation of Non-Instructional Services	30,506,827	0	0	0	30,506,827
Extracurricular Activities	1,888,858	0	0	0	1,888,858
Capital Outlay	224,940	0	23,527,862	0	23,752,802
Debt Service:					
Principal Retirement	0	24,605,000	0	0	24,605,000
Interest & Fiscal Charges	0	36,529,245	56,341	0	36,585,586
Total Expenditures	109,018,971	61,594,043	33,444,125	19,761	204,076,900
Excess (Deficiency) of Revenues Over Expenditures	16,031,232	(25,065,132)	(27,688,695)	33,133	(36,689,462)
Other Financing Sources (Uses):					
Issuance of General Obligation Bonds	0	0	3,000,000	0	3,000,000
Transfers In	5,000,000	12,342,963	0	0	17,342,963
Transfers Out	(16,098,520)	0	(42,239,567)	0	(58,338,087)
Total Other Financing Sources (Uses)	(11,098,520)	12,342,963	(39,239,567)	0	(37,995,124)
Net Change in Fund Balance	4,932,712	(12,722,169)	(66,928,262)	33,133	(74,684,586)
Fund Balances at Beginning of Year	19,055,452	12,439,296	93,480,422	1,233,632	126,208,802
Fund Balances End of Year	\$ 23,988,164	\$ (282,873)	\$ 26,552,160	\$ 1,266,765	\$ 51,524,216

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011***

	<u>Food Service</u>	<u>Other Grants</u>	<u>Classroom Facilities Maintenance</u>	<u>Auxiliary Services</u>
Assets:				
Equity in Pooled Cash and Investments	\$ 5,549,894	\$ 6,854,873	\$ 7,493,088	\$ 1,744,457
Investments	0	0	0	0
Receivables:				
Accounts	2,530	44,559	0	0
Intergovernmental - State and Local	0	216,852	0	0
Intergovernmental - Federal	0	0	0	0
Interfund Loans Receivable	0	0	0	0
Advances to Other Funds	1	19,442	0	0
Inventory of Supplies at Cost	57,506	0	0	0
Inventory Held for Resale	450,912	0	0	0
Total Assets	<u>\$ 6,060,843</u>	<u>\$ 7,135,726</u>	<u>\$ 7,493,088</u>	<u>\$ 1,744,457</u>
Liabilities:				
Accounts Payable	\$ 86,195	\$ 498,582	\$ 282,625	\$ 1,067,198
Accrued Wages and Benefits	657,930	263,548	282,891	311,347
Intergovernmental Payable	186,349	74,646	80,124	88,185
Interfund Loans Payable	0	0	0	0
Advances from Other Funds	0	0	0	0
Deferred Revenue	450,942	8,068	0	0
Total Liabilities	<u>1,381,416</u>	<u>844,844</u>	<u>645,640</u>	<u>1,466,730</u>
Fund Balances:				
Nonspendable	508,418	0	0	0
Restricted	4,171,009	6,290,882	6,847,448	277,727
Unassigned	0	0	0	0
Total Fund Balances (Deficit)	<u>4,679,427</u>	<u>6,290,882</u>	<u>6,847,448</u>	<u>277,727</u>
Total Liabilities and Fund Balances	<u>\$ 6,060,843</u>	<u>\$ 7,135,726</u>	<u>\$ 7,493,088</u>	<u>\$ 1,744,457</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>Title VI-B</u>	<u>ARRA</u>	<u>Chapter I</u>	<u>Miscellaneous Federal Grants</u>	<u>Other Special Revenue</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 1,936,315	\$ 1,679,517	\$ 5,420,446	\$ 921,223	\$ 6,335,156	\$ 37,934,969
0	0	0	0	6,103	6,103
0	0	148	0	2,461	49,698
0	0	0	0	16,940	233,792
9,362,341	4,175,666	9,528,175	1,038,575	4,226,552	28,331,309
0	0	0	0	2,307	2,307
0	0	0	0	958,992	978,435
0	0	0	0	0	57,506
0	0	0	0	0	450,912
<u>\$ 11,298,656</u>	<u>\$ 5,855,183</u>	<u>\$ 14,948,769</u>	<u>\$ 1,959,798</u>	<u>\$ 11,548,511</u>	<u>\$ 68,045,031</u>
\$ 359,334	\$ 244,348	\$ 589,183	\$ 400,289	\$ 821,042	\$ 4,348,796
739,693	132,009	962,401	42,921	820,347	4,213,087
209,506	37,389	272,584	12,157	232,351	1,193,291
1,211,197	1,638,525	3,938,605	1,082,429	327,087	8,197,843
0	0	0	0	878,762	878,762
<u>8,747,652</u>	<u>3,888,127</u>	<u>7,554,286</u>	<u>1,026,815</u>	<u>3,549,198</u>	<u>25,225,088</u>
<u>11,267,382</u>	<u>5,940,398</u>	<u>13,317,059</u>	<u>2,564,611</u>	<u>6,628,787</u>	<u>44,056,867</u>
0	0	0	0	0	508,418
31,274	0	1,631,710	0	4,919,724	24,169,774
0	(85,215)	0	(604,813)	0	(690,028)
<u>31,274</u>	<u>(85,215)</u>	<u>1,631,710</u>	<u>(604,813)</u>	<u>4,919,724</u>	<u>23,988,164</u>
<u>\$ 11,298,656</u>	<u>\$ 5,855,183</u>	<u>\$ 14,948,769</u>	<u>\$ 1,959,798</u>	<u>\$ 11,548,511</u>	<u>\$ 68,045,031</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, 2011**

	<u>Food Service</u>	<u>Other Grants</u>	<u>Classroom Facilities Maintenance</u>	<u>Auxiliary Services</u>
Revenues:				
Tuition	\$ 0	\$ 774,585	\$ 0	\$ 0
Investment Earnings	42,828	2,142	0	3,778
Food Services	1,875,863	0	0	0
Intergovernmental - State	870,867	49,627	0	9,074,436
Intergovernmental - Federal	15,307,671	0	0	0
All Other Revenue	4,975	8,324,664	0	2,435
Total Revenue	<u>18,102,204</u>	<u>9,151,018</u>	<u>0</u>	<u>9,080,649</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	1,437,439	0	0
Special	0	53,894	0	0
Vocational	0	50,814	0	0
Other	0	8,591	0	0
Supporting Services:				
Pupils	0	161,708	0	0
Instructional Staff	0	3,677,446	0	0
Administration	0	228,324	0	0
Fiscal Services	0	24,081	0	1,486
Business	763	0	0	1,758
Operation & Maintenance of Plant	0	33,802	4,829,722	0
Pupil Transportation	0	115	0	0
Central	512	2,933	0	0
Operation of Non-Instructional Services	17,270,092	100,241	0	9,719,832
Extracurricular Activities	0	102,960	0	0
Capital Outlay	0	48,312	176,628	0
Total Expenditures	<u>17,271,367</u>	<u>5,930,660</u>	<u>5,006,350</u>	<u>9,723,076</u>
Excess (Deficiency) of Revenues Over Expenditures	830,837	3,220,358	(5,006,350)	(642,427)
Other Financing Sources (Uses):				
Transfers In	0	0	5,000,000	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>5,000,000</u>	<u>0</u>
Net Change in Fund Balance	830,837	3,220,358	(6,350)	(642,427)
Fund Balances (Deficit) at Beginning of Year	<u>3,848,590</u>	<u>3,070,524</u>	<u>6,853,798</u>	<u>920,154</u>
Fund Balances (Deficit) End of Year	<u>\$ 4,679,427</u>	<u>\$ 6,290,882</u>	<u>\$ 6,847,448</u>	<u>\$ 277,727</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Title VI-B	ARRA	Chapter I	Miscellaneous Federal Grants	Other Special Revenue	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 774,585
0	0	0	0	18,658	67,406
0	0	0	0	0	1,875,863
0	0	0	0	593,975	10,588,905
17,079,253	19,261,178	30,242,545	3,017,545	14,030,420	98,938,612
447,464	0	0	0	4,025,294	12,804,832
<u>17,526,717</u>	<u>19,261,178</u>	<u>30,242,545</u>	<u>3,017,545</u>	<u>18,668,347</u>	<u>125,050,203</u>
1,167	76,724	0	179,380	2,190,158	3,884,868
4,860,084	0	12,298,079	752,015	42,547	18,006,619
0	0	0	43,529	1,203,046	1,297,389
123,335	0	0	0	460,126	592,052
2,415,281	82,541	254,111	287,821	1,760,040	4,961,502
3,556,695	7,654,824	2,815,429	1,594,275	5,754,775	25,053,444
1,168,197	29,825	1,901,266	390,408	770,700	4,488,720
199,459	3,734,136	374,270	38,386	111,738	4,483,556
0	0	0	0	0	2,521
0	8,059,440	4,951	7,548	89,549	13,025,012
0	0	342,529	76,427	0	419,071
0	0	0	344	179,803	183,592
1,649,101	7,827	1,734,614	592	24,528	30,506,827
0	0	0	0	1,785,898	1,888,858
0	0	0	0	0	224,940
<u>13,973,319</u>	<u>19,645,317</u>	<u>19,725,249</u>	<u>3,370,725</u>	<u>14,372,908</u>	<u>109,018,971</u>
3,553,398	(384,139)	10,517,296	(353,180)	4,295,439	16,031,232
0	0	0	0	0	5,000,000
<u>(2,902,769)</u>	<u>0</u>	<u>(10,321,489)</u>	<u>0</u>	<u>(2,874,262)</u>	<u>(16,098,520)</u>
<u>(2,902,769)</u>	<u>0</u>	<u>(10,321,489)</u>	<u>0</u>	<u>(2,874,262)</u>	<u>(11,098,520)</u>
650,629	(384,139)	195,807	(353,180)	1,421,177	4,932,712
<u>(619,355)</u>	<u>298,924</u>	<u>1,435,903</u>	<u>(251,633)</u>	<u>3,498,547</u>	<u>19,055,452</u>
<u>\$ 31,274</u>	<u>\$ (85,215)</u>	<u>\$ 1,631,710</u>	<u>\$ (604,813)</u>	<u>\$ 4,919,724</u>	<u>\$ 23,988,164</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2011**

	Permanent Improvement	Building	Replacement	Total Nonmajor Capital Projects Funds
Assets:				
Equity in Pooled Cash and Investments	\$ 16,703,745	\$ 10,356,691	\$ 1,177	\$ 27,061,613
Receivables:				
Interest	0	59,635	0	59,635
Advances to Other Funds	0	2,759,740	0	2,759,740
Total Assets	<u>\$ 16,703,745</u>	<u>\$ 13,176,066</u>	<u>\$ 1,177</u>	<u>\$ 29,880,988</u>
Liabilities:				
Accounts Payable	\$ 793,762	\$ 2,335,695	\$ 0	\$ 3,129,457
Accrued Wages and Benefits	0	133,560	0	133,560
Intergovernmental Payable	0	37,829	0	37,829
Deferred Revenue	0	27,982	0	27,982
Total Liabilities	<u>793,762</u>	<u>2,535,066</u>	<u>0</u>	<u>3,328,828</u>
Fund Balances:				
Restricted	15,909,983	10,641,000	1,177	26,552,160
Total Fund Balances	<u>15,909,983</u>	<u>10,641,000</u>	<u>1,177</u>	<u>26,552,160</u>
Total Liabilities and Fund Balances	<u>\$ 16,703,745</u>	<u>\$ 13,176,066</u>	<u>\$ 1,177</u>	<u>\$ 29,880,988</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2011**

	Permanent Improvement	Building	Replacement	Total Nonmajor Capital Projects Funds
Revenues:				
Investment Earnings	\$ 0	\$ 611,246	\$ 0	\$ 611,246
All Other Revenue	0	5,144,184	0	5,144,184
Total Revenue	0	5,755,430	0	5,755,430
Expenditures:				
Current:				
Instruction:				
Vocational	0	14,959	0	14,959
Supporting Services:				
Fiscal Services	0	63,763	0	63,763
Business	0	134,504	0	134,504
Operation & Maintenance of Plant	8,590,677	894,691	0	9,485,368
Central	0	161,328	0	161,328
Capital Outlay	0	23,527,862	0	23,527,862
Debt Service:				
Interest & Fiscal Charges	56,341	0	0	56,341
Total Expenditures	8,647,018	24,797,107	0	33,444,125
Excess (Deficiency) of Revenues Over Expenditures	(8,647,018)	(19,041,677)	0	(27,688,695)
Other Financing Sources (Uses):				
Issuance of General Obligation Bonds	3,000,000	0	0	3,000,000
Transfers Out	0	(42,239,567)	0	(42,239,567)
Total Other Financing Sources (Uses)	3,000,000	(42,239,567)	0	(39,239,567)
Net Change in Fund Balance	(5,647,018)	(61,281,244)	0	(66,928,262)
Fund Balances at Beginning of Year	21,557,001	71,922,244	1,177	93,480,422
Fund Balances End of Year	\$ 15,909,983	\$ 10,641,000	\$ 1,177	\$ 26,552,160

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Total Revenues and Other Financing Sources	\$ 511,901,263	\$ 516,802,874	\$ 535,340,978	\$ 18,538,104
Total Expenditures and Other Financing Uses	528,176,034	537,255,261	510,413,491	26,841,770
Net Change in Fund Balance	(16,274,771)	(20,452,387)	24,927,487	45,379,874
Fund Balances, Beginning of Year	67,587,435	67,587,435	67,587,435	0
Prior Year Encumbrances	15,717,749	15,717,749	15,717,749	0
Fund Balances, End of Year	<u>\$ 67,030,413</u>	<u>\$ 62,852,797</u>	<u>\$ 108,232,671</u>	<u>\$ 45,379,874</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 147,211,135	\$ 131,904,646	\$ 136,913,256	\$ 5,008,610
Total Expenditures and Other Financing Uses	152,963,003	137,656,514	137,656,126	388
Net Change in Fund Balance	(5,751,868)	(5,751,868)	(742,870)	5,008,998
Fund Balances, Beginning of Year	5,000,001	5,000,001	5,000,001	0
Prior Year Encumbrances	751,868	751,868	751,868	0
Fund Balances, End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 5,008,999</u>	<u>\$ 5,008,998</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 71,531,157	\$ 88,531,851	\$ 17,000,694
Total Expenditures and Other Financing Uses	303,023,406	221,607,584	81,415,822
Net Change in Fund Balance	(231,492,249)	(133,075,733)	98,416,516
Fund Balances, Beginning of Year	165,340,193	165,340,193	0
Prior Year Encumbrances	66,152,056	66,152,056	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 98,416,516</u>	<u>\$ 98,416,516</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 15,740,579	\$ 16,863,604	\$ 1,123,025
Total Expenditures and Other Financing Uses	20,157,893	17,743,886	2,414,007
Net Change in Fund Balance	(4,417,314)	(880,282)	3,537,032
Fund Balances, Beginning of Year	(598,051)	(598,051)	0
Prior Year Encumbrances	5,016,790	5,016,790	0
Fund Balances, End of Year	<u>\$ 1,425</u>	<u>\$ 3,538,457</u>	<u>\$ 3,537,032</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 8,598,485	\$ 9,402,429	\$ 803,944
Total Expenditures and Other Financing Uses	12,004,079	7,951,420	4,052,659
Net Change in Fund Balance	(3,405,594)	1,451,009	4,856,603
Fund Balances, Beginning of Year	2,039,528	2,039,528	0
Prior Year Encumbrances	1,481,139	1,481,139	0
Fund Balances, End of Year	\$ 115,073	\$ 4,971,676	\$ 4,856,603

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 5,000,000	\$ 5,000,000	\$ 0
Total Expenditures and Other Financing Uses	12,134,998	5,922,452	6,212,546
Net Change in Fund Balance	(7,134,998)	(922,452)	6,212,546
Fund Balances, Beginning of Year	6,578,037	6,578,037	0
Prior Year Encumbrances	556,961	556,961	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 6,212,546</u>	<u>\$ 6,212,546</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	AUXILIARY FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	\$ 10,023,490	\$ 10,066,495	\$ 43,005
Total Expenditures and Other Financing Uses	11,639,162	11,599,675	39,487
Net Change in Fund Balance	(1,615,672)	(1,533,180)	82,492
Fund Balances, Beginning of Year	806,663	806,663	0
Prior Year Encumbrances	809,010	809,010	0
Fund Balances, End of Year	<u>\$ 1</u>	<u>\$ 82,493</u>	<u>\$ 82,492</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	TITLE VI-B FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	\$ 24,541,822	\$ 23,049,216	\$ (1,492,606)
Total Expenditures and Other Financing Uses	23,111,787	23,049,177	62,610
Net Change in Fund Balance	1,430,035	39	(1,429,996)
Fund Balances, Beginning of Year	(634,582)	(634,582)	0
Prior Year Encumbrances	634,582	634,582	0
Fund Balances, End of Year	\$ 1,430,035	\$ 39	\$ (1,429,996)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	ARRA FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	<u>\$ 22,767,690</u>	<u>\$ 22,767,690</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>23,053,779</u>	<u>23,053,779</u>	<u>0</u>
Net Change in Fund Balance	(286,089)	(286,089)	0
Fund Balances, Beginning of Year	(406,014)	(406,014)	0
Prior Year Encumbrances	<u>692,103</u>	<u>692,103</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	CHAPTER I FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	\$ 43,406,325	\$ 43,396,325	\$ (10,000)
Total Expenditures and Other Financing Uses	43,406,325	43,406,325	0
Net Change in Fund Balance	0	(10,000)	(10,000)
Fund Balances, Beginning of Year	(3,383,289)	(3,383,289)	0
Prior Year Encumbrances	3,383,289	3,383,289	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ (10,000)</u>	<u>\$ (10,000)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 5,569,875	\$ 4,703,273	\$ (866,602)
Total Expenditures and Other Financing Uses	<u>4,631,467</u>	<u>4,631,467</u>	<u>0</u>
Net Change in Fund Balance	938,408	71,806	(866,602)
Fund Balances, Beginning of Year	(1,005,208)	(1,005,208)	0
Prior Year Encumbrances	<u>1,143,042</u>	<u>1,143,042</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 1,076,242</u>	<u>\$ 209,640</u>	<u>\$ (866,602)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 19,947,722	\$ 20,226,939	\$ 279,217
Total Expenditures and Other Financing Uses	23,939,926	21,683,934	2,255,992
Net Change in Fund Balance	(3,992,204)	(1,456,995)	2,535,209
Fund Balances, Beginning of Year	3,101,858	3,101,858	0
Prior Year Encumbrances	1,471,527	1,471,527	0
Fund Balances, End of Year	<u>\$ 581,181</u>	<u>\$ 3,116,390</u>	<u>\$ 2,535,209</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 69,602,371	\$ 66,243,918	\$ (3,358,453)
Total Expenditures and Other Financing Uses	75,863,155	75,863,155	0
Net Change in Fund Balance	(6,260,784)	(9,619,237)	(3,358,453)
Fund Balances, Beginning of Year	6,226,910	6,226,910	0
Prior Year Encumbrances	33,874	33,874	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ (3,358,453)</u>	<u>\$ (3,358,453)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 0	\$ 3,000,000	\$ 3,000,000
Total Expenditures and Other Financing Uses	<u>21,556,999</u>	<u>16,347,247</u>	<u>5,209,752</u>
Net Change in Fund Balance	(21,556,999)	(13,347,247)	8,209,752
Fund Balances, Beginning of Year	21,229,776	21,229,776	0
Prior Year Encumbrances	<u>327,225</u>	<u>327,225</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 2</u>	<u>\$ 8,209,754</u>	<u>\$ 8,209,752</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	BUILDING FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	(Negative)
Total Revenues and Other Financing Sources	\$ 37,748,780	\$ 5,997,126	\$ (31,751,654)
Total Expenditures and Other Financing Uses	107,729,359	107,729,359	0
Net Change in Fund Balance	(69,980,579)	(101,732,233)	(31,751,654)
Fund Balances, Beginning of Year	59,687,726	59,687,726	0
Prior Year Encumbrances	10,292,853	10,292,853	0
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ (31,751,654)</u>	<u>\$ (31,751,654)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	<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	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balances, Beginning of Year	<u>1,177</u>	<u>1,177</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 1,177</u>	<u>\$ 1,177</u>	<u>\$ 0</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***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, 2011***

	<i>PERMANENT FUND</i>		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	\$ 17,441	\$ 17,898	\$ 457
Total Expenditures and Other Financing Uses	315,598	35,352	280,246
Net Change in Fund Balance	(298,157)	(17,454)	280,703
Fund Balances, Beginning of Year	1,055,427	1,055,427	0
Prior Year Encumbrances	10,764	10,764	0
Fund Balances, End of Year	<u>\$ 768,034</u>	<u>\$ 1,048,737</u>	<u>\$ 280,703</u>



CINCINNATI CITY SCHOOL DISTRICT, OHIO

Fiduciary Funds

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

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

***Schedule of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2011***

	Balance June 30, 2010	Additions	Deductions	Balance June 30, 2011
<u>Student Managed Activity Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$79,181	\$213,231	(\$170,923)	\$121,489
Total Assets	<u>\$79,181</u>	<u>\$213,231</u>	<u>(\$170,923)</u>	<u>\$121,489</u>
Liabilities:				
Due to Students	\$79,181	\$213,231	(\$170,923)	\$121,489
Total Liabilities	<u>\$79,181</u>	<u>\$213,231</u>	<u>(\$170,923)</u>	<u>\$121,489</u>





Statistical Section



STATISTICAL TABLES

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

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
Revenue Capacity	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.	
Debt Capacity	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.	
Economic and Demographic Information	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.	
Operating Information	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.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$50,918,941	\$24,393,680	\$62,736,106	\$123,801,968
Restricted for:				
Capital Projects	967,504	33,583,348	32,373,514	59,677,761
Debt Service	5,588,399	5,212,708	13,610,918	13,412,818
Permanent Funds:				
Expendable	317,754	317,754	354,528	350,786
Nonexpendable	768,034	768,034	768,034	768,034
State and Federal Grants	22,883,658	20,983,634	17,532,180	20,193,869
Unrestricted	101,101,358	115,284,752	84,335,436	31,471,831
Total Governmental Activities Net Assets	<u>\$182,545,648</u>	<u>\$200,543,910</u>	<u>\$211,710,716</u>	<u>\$249,677,067</u>

Source: District Treasurer's Office

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$163,202,797	\$218,829,785	\$273,865,981	\$326,129,887	\$353,689,363	\$407,388,120
47,111,594	113,428,438	73,551,262	31,994,427	707,188	2,109,383
22,755,122	27,315,500	16,959,885	5,484,225	14,483,686	1,898,503
350,786	476,939	497,397	457,573	465,598	498,731
768,034	768,034	768,034	768,034	768,034	768,034
16,034,254	9,754,569	0	0	15,968,403	14,088,445
91,543,314	52,591,559	40,306,909	90,286,275	148,052,663	189,176,164
<u>\$341,765,901</u>	<u>\$423,164,824</u>	<u>\$405,949,468</u>	<u>\$455,120,421</u>	<u>\$534,134,935</u>	<u>\$615,927,380</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2002	2003	2004	2005
Expenses				
Governmental Activities				
Instruction				
Regular	\$214,853,229	\$220,453,877	\$233,043,337	\$221,590,261
Special	56,276,047	63,132,571	68,179,784	78,163,915
Vocational	10,405,177	6,534,496	7,254,606	7,952,193
Other	2,083,093	1,703,846	1,600,216	1,743,840
Support Services				
Pupils	21,749,313	22,810,661	29,128,330	28,917,415
Instructional Staff	24,600,912	24,920,010	33,996,376	35,799,980
Board of Education	243,629	432,025	330,013	348,475
Administration	33,394,787	34,103,376	37,435,189	83,855,686
Fiscal Services	5,373,728	5,874,202	4,796,236	4,319,078
Business	370,426	883,799	1,117,893	1,161,363
Operation and Maintenance of Plant	33,420,048	40,064,743	49,649,606	39,950,347
Pupil Transportation	23,572,004	22,336,585	24,686,563	24,960,104
Central	10,478,315	19,173,042	31,066,121	17,193,132
Non-Instructional Services	26,663,407	29,078,066	29,907,760	29,840,292
Extracurricular Activities	4,635,728	5,425,048	5,581,501	5,731,005
Interest and Fiscal Charges	7,300,332	10,194,674	29,215,795	35,335,026
<i>Total Primary Government Expenses</i>	<u>\$475,420,175</u>	<u>\$507,121,021</u>	<u>\$586,989,326</u>	<u>\$616,862,112</u>
Program Revenues				
Governmental Activities				
Charges for Services				
Instruction	\$2,601,764	\$3,409,870	\$3,580,490	\$3,787,000
Support Services	81,730	1,903,289	1,630,413	2,609,254
Non-Instructional Services	2,970,844	2,766,804	2,673,711	2,728,504
Extracurricular Activities	791,460	1,370,223	1,360,314	945,664
Operating Grants and Contributions	97,880,543	98,877,672	105,858,803	126,815,341
Capital Grants and Contributions	75,060	765,501	362,250	63,167,849
<i>Total Primary Government Program Revenues</i>	<u>104,401,401</u>	<u>109,093,359</u>	<u>115,465,981</u>	<u>200,053,612</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(371,018,774)</u>	<u>(398,027,662)</u>	<u>(471,523,345)</u>	<u>(416,808,500)</u>
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$371,018,774)</u>	<u>(\$398,027,662)</u>	<u>(\$471,523,345)</u>	<u>(\$416,808,500)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$223,297,113	\$182,146,228	\$175,998,596	\$218,216,256	\$215,218,926	\$212,617,087
80,390,504	69,266,976	72,421,383	72,987,430	77,739,067	77,918,902
6,209,179	6,693,031	7,216,845	5,796,782	6,839,266	7,046,640
4,703,448	32,417,953	40,553,924	677,824	324,254	613,450
26,628,386	27,257,081	23,484,223	25,454,794	29,830,994	29,702,228
33,757,059	42,835,422	44,812,063	44,172,580	39,819,027	49,720,996
308,211	347,852	403,963	443,575	339,142	343,414
33,272,546	34,880,780	33,167,537	33,399,805	35,453,480	35,904,173
3,889,606	3,306,297	2,905,859	2,982,641	6,833,916	7,006,980
1,372,454	1,071,616	1,217,184	1,382,889	1,196,647	1,244,023
41,446,421	41,057,796	40,791,667	41,344,253	41,693,266	47,998,030
24,928,584	22,799,539	23,321,223	29,877,750	31,574,052	27,155,167
14,031,779	15,159,365	19,888,633	19,309,398	10,143,405	15,024,579
26,527,842	30,191,515	32,584,206	34,574,667	37,670,655	43,667,894
5,080,509	5,323,580	5,066,751	6,727,253	6,370,590	5,605,603
35,493,871	27,316,555	36,789,707	35,008,872	31,351,857	34,495,353
<u>\$561,337,512</u>	<u>\$542,071,586</u>	<u>\$560,623,764</u>	<u>\$572,356,769</u>	<u>\$572,398,544</u>	<u>\$596,064,519</u>
\$4,258,848	\$7,575,641	\$4,295,206	\$6,799,768	\$8,363,276	\$9,295,532
2,518,277	4,481,719	7,278,344	7,001,505	5,914,193	6,448,862
3,361,377	2,483,338	2,262,012	2,183,221	1,977,207	2,035,610
713,347	851,103	750,852	1,947,178	1,906,058	4,184,264
108,096,560	109,768,466	127,168,655	126,199,712	119,193,346	107,155,658
243,573	81,068,698	719,912	0	11,920,000	56,581,124
<u>119,191,982</u>	<u>206,228,965</u>	<u>142,474,981</u>	<u>144,131,384</u>	<u>149,274,080</u>	<u>185,701,050</u>
<u>(442,145,530)</u>	<u>(335,842,621)</u>	<u>(418,148,783)</u>	<u>(428,225,385)</u>	<u>(423,124,464)</u>	<u>(410,363,469)</u>
<u>(\$442,145,530)</u>	<u>(\$335,842,621)</u>	<u>(\$418,148,783)</u>	<u>(\$428,225,385)</u>	<u>(\$423,124,464)</u>	<u>(\$410,363,469)</u>

(Continued)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2002	2003	2004	2005
<i>General Revenues and Other Changes in Net Assets</i>				
<i>Governmental Activities</i>				
Property Taxes Levied for				
General Purposes	\$239,988,500	\$242,138,738	\$241,472,317	\$230,848,360
Debt Service	737,370	899,101	22,088,507	26,870,805
Revenue in Lieu of Taxes	13,994,122	15,095,611	14,269,160	14,877,443
Grants and Entitlements not				
Restricted to Specific Programs	143,443,480	144,831,670	173,939,321	149,003,219
Investment Earnings	10,357,950	8,693,979	6,461,084	11,517,721
Miscellaneous	3,396,032	4,063,450	5,315,126	4,960,207
<i>Total Primary Government</i>	<u>\$411,917,454</u>	<u>\$415,722,549</u>	<u>\$463,545,515</u>	<u>\$438,077,755</u>
<i>Change in Net Assets</i>				
<i>Total Primary Government</i>				
<i>Change in Net Assets</i>	<u>\$40,898,680</u>	<u>\$17,694,887</u>	<u>(\$7,977,830)</u>	<u>\$21,269,255</u>

Source: District Treasurer's Office

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$315,532,788	\$189,107,096	\$200,054,022	\$265,885,389	\$255,859,268	\$250,219,075
34,823,550	25,823,528	33,356,387	23,498,488	30,695,071	15,071,352
15,745,319	11,299,519	10,948,197	10,919,337	17,497,711	23,453,928
146,356,573	157,791,118	150,048,088	165,610,526	192,804,062	197,164,514
28,554,158	29,904,739	30,097,980	10,097,650	2,452,857	1,298,188
6,131,207	3,315,544	12,818,225	1,384,948	2,830,009	4,948,857
<u>\$547,143,595</u>	<u>\$417,241,544</u>	<u>\$437,322,899</u>	<u>\$477,396,338</u>	<u>\$502,138,978</u>	<u>\$492,155,914</u>
<u>\$104,998,065</u>	<u>\$81,398,923</u>	<u>\$19,174,116</u>	<u>\$49,170,953</u>	<u>\$79,014,514</u>	<u>\$81,792,445</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2002	2003	2004	2005
General Fund				
Assigned	\$0	\$0	\$0	\$0
Unassigned	0	0	0	0
Reserved	60,916,774	67,344,758	77,001,382	\$77,117,030
Unreserved	<u>68,034,263</u>	<u>71,156,036</u>	<u>27,795,469</u>	<u>6,933,639</u>
<i>Total General Fund</i>	<u>128,951,037</u>	<u>138,500,794</u>	<u>104,796,851</u>	<u>84,050,669</u>
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Unassigned	0	0	0	0
Reserved	18,022,379	20,605,566	67,574,219	90,082,799
Unreserved, Undesignated in:				
Special Revenue Funds	15,726,294	9,898,574	9,150,321	8,996,661
Capital Projects Funds	96,634,588	206,121,719	673,909,505	542,525,627
Permanent Fund	<u>317,754</u>	<u>324,214</u>	<u>354,528</u>	<u>350,786</u>
<i>Total All Other Governmental Funds</i>	<u>130,701,015</u>	<u>236,950,073</u>	<u>750,988,573</u>	<u>641,955,873</u>
<i>Total Governmental Funds</i>	<u>\$259,652,052</u>	<u>\$375,450,867</u>	<u>\$855,785,424</u>	<u>\$726,006,542</u>

Source: District Treasurer's Office

Note: The District implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2006	2007	2008	2009	2010	2011
\$0	\$0	\$0	\$0	\$0	\$11,987,019
0	0	0	0	0	136,044,132
77,952,939	(94,708,835)	44,175,345	(75,520,891)	(52,610,506)	0
10,401,021	(9,416,133)	(2,461,469)	10,296,495	45,882,306	0
<u>88,353,960</u>	<u>(104,124,968)</u>	<u>41,713,876</u>	<u>(65,224,396)</u>	<u>(6,728,200)</u>	<u>148,031,151</u>
0	0	0	0	0	1,276,452
0	0	0	0	0	265,207,563
0	0	0	0	0	(1,293,974)
83,004,473	123,506,930	110,989,299	149,613,198	171,293,861	0
12,122,469	5,072,611	(6,516,820)	(5,327,271)	5,435,099	0
489,401,006	452,438,137	371,811,911	246,422,216	246,788,752	0
397,465	476,939	497,397	457,573	461,968	0
<u>584,925,413</u>	<u>581,494,617</u>	<u>476,781,787</u>	<u>391,165,716</u>	<u>423,979,680</u>	<u>265,190,041</u>
<u>\$673,279,373</u>	<u>\$477,369,649</u>	<u>\$518,495,663</u>	<u>\$325,941,320</u>	<u>\$417,251,480</u>	<u>\$413,221,192</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2002	2003	2004	2005
Revenues:				
Local Sources:				
Taxes	\$238,784,104	\$242,059,637	\$265,814,744	\$256,325,144
Tuition	1,091,966	1,090,918	1,484,343	1,734,775
In Lieu of Taxes	13,853,036	15,295,671	14,317,383	14,877,443
Investment Earnings	10,510,893	8,682,782	6,461,084	18,711,996
Food Services	2,823,116	2,756,395	2,644,972	2,557,890
Intermediate Sources	0	0	0	292,406
Intergovernmental - State	192,853,460	186,026,797	216,768,811	232,669,945
Intergovernmental - Federal	44,632,835	52,297,299	65,839,661	74,329,708
All Other Revenue	7,007,546	9,992,701	10,403,047	10,436,186
Total Revenue	511,556,956	518,202,200	583,734,045	611,935,493
Expenditures:				
Current:				
Instruction				
Regular	209,542,378	218,138,993	232,384,048	222,580,079
Special	55,423,644	62,761,098	68,500,148	78,066,020
Vocational	10,123,352	6,261,609	6,966,426	7,695,731
Other Instruction	1,852,969	2,097,045	1,672,990	1,759,044
Supporting Services:				
Pupils	21,407,476	21,915,606	28,976,925	28,779,045
Instructional Staff	24,227,809	24,817,267	33,650,585	35,844,378
Board of Education	241,577	426,281	329,933	349,910
Administration	32,731,322	33,985,048	37,521,512	42,846,546
Fiscal Services	5,278,194	6,837,264	4,743,865	4,311,076
Business	347,721	886,604	1,110,054	1,172,056
Operation and Maintenance of Plant	32,917,105	39,741,738	49,452,172	40,051,151
Pupil Transportation	23,555,262	22,293,435	24,513,078	24,597,832
Central	10,087,713	18,785,890	30,449,946	16,795,704
Non-Instructional Services	25,330,107	27,760,318	29,381,857	29,089,662
Extracurricular Activities	4,532,356	5,379,870	5,569,357	5,715,176
Capital Outlay	25,388,396	22,193,145	31,182,823	129,917,744
Debt Service:				
Principal Retirement	33,450,000	32,795,000	28,410,000	42,505,000
Interest and Fiscal Charges	7,815,070	10,202,014	32,759,197	35,675,089
Total Expenditures	524,252,451	557,278,225	647,574,916	747,751,243
Excess (Deficiency) of Revenues Over Expenditures	(12,695,495)	(39,076,025)	(63,840,871)	(135,815,750)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2006	2007	2008	2009	2010	2011
\$322,180,008	\$196,490,568	\$248,560,390	\$277,728,502	\$281,808,058	\$265,214,494
2,474,762	2,513,899	2,436,623	1,750,008	2,460,003	1,897,589
15,743,651	11,299,537	10,949,847	10,919,337	17,497,711	23,453,928
26,498,394	29,948,910	31,299,042	10,996,692	3,037,728	1,358,433
2,509,797	2,344,784	2,183,555	2,116,608	1,909,984	1,875,863
0	0	0	0	16,270,249	0
205,315,594	213,837,132	218,696,480	252,144,552	239,861,668	258,430,367
68,695,133	65,064,133	69,088,928	68,590,338	98,229,824	99,735,718
15,075,461	13,762,600	22,821,498	15,545,489	13,513,339	23,474,337
<u>658,492,800</u>	<u>535,261,563</u>	<u>606,036,363</u>	<u>639,791,526</u>	<u>674,588,564</u>	<u>675,440,729</u>
216,803,272	182,770,612	171,397,040	208,745,852	213,567,573	211,093,487
78,112,990	70,735,576	71,042,866	71,892,127	77,417,798	78,530,889
5,883,214	6,394,581	6,635,484	5,474,802	6,390,238	6,851,832
1,192,485	31,921,738	38,748,252	673,707	369,633	609,796
25,877,478	27,326,156	23,025,194	24,873,130	29,369,730	30,236,201
33,425,507	42,360,630	44,151,479	43,556,762	39,776,483	49,750,441
300,309	348,361	398,416	432,078	341,454	346,538
73,453,592	35,301,777	32,704,791	33,010,049	35,249,350	36,399,488
3,747,809	3,294,436	2,853,139	2,924,642	6,790,917	7,049,604
1,318,991	1,071,324	1,198,346	1,338,302	1,198,780	1,280,016
40,489,901	41,047,302	39,830,779	40,587,586	41,379,393	48,264,749
24,710,901	23,234,772	23,043,622	29,623,267	31,456,572	27,202,285
14,421,486	14,965,653	18,826,176	18,714,730	10,105,563	14,474,208
24,583,057	27,119,187	25,947,645	25,494,720	27,092,882	30,506,964
4,952,035	5,348,011	4,973,632	6,616,085	6,347,799	5,764,915
109,456,508	121,280,997	128,811,748	121,159,988	122,738,738	125,449,441
44,970,000	26,350,000	19,685,000	19,900,000	17,035,000	24,605,000
38,910,773	35,072,745	39,759,435	38,011,339	35,394,959	36,665,669
<u>742,610,308</u>	<u>695,943,858</u>	<u>693,033,044</u>	<u>693,029,166</u>	<u>702,022,862</u>	<u>735,081,523</u>
(84,117,508)	(160,682,295)	(86,996,681)	(53,237,640)	(27,434,298)	(59,640,794)

(Continued)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2002	2003	2004	2005
Other Financing Sources (Uses):				
General Obligation Notes Issued	25,000,000	22,200,000	32,400,000	29,600,000
General Obligation Bonds Issued	0	125,000,000	480,000,000	0
Premium on General Obligation Bonds	0	7,097,571	13,300,428	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	651,788	273,894	0	0
Premium on Capital Leases	0	0	0	0
Transfers In	9,186,312	50,749,244	9,261,682	679,493,721
Transfers Out	(9,186,312)	(50,749,244)	(9,261,682)	(679,493,721)
Total Other Financing Sources (Uses)	<u>25,651,788</u>	<u>154,571,465</u>	<u>525,700,428</u>	<u>29,600,000</u>
Net Change in Fund Balance	<u>\$12,956,293</u>	<u>\$115,495,440</u>	<u>\$461,859,557</u>	<u>(\$106,215,750)</u>
 Debt Service as a Percentage of Noncapital Expenditures	 8.28%	 8.00%	 9.86%	 12.49%

Source: District Treasurer's Office

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2006	2007	2008	2009	2010	2011
0	0	0	0	0	0
26,800,000	0	0	0	21,715,000	3,000,000
3,817,959	0	0	0	0	0
69,405,000	380,945,000	0	0	104,900,000	0
7,482,626	48,836,975	0	0	9,387,925	0
(76,115,246)	(459,954,691)	0	0	(103,964,664)	0
0	120,365,000	0	0	0	0
0	7,503,350	0	0	0	0
16,164,576	14,626,125	155,775,182	152,935,825	410,008,330	196,495,786
(16,164,576)	(14,626,125)	(155,775,182)	(152,935,825)	(410,008,330)	(196,495,786)
<u>31,390,339</u>	<u>97,695,634</u>	<u>0</u>	<u>0</u>	<u>32,038,261</u>	<u>3,000,000</u>
<u>(\$52,727,169)</u>	<u>(\$62,986,661)</u>	<u>(\$86,996,681)</u>	<u>(\$53,237,640)</u>	<u>\$4,603,963</u>	<u>(\$56,640,794)</u>
13.16%	10.89%	10.42%	10.05%	9.02%	10.06%

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

Tax year	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Real Property				
Assessed	\$4,964,324	\$5,514,802	\$5,578,562	\$5,487,899
Actual	14,183,783	15,756,577	15,938,749	15,679,711
Public Utility				
Assessed	333,228	351,842	354,261	348,115
Actual	333,228	351,842	354,261	348,115
Tangible Personal Property				
Assessed	737,473	690,729	577,134	575,490
Actual	2,949,892	2,762,916	2,308,536	2,301,960
Total				
Assessed	6,035,025	6,557,373	6,509,957	6,411,504
Actual	17,466,903	18,871,335	18,601,546	18,329,786
Assessed Value as a				
Percentage of Actual Value	34.55%	34.75%	35.00%	34.98%
Total Direct Tax Rate				
	\$56.93	\$57.15	\$56.25	\$60.75

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 CITY SCHOOL DISTRICT, OHIO

2005	2006	2007	2008	2009	2010
\$6,253,727	\$6,270,949	\$6,273,021	\$6,275,000	\$6,290,000	\$6,292,744
17,867,791	17,916,997	17,922,917	17,928,571	17,971,429	17,979,269
352,496	339,324	282,091	281,000	281,000	304,596
352,496	339,324	282,091	281,000	281,000	304,596
434,739	297,008	181,603	31,500	15,500	15,441
1,738,956	1,584,043	1,452,824	504,000	248,000	247,056
7,040,962	6,907,281	6,736,715	6,587,500	6,586,500	6,612,781
19,959,243	19,840,364	19,657,832	18,713,571	18,500,429	18,530,921
35.28%	34.81%	34.27%	35.20%	35.60%	35.69%
\$60.83	\$59.77	\$59.37	\$59.67	\$67.95	\$67.87

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

Collection Year	2002	2003	2004	2005	2006
Direct District Rates					
General Fund	57.01	56.11	56.09	56.19	55.13
Bond Retirement Fund	0.14	0.14	4.66	4.64	4.64
Total	<u>57.15</u>	<u>56.25</u>	<u>60.75</u>	<u>60.83</u>	<u>59.77</u>
Overlapping Rates					
Hamilton County	19.92	21.47	21.87	21.51	20.81
Cities:					
Cheviot	12.56	12.42	12.24	12.22	14.52
Cincinnati	10.76	10.63	10.36	10.34	10.19
Indian Hill	0.96	0.96	0.96	0.96	0.96
Madeira	7.50	7.50	7.50	7.50	7.50
Norwood	11.40	11.40	11.40	11.40	11.40
Silverton	8.15	8.15	8.15	8.15	8.15
Wyoming	10.00	10.00	10.00	10.00	10.00
Villages:					
Amberly	7.00	7.00	7.00	7.00	7.00
Fairfax	2.76	2.76	2.76	2.76	2.76
Golf Manor	24.52	24.52	24.52	24.52	30.52
Mairemont	12.44	12.44	14.37	14.37	14.37
Townships:					
Anderson	14.15	14.15	14.15	14.15	14.15
Columbia	17.96	17.96	21.26	21.26	21.26
Delhi	20.46	20.46	20.46	20.46	26.34
Green	8.31	8.31	8.31	8.31	9.81
Springfield	20.30	20.30	20.30	20.30	20.30
Sycamore	7.75	7.75	7.75	7.75	7.75
Fairfax - Madison Pl.	2.50	2.50	2.76	2.76	2.76
Total	<u>276.55</u>	<u>276.93</u>	<u>286.87</u>	<u>286.55</u>	<u>300.32</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 CITY SCHOOL DISTRICT, OHIO

2007	2008	2009	2010	2011
54.81	54.90	62.95	62.87	63.54
4.56	4.77	5.00	5.00	5.00
<u>59.37</u>	<u>59.67</u>	<u>67.95</u>	<u>67.87</u>	<u>68.54</u>
20.18	20.56	20.63	20.48	19.45
14.52	14.52	14.52	20.13	20.13
9.93	9.89	9.89	9.82	0.00
0.96	0.96	0.96	0.96	0.96
7.50	7.50	7.50	7.50	7.50
11.40	11.40	11.40	11.40	11.40
8.15	8.15	8.15	8.15	8.15
10.00	10.00	10.00	10.00	10.00
7.00	7.00	7.00	7.00	7.00
2.76	2.76	2.76	2.76	2.76
30.52	38.52	38.52	38.52	38.52
14.37	14.37	14.37	14.37	14.37
14.15	14.15	16.85	16.85	16.85
14.76	14.76	18.76	14.76	14.76
26.34	26.34	26.34	26.34	26.34
9.81	9.81	11.71	11.71	11.71
20.30	20.30	20.30	22.80	22.80
8.75	8.75	8.75	8.75	8.75
0.00	0.00	0.00	0.00	0.00
<u>290.77</u>	<u>299.41</u>	<u>316.36</u>	<u>320.17</u>	<u>309.99</u>



CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

Name of Taxpayer	Nature of Business	Calendar Year 2010		
		Assessed Value	Rank	Percent of Total Assessed Value
Duke Energy Ohio Inc: Tax Dept	Real Estate Holdings	\$284,874,950	1	4.32%
City of Cincinnati	City Government	144,023,150	2	2.18%
The Procter & Gamble Co	Consumer Goods Manufacturing	60,035,100	3	0.91%
Emery Realty Co.	Real Estate Holdings	29,263,860	4	0.44%
Columbia Development Corp	Real Estate Holdings	24,239,670	5	0.37%
Ohio Teachers Retirement System	Real Estate Holdings	24,150,000	6	0.37%
Fifth Third Bank	Real Estate Holdings	22,179,560	7	0.34%
Regency Centers LP	Real Estate Holdings	19,619,800	9	0.30%
Duke Energy Ohio Inc	Utilities	18,215,550	8	0.28%
Children's Hospital	Healthcare	16,820,550	10	0.25%
Subtotal		643,422,190		9.76%
All Others		5,953,917,580		90.25%
Total		<u>\$6,597,339,770</u>		<u>100.01%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2001		
		Assessed Value	Rank	Percent of Total Assessed Value
Cinergy	Public Utility	\$322,691,870	1	5.29%
The Procter & Gamble Co.	Consumer Goods Manufacturing	117,991,700	2	1.93%
Cincinnati Bell Telephone, Inc.	Public Utility	82,962,180	3	1.36%
City of Cincinnati	City Government	51,530,480	4	0.85%
Emery Realty	Real Estate Holdings	30,975,000	5	0.51%
Hamilton County Commissioners	County Government	30,135,220	6	0.49%
Prudential Insurance	Real Estate Holdings	28,000,000	7	0.46%
Columbia Development	Real Estate Holdings	27,720,000	8	0.45%
Ohio Teachers Retirement System	Real Estate Holdings	26,775,000	9	0.44%
Fifth Third Center	Real Estate Holdings	21,350,000	10	0.35%
Subtotal		740,131,450		12.13%
All Others		5,357,926,170		87.87%
Total		<u>\$6,098,057,620</u>		<u>100.00%</u>

Source: Hamilton County Auditor - Land and Buildings
Based on valuation of property in 2010 and 2001

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

Collection Year	<u>2001</u>	<u>2002</u>	<u>2003</u>
Total Tax Levy (1)	\$228,488	\$236,177	\$269,841
Collections within the Fiscal Year of the Levy			
Current Tax Collections (2)	203,990	208,901	232,064
Percent of Levy Collected	89.28%	88.45%	86.00%
Delinquent Tax Collections	<u>8,523</u>	<u>9,007</u>	<u>10,874</u>
Total Tax Collections	212,513	217,908	242,938
Percent of Total Tax Collections To Tax Levy	93.01%	92.26%	90.03%
Accumulated Outstanding Delinquent Taxes (3)	6,250	7,138	9,655
Percentage of Accumulated Delinquent Taxes to Total Tax Levy	2.74%	3.02%	3.58%

- (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 CITY SCHOOL DISTRICT, OHIO

2004	2005	2006	2007	2008	2009	2010
\$268,011	\$277,611	\$276,704	\$281,679	\$278,080	\$310,725	\$325,378
231,599	237,378	232,726	234,117	255,997	250,932	260,668
86.41%	85.51%	84.11%	83.11%	92.06%	80.76%	80.11%
10,910	12,621	12,233	12,665	14,997	12,543	16,232
242,509	249,999	244,959	246,782	270,994	263,475	276,900
90.48%	90.05%	88.53%	87.61%	97.45%	84.79%	85.10%
11,049	12,343	12,395	17,877	21,615	29,563	29,345
4.12%	4.45%	4.48%	6.35%	7.77%	9.51%	9.02%

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Ratio of Outstanding Debt By Type Last Ten Years

	2002	2003	2004	2005
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$122,600,000	\$246,547,692	\$732,790,633	\$721,838,146
Long-Term Notes Payable	25,000,000	22,200,000	32,400,000	29,600,000
Tax Anticipation Notes Payable	15,000,000	10,000,000	5,000,000	0
Capital Leases	527,997	470,019	172,081	29,772
Total Primary Government	<u>\$163,127,997</u>	<u>\$279,217,711</u>	<u>\$770,362,714</u>	<u>\$751,467,918</u>
Population ⁽²⁾				
City of Cincinnati	331,285	331,285	331,285	331,285
Outstanding Debt Per Capita	492	843	2,325	2,268
Income ⁽³⁾				
Personal (in thousands)	11,509,503	11,977,940	12,342,354	13,074,825
Percentage of Personal Income	1.42%	2.33%	6.24%	5.75%

Sources:

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2006	2007	2008	2009	2010	2011
\$736,003,676	\$673,331,045	\$651,203,169	\$628,860,293	\$640,782,247	\$624,312,582
0	0	0	0	0	0
43,600,000	35,730,000	27,455,000	18,755,000	9,610,000	0
0	126,617,792	125,367,234	124,116,676	122,866,118	114,960,560
<u>\$779,603,676</u>	<u>\$835,678,837</u>	<u>\$804,025,403</u>	<u>\$771,731,969</u>	<u>\$773,258,365</u>	<u>\$739,273,142</u>
331,285	331,285	331,285	331,285	331,285	332,252
2,353	2,523	2,427	2,330	2,334	2,225
13,702,279	13,525,704	13,740,708	14,155,808	12,965,832	12,577,898
5.69%	6.18%	5.85%	5.45%	5.96%	5.88%

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2002	2003	2004	2005
Population (1)	331,285	331,285	331,285	331,285
Assessed Value (in thousands) (2)	6,035,025	6,557,373	6,509,957	6,411,504
General Bonded Debt (3)				
General Obligation Bonds	122,600,000	246,547,692	732,790,633	721,838,146
Resources Available to Pay Principal (4)	5,067,945	5,501,964	15,765,336	15,714,852
Net General Bonded Debt	117,532,055	241,045,728	717,025,297	706,123,294
Ratio of Net Bonded Debt to Estimated Actual Value	1.95%	3.68%	11.01%	11.01%
Net Bonded Debt per Capita	355	728	2,164	2,131

Source:

(1) U.S. Bureau of Census of Population

(2) Hamilton County Auditor

(3) Includes all general obligation bonded debt supported by property taxes

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2006	2007	2008	2009	2010	2011
331,285	331,285	331,285	331,285	331,285	332,252
7,040,962	6,907,281	6,736,715	6,587,500	6,586,500	6,612,781
736,003,676	673,331,045	651,203,169	628,860,293	640,782,247	624,312,582
21,561,481	24,674,972	23,190,860	9,466,772	12,439,296	(282,873)
714,442,195	648,656,073	628,012,309	619,393,521	628,342,951	624,595,455
10.15%	9.39%	9.32%	9.40%	9.54%	9.45%
2,157	1,958	1,896	1,870	1,897	1,880



CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2011*

<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>
Direct:			
Cincinnati Public School District	\$624,312,582	100.00%	\$624,312,582
Overlapping:			
Hamilton County	31,719,417	33.31%	10,565,738
Cities:			
Cheviot	44,004	100.00%	44,004
Cincinnati	375,714,842	100.08%	376,015,414
Madeira	5,160	0.45%	23
Norwood	1,347	0.05%	1
Silverton	828,145	93.24%	772,162
Wyoming	5,063	0.20%	10
Villages:			
Amberly	6,220,000	100.00%	6,220,000
Golf Manor	168,600	100.00%	168,600
Townships:			
Delhi	87,363	1.76%	1,538
Springfield	570,564	4.92%	28,072
Anderson Township	60,359	4.92%	2,970
Sycamore Township	789,968	4.92%	38,866
Anderson Township Park District	638	0.50%	3
Deer Park - Silverton Fire District	238,544	42.21%	100,689
Little Miami Jt Fire & Rescue District	1,584,816	18.93%	300,006
	<u>418,038,830</u>	Subtotal	<u>394,258,096</u>
		Total	<u><u>\$1,018,570,678</u></u>

Source: Hamilton County Auditor

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

Collection Year	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Net Assessed Valuation	\$6,035,025	\$6,557,373	\$6,509,957	\$6,411,504
Overall Direct Debt Limitation				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	543,152	590,164	585,896	577,035
Applicable District Debt Outstanding	122,600	246,548	732,791	721,838
Less: Applicable Debt Service Fund Amounts (2)	<u>(5,068)</u>	<u>(5,502)</u>	<u>(15,765)</u>	<u>(15,715)</u>
Net Indebtedness Subject to Limitation	<u>117,532</u>	<u>241,046</u>	<u>717,025</u>	<u>706,123</u>
Overall Legal Debt Margin	<u>\$425,620</u>	<u>\$349,118</u>	<u>(\$131,129)</u>	<u>(\$129,088)</u>
Unvoted Direct Debt Limitation				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	6,035	6,557	6,510	6,412
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$6,035</u>	<u>\$6,557</u>	<u>\$6,510</u>	<u>\$6,412</u>
Energy Conservation Bond Limitation				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	54,315	59,016	58,590	57,704
Authorized by the Board	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation Bond Legal Debt Margin	<u>\$54,315</u>	<u>\$59,016</u>	<u>\$58,590</u>	<u>\$57,704</u>

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

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2006	2007	2008	2009	2010	2011
\$7,040,962	\$6,907,281	\$6,736,715	\$6,587,500	\$6,586,500	\$6,612,781
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
633,687	621,655	606,304	592,875	592,785	595,150
736,004	673,331	651,203	628,860	640,782	624,313
(21,561)	(24,675)	(23,191)	(9,467)	(12,439)	0
714,442	648,656	628,012	619,394	628,343	624,313
<u>(\$80,756)</u>	<u>(\$27,001)</u>	<u>(\$21,708)</u>	<u>(\$26,519)</u>	<u>(\$35,558)</u>	<u>(\$29,162)</u>
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
7,041	6,907	6,737	6,588	6,587	6,613
0	0	0	0	0	0
<u>\$7,041</u>	<u>\$6,907</u>	<u>\$6,737</u>	<u>\$6,588</u>	<u>\$6,587</u>	<u>\$6,613</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
63,369	62,166	60,630	59,288	59,279	59,515
(13,800)	(11,290)	(8,655)	(5,900)	(24,740)	(24,715)
<u>\$49,569</u>	<u>\$50,876</u>	<u>\$51,975</u>	<u>\$53,388</u>	<u>\$34,539</u>	<u>\$34,800</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Demographic and Economic Statistics Last Ten Years

Calendar Year	2001	2002	2003	2004
Population (1)				
City of Cincinnati	331,285	331,285	331,285	331,285
Hamilton County	845,303	845,303	845,303	845,303
Income (2) (a)				
Total Personal (in thousands)	11,509,503	11,977,940	12,342,354	13,074,825
Per Capita	34,742	36,156	37,256	39,467
Unemployment Rate (3)				
Federal	4.8%	5.8%	6.0%	5.5%
State	4.3%	5.7%	6.1%	6.0%
Hamilton County	3.6%	5.1%	5.1%	5.7%
Fiscal Year	2002	2003	2004	2005
School Enrollment (4)				
Grades K - 5	20,663	19,826	18,153	16,907
Grades 6 - 8	10,077	10,004	9,690	9,071
Grades 9 - 12	10,509	10,580	10,936	11,190
Total	41,249	40,410	38,779	37,168

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 CITY SCHOOL DISTRICT, OHIO

2005	2006	2007	2008	2009	2010
331,285	331,285	331,285	331,285	331,285	331,285
845,303	845,303	845,303	845,303	850,869	802,374
13,702,279	13,525,704	13,740,708	14,155,808	12,965,832	12,577,898
41,361	40,828	41,477	42,730	39,138	37,967
5.0%	4.6%	4.6%	5.8%	9.3%	9.6%
5.9%	5.5%	5.6%	6.6%	10.2%	10.1%
5.7%	5.0%	5.0%	5.6%	8.9%	9.4%
2006	2007	2008	2009	2010	2011
15,964	15,534	15,279	15,486	15,545	15,105
8,573	7,606	7,278	7,311	7,053	6,976
11,029	11,089	10,681	10,558	9,927	9,928
35,566	34,229	33,238	33,355	32,525	32,009



CINCINNATI CITY SCHOOL DISTRICT, OHIO

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2011	
		Number of Employees	Rank
The Kroger Co.	Consumer Goods Distribution	17,000	1
University of Cincinnati	Education	15,162	2
The Procter & Gamble Co.	Consumer Goods Manufacturing	14,000	3
Children's Hospital	Health Care	12,057	4
TriHealth, Inc.	Health Care	10,000	5
Mercy Health Partners	Health Care	8,550	6
Archdiocese of Cincinnati	Religious	8,000	7
GE Aviation	Health Care	7,300	8
Walmart Stores	National Retailer	6,932	9
St Elizabeth Healthcare	Health Care	6,939	10
Total		<u>105,940</u>	

Employer	Nature of Business	2002	
		Number of Employees	Rank
University of Cincinnati	Education	14,084	1
The Procter & Gamble Co	Consumer Goods Manufacturing	13,700	2
Health Alliance of Grtr Cinti	Health Care System	13,505	3
The Kroger Co.	National Grocery Retailer	12,000	4
GE Aviation	Jet Engine Manufacturer	7,500	5
Mercy Health Partners	Health Care System	7,223	6
Cincinnati Public Schools	Education	7,132	7
TriHealth	Health Care System	6,758	8
City of Cincinnati	Government	6,500	9
Cincinnati Childrens Hospital	Medical	6,433	10
Total		<u>94,835</u>	

Sources: Cincinnati USA,
Business Courier 2011 Book of Lists

CINCINNATI CITY SCHOOL DISTRICT, OHIO

School District Employees by Type Last Ten Years

	2002	2003	2004	2005	2006
Supervisory					
Executive Administration	0.00	0.00	0.00	0.00	0.00
Principals	84.73	90.80	88.20	81.00	73.00
Assistant Principals	49.79	54.00	59.90	58.80	51.80
Supervisor/Coordinator/Director	0.00	0.00	0.00	0.00	0.00
Consultants/Supervisors of Instruction	31.16	34.32	16.80	9.50	3.00
Instructional Administrators	10.07	6.80	4.00	2.00	4.00
Noninstructional Administrators	41.38	45.14	45.50	43.00	34.00
Other Official/Administration	0.00	0.00	0.00	0.00	0.00
Instruction					
Classroom Teachers	3,211.60	3,165.06	3,115.73	3,035.34	2,719.36
Teacher Support	0.00	0.00	0.00	0.00	0.00
Student Services					
Guidance Counselors	21.08	23.00	20.00	21.00	18.00
Instructional Paraprofessional/T. Aide	0.00	0.00	0.00	0.00	0.00
Librarians/Librarian Aide	50.87	46.00	29.30	32.00	27.00
Psychologists	63.08	68.61	76.90	75.35	77.50
Therapist/Therapist Asst./Interpreter	0.00	0.00	0.00	0.00	0.00
Social Workers	27.10	68.76	37.40	40.80	34.50
Other Professionals (noninstructional)	118.24	117.21	67.94	89.97	80.83
Support Services					
Accounting/Office Clerical	0.00	0.00	0.00	0.00	0.00
Clerical/Secretaries	411.97	419.30	441.30	423.78	392.49
Custodial/Grounds	0.00	0.00	0.00	0.00	0.00
Food Service	251.46	251.64	254.45	238.20	213.26
Maintenance/Trade Crafts	0.00	0.00	0.00	0.00	0.00
Maintenance/Grounds	416.36	425.03	404.19	389.60	364.00
Safety/Security	191.25	166.40	165.61	150.67	138.51
Technical	0.00	0.00	0.00	0.00	0.00
Tutors/Aides	1,105.29	1,067.45	1,023.53	933.88	889.50
Other Support Services	0.00	0.00	0.00	0.00	0.00
<i>Total Employees</i>	<u>5,919.75</u>	<u>5,870.40</u>	<u>5,685.85</u>	<u>5,475.59</u>	<u>4,992.95</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 CITY SCHOOL DISTRICT, OHIO

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
				*
0.00	0.00	0.00	0.00	9.00
76.00	68.00	57.00	56.00	56.00
50.30	39.00	40.50	41.00	41.00
0.00	0.00	0.00	0.00	76.00
23.80	25.00	22.80	25.00	0.00
3.00	2.00	4.00	5.00	0.00
37.40	36.00	58.00	62.00	0.00
0.00	0.00	0.00	0.00	2.00
2,480.04	2,268.05	2,178.67	2,193.00	2,118.00
0.00	0.00	0.00	0.00	99.00
19.00	17.60	16.80	17.00	15.00
0.00	0.00	0.00	0.00	843.00
28.90	25.55	24.60	24.00	23.00
72.85	63.40	71.20	72.00	62.00
0.00	0.00	0.00	0.00	102.00
40.68	37.10	35.63	31.00	21.00
108.64	107.12	110.91	113.00	68.00
0.00	0.00	0.00	0.00	286.00
351.32	332.37	335.68	324.00	0.00
0.00	0.00	0.00	0.00	198.00
207.71	183.38	173.19	164.00	164.00
0.00	0.00	0.00	0.00	125.00
401.04	367.03	344.77	339.00	0.00
116.66	144.27	148.67	113.00	119.00
0.00	0.00	0.00	0.00	19.00
895.56	938.84	1,019.54	957.00	0.00
0.00	0.00	0.00	0.00	23.00
<u>4,762.80</u>	<u>4,522.71</u>	<u>4,521.66</u>	<u>4,414.00</u>	<u>4,469.00</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Operating Indicators - Cost per Pupil Last Ten Years

Fiscal Year	2002	2003	2004	2005
Enrollment	41,249	40,410	38,779	37,168
Modified Accrual Basis				
Operating Expenditures (1)	457,598,985	492,088,066	555,222,896	539,653,410
Cost per Pupil	11,094	12,177	14,318	14,519
Percentage of Change	15.2%	9.8%	17.6%	1.4%
Accrual Basis				
Operating Expenses (2)	468,119,843	496,926,347	557,773,531	581,527,086
Cost per Pupil	11,349	12,297	14,383	15,646
Percentage of Change	N/A	8.4%	17.0%	8.8%
Teaching Staff	3,114	2,953	2,929	2,565
Pupil to Teacher Ratio				
Cincinnati	13.2	13.7	13.2	14.5
State Average	16.9	16.9	18.5	18.5

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 CITY SCHOOL DISTRICT, OHIO

2006	2007	2008	2009	2010	2011
35,566	34,229	33,238	33,355	32,525	32,009
549,273,027	513,240,116	504,776,861	513,957,839	526,854,165	548,361,413
15,444	14,994	15,187	15,409	16,198	17,131
6.4%	(2.9%)	1.3%	1.5%	5.1%	5.8%
525,843,641	514,755,031	523,834,057	537,347,897	541,046,687	561,569,166
14,785	15,039	15,760	16,110	16,635	17,544
(5.5%)	1.7%	4.8%	2.2%	3.3%	5.5%
2,639	2,401	2,351	2,384	2,193	2,363
13.5	14.3	14.1	14.0	14.8	13.5
18.6	19.6	18.6	19.4	19.4	19.4

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Operating Indicators by Function Last Seven Years

	2005	2006	2007
Governmental Activities			
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 Buidlings	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 CITY SCHOOL DISTRICT, OHIO

2008	2009	2010	2011
33,438	33,121	32,525	32,009
1,803	1,799	1,766	1,736
18.22%	20.00%	20.80%	21.00%
3.00%	3.10%	3.70%	3.70%
94.80	95.20	97.90	95.80
21,595	19,293	19,943	16,250
27,485	24,083	26,662	25,885
7,949,000	6,977,896	5,916,068	5,983,415
925	755	755	755
86.00%	92.42%	94.55%	93.03%
46	42	37	36
23,676	24,585	20,894	19,938
25,415	29,690	30,917	31,079
431	358	413	426
3,315,962	5,298,035	5,248,226	5,613,070
2,893,212	4,629,370	4,679,097	3,972,566
87.25%	87.38%	89.16%	70.77%
100	126	142	144

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Operating Indicators - Teacher Base Salaries Last Ten Years

Fiscal Year	2002	2003	2004	2005
Minimum Salary	31,706	32,657	33,866	34,882
Maximum Salary	69,608	71,696	76,581	78,879
District Average Salary	51,513	43,967	55,348	58,362
County Average Salary	49,439	47,239	52,837	54,288
State Average Salary	44,266	45,515	47,495	49,438

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

Operating Indicators - Teacher Base Salaries Last Ten Years

Fiscal Year	2002	2003	2004	2005
Bachelor's Degree	500	463	413	243
Bachelor + 15	815	772	723	658
Master's Degree	1,266	1,199	1,236	1,077
Master's Degree + 30	486	472	506	541
Doctorate	47	47	51	46
Total	3,114	2,953	2,929	2,565

Source: District Treasurer's Office

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2006	2007	2008	2009	2010	2011
35,824	35,824	36,905	36,905	36,905	39,262
81,008	81,008	83,455	87,979	87,979	83,455
60,275	62,760	64,029	67,097	64,344	64,638
54,967	54,576	55,001	58,300	48,000	42,195
50,772	51,346	53,410	54,656	53,000	56,715

2006	2007	2008	2009	2010	2011
230	155	160	159	152	197
692	570	519	519	488	486
1,111	1,083	1,080	1,088	1,033	1,054
560	549	545	567	486	572
46	44	47	51	34	54
2,639	2,401	2,351	2,384	2,193	2,363

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Capital Asset Statistics by Building Last Seven Years

	2005	2006	2007	2008
School Buildings				
High Schools				
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
Elementary Schools				
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
All Other				
Central Administration Building				
Square Footage	140,033	140,033	140,033	140,033
Maintenance Building				
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 CITY SCHOOL DISTRICT, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>
11	11	13
2,638,069	2,443,649	2,469,919
13,415	10,950	11,600
12,597	9,927	12,587
46	46	43
3,583,896	3,472,389	3,222,684
21,450	23,915	22,800
20,524	22,598	19,422
140,033	140,033	140,033
150,779	150,779	150,779

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Educational and Operating Statistics Last Ten Years

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

Source:

District's Student Records and Ohio Department of Education

Note: Information was not available prior to 2002.

* Note: National Merit Finalist are not available until Spring.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2007	2008	2009	2010	2011
19.4	19.0	18.9	19.1	18.1
21.6	21.7	21.7	21.8	21.8
21.2	21.1	21.1	21.0	21.1
475	497	518	524	513
469	486	508	514	501
536	534	537	538	539
542	544	546	548	545
502	502	501	501	497
515	515	515	516	514
3	0	0	7	0 *
15	11	21	21	19
12,025	12,315	13,012	13,449	14,067
9,343	9,939	10,184	10,513	10,513
121,514	129,086	135,319	148,331	161,780
91,193	101,747	105,992	116,176	126,689
94.70%	94.80%	95.20%	97.90%	95.80%
94.10%	94.20%	94.30%	94.30%	94.50%
77.20%	80.00%	82.90%	80.40%	81.90%
86.10%	86.90%	84.60%	83.00%	84.30%





Dave Yost • 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
MARCH 27, 2012**