

Portsmouth City School District
Scioto County
Single Audit
For the Fiscal Year Ended June 30, 2014



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Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Portsmouth City School District, Scioto County, prepared by Millhuff-Stang, CPA, Inc., for the audit period July 1, 2013 through June 30, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

April 20, 2015

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Portsmouth City School District
Scioto County
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For the Fiscal Year Ended June 30, 2014

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Portsmouth City School District
Scioto County
Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2014

Federal Grantor/Pass Through Grantor/Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>United States Department of Agriculture</u>						
<i>Passed through the Ohio Department of Education</i>						
Child Nutrition Cluster:						
School Breakfast Program	3L70	10.553	\$240,533	\$0	\$240,533	\$0
National School Lunch Program	3L60	10.555	750,911	65,501	750,911	65,501
Total Child Nutrition Cluster			991,444	65,501	991,444	65,501
Fresh Fruit and Vegetable Program	3L60	10.582	65,907	0	65,907	0
Total United States Department of Agriculture			1,057,351	65,501	1,057,351	65,501
<u>United States Department of Education</u>						
<i>Direct from Department of Education</i>						
Impact Aid	N/A	84.041	9,945	0	9,945	0
<i>Passed through the Ohio Department of Education</i>						
Special Education Cluster:						
Special Education-Grants to States	3M20	84.027	532,051	0	542,289	0
Special Education - Preschool Grants	3C50	84.173	10,562	0	9,387	0
Total Special Education Cluster			542,613	0	551,676	0
Title I Grants to Local Educational Agencies	3M00	84.010	1,719,673	0	1,664,476	0
Education for Homeless Children and Youth	3EJ0	84.196	50,443	0	45,262	0
Rural Education	3Y80	84.358	4,716	0	4,248	0
Improving Teacher Quality State Grants	3Y60	84.367	249,471	0	251,775	0
Total United States Department of Education			2,576,861	0	2,527,382	0
Total Federal Financial Assistance			\$3,634,212	\$65,501	\$3,584,733	\$65,501

The notes to the schedule of federal awards expenditures are an integral part of this schedule.

Portsmouth City School District
Scioto County

Notes to the Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2014

Note 1 – Significant Accounting Policies

The accompanying schedule of federal awards expenditures includes the federal grant activity of the School District and has been prepared on the cash basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Note 2 – Child Nutrition Cluster

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed that federal monies are expended first. Program regulations do not require the School District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the schedule using the entitlement value of the commodities received. The School District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

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*

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Portsmouth City School District, Scioto County, Ohio (the School District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 24, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questions costs as items 2014-001 and 2014-002.

School District's Response to Findings

The School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Natalie Millhuff-Stang, CPA, CITP
President/Owner
Millhuff-Stang, CPA, Inc.

December 24, 2014

**Report on Compliance For Each Major Program; Report Internal Control Over Compliance; and
Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

We have audited Portsmouth City School District's (the School District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2014. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. 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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our report thereon dated December 24, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

Portsmouth City School District
Report on Compliance For Each Major Program; Report Internal Control Over Compliance; and Report on
the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133
Page 3

In our opinion, the schedule of federal awards expenditures is fairly stated in all material respects in
relation to the basic financial statements as a whole.

A handwritten signature in cursive script, reading "Natalie Millhuff-Stang".

Natalie Millhuff-Stang, CPA, CITP
President/Owner
Millhuff-Stang, CPA, Inc.

December 24, 2014

Portsmouth City School District
Scioto County
Schedule of Findings and Questioned Costs
OMB Circular A-133 Section .505
For the Fiscal Year Ended June 30, 2014

Section I – Summary of Auditor’s Results

<i>Financial Statements</i>		
Type of financial statement opinion:		Unmodified
Internal control over financial reporting:		
	Material weakness(es) identified?	No
	Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?		Yes
<i>Federal Awards</i>		
Internal control over major program(s):		
	Material weakness(es) identified?	No
	Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor’s report issued on compliance for major programs:		Unmodified
Any auditing findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?		No
Identification of major program(s):		Title I Grants to Local Educational Agencies (CFDA #84.010), Special Education Cluster (CFDA #84.027 & #84.173)
Dollar threshold used to distinguish between type A and type B programs:		Type A: >\$300,000 Type B: All Others
Auditee qualified as low-risk auditee?		Yes

Section II – Financial Statement Findings

Finding 2014-001

Appropriations in Excess of Available Resources

Ohio Revised Code Section 5705.36(A)(4) states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency. The School District had appropriations in excess of available resources within various funds at fiscal year-end. The School District should implement the appropriate procedures, such as periodic reviews of budget to actual information, to ensure that appropriations are limited to available resources.

Client Response:

The School District will do quarterly reviews on system to assure correct appropriations.

Portsmouth City School District
Scioto County
Schedule of Findings and Questioned Costs
OMB Circular A-133 Section .505
For the Fiscal Year Ended June 30, 2014

Finding 2014-002

Appropriations in Excess of Estimated Resources

Ohio Revised Code Section 5705.39 provides in part that total appropriations from each fund shall not exceed the total estimated resources. No appropriation measure is effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate. The School District had appropriations in excess of estimated resources within various funds at fiscal year-end. The School District should implement the appropriate procedures, such as periodic reviews of budget information, to ensure that appropriations are limited to estimated resources.

Client Response:

The School District will monitor the appropriations versus our resources.

Section III – Federal Award Findings and Questioned Costs
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None

PORTSMOUTH CITY SCHOOL DISTRICT

724 Findlay Street, Portsmouth, Ohio 45662



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014

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PORTSMOUTH CITY SCHOOL DISTRICT

PORTSMOUTH, OHIO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Issued by:

Treasurer's Office

Dianna Reedy, Treasurer

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INTRODUCTORY SECTION

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*Portsmouth City School District
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2014*

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Office of the Treasurer

December 24, 2014

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Portsmouth City School District for the fiscal year ended June 30, 2014. This CAFR, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to governmental entities. The intent of this report is to provide the taxpayers of the Portsmouth City School District with comprehensive financial data in a format that enables them to gain a true understanding of the School District's financial affairs as well as provide management with better financial information for future decision-making.

State law requires that every general-purpose local government file with the Auditor of State and publish the availability of its financial statements within five months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2014.

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

Millhuff-Stang, CPA, Inc. has issued an unmodified ("clean") opinion on the Portsmouth City School District's financial statements for the fiscal year ended June 30, 2014. The independent auditor's report is located at the front of the Financial Section of this report.

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

This report includes all funds of the School District. The School District provides a full range of traditional and non-traditional educational programs, services and facilities. These include elementary and secondary curriculum offerings at general, college

preparatory and vocational levels; a broad range of co-curricular and extracurricular activities; and special education programs and facilities.

FORM OF GOVERNMENT AND REPORTING ENTITY

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

The Current Board members, their terms and years on the Board as of June 30, 2014, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mr. Clarence M. Parker	Jan. 2011 – Dec. 2014	14 - 1/2
Dr. George P. Pettit	Jan. 2014 - Dec. 2017	13 - 3/4
Mr. Thomas E. Smith	Jan. 2011 – Dec. 2014	3 1/4
Mrs. Barbara Borden-Gibson	Jan. 2014 - Dec. 2017	8 - 1/2
Mrs. Mary L. Sommer	Jan. 2011 – Dec. 2014	8

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations of the School District. The Board hired G. Scott Dutey for a three-year term beginning August 1, 2010. Mr. Dutey started with the School District in July 2009 as Curriculum Director. On October 19, 2012, the Board renewed Mr. Dutey’s contract for a three-year term beginning August 1, 2013 and ending July 31, 2016.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board for all financial operations, investments, and custody of all School District funds and assets, and also serves as Secretary to the Board. The Board appointed Dianna Reedy as Treasurer beginning February 11, 2013 for an 18 month contract. On March 20, 2014, the Board renewed Mrs. Reedy’s contract for a two-year term beginning August 1, 2014 and ending July 31, 2016. She started as assistant treasurer in December of 2008.

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; the

School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the organization's budget, the issuance of its debt, or the levying of its taxes. The School District has no component units.

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

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

ECONOMIC CONDITION AND OUTLOOK

The Portsmouth City School District is located in Scioto County, on the beautiful Ohio River. The Portsmouth City School District is the gateway to three states, seven counties, and within 90 miles of major metropolitan markets.

Portsmouth was a City bent on industry until the 1970's when a number of companies closed down their plants over labor union disputes and foreign influence. The City's industry has been going in a downward trend since the 1990's.

Since this time the Portsmouth area has seen growth in education opportunities as well as health services. Shawnee State University (1987) and Southern Ohio Medical Center have both been expanding and added over one hundred million dollars of facility improvement or additions to meet the increased enrollments or patients. These two institutions are keeping our local economy afloat.

UNEMPLOYMENT RATES

Data obtained from the Ohio Department of Job and Family Services indicates that the percentage of unemployment for Scioto County for June 2014 was 7.2 percent, which is above the State rate of 5.1 percent. While the unemployment number is high in comparison to the State and national average, local initiatives are serving to promote a renewed spirit of pride in the community.

THE SCHOOL DISTRICT AND ITS FACILITIES

The School District served 1,908 students during the 2014 fiscal year. Facilities include one high/junior high school and two elementary schools. Preschool is offered at both elementary schools. The enrollment per school is as follows:

<u>School</u>	<u>Date Established</u>	<u>Grades</u>	<u>Enrollment</u>
East Portsmouth Elementary	2006	K – 8	239
Portsmouth Elementary	2006	K – 6	982
Portsmouth High/Junior High	2006	7 – 12	687

EMPLOYEE RELATIONS

The School District currently employs 245 full-time and part-time employees.

The teachers, educational specialists, and counselors of the School District are represented by the Portsmouth City Teacher’s Association (PCTA), which is one of two organizations representing School District employees. In July 2013, the Board adopted a one-year contract with PCTA beginning July, 2013 and extending through June 30, 2014. This included a one-time bonus for the 2013-2014 school year and a one percent raise on the base salary for the 2013-2014 year. Negotiations are in process at this time.

Classified employees are represented by the Ohio Council 8 AFSCME Local 2684. In July 2013, the Board adopted a one-year contract with AFSCME Local 2684 beginning July, 2013 and extending through August 31, 2014. This included \$0.30 per hour increase for the 2013-2014 school year. Negotiations are in process at this time.

The School District’s administrators are not organized.

MAJOR INITIATIVES

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

The plan design for the new school buildings was changed from five separate buildings to one elementary building in Sciotoville and two downtown Portsmouth complexes. One complex houses the middle/high school students (7-12) and the other complex houses elementary students (K-6). The Portsmouth Junior/Senior High School became the first Ohio School Facilities Commission-funded project to receive the Grand Prize from School Planning & Management's Education Design Showcase.

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

FOR THE YEAR

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

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

FOR THE FUTURE

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

Also, with donations from the Clyde and Maycel Clark Foundation, Inc. and the Scioto Foundation a new Athletic/Administrative Complex was completed adjacent to the new Portsmouth High/Junior High School. The fiscal agent for the project is the Clark Education Foundation, LLC. Phase I was completed in the fall of 2009 and the first home football game was held September 5, 2009. The “Complex” is being leased to the School District during the financing period, approximately 28 years, for \$10,000 per year. This lease payment will be deposited into a supplemental account, along with a \$10,000 donation each year from both the Scioto Foundation and the Clyde and Maycell Clark Foundation, by the LLC in the event of a short fall in making the debt payment. No “short fall” is anticipated, and the balance of this supplemental account is to be given back to the School District at the end of the financing period. After the Clark Education Foundation, LLC debt is paid via donations as mentioned above, the entire complex is to be deeded to the School District. Phase II was completed in the spring of 2014, including a new softball field and track.

FINANCIAL TRENDS

The School District relies heavily on funding from the State of Ohio and Federal Government due to property values being lower in comparison with similar values across the State. Federal dollars are usually tied to the economic status of the students.

Governor Kasich unveiled a new funding formula once again for fiscal years 2014 and 2015. This was a little breath of fresh air regarding the finances of the School District.

FINANCIAL PLANNING AND POLICIES

The School District welcomed the news of being released from Fiscal Caution on October 26, 2011, but there is still a significant amount of progress that needs to be made financially. The School District continues to lose enrollment and funding from the State.

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

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

OTHER INFORMATION

INDEPENDENT AUDIT

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Millhuff-Stang, CPA, Inc. conducted the School District's audit for fiscal year 2014. The Auditor's report on the School District's basic financial statements, combining statements and individual fund schedules are included in the financial section of this comprehensive annual financial report.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certification of Achievement for Excellence in Financial Reporting to Portsmouth City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. In order to be awarded a Certificate of Achievement, the School District must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. This report is required to satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

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

ASBO CERTIFICATE

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Portsmouth City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013.

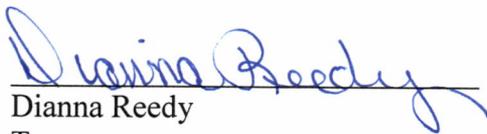
A Certificate of Excellence is awarded to those school districts that have voluntarily submitted a Comprehensive Annual Financial Report for review by an ASBO Panel of Review. Upon completion of a vigorous technical review, the panel members conclude whether the school system's financial report has met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

ACKNOWLEDGMENTS

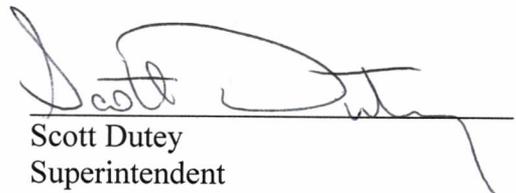
A note of sincere appreciation is extended to the many conscientious people who have contributed their time and effort to the preparation of this report. Appreciation is expressed to the Assistant Treasurer, Cathi Evans; and Accounts Payable Clerks, Judy Church and Pam Ervin. In addition, a special recognition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

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

Respectfully submitted,



Dianna Reedy
Treasurer



Scott Dutey
Superintendent



Government Finance Officers Association

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

Presented to

**Portsmouth City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Portsmouth City School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, reading "Terrie S. Simmons".

Terrie S. Simmons, RSBA, CSBO
President

A handwritten signature in black ink, reading "John D. Musso".

John D. Musso, CAE, RSBA
Executive Director

Portsmouth City School District

List of Principal Officials

June 30, 2014

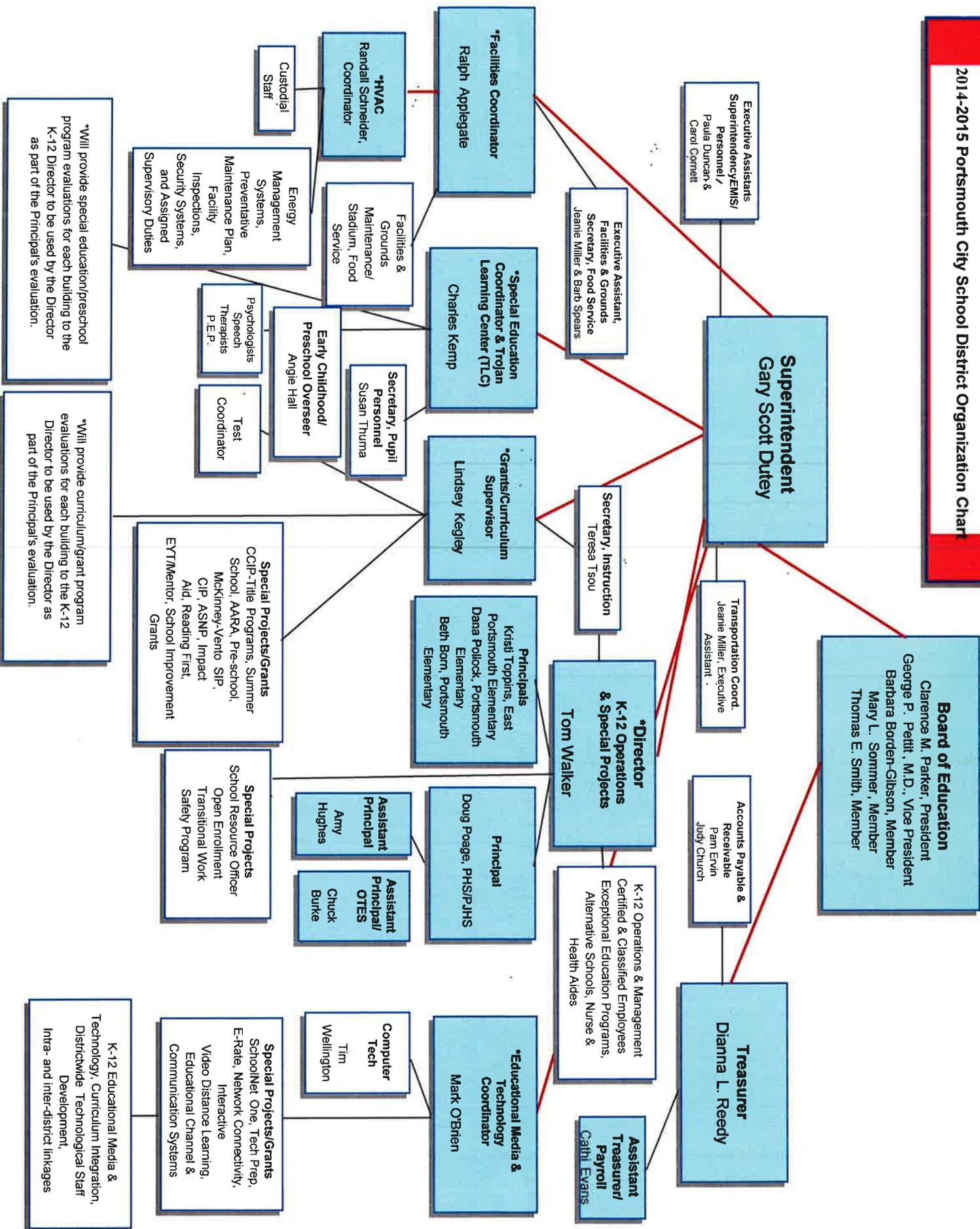
ELECTED OFFICIALS

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

ADMINISTRATIVE OFFICIALS

Superintendent.....Gary (Scott) Dutey
Treasurer.....Dianna L. Reedy
Facility Coordinator.....Ralph Applegate
Coordinator of State and Federal Funds.....Lindsey Kegley
Director of Curriculum Lindsey Kegley
Director of Operations Thomas Walker
Coordinator of Educational Media/Technology.....Mark O'Brien
Assistant Treasurer.....Cathi Evans
Facilitator of Special Needs.....Charles Kemp
Gifted Coordinator/Curriculum.....Elizabeth Mounts
Safe Drug Free Coordinator.....Heather Johnson

2014-2015 Portsmouth City School District Organization Chart



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FINANCIAL SECTION

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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Portsmouth City School District, Scioto County, Ohio (the School District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Portsmouth City School District, Scioto County, Ohio, as of June 30, 2014, and the respective changes in financial position and the budgetary comparison for the General Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 2014 on our consideration of the 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 of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.



Natalie Millhuff-Stang, CPA, CITP
President/Owner
Millhuff-Stang, CPA, Inc.

December 24, 2014

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
Unaudited

The discussion and analysis of the Portsmouth City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, financial statements, and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

- In total, net position of governmental activities decreased \$1,469,052 from the prior fiscal year. This is primarily due to current fiscal year depreciation of capital assets.
- General revenues accounted for \$23,489,523. Program specific revenues in the form of charges for services and sales, grants, contributions, and interest accounted for \$8,356,231. Total revenues for the School District were \$31,845,754.
- The School District had \$33,314,806 in expenses related to governmental activities; only \$8,356,231 of these expenses were offset by program specific charges for services and sales, grants, contributions, and interest. General revenues (primarily grants and entitlements and property taxes) of \$23,489,523 were not adequate to provide for these programs.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
Unaudited

Reporting the School District as a Whole

One of the most important questions asked about the School District is “How did we do financially during fiscal year 2014?” The Statement of Net Position and the Statement of Activities, which appear first in the School District’s financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all assets, liabilities, and deferred inflows/outflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year’s revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the School District’s Most Significant Funds

Fund Financial Statements

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

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
Unaudited

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

Fiduciary Funds - The School District’s fiduciary funds are a private purpose trust fund and an agency fund. The School District’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. We exclude these activities from the School District’s other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds use the accrual basis of accounting.

The School District as a Whole

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

Table 1 provides a summary of the School District’s net position for fiscal year 2014 and fiscal year 2013:

Table 1
Net Position

	2014	2013	Change
<u>Assets:</u>			
Current and			
Current and Other Assets	\$12,985,422	\$12,851,050	\$134,372
Capital Assets, Net	54,298,339	55,886,878	(1,588,539)
<i>Total Assets</i>	67,283,761	68,737,928	(1,454,167)
 <u>Deferred Outflows of Resources:</u>			
Deferred Charges on Refunding	\$374,678	\$433,112	(\$58,434)
			<i>(continued)</i>

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
Unaudited

Table 1
Net Position
(continued)

	2014	2013	Change
<u>Liabilities:</u>			
Other Liabilities	\$2,709,076	\$2,708,041	\$1,035
Long-Term Liabilities	14,213,037	14,704,423	(491,386)
<i>Total Liabilities</i>	<u>16,922,113</u>	<u>17,412,464</u>	<u>(490,351)</u>
<u>Deferred Inflows of Resources:</u>			
Property Taxes	5,439,725	4,992,923	446,802
<u>Net Position:</u>			
Net Investment in Capital Assets	42,364,724	43,376,192	(1,011,468)
Restricted	4,536,732	4,263,779	272,953
Unrestricted (Deficit)	(1,604,855)	(874,318)	(730,537)
<i>Total Net Position</i>	<u>\$45,296,601</u>	<u>\$46,765,653</u>	<u>(\$1,469,052)</u>

Total assets decreased \$1,454,167 mainly due to current year depreciation exceeding current year additions.

Total Liabilities of the School District decreased \$490,351 which is primarily due to current fiscal year principal repayments on long-term debt.

The primary factor contributing to the decrease in Net Investment in Capital Assets from the prior fiscal year was that current year depreciation exceeded current year additions to capital assets.

Unrestricted Net Position of the School District decreased \$730,537 when compared to the prior fiscal year. This is related to an increase in accrued wages due to the School District paying two months of health insurance after the fiscal year had ended compared to one in the prior year. The School District's expenditures also outpaced revenues during the fiscal year.

Table 2 shows the changes in net position for fiscal years 2014 and 2013.

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
Unaudited

Change in Net Position			
	2014	2013	Increase/ (Decrease)
<u>Revenues:</u>			
Program Revenues:			
Charges for Services and Sales	\$1,023,068	\$1,074,052	(\$50,984)
Operating Grants, Contributions, and Interest	7,333,163	6,369,831	963,332
Capital Grants and Contributions	0	750	(750)
Total Program Revenues	8,356,231	7,444,633	911,598
General Revenues:			
Property Taxes	5,629,967	5,361,618	268,349
Grants and Entitlements not Restricted to Specific Programs	17,744,749	16,737,958	1,006,791
Contributions and Donations	0	13,553	(13,553)
Investment Earnings	14,431	20,862	(6,431)
Insurance Recoveries	0	72,261	(72,261)
Miscellaneous	100,376	120,931	(20,555)
Total General Revenues	23,489,523	22,327,183	1,162,340
Total Revenues	31,845,754	29,771,816	2,073,938
Program Expenses			
Instruction			
Regular	15,721,759	14,007,162	1,714,597
Special	6,063,483	6,103,402	(39,919)
Vocational	425,475	340,318	85,157
Student Intervention Services	370,366	418,259	(47,893)
Support Services			
Pupils	1,226,534	1,365,942	(139,408)
Instructional Staff	1,216,603	1,987,804	(771,201)
Board of Education	19,928	28,682	(8,754)
Administration	1,787,897	1,735,055	52,842
Fiscal	729,379	695,493	33,886
Business	54,750	107,601	(52,851)
Operation and Maintenance of Plant	2,387,431	2,608,690	(221,259)
Pupil Transportation	553,645	596,336	(42,691)
Central	87,200	41,843	45,357
Operation of Non-Instructional Services	1,578,628	1,509,415	69,213
Extracurricular Activities	476,121	375,081	101,040
Interest and Fiscal Charges	615,607	686,655	(71,048)
Total Expenses	33,314,806	32,607,738	707,068
Increase (Decrease) in Net Assets	(1,469,052)	(2,835,922)	1,366,870
Net Assets Beginning of Year	46,765,653	49,601,575	(2,835,922)
Net Assets End of Year	\$45,296,601	\$46,765,653	(\$1,469,052)

Program revenues, which are primarily represented by charges for tuition, fees, sales, and extracurricular activities, as well as restricted intergovernmental revenue were \$8,356,231 for fiscal year 2014. The most significant increase in program revenues was in Operating Grants, Contributions, and Interest which resulted from the School District receiving a new Straight A grant and additional miscellaneous grants funding in fiscal year 2014 compared to the prior year.

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
Unaudited

As previously mentioned, general revenues were \$23,489,523 for fiscal year 2014. The majority of these revenues are in the form of Grants and Entitlements not Restricted to Specific Programs and Property Taxes. Total general revenues increased \$1,162,340 mainly due an increase in State foundation entitlements as a result of a change in the funding formula.

As should be expected, Instruction costs represent the largest of the School District's expenses for fiscal year 2014. Instruction expenses increased \$1,711,942 in fiscal year 2014 from fiscal year 2013. A large majority of this increase was related to aides being paid from different programs compared to the prior fiscal year due to changes required by the State. The remaining increase was related to a significant increase in health insurance costs due to increased usage compared to the prior year and due to increases in costs for open enrollment and community school deductions through the State foundation.

The Statement of Activities shows the cost of program services and the charges for services and sales and grants and contributions, including interest, offsetting those services. The dependence upon tax revenues and unrestricted State entitlements for governmental activities was slightly less in fiscal year 2014 as program revenues provided more towards program costs. Regular Instruction, which represents expenses for general classroom instruction, receives a large amount of revenues to offset its costs. Another of these programs is Special Instruction which provides for its costs primarily in the form of operating grants restricted for special instruction. Another program which receives a large amount of revenues to offset costs is Operation of Non-Instructional Services. This is primarily due to cafeteria sales and State and federal subsidies and donated commodities for food service.

The School District's Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$31,457,620 and expenditures of \$32,402,325. The net change in fund balance for the fiscal year in the General Fund was a decrease of \$558,226 which was due to an increase in accrual adjustments related to health insurance accrued benefits and for increases in open enrollment and community school State foundation deductions. The increase in the insurance accrual stemmed from the School District paying two months of health insurance after the fiscal year end compared to one in the prior year.

The Bond Retirement Debt Service Fund balance decreased \$309,788. This was the result of revenues for the fiscal year, consisting of property taxes, homestead and rollback reimbursements, and interest, being less than the School District's annual debt payments.

General Fund - Budget Highlights

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

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
Unaudited

During the course of fiscal year 2014, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures.

A review of the budgetary comparison statement for the General Fund reflects an increase of \$312,490 in revenues from the original budget to the final budget which is not significant. There was no difference in actual receipts from the final budget because the final amended certificate of estimated resources reflected actual revenue for the fiscal year-end.

The total increase in expenditures from the original to the final budget was \$486,352, which is not significant. There was no difference in actual expenditures made from the final budget because, prior to fiscal year-end, the School District passed a supplemental appropriation that reflected actual expenditures plus encumbrances for the fiscal year.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2014, the School District had \$54,298,339 invested in capital assets (net of accumulated depreciation). Additions to capital assets included a new softball field, a new track, a concession stand, computers, copiers, and a van. For further information regarding the School District's capital assets, refer to Note 8 in the Notes to the Basic Financial Statements.

Debt

At June 30, 2014, the School District had \$12,474,361 in bonds and bond premiums outstanding, \$710,000 of which is due within one year. During fiscal year 2014, the School District entered into a capital lease in the amount of \$242,000 to finance computers. At fiscal year-end, the School District's ending capital lease liability was \$285,094. For further information regarding the School District's long-term obligations, refer to Notes 13 and 14 in the Notes to the Basic Financial Statements.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Dianna Reedy, at Portsmouth City School District, 724 Findlay Street, Portsmouth, Ohio 45662, or e-mail at dianna.reedy@portsmouthtrojans.net.

BASIC FINANCIAL STATEMENTS

Portsmouth City School District
Statement of Net Position
 June 30, 2014

	Governmental Activities
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$4,870,998
Accounts Receivable	3,764
Accrued Interest Receivable	2,328
Intergovernmental Receivable	960,184
Prepaid Items	41,312
Inventory Held for Resale	34,153
Materials and Supplies Inventory	13,409
Property Taxes Receivable	7,059,274
Capital Assets:	
Land, Paintings, and Construction in Progress	7,637,042
Depreciable Capital Assets, Net	46,661,297
<i>Total Assets</i>	67,283,761
<u>Deferred Outflows of Resources</u>	
Deferred Charges on Refunding	374,678
<u>Liabilities:</u>	
Accounts Payable	20,894
Accrued Wages and Benefits Payable	2,105,293
Intergovernmental Payable	548,835
Accrued Interest Payable	34,054
Long-Term Liabilities:	
Due Within One Year	1,124,032
Due in More Than One Year	13,089,005
<i>Total Liabilities</i>	16,922,113
<u>Deferred Inflows of Resources</u>	
Property Taxes	5,439,725
<u>Net Position:</u>	
Net Investment in Capital Assets	42,364,724
Restricted for:	
Debt Service	2,532,923
Capital Projects	229,340
Food Service	75,358
Other Local Grants	595
Special Donations	93,095
School Facilities Maintenance	921,026
Total State Grants	479,276
Total Federal Grants	205,119
Unrestricted (Deficit)	(1,604,855)
<i>Total Net Position</i>	\$45,296,601

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2014

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions, and Interest	Governmental Activities
<u>Governmental Activities:</u>				
Instruction:				
Regular	\$15,721,759	\$687,751	\$437,553	(\$14,596,455)
Special	6,063,483	65,087	4,537,501	(1,460,895)
Vocational	425,475	0	115,141	(310,334)
Student Intervention Services	370,366	0	190,776	(179,590)
Support Services:				
Pupils	1,226,534	224	191,281	(1,035,029)
Instructional Staff	1,216,603	0	517,368	(699,235)
Board of Education	19,928	0	0	(19,928)
Administration	1,787,897	4,143	2,058	(1,781,696)
Fiscal	729,379	0	0	(729,379)
Business	54,750	39,166	0	(15,584)
Operation and Maintenance of Plant	2,387,431	33,905	0	(2,353,526)
Pupil Transportation	553,645	6,875	4,919	(541,851)
Central	87,200	0	0	(87,200)
Operation of Non-Instructional Services:				
Food Service Operations	1,260,162	63,904	1,076,956	(119,302)
Other	318,466	0	254,310	(64,156)
Extracurricular Activities	476,121	122,013	5,300	(348,808)
Interest and Fiscal Charges	615,607	0	0	(615,607)
Total Governmental Activities	\$33,314,806	\$1,023,068	\$7,333,163	(24,958,575)

General Revenues:

Property Taxes Levied for:	
General Purposes	4,258,733
Debt Service	752,376
Capital Outlay	618,858
Grants and Entitlements not Restricted to	
Specific Programs	17,744,749
Investment Earnings	14,431
Miscellaneous	100,376
Total General Revenues	23,489,523
Change in Net Position	(1,469,052)
Net Position at Beginning of Year	46,765,653
Net Position at End of Year	\$45,296,601

See accompanying notes to the basic financial statements

Portsmouth City School District

Balance Sheet

Governmental Funds

June 30, 2014

	General	Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,179,965	\$2,322,371	\$1,336,274	\$4,838,610
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	32,388	0	0	32,388
Receivables:				
Property Taxes	5,379,039	995,581	684,654	7,059,274
Accounts	3,764	0	0	3,764
Intergovernmental	11,184	0	949,000	960,184
Accrued Interest	2,328	0	0	2,328
Interfund	49,245	0	0	49,245
Prepaid Items	15,281	0	26,031	41,312
Materials and Supplies Inventory	9,885	0	3,524	13,409
Inventory Held for Resale	0	0	34,153	34,153
<i>Total Assets</i>	<u>\$6,683,079</u>	<u>\$3,317,952</u>	<u>\$3,033,636</u>	<u>\$13,034,667</u>
<u>Liabilities:</u>				
Accounts Payable	\$15,330	\$0	\$5,564	\$20,894
Accrued Wages and Benefits Payable	1,718,572	0	386,721	2,105,293
Intergovernmental Payable	456,631	0	92,204	548,835
Interfund Payable	0	0	49,245	49,245
<i>Total Liabilities</i>	<u>2,190,533</u>	<u>0</u>	<u>533,734</u>	<u>2,724,267</u>
<u>Deferred Inflows of Resources:</u>				
Property Taxes	4,149,700	750,975	539,050	5,439,725
Unavailable Revenue	1,008,385	198,407	893,048	2,099,840
<i>Total Deferred Inflows of Resources</i>	<u>5,158,085</u>	<u>949,382</u>	<u>1,432,098</u>	<u>7,539,565</u>
<u>Fund Balances:</u>				
Nonspendable	25,166	0	29,555	54,721
Restricted	32,388	2,368,570	1,325,279	3,726,237
Committed	640,121	0	64,070	704,191
Assigned	0	0	1,333	1,333
Unassigned (Deficit)	(1,363,214)	0	(352,433)	(1,715,647)
<i>Total Fund Balances (Deficit)</i>	<u>(665,539)</u>	<u>2,368,570</u>	<u>1,067,804</u>	<u>2,770,835</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$6,683,079</u>	<u>\$3,317,952</u>	<u>\$3,033,636</u>	<u>\$13,034,667</u>

See accompanying notes to the basic financial statements

Portsmouth City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities*
 June 30, 2014

Total Governmental Fund Balances \$2,770,835

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

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

Land	7,583,999	
Paintings	53,043	
Depreciable capital assets	64,693,415	
Accumulated depreciation	<u>(18,032,118)</u>	
Total capital assets		54,298,339

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

Delinquent property taxes	1,313,177	
Intergovernmental	775,087	
Investment Earnings	500	
Accounts	<u>11,076</u>	
Total		2,099,840

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (34,054)

Deferred outflows of resources include deferred charges on refunding which do not provide current financial resources and, therefore are not reported in the funds. 374,678

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

General Obligation Bonds	(12,030,619)	
Bond Premiums	(443,742)	
Capital leases	(285,094)	
Compensated absences	<u>(1,453,582)</u>	
Total liabilities		<u>(14,213,037)</u>

Net Position of Governmental Activities \$45,296,601

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014

	General	Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$4,296,358	\$761,839	\$541,733	\$5,599,930
Intergovernmental	20,003,559	143,367	4,559,668	24,706,594
Investment Earnings	15,048	0	55	15,103
Tuition and Fees	766,887	0	5,600	772,487
Extracurricular Activities	64,258	0	101,288	165,546
Rentals	21,528	0	0	21,528
Charges for Services	2,872	0	58,304	61,176
Contributions and Donations	7,358	0	8,969	16,327
Miscellaneous	71,430	0	27,499	98,929
<i>Total Revenues</i>	<u>25,249,298</u>	<u>905,206</u>	<u>5,303,116</u>	<u>31,457,620</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	14,768,668	0	309,885	15,078,553
Special	3,722,586	0	1,945,131	5,667,717
Vocational	377,659	0	0	377,659
Student Intervention Services	140,390	0	202,488	342,878
Support Services:				
Pupils	1,031,976	0	123,154	1,155,130
Instructional Staff	665,592	0	347,982	1,013,574
Board of Education	19,928	0	0	19,928
Administration	1,416,362	0	150,767	1,567,129
Fiscal	629,709	39,706	26,426	695,841
Business	65,903	0	0	65,903
Operation and Maintenance of Plant	2,109,635	0	148,849	2,258,484
Pupil Transportation	474,671	0	0	474,671
Central	87,200	0	0	87,200
Operation of Non-Instructional Services:				
Food Service Operations	494	0	1,110,389	1,110,883
Other	1,203	0	296,743	297,946
Extracurricular Activities	245,002	0	106,004	351,006
Capital Outlay	0	0	526,495	526,495
Debt Service:				
Principal Retirement	41,956	685,000	77,618	804,574
Interest and Fiscal Charges	8,590	490,288	7,876	506,754
<i>Total Expenditures</i>	<u>25,807,524</u>	<u>1,214,994</u>	<u>5,379,807</u>	<u>32,402,325</u>
Excess of Revenues Under Expenditures	<u>(\$558,226)</u>	<u>(\$309,788)</u>	<u>(\$76,691)</u>	<u>(\$944,705)</u>

(continued)

Portsmouth City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014
(continued)

	<u>General</u>	<u>Bond Retirement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Other Financing Sources:</u>				
Inception of Capital Leases	\$0	\$0	\$242,000	\$242,000
Net Change in Fund Balances	(558,226)	(309,788)	165,309	(702,705)
Fund Balances (Deficit) at Beginning of Year	<u>(107,313)</u>	<u>2,678,358</u>	<u>902,495</u>	<u>3,473,540</u>
Fund Balances (Deficit) at End of Year	<u>(\$665,539)</u>	<u>\$2,368,570</u>	<u>\$1,067,804</u>	<u>\$2,770,835</u>

See accompanying notes to the basic financial statements

Portsmouth City School District
*Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2014*

Net Change in Fund Balances - Total Governmental Funds (\$702,705)

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

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital asset additions	421,007	
Depreciation expense	(2,009,546)	
Excess of depreciation over capital outlay expense		(1,588,539)

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

Delinquent property taxes	30,037	
Intergovernmental	354,987	
Investment Earnings	(668)	
Charges for Services	2,331	
Miscellaneous	1,447	
Total		388,134

Some capital assets were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the Statement of Net Position, the lease obligation is reported as a liability. (242,000)

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

Bond payments	685,000	
Capital lease payments	119,574	
Total		804,574

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

Accrued interest	1,106	
Amortization of bond premiums	72,931	
Amortization of deferred charges on refunding	(58,434)	
Accretion on bonds	(124,456)	
Total		(108,853)

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Increase in compensated absences payable		(19,663)
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Change in Net Position of Governmental Activities (\$1,469,052)

See accompanying notes to the basic financial statements

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Portsmouth City School District
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$4,125,000	\$4,383,668	\$4,383,668	\$0
Intergovernmental	19,910,516	20,003,559	20,003,559	0
Investment Earnings	21,841	16,682	16,682	0
Tuition and Fees	836,185	766,887	766,887	0
Rentals	8,212	41,053	41,053	0
Charges for Services	2,879	2,872	2,872	0
Contributions and Donations	2,331	5,300	5,300	0
Miscellaneous	15,205	14,638	14,638	0
Total Revenues	24,922,169	25,234,659	25,234,659	0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	12,826,392	14,533,278	14,533,278	0
Special	3,655,046	3,682,728	3,682,728	0
Vocational	303,084	369,549	369,549	0
Student Intervention Services	172,993	142,550	142,550	0
Support Services:				
Pupils	1,661,989	992,800	992,800	0
Instructional Staff	1,375,752	678,338	678,338	0
Board of Education	28,718	22,325	22,325	0
Administration	1,388,026	1,472,045	1,472,045	0
Fiscal	562,346	653,916	653,916	0
Business	52,688	53,112	53,112	0
Operation and Maintenance of Plant	2,277,101	2,202,756	2,202,756	0
Pupil Transportation	524,805	472,847	472,847	0
Central	23,352	87,237	87,237	0
Operation of Non-Instructional Services:				
Other	1,110	1,203	1,203	0
Extracurricular Activities	253,118	228,188	228,188	0
Total Expenditures	25,106,520	25,592,872	25,592,872	0
Excess of Revenues Under Expenditures	(\$184,351)	(\$358,213)	(\$358,213)	\$0

(continued)

Portsmouth City School District
*Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2014
(continued)*

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Expenditures	\$180	\$130,894	\$130,894	\$0
Transfers Out	(250,000)	0	0	0
Advances In	142,800	109,979	109,979	0
Advances Out	(120,008)	0	0	0
Refund of Prior Year Receipts	(19,447)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(246,475)</u>	<u>240,873</u>	<u>240,873</u>	<u>0</u>
Net Change in Fund Balance	(430,826)	(117,340)	(117,340)	0
Fund Balance at Beginning of Year	594,988	594,988	594,988	0
Prior Year Encumbrances Appropriated	<u>20,059</u>	<u>20,059</u>	<u>20,059</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$184,221</u></u>	<u><u>\$497,707</u></u>	<u><u>\$497,707</u></u>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Private Purpose Trust	Agency
<u>Assets:</u>		
Equity in Pooled Cash and Cash Equivalents	\$107	\$5,604
<u>Liabilities:</u>		
Undistributed Monies	\$0	\$5,604
<u>Net Position:</u>		
Held in Trust for Scholarships	\$107	

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2014

	Private Purpose Trust
	Scholarships
<u>Additions:</u>	
Gifts and Donations	\$981
<u>Deductions:</u>	
Scholarships	2,275
<i>Change in Net Position</i>	(1,294)
<i>Net Position at Beginning of Year</i>	1,401
<i>Net Position at End of Year</i>	\$107

See accompanying notes to the basic financial statements

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 1 – Description of the School District and Reporting Entity

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

The School District serves an area of approximately 16 square miles. It is located in Scioto County and includes portions of Porter and Vernon Townships. It is staffed by 79 non-certificated employees, 154 certificated full-time personnel and 12 administrative employees who provide services to 1,908 students and other community members. The School District currently operates three instructional buildings and one administration building.

Reporting Entity

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

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

The following activities are included within the reporting entity:

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

The School District participates in three jointly governed organizations and one insurance purchasing pool. These organizations are presented in Note 16 to the basic financial statements. These organizations are:

Jointly Governed Organizations:

South Central Ohio Computer Association Regional Council of Governments
Scioto County Career Technical Center
Coalition of Rural and Appalachian Schools

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Insurance Purchasing Pool:
Ohio SchoolComp Group Retrospective Rating Program

Note 2 – Summary of Significant Accounting Policies

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

Basis of Presentation

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into two categories; governmental and fiduciary.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Governmental Funds

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

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

Bond Retirement Debt Service Fund – The Bond Retirement Fund accounts for and reports property taxes restricted for the payment of general obligation bond principal and interest.

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

Fiduciary Funds

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

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The private purpose trust fund is reported using the flow of economic resources measurement focus.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means that the amount of the transaction can be determined, and "available" means that the resources are collectible within the current fiscal year, or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, "available" means expected to be received within 60 days of fiscal year-end.

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

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

Deferred Outflows/Inflows of Resources:

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources include a deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2014, but which were levied to finance fiscal year 2015 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, interest, charges for services, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in the pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

During fiscal year 2014, the School District's investments were limited to Federated Government Money Market, First American Treasury Money Market, Federal Farm Credit Bank Corporation Bonds, Federal Home Loan Bank Bonds, Federal National Mortgage Association Bonds, Federal Home Loan Bank Discount Notes, and negotiable certificates of deposit. Investments are reported at fair value which is based on quoted market prices.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of investment earnings. Interest credited to the General Fund during fiscal year 2014 amounted to \$15,048, which includes \$8,991 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

Restricted Assets

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “Interfund Receivable/Payable”. Interfund balances are eliminated on the Statement of Net Position.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2014, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

Inventory

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

Capital Assets

All capital assets of the School District are general capital assets that are associated with governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$1,000. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized.

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

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

Compensated Absences

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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

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

Accrued Liabilities and Long-Term Obligations

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

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

Fund Balance

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

Nonspendable - The nonspendable fund balance 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.

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the Board of Education. In the general fund, assigned amounts represent intended uses established by the Board of Education or a School District official delegated that authority by resolution or by State Statute. State Statute authorizes the Treasurer to assign fund balance for purchases on order

Portsmouth City School District
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For the Fiscal Year Ended June 30, 2014

provided such amounts have been lawfully appropriated. Assigned amounts in the General Fund also include amounts for employee benefits, and amounts to be assigned by principals for extracurricular activities.

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 fund balance.

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

Net Position

Net Position represents the difference between all other elements in the statement of net position. Net investment in capital assets consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net Position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net Position restricted for other purposes include federal and State grants restricted to expenditures for specified purposes.

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

Internal Activity

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

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers and are eliminated from the Statement of Activities. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. The School District reported no transfers for the fiscal year ended June 30, 2014.

Budgetary Process

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

Portsmouth City School District
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control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate appropriations to the function and object level without resolution by the Board of Education.

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

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

Bond Premiums and Compounded Interest on Capital Appreciation Bonds

For governmental activities, bond premiums are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Capital appreciation bonds are accreted each fiscal year for the compounded interest accrued during the fiscal year. Bond premiums and the compounded interest on the capital appreciation bonds are presented as an addition to the face amount of the bonds payable.

On the governmental fund financial statements, bond premiums are recognized in the period in which the bonds were issued. Accretion on the capital appreciation bonds is not reported. Interest on the capital appreciation bonds is recorded as an expenditure when the debt becomes due.

Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This deferred amount is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the Statement of Net Position.

Estimates

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

Note 3 – Accountability and Compliance

Accountability

At June 30, 2014, the following funds had a deficit fund balance:

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Funds	Amounts
General Fund	\$665,539
Special Revenue:	
District Managed Student Activities	10,976
Early Childhood Preschool	26,078
IDEA-B	92,411
Title I	145,989
Early Childhood Special Education	1,440
Title II-A	49,851

The deficits in nonmajor special revenue funds were due to accruals in GAAP. The General Fund deficit balance exists because sufficient revenues have not been generated to cover expenditures along with accruals associated with GAAP reporting. The General Fund is liable for any deficit in the nonmajor special revenue funds and will provide transfers when cash is required not when accruals occur.

Compliance

The School District also had appropriations in excess of available and estimated resources in various funds which is contrary to Ohio Revised Code Sections 5705.36 and 5705.39, respectively.

Note 4 – Budgetary Basis of Accounting

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed, or assigned fund balance (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Investments are recorded at fair value (GAAP basis) rather than cost (budget basis).
6. Budgetary revenues and expenditures of the Uniform School Supplies, Rotary, Public School Support, Print Shop, Faculty/Memorial Fund, and Severance Special Revenue Funds are classified to the General Fund for GAAP reporting.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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

Net Change in Fund Balance	
GAAP Basis	(\$558,226)
Adjustments:	
Revenue Accruals	187,763
Expenditure Accruals	117,656
Encumbrances	(38,762)
Advances (Net)	109,979
Increase in Fair Value of Investments - 2014	(644)
Increase in Fair Value of Investments - 2013	1,793
Excess of revenues under expenditures for the Uniform School Supplies Fund	522
Excess of revenues under expenditures for the Rotary Fund	309
Excess of revenues over expenditures for the Public School Support Fund	1,980
Excess of revenues over expenditures for the Print Shop Fund	(1,877)
Excess of revenues under expenditures for the Faculty/Memorial Fund	225
Change in Fund Balance for the Severance Fund	61,942
Budget Basis	(\$117,340)

Note 5 – Deposits and Investments

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

Portsmouth City School District
Notes to the Basic Financial Statements
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2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio Local Governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) above;
7. The State Treasurer's investment pool (STAROhio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

Custodial credit risk is the risk that in the event of bank failure, the government's deposit may not be returned. Protection of the School District's 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 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. The School District's policy is to deposit funds with banking institutions which collateralize public monies in accordance with the Ohio Revised Code.

At fiscal year end the carrying amount of the School District's deposits was \$2,093,232 and the bank balance was \$2,284,226. Federal depository insurance covered \$250,000 of the bank balance and \$2,034,226 was collateralized by the financial institutions' public entity deposit pools in the manner described above.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Investments: As of June 30, 2014, the School District had the following investments:

	Fair Value	Investment Maturities (in Years)		S&P Rating	Percent of Total Investments
		Less than 1	1 - 4		
Federated Government Money Market	\$517,996	\$517,996	\$0	AAAm	18.61%
First American Treasury Money Market	120,305	120,305	0	AAAm	4.32%
Federal Farm Credit Bank Corporation Bonds	160,015	0	160,015	AA+	5.75%
Federal Home Loan Bank Bonds	334,881	260,090	74,791	AA+	12.03%
Federal National Mortgage Association Bonds	259,198	0	259,198	AA+	9.31%
Federal Home Loan Bank Discount Notes	134,970	134,970	0	A-1+	4.85%
Negotiable Certificates of Deposit	1,256,112	658,162	597,950	N/A	45.13%
Totals	<u>\$2,783,477</u>	<u>\$1,691,523</u>	<u>\$1,091,954</u>		<u>100.00%</u>

Interest Rate Risk

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

Credit Risk

The Standard and Poor's rating of the School District's investments is listed in the table above. The School District's investment policy limits investments to those authorized by State statute which restricts investments to those that are highly rated or issued by United States Government sponsored enterprises.

Concentration of Credit Risk

The School District's investment policy places no limit on the amount it may invest in any one issuer. The percentage that each investment represents of the total investments is listed in the table above.

Custodial Credit Risk

The School District's balance of investments are held by the trust department of its banking institution in the School District's name. The School District has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

Note 6 – Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2014 represents collections of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed value listed as of January 1, 2013, the lien date. Assessed values for real property taxes are established by State statute at 35 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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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 2014 represents collections of calendar year 2013 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien December 31, 2012, were levied after April 1, 2013 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Scioto County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2014, are available to finance fiscal year 2014 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 and public utility property taxes that are measurable as of June 30, 2014 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 inflows of resources - property taxes.

The amount available as an advance at June 30, 2014, was \$306,372 and is recognized as revenue: \$232,530 in the General Fund, \$46,199 in the Bond Retirement Debt Service Fund and \$27,643 in the Nonmajor Governmental Funds. The amount available as an advance at June 30, 2013, was \$421,668 and was recognized as revenue: \$319,840 in the General Fund, \$63,777 in the Bond Retirement Debt Service Fund and \$38,051 in the Nonmajor Governmental Funds.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources-unavailable revenue.

The assessed values upon which fiscal year 2014 taxes were collected are:

	2013 Second- Half Collections		2014 First- Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$216,280,540	93.64%	\$218,125,200	92.88%
Public Utility Personal	14,688,050	6.36%	16,720,590	7.12%
Total Assessed Value	\$230,968,590	100.00%	\$234,845,790	100.00%
Tax rate per \$1,000 of assessed valuation	\$23.58		\$24.95	

Note 7 – Receivables

Receivables at June 30, 2014, consisted of property taxes, accounts, intergovernmental grants, accrued interest, and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
<u>Governmental Activities:</u>	
Early Childhood Preschool	\$33,333
Straight A	277,931
Third Grade Reading	60,306
IDEA-B	116,124
Title I	346,508
Early Childhood Special Education	514
Title II-A	68,121
Title VI-B, Rural and Low-Income	46,163
Charges for Services for Providing Transportation	9,491
Reimbursement from other governments	1,693
Total Intergovernmental Receivable	<u>\$960,184</u>

Note 8 – Capital Assets

Capital assets activity for the fiscal year ended June 30, 2014, was as follows:

	<u>Balance at</u> 6/30/13	<u>Additions</u>	<u>Deductions</u>	<u>Balance at</u> 6/30/14
<u>Governmental Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$7,583,999	\$0	\$0	\$7,583,999
Paintings	53,043	0	0	53,043
Construction in Progress	955,704	82,958	(1,038,662)	0
Total Capital Assets Not Being Depreciated	<u>8,592,746</u>	<u>82,958</u>	<u>(1,038,662)</u>	<u>7,637,042</u>
Capital Assets Being Depreciated:				
Land Improvements	4,656,096	574,680	0	5,230,776
Buildings and Improvements	51,745,069	467,125	0	52,212,194
Furniture, Fixtures, and Equipment	3,045,975	332,656	0	3,378,631
Vehicles	801,152	2,250	0	803,402
Textbooks	3,068,412	0	0	3,068,412
Total Capital Assets Being Depreciated	<u>\$63,316,704</u>	<u>\$1,376,711</u>	<u>\$0</u>	<u>\$64,693,415</u>

(continued)

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

	Balance at 6/30/13	Additions	Deductions	Balance at 6/30/14 <i>(continued)</i>
Less Accumulated Depreciation:				
Land Improvements	(\$1,521,564)	(\$242,745)	\$0	(\$1,764,309)
Buildings and Improvements	(9,333,482)	(1,375,922)	0	(10,709,404)
Furniture, Fixtures, and Equipment	(2,046,762)	(255,213)	0	(2,301,975)
Vehicles	(724,840)	(29,244)	0	(754,084)
Textbooks	(2,395,924)	(106,422)	0	(2,502,346)
Total Accumulated Depreciation	<u>(16,022,572)</u>	<u>(2,009,546) *</u>	<u>0</u>	<u>(18,032,118)</u>
Total Capital Assets Being Depreciated, Net	<u>47,294,132</u>	<u>(632,835)</u>	<u>0</u>	<u>46,661,297</u>
Governmental Activities Capital Assets, Net	<u>\$55,886,878</u>	<u>(\$549,877)</u>	<u>(\$1,038,662)</u>	<u>\$54,298,339</u>

*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$621,978
Special	394,459
Vocational	45,724
Student Intervention Services	27,488
Support Services:	
Pupils	73,738
Instructional Staff	214,632
Administration	196,427
Fiscal	25,480
Business	648
Operation and Maintenance of Plant	131,525
Pupil Transportation	77,642
Operation of Non-Instructional Services:	
Food Service Operations	159,720
Other	20,458
Extracurricular Activities	19,627
Total Depreciation Expense	<u>\$2,009,546</u>

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 9 – Risk Management

Property and Liability

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

Coverage provided by the Hunter-Williams Insurance Agency is as follows:

Building and Contents (including Boiler and Machinery and Inland Marine) - replacement cost (\$1,000 deductible)	\$72,807,709
Auto Liability:	
Liability - Any Auto	1,000,000
Medical Payments	5,000
Uninsured/Underinsured Motorists Coverage	1,000,000
Comprehensive - All (\$500 deductible)	Actual Cash Value
Collision - All (\$500 deductible)	Actual Cash Value
Hired Car Physical Damage	75,000
Comprehensive	Actual Cash Value
Collision	Actual Cash Value
General Liability:	
Each Occurrence Limit	1,000,000
Damage to Premises Rented - Limit	300,000
Medical Expense Limit (any one person)	15,000
Personal and Advertising Injury - Each Offense Limit	1,000,000
General Aggregate Limit	2,000,000
Products - Completed Operations Aggregate Limit	2,000,000
Computer Fraud	100,000
Excess Liability:	
Liability Limit - Each Accident	4,000,000
Liability Policy Aggregate	4,000,000

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were increases in insurance coverage in buildings and contents, liability limit for each accident, and liability policy aggregate. There were no significant reductions in coverage from the prior fiscal year.

Workers' Compensation

For fiscal year 2014, the School District participated in the Ohio SchoolComp Group Retrospective Rating Program (GRRP), an insurance purchasing pool (See Note 16). The intent of the GRRP is to reward participants that are able to keep their claims costs below a predetermined amount. As part of the GRRP, school districts join together as a group. Each school district continues to pay its own individual premium to the State. However, each school district has the opportunity to receive retrospective premium adjustments (refunds or assessments) at 12, 24, and 36 months after the end of the policy year. At the end

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

of each policy year, the Bureau of Workers' Compensation (BWC) will take a snap-shot of the incurred claims losses (indemnity, medical, and reserves) for the entire group and calculate the group's retrospective premium. If the retrospective premium that is calculated is less than the group's total standard premium, the participants will receive a refund. However, if the retrospective premium is greater than the group's total standard premium, an assessment will be levied by BWC. Each group limits the maximum assessment by selecting a premium cap between five percent and 100 percent of merit rated premium. Participation in the GRRP is limited to school districts that can meet the GRRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control, and actuarial services to the GRRP.

Note 10 – Defined Benefit Pension Plans

School Employees Retirement System

Plan Description – The School District participates in the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2014, the allocation to pension and death benefits was 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2014, 2013, and 2012 were \$349,988, \$337,109 and \$349,000, respectively. The full amount has been contributed for all three fiscal years.

State Teachers Retirement System of Ohio

Plan Description – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement system. 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 can 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 multiplied by a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DB Plan and the DC 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 payment or converted to a lifetime monthly annuity at age 50. Benefits are established by Ohio Revised Code Chapter 3307.

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

Funding Policy - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 14 percent for members and 14 percent for employers. The statutory maximum employee contribution rate was increased one percent July 1, 2013, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2014, plan members were required to contribute 11 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013, and 2012 were \$1,227,589, \$1,328,266, and \$1,224,760, respectively. For fiscal year 2014, 83.80 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2013 and 2012.

Contributions made to STRS Ohio for the DC Plan and for fiscal year 2014 were \$12,531 made by the School District and \$9,846 made by the plan members. In addition, School District and member contributions of \$26,842 and \$21,090, respectively, were made during fiscal year 2014 for the defined contribution portion of the Combined Plan.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2014, four members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 11 – Postemployment Benefits

School Employees Retirement System

Plan Description – The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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 fiscal year 2014, 0.14 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 fiscal year 2014, this amount was \$20,250. During fiscal year 2014, the School District paid \$46,076 in surcharge.

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

The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012, were \$49,816, \$47,403, and \$54,194, respectively. The full amount has been contributed for all three fiscal years.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2014, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012 were \$20,305, \$19,043, and \$20,610, respectively. The full amount has been contributed for all three fiscal years.

State Teachers Retirement System of Ohio

Plan Description – The School District participates in 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. Ohio law authorizes STRS to offer this plan. 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 can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 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 Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2014, STRS Ohio allocated employer contributions equal to one percent of covered payroll to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$94,430, \$102,174, and \$94,212, respectively. For fiscal year 2014, 83.80 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2013 and 2012. The STRS Board voted to discontinue the current one percent allocation to the health care fund effective July 1, 2014.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 12 – Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Eligible classified employees and administrators earn 10 to 25 days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers earn sick leave at the rate of one and one-half days per month from September to June. Administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 240 days for teachers and 224 days for classified employees. Administrators can accumulate a maximum of the number of contract days plus 15. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum of 57 days for teachers and 56 days for classified employees. Administrators are paid for one-fourth of accrued, but unused sick leave with no maximum.

Insurance

The School District provides medical insurance to all employees through Anthem. Certified employees are provided with life, dental and vision insurance through Guardian. Classified employees are provided with life, dental, and vision insurance through the Health Care Plan of AFSCME Local 2684. All certified and classified employees are provided prescription drug coverage through the Health Care Plan of AFSCME Local 2684. Certified employees pay 11 percent of healthcare premiums. Classified employees pay five and a half percent of healthcare premiums.

Deferred Compensation

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

Note 13 – Leases – Lessee Disclosure

During fiscal year 2014, the School District entered into a new capitalized lease for computers. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

The computers acquired by lease were capitalized in the amount of \$242,000, which is equal to the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded on the Statement of Net Position for governmental activities. Principal payments in fiscal year 2014 on both old and new leases totaled \$119,574 and were paid from the General Fund and the Permanent Improvement Fund.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

The assets acquired through the capital lease as of June 30, 2014, are as follows:

	Asset Value	Accumulated Depreciation	Net Book Value
Asset:			
Furniture, Fixtures, and Equipment	\$421,424	(\$147,951)	\$273,473

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2014:

Fiscal Year Ending June 30,	Total Payments
2015	\$136,039
2016	136,039
2017	29,485
Total Outstanding Lease Liability	301,563
Less: Amount Representing Interest	(16,469)
Present Value of Net Minimum Lease Payments	\$285,094

In prior fiscal years, the School District entered into noncancelable operating leases for the use of a stadium and postage machines. Operating lease payments are reported as function expenditures in governmental funds and on budgetary statements. Total operating lease payments in fiscal year 2014 totaled \$16,204 in the General Fund.

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

Fiscal Year Ending June 30,	Total Payments
2015	\$16,204
2016	16,204
2017	16,204
2018	11,551
2019	10,000
2020-2024	50,000
2025-2029	50,000
2030-2034	50,000
2035-2038	37,500
Total	\$257,663

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 14 – Long-Term Obligations

The changes in the School District’s long-term obligations during fiscal year 2014 were as follows:

	Principal Outstanding 6/30/13	Additions	Deductions	Principal Outstanding 6/30/14	Due Wthin One Year
Governmental Activities:					
General Obligation Bonds:					
2007 School Improvement					
Refunding Bonds:					
Serial Bonds 3.6 to 4.0%	\$9,045,000	\$0	\$0	\$9,045,000	\$0
Term Bonds 3.73%	325,000	0	0	325,000	0
Capital Appreciation					
Bonds 24.46%	75,000	0	0	75,000	0
Accretion on Capital					
Appreciation Bonds	278,487	90,542	0	369,029	0
Premium on Debt Issue	392,721	0	34,792	357,929	0
2012 Various Purpose School					
Improvement Refunding Bonds:					
Serial Bonds 1.5 to 2.0%	2,705,000	0	685,000	2,020,000	710,000
Capital Appreciation					
Bonds 20.65%	114,457	0	0	114,457	0
Accretion on Capital					
Appreciation Bonds	48,219	33,914	0	82,133	0
Premium on Debt Issue	123,952	0	38,139	85,813	0
Total General Obligation Bonds	13,107,836	124,456	757,931	12,474,361	710,000
Capital Leases	162,668	242,000	119,574	285,094	125,162
Compensated Absences	1,433,919	269,794	250,131	1,453,582	288,870
Total Governmental Activities					
Long-Term Obligations	\$14,704,423	\$636,250	\$1,127,636	\$14,213,037	\$1,124,032

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

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

The above amounts of refunded bonds have been defeased and are not reported in the accompanying basic financial statements.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

The capital appreciation bonds of the 2007 School Improvement General Obligation Refunding Bonds, issued at \$75,000, are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2018 in the amount of \$980,000. Accretion on the capital appreciation bonds for fiscal year 2014 was \$90,542.

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

2012 Various Purpose School Improvement Refunding Bonds - On September 14, 2011, the School District issued \$2,864,457 in general obligation bonds for the purpose of advance refunding a portion of the 2002 Classroom Facilities General Obligation Serial Bonds.

The serial bonds of the 2012 Various Purpose School Improvement General Obligation Refunding Bonds, issued at \$2,750,000 with maturity dates of December 1, 2012, to December 1, 2016, are not subject to redemption prior to maturity.

The capital appreciation bonds of the 2012 Various Purpose School Improvement General Obligation Refunding Bonds, issued at \$114,457, are not subject to redemption prior to maturity. The capital appreciation bonds will mature in fiscal year 2016 in the amount of \$260,000. Accretion on the capital appreciation bonds for fiscal year 2014 was \$33,914.

The bonds will be retired from the Bond Retirement Debt Service Fund.

Compensated absences will be paid from the General Fund.

The School District's overall legal debt margin was \$11,925,234 with an unvoted debt margin of \$234,846 at June 30, 2014.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2014, are as follows:

Fiscal Year Ending June 30,	Serial/Term Bonds Principal	Serial/Term Bonds Interest	Capital Appreciation Principal	Capital Appreciation Interest	Total
2015	\$710,000	\$401,725	\$0	\$0	\$1,111,725
2016	500,000	388,100	114,457	145,543	1,148,100
2017	1,135,000	371,600	0	0	1,506,600
2018	0	361,800	75,000	905,000	1,341,800
2019	1,040,000	341,000	0	0	1,381,000
2020-2024	6,510,000	980,200	0	0	7,490,200
2025	1,495,000	29,900	0	0	1,524,900
Total	<u>\$11,390,000</u>	<u>\$2,874,325</u>	<u>\$189,457</u>	<u>\$1,050,543</u>	<u>\$15,504,325</u>

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 15 – Interfund Activity

As of June 30, 2014, interfund receivables and payables that resulted from various interfund transactions were as follows:

		Receivable
		General
Payable	Nonmajor Governmental Funds	\$49,245

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

Note 16 – Jointly Governed Organizations and Insurance Purchasing Pool

Jointly Governed Organizations

South Central Ohio Computer Association Regional Council of Governments (SCOCARCoG)

The School District is a participant in the South Central Ohio Computer Association Regional Council of Governments (SCOCARCoG), which is organized under ORC Code Chapter 167 as a regional council of governments. SCOCARCoG is an association of public school districts within the boundaries of Pickaway, Gallia, Adams, Brown, Highland, Pike, Ross, Scioto, Vinton, Jackson, and Lawrence Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCARCoG consists of two representatives from each county in the SCOCARCoG service region designated by the Ohio Department of Education and two representatives of the school treasurers. The Board exercises total control over the operations of SCOCARCoG including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. The School District paid SCOCARCoG \$79,617 for services provided during the fiscal year. Financial information can be obtained from the SCOCA Regional Council of Governments, Sandra Benson, Fiscal Officer, at P.O. Box 596, 175 Beaver Creek Rd., Piketon, Ohio, 45661

Scioto County Career Technical Center

The Scioto County Career Technical Center is a distinct political subdivision of the State of Ohio operated under the direction of a five member Board of Education, consisting of two representatives from the Portsmouth City School District and three representatives from the South Central Ohio Educational Service Center, which possesses its own budgeting and taxing authority. The Board exercises total control over the operations of the Technical Center including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. To obtain financial information write to the Scioto County Career Technical Center at P.O. Box 766, Lucasville, Ohio 45648.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (the “Coalition”) is a jointly governed organization of over 100 school districts in southeastern Ohio. The Coalition is operated by a board which is composed of 14 members. The board members are composed of one superintendent from each county elected by the school districts within that county. The Coalition provides various services for school district administrative personnel; gathers data regarding education conditions in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for school district personnel. The Board exercises total control over the operations of the coalition including budgeting, appropriating, contracting and designating management. Each School District’s degree of control is limited to its representation on the Board. The School District’s membership fee was \$650 for fiscal year 2014.

Insurance Purchasing Pool

Ohio SchoolComp Group Retrospective Rating Program

The School District participates in the Ohio SchoolComp Group Retrospective Rating Program (GRRP), an insurance purchasing pool. The GRRP’s business and affairs are conducted by a five member Board of Directors. Each fiscal year, the participants pay an enrollment fee to CompManagement, Inc. to cover the costs of administering the program.

Note 17 – Set-Aside Calculations

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

The following cash basis information identifies the change in the fiscal year-end set-aside amount for capital acquisitions. Disclosure of this information is required by State statute.

	<u>Capital Acquisitions</u>
Set-aside Balance as of June 30, 2013	\$0
Current Fiscal Year Set-aside Requirement	314,505
Current Fiscal Year Offsets	(721,848)
Qualifying Disbursements	<u>(174,006)</u>
Set-aside Balance as of June 30, 2014	<u>(\$581,349)</u>
Required Set-aside Balances Carried Forward	<u><u>\$0</u></u>

The School District had offsets and qualifying disbursements during the fiscal year that reduced the capital acquisitions set-aside amount below zero. The extra amount for capital acquisitions may not be used to reduce the set-aside requirement of future fiscal years. The negative amount is therefore not presented as being carried forward to the next fiscal year.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 18 – Significant Commitments

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods and services. Encumbrances accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

General Fund	\$38,762
Nonmajor Governmental Funds	348,933
Total	\$387,695

Note 19 – Fund Balances

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

Fund Balances	General	Bond Retirement	Nonmajor Governmental Funds	Total
<i>Nonspendable</i>				
Prepays	\$15,281	\$0	\$26,031	\$41,312
Inventory	9,885	0	3,524	13,409
<i>Total Nonspendable</i>	25,166	0	29,555	54,721
<i>Restricted for</i>				
Bus Purchases	32,388	0	0	32,388
Capital Acquisitions	0	0	97,748	97,748
Debt Payment	0	2,368,570	0	2,368,570
Food Service Operations	0	0	71,834	71,834
Autism Grant	0	0	595	595
Special Donations	0	0	29,025	29,025
Facilities Maintenance	0	0	902,269	902,269
Auxillary Service Non Public	0	0	87,994	87,994
SchoolNet Praise	0	0	4,002	4,002
Title VI-B	0	0	1,797	1,797
Vocational Education Enhancements	0	0	714	714
Straight A Grant	0	0	83,730	83,730
Reading First Grant	0	0	45,571	45,571
<i>Total Restricted</i>	\$32,388	\$2,368,570	\$1,325,279	\$3,726,237

(continued)

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Fund Balances	General	Bond Retirement	Nonmajor Governmental Funds	Total
				<i>(continued)</i>
<i>Committed to</i>				
Future Severance Payments	\$640,121	\$0	\$0	\$640,121
Special Donations	0	0	64,070	64,070
<i>Total Committed</i>	640,121	0	64,070	704,191
<i>Assigned to</i>				
Staff Development	0	0	1,333	1,333
<i>Unassigned (Deficit)</i>	(1,363,214)	0	(352,433)	(1,715,647)
<i>Total Fund Balances (Deficit)</i>	(\$665,539)	\$2,368,570	\$1,067,804	\$2,770,835

Note 20 – Contingencies

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the affect of any such disallowed claims on the overall financial position of the School District at June 30, 2014, if applicable, cannot be determined at this time.

Litigation

The School District is not a party to any legal proceedings as of June 30, 2014.

PORTSMOUTH CITY SCHOOL DISTRICT
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Portsmouth City School District

Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following are descriptions of the School District's nonmajor special revenue funds:

Nonmajor Special Revenue Funds

Food Service Fund

This fund accounts for and reports lunchroom sales restricted to the food service operations of the School District.

Other Local Programs Fund

This fund is used to account for and report local grants and donations that are restricted by the grantor or donor to expend for specified purposes. This fund also accounts for assigned monies used for various staff development, academic and sports activities that do not meet the definition of restricted programs. (No budgetary schedule is presented for this fund due to no activity.)

Special Donations Fund

This fund accounts for and reports committed monies received as a result of certain contributions and donations given to the School District. By resolution, monies receipted into this fund are to be used for a variety of purposes, all of which must promote education within the School District. Such items can include operating or capital costs of any existing or new innovative programs, scholarships for students or teachers, and assisting students with financial needs. This fund also accounts for and reports restricted monies received as a result of certain contributions and donations given to the School District which are to be used solely for scholarships. Each contributor has specified restrictions that are placed on each of these scholarships (i.e. the scholarship is to be awarded to a student pursuing a career in nursing).

School Facilities Maintenance Fund

This fund accounts for and reports property taxes revenues that are restricted to expenditures for the maintenance and upkeep of School District classroom facilities.

District Managed Student Activities Fund

This fund accounts for and reports extracurricular revenues, primarily fees that are restricted by State Law to student activity programs which have student participation, but do not have student management of the programs.

(continued)

Portsmouth City School District

Nonmajor Governmental Fund Descriptions - (continued)

Nonmajor Special Revenue Funds - (continued)

Auxiliary Services Non Public

This fund accounts for and reports restricted State grants to provide services and materials to pupils attending non public schools within the School District.

Early Childhood Preschool Fund

This fund accounts for and reports restricted State grant monies used to fund the preschool program required by State Law to be provided to three and four year old children of income-eligible families.

SchoolNet Praise Fund

This fund accounts for and reports restricted State grants used for Ohio Educational Computer Network connections.

Vocational Education Enhancement Fund

This fund accounts for and reports restricted State grants used to fund vocational enhancements such as expanding enrollment in vocational programs, to enable students to develop career plans and goals, and to replace or update equipment used in the instruction of educational programs. This fund had no activity during fiscal year 2014, therefore there is no budgetary statement presented. The beginning balance is \$716.

Straight A Fund

This fund accounts for and reports restricted grants received from the State to support the implementation of innovative ideas and practices by providing dual credit of mathematics at both school and college level.

Miscellaneous State Grants Fund

This fund accounts for and reports restricted grants received from various State agencies which are not classified elsewhere.

IDEA-B Fund

This fund accounts for and reports restricted federal grants used to offer full educational opportunities to handicapped children at the preschool, elementary and secondary levels, and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

(continued)

Portsmouth City School District

Nonmajor Governmental Fund Descriptions - (continued)

Nonmajor Special Revenue Funds - (continued)

Title I – School Improvement, Sub A Fund

This fund accounts for and reports restricted federal grants allocated from the American Recovery and Reinvestment Act to Ohio for distribution to school districts based on four distinct funding formulas as affected by census poverty data. The funding is to provide supplemental funding to economically disadvantaged school districts and some of their eligible schools for improving educational outcomes for students who are failing or at risk of failing to meet State standards.

Title I Fund

To account for and report restricted federal grants restricted to the special educational needs of educationally deprived children.

Early Childhood Special Education Fund

This fund accounts for and reports restricted federal grants used to support preschool improvement and expansion of services for handicapped children ages three through five years.

Title II-A Fund

This fund accounts for and reports restricted federal grants used to help schools increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and principals in the schools; and hold schools accountable for improvements in student academic achievements.

Miscellaneous Federal Grants Fund

This fund accounts for and reports various restricted federal grants received from federal agencies which are not classified elsewhere.

Uniform School Supplies Fund

This fund accounts for and reports the purchase and sale of school supplies, such as workbooks, as adopted by the Board of Education. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Rotary Fund

This fund accounts for and reports donations to the traffic scouts which are used for activities such as field trips. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

(continued)

Portsmouth City School District

Nonmajor Governmental Fund Descriptions - (continued)

Nonmajor Special Revenue Funds - (continued)

Public School Support Fund

This fund accounts for and reports individual school sites sales revenue such as vending machines sales, and expenditures for field trips, assemblies, and other activity costs. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source. The Board of Education grants the principal of each site the authority to spend monies on allowable activities.

Print Shop Fund

This fund accounts for and reports sales revenue and expenditures incurred for services provided by the School District's print shop. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Faculty/Memorial Fund

This fund accounts for receipts from vending sales in faculty lounges. The receipts are used to purchase supplies for the vending machines. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Severance Fund

This fund accounts for and reports cash that is accumulated for the payment of termination benefits (sick and vacation leave) upon retirement or payment of salaries when there are an unusual number of pays in a fiscal year. This fund is included with the general fund for GAAP reporting as it does not have a restricted revenue source.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are established to account for and report financial resources that are restricted, committed or assigned to capital outlays including acquisition or construction of capital facilities and other capital outlays. The following is a description of the School District's nonmajor Capital Projects Fund:

Permanent Improvement Fund

This fund accounts for and reports restricted transactions relating to the School District's classroom facilities project, the remaining balance of which is being used for acquiring, constructing, or improving School District facilities. This fund also accounts for committed monies relating to the School District's Board of Education, by resolution, moving a portion of General Fund tax dollars and associated intergovernmental revenues to this fund for the purpose of acquiring, constructing, or improving of such permanent improvements.

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Portsmouth City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,260,520	\$75,754	\$1,336,274
Receivables:			
Property Taxes	109,264	575,390	684,654
Intergovernmental	949,000	0	949,000
Prepaid Items	26,031	0	26,031
Materials and Supplies Inventory	3,524	0	3,524
Inventory Held for Resale	34,153	0	34,153
<i>Total Assets</i>	<u>\$2,382,492</u>	<u>\$651,144</u>	<u>\$3,033,636</u>
<u>Liabilities:</u>			
Accounts Payable	\$4,459	\$1,105	\$5,564
Accrued Wages and Benefits Payable	386,721	0	386,721
Intergovernmental Payable	92,204	0	92,204
Interfund Payable	49,245	0	49,245
<i>Total Liabilities</i>	<u>532,629</u>	<u>1,105</u>	<u>533,734</u>
<u>Deferred Inflows of Resources:</u>			
Property Taxes	85,963	453,087	539,050
Unavailable Revenue	793,844	99,204	893,048
<i>Total Deferred Inflows of Resources</i>	<u>879,807</u>	<u>552,291</u>	<u>1,432,098</u>
<u>Fund Balances:</u>			
Nonspendable	29,555	0	29,555
Restricted	1,227,531	97,748	1,325,279
Committed	64,070	0	64,070
Assigned	1,333	0	1,333
Unassigned (Deficit)	(352,433)	0	(352,433)
<i>Total Fund Balances (Deficit)</i>	<u>970,056</u>	<u>97,748</u>	<u>1,067,804</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$2,382,492</u>	<u>\$651,144</u>	<u>\$3,033,636</u>

Portsmouth City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Revenues:</u>			
Property Taxes	\$80,698	\$461,035	\$541,733
Intergovernmental	4,492,551	67,117	4,559,668
Investment Earnings	55	0	55
Tuition and Fees	5,600	0	5,600
Extracurricular Activities	101,288	0	101,288
Charges for Services	58,304	0	58,304
Contributions and Donations	8,969	0	8,969
Miscellaneous	27,499	0	27,499
<i>Total Revenues</i>	<u>4,774,964</u>	<u>528,152</u>	<u>5,303,116</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	291,372	18,513	309,885
Special	1,945,131	0	1,945,131
Student Intervention Services	202,488	0	202,488
Support Services:			
Pupils	123,154	0	123,154
Instructional Staff	347,982	0	347,982
Administration	150,767	0	150,767
Fiscal	4,155	22,271	26,426
Operation and Maintenance of Plant	148,849	0	148,849
Operation of Non-Instructional Services:			
Food Service Operations	1,110,389	0	1,110,389
Other	296,743	0	296,743
Extracurricular Activities	101,470	4,534	106,004
Capital Outlay	0	526,495	526,495
Debt Service:			
Principal Retirement	0	77,618	77,618
Interest and Fiscal Charges	0	7,876	7,876
<i>Total Expenditures</i>	<u>4,722,500</u>	<u>657,307</u>	<u>5,379,807</u>
Excess of Revenues Over (Under) Expenditures	52,464	(129,155)	(76,691)
<u>Other Financing Sources:</u>			
Inception of Capital Lease	0	242,000	242,000
Net Change in Fund Balances	52,464	112,845	165,309
Fund Balances (Deficit) at Beginning of Year	<u>917,592</u>	<u>(15,097)</u>	<u>902,495</u>
Fund Balances at End of Year	<u><u>\$970,056</u></u>	<u><u>\$97,748</u></u>	<u><u>\$1,067,804</u></u>

Portsmouth City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Food Service	Other Local Programs	Special Donations	School Facilities Maintenance
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$119,449	\$1,928	\$93,095	\$897,725
Receivables:				
Property Taxes	0	0	0	109,264
Intergovernmental	0	0	0	0
Prepaid Items	0	0	0	0
Materials and Supplies Inventory	3,524	0	0	0
Inventory Held for Resale	34,153	0	0	0
Total Assets	\$157,126	\$1,928	\$93,095	\$1,006,989
<u>Liabilities:</u>				
Accounts Payable	\$89	\$0	\$0	\$0
Accrued Wages and Benefits Payable	54,504	0	0	0
Intergovernmental Payable	27,175	0	0	0
Interfund Payable	0	0	0	0
Total Liabilities	81,768	0	0	0
<u>Deferred Inflows of Resources:</u>				
Property Taxes	0	0	0	85,963
Unavailable Revenue	0	0	0	18,757
Total Deferred Inflows of Resources	0	0	0	104,720
<u>Fund Balances:</u>				
Nonspendable	3,524	0	0	0
Restricted	71,834	595	29,025	902,269
Committed	0	0	64,070	0
Assigned	0	1,333	0	0
Unassigned (Deficits)	0	0	0	0
Total Fund Balances (Deficits)	75,358	1,928	93,095	902,269
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$157,126	\$1,928	\$93,095	\$1,006,989

<u>District Managed Student Activities</u>	<u>Auxiliary Services Non Public</u>	<u>Early Childhood Preschool</u>	<u>SchoolNet Praise</u>	<u>Vocational Education Enhancement</u>	<u>Straight A</u>
\$0	\$95,512	\$0	\$4,002	\$714	\$0
0	0	0	0	0	0
0	0	33,333	0	0	277,931
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$0</u>	<u>\$95,512</u>	<u>\$33,333</u>	<u>\$4,002</u>	<u>\$714</u>	<u>\$277,931</u>
\$3,938	\$0	\$0	\$0	\$0	\$0
0	6,064	16,930	0	0	0
1,000	1,454	2,865	0	0	0
6,038	0	6,283	0	0	4,497
<u>10,976</u>	<u>7,518</u>	<u>26,078</u>	<u>0</u>	<u>0</u>	<u>4,497</u>
0	0	0	0	0	0
0	0	33,333	0	0	189,704
0	0	33,333	0	0	189,704
0	0	0	0	0	0
0	87,994	0	4,002	714	83,730
0	0	0	0	0	0
0	0	0	0	0	0
(10,976)	0	(26,078)	0	0	0
<u>(10,976)</u>	<u>87,994</u>	<u>(26,078)</u>	<u>4,002</u>	<u>714</u>	<u>83,730</u>
<u>\$0</u>	<u>\$95,512</u>	<u>\$33,333</u>	<u>\$4,002</u>	<u>\$714</u>	<u>\$277,931</u>

(continued)

Portsmouth City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014
(continued)

	Miscellaneous State Grants	IDEA-B	Title I School Improvement, Sub A	Title I
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$45,907	\$0	\$0	\$0
Receivables:				
Property Taxes	0	0	0	0
Intergovernmental	60,306	116,124	0	346,508
Prepaid Items	0	304	343	25,384
Materials and Supplies Inventory	0	0	0	0
Inventory Held for Resale	0	0	0	0
Total Assets	\$106,213	\$116,428	\$343	\$371,892
<u>Liabilities:</u>				
Accounts Payable	\$244	\$0	\$0	\$188
Accrued Wages and Benefits Payable	0	63,413	0	208,884
Intergovernmental Payable	92	12,842	0	40,056
Interfund Payable	0	16,698	0	7,693
Total Liabilities	336	92,953	0	256,821
<u>Deferred Inflows of Resources:</u>				
Property Taxes	0	0	0	0
Unavailable Revenue	60,306	115,886	0	261,060
Total Deferred Inflows of Resources	60,306	115,886	0	261,060
<u>Fund Balances:</u>				
Nonspendable	0	304	343	25,384
Restricted	45,571	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned (Deficits)	0	(92,715)	0	(171,373)
Total Fund Balances (Deficits)	45,571	(92,411)	343	(145,989)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$106,213	\$116,428	\$343	\$371,892

Early Childhood Special Education	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$391	\$0	\$1,797	\$1,260,520
0	0	0	109,264
514	68,121	46,163	949,000
0	0	0	26,031
0	0	0	3,524
0	0	0	34,153
<u>\$905</u>	<u>\$68,121</u>	<u>\$47,960</u>	<u>\$2,382,492</u>
\$0	\$0	\$0	\$4,459
1,506	35,420	0	386,721
325	6,395	0	92,204
0	8,036	0	49,245
<u>1,831</u>	<u>49,851</u>	<u>0</u>	<u>532,629</u>
0	0	0	85,963
514	68,121	46,163	793,844
<u>514</u>	<u>68,121</u>	<u>46,163</u>	<u>879,807</u>
0	0	0	29,555
0	0	1,797	1,227,531
0	0	0	64,070
0	0	0	1,333
<u>(1,440)</u>	<u>(49,851)</u>	<u>0</u>	<u>(352,433)</u>
<u>(1,440)</u>	<u>(49,851)</u>	<u>1,797</u>	<u>970,056</u>
<u>\$905</u>	<u>\$68,121</u>	<u>\$47,960</u>	<u>\$2,382,492</u>

Portsmouth City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014

	Food Service	Other Local Programs	Special Donations	School Facilities Maintenance
<u>Revenues:</u>				
Property Taxes	\$0	\$0	\$0	\$80,698
Intergovernmental	1,076,952	0	0	102,590
Investment Earnings	4	0	25	0
Tuition and Fees	5,600	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	58,304	0	0	0
Contributions and Donations	0	0	8,969	0
Miscellaneous	0	2,921	0	23,700
<i>Total Revenues</i>	<u>1,140,860</u>	<u>2,921</u>	<u>8,994</u>	<u>206,988</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	0	0	7,520	0
Special	0	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	0	0	10,000	0
Instructional Staff	0	2,889	0	0
Administration	0	0	0	0
Fiscal	258	0	0	3,897
Operation and Maintenance of Plant	11,732	0	6,600	130,517
Operation of Non-Instructional Services:				
Food Service Operations	1,110,389	0	0	0
Other	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>1,122,379</u>	<u>2,889</u>	<u>24,120</u>	<u>134,414</u>
Net Change in Fund Balances	18,481	32	(15,126)	72,574
Fund Balances (Deficits) at Beginning of Year	<u>56,877</u>	<u>1,896</u>	<u>108,221</u>	<u>829,695</u>
Fund Balances (Deficits) at End of Year	<u><u>\$75,358</u></u>	<u><u>\$1,928</u></u>	<u><u>\$93,095</u></u>	<u><u>\$902,269</u></u>

<u>District Managed Student Activities</u>	<u>Auxiliary Services Non Public</u>	<u>Early Childhood Preschool</u>	<u>SchoolNet Praise</u>	<u>Vocational Education Enhancement</u>	<u>Straight A</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	254,310	167,422	5,400	0	258,157
0	26	0	0	0	0
0	0	0	0	0	0
101,288	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
640	0	0	0	0	0
<u>101,928</u>	<u>254,336</u>	<u>167,422</u>	<u>5,400</u>	<u>0</u>	<u>258,157</u>
0	0	71,936	0	0	73,128
0	0	93,945	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	7,416	4,375	0	101,299
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	267,225	0	0	0	0
<u>101,470</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
101,470	267,225	173,297	4,375	0	174,427
458	(12,889)	(5,875)	1,025	0	83,730
<u>(11,434)</u>	<u>100,883</u>	<u>(20,203)</u>	<u>2,977</u>	<u>714</u>	<u>0</u>
<u>(\$10,976)</u>	<u>\$87,994</u>	<u>(\$26,078)</u>	<u>\$4,002</u>	<u>\$714</u>	<u>\$83,730</u>

(continued)

Portsmouth City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014
(continued)

	Miscellaneous State Grants	IDEA-B	Title I School Improvement, Sub A
<u>Revenues:</u>			
Property Taxes	\$0	\$0	\$0
Intergovernmental	174,694	532,052	18,427
Investment Earnings	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Charges for Services	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	238	0
<i>Total Revenues</i>	<u>174,694</u>	<u>532,290</u>	<u>18,427</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	116,747	0	12,575
Special	0	340,965	0
Student Intervention Services	0	0	0
Support Services:			
Pupils	0	64,793	0
Instructional Staff	50,557	0	255
Administration	0	150,767	0
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Operation of Non-Instructional Services:			
Food Service Operations	0	0	0
Other	8,730	896	0
Extracurricular Activities	0	0	0
<i>Total Expenditures</i>	<u>176,034</u>	<u>557,421</u>	<u>12,830</u>
Net Change in Fund Balances	(1,340)	(25,131)	5,597
Fund Balances (Deficits) at Beginning of Year	<u>46,911</u>	<u>(67,280)</u>	<u>(5,254)</u>
Fund Balances (Deficits) at End of Year	<u><u>\$45,571</u></u>	<u><u>(\$92,411)</u></u>	<u><u>\$343</u></u>

Title I	Early Childhood Special Education	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$80,698
1,637,798	10,562	249,471	4,716	4,492,551
0	0	0	0	55
0	0	0	0	5,600
0	0	0	0	101,288
0	0	0	0	58,304
0	0	0	0	8,969
0	0	0	0	27,499
<u>1,637,798</u>	<u>10,562</u>	<u>249,471</u>	<u>4,716</u>	<u>4,774,964</u>
0	9,466	0	0	291,372
1,259,696	0	250,525	0	1,945,131
202,488	0	0	0	202,488
48,361	0	0	0	123,154
180,921	270	0	0	347,982
0	0	0	0	150,767
0	0	0	0	4,155
0	0	0	0	148,849
0	0	0	0	1,110,389
19,892	0	0	0	296,743
0	0	0	0	101,470
<u>1,711,358</u>	<u>9,736</u>	<u>250,525</u>	<u>0</u>	<u>4,722,500</u>
(73,560)	826	(1,054)	4,716	52,464
<u>(72,429)</u>	<u>(2,266)</u>	<u>(48,797)</u>	<u>(2,919)</u>	<u>917,592</u>
<u>(\$145,989)</u>	<u>(\$1,440)</u>	<u>(\$49,851)</u>	<u>\$1,797</u>	<u>\$970,056</u>

Portsmouth City School District

Fiduciary Fund Description

AGENCY FUND

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

Student Managed Activity

This fund accounts for and reports student activity programs which have student participation in the activity and have students involved in the management of the program.

Portsmouth City School District
Statement of Changes in Assets and Liabilities
 Agency Fund
 6/30/2014

	Balance at 6/30/2013	Additions	Deletions	Balance at 6/30/2014
STUDENT MANAGED ACTIVITY				
<i>Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$4,885	\$7,450	\$6,731	\$5,604
<i>Liabilities:</i>				
Undistributed Monies	\$4,885	\$7,450	\$6,731	\$5,604

PORTSMOUTH CITY SCHOOL DISTRICT
INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL (BUDGET BASIS)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$4,383,668	\$4,383,668	\$0
Intergovernmental	20,003,559	20,003,559	0
Investment Earnings	16,682	16,682	0
Tuition and Fees	766,887	766,887	0
Rentals	41,053	41,053	0
Charges for Services	2,872	2,872	0
Contributions and Donations	5,300	5,300	0
Miscellaneous	14,638	14,638	0
Total Revenues	25,234,659	25,234,659	0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries	12,297,275	12,297,275	0
Fringe Benefits	2,183,943	2,183,943	0
Purchased Services	618	618	0
Materials and Supplies	49,934	49,934	0
Capital Outlay	1,479	1,479	0
Other	29	29	0
Total Regular	14,533,278	14,533,278	0
Special:			
Salaries	2,254,618	2,254,618	0
Fringe Benefits	1,113,126	1,113,126	0
Purchased Services	297,954	297,954	0
Materials and Supplies	17,030	17,030	0
Total Special	3,682,728	3,682,728	0
Vocational:			
Salaries	232,128	232,128	0
Fringe Benefits	115,109	115,109	0
Purchased Services	196	196	0
Materials and Supplies	3,511	3,511	0
Capital Outlay	18,605	18,605	0
Total Vocational	369,549	369,549	0
Student Intervention Services:			
Salaries	110,217	110,217	0
Fringe Benefits	30,202	30,202	0
Purchased Services	2,131	2,131	0
Total Student Intervention Services	142,550	142,550	0
Total Instruction	\$18,728,105	\$18,728,105	\$0

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2014
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
Support Services:			
Pupils:			
Salaries	\$664,608	\$664,608	\$0
Fringe Benefits	256,076	256,076	0
Purchased Services	67,011	67,011	0
Materials and Supplies	5,105	5,105	0
Total Pupils	<u>992,800</u>	<u>992,800</u>	<u>0</u>
Instructional Staff:			
Salaries	365,278	365,278	0
Fringe Benefits	180,130	180,130	0
Purchased Services	44,015	44,015	0
Materials and Supplies	27,462	27,462	0
Capital Outlay	61,198	61,198	0
Other	255	255	0
Total Instructional Staff	<u>678,338</u>	<u>678,338</u>	<u>0</u>
Board of Education:			
Salaries	7,000	7,000	0
Fringe Benefits	1,927	1,927	0
Purchased Services	1,944	1,944	0
Materials and Supplies	320	320	0
Other	11,134	11,134	0
Total Board of Education	<u>22,325</u>	<u>22,325</u>	<u>0</u>
Administration:			
Salaries	749,991	749,991	0
Fringe Benefits	475,396	475,396	0
Purchased Services	219,055	219,055	0
Materials and Supplies	22,723	22,723	0
Capital Outlay	4,331	4,331	0
Other	549	549	0
Total Administration	<u>1,472,045</u>	<u>1,472,045</u>	<u>0</u>
Fiscal:			
Salaries	168,748	168,748	0
Fringe Benefits	109,867	109,867	0
Purchased Services	127,133	127,133	0
Materials and Supplies	991	991	0
Capital Outlay	1,689	1,689	0
Other	245,488	245,488	0
Total Fiscal	<u>\$653,916</u>	<u>\$653,916</u>	<u>\$0</u>

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2014
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
Business:			
Salaries	\$39,529	\$39,529	\$0
Fringe Benefits	7,493	7,493	0
Purchased Services	5,644	5,644	0
Materials and Supplies	446	446	0
Total Business	<u>53,112</u>	<u>53,112</u>	<u>0</u>
Operation and Maintenance of Plant:			
Salaries	802,058	802,058	0
Fringe Benefits	575,492	575,492	0
Purchased Services	731,274	731,274	0
Materials and Supplies	93,682	93,682	0
Capital Outlay	250	250	0
Total Operation and Maintenance of Plant	<u>2,202,756</u>	<u>2,202,756</u>	<u>0</u>
Pupil Transportation:			
Salaries	171,210	171,210	0
Fringe Benefits	171,108	171,108	0
Purchased Services	67,774	67,774	0
Materials and Supplies	62,755	62,755	0
Total Pupil Transportation	<u>472,847</u>	<u>472,847</u>	<u>0</u>
Central:			
Salaries	16,776	16,776	0
Fringe Benefits	68,931	68,931	0
Purchased Services	1,530	1,530	0
Total Central	<u>87,237</u>	<u>87,237</u>	<u>0</u>
Total Support Services	<u>6,635,376</u>	<u>6,635,376</u>	<u>0</u>
Operation of Non-Instructional Services:			
Other:			
Purchased Services	\$1,203	\$1,203	\$0

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2014
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
Extracurricular Activities:			
Academic Oriented Activities:			
Salaries	\$12,978	\$12,978	\$0
Fringe Benefits	2,781	2,781	0
Purchased Services	8,972	8,972	0
Materials and Supplies	9,367	9,367	0
Capital Outlay	4,132	4,132	0
Total Academic Oriented Activities	<u>38,230</u>	<u>38,230</u>	<u>0</u>
Sports Oriented Activities:			
Salaries	131,026	131,026	0
Fringe Benefits	31,920	31,920	0
Purchased Services	18,726	18,726	0
Total Sports Oriented Activities	<u>181,672</u>	<u>181,672</u>	<u>0</u>
School and Public Service Co-Curricular Activities:			
Salaries	7,174	7,174	0
Fringe Benefits	1,112	1,112	0
Total School and Public Service Co-Curricular Activities	<u>8,286</u>	<u>8,286</u>	<u>0</u>
Total Extracurricular Activities	<u>228,188</u>	<u>228,188</u>	<u>0</u>
<i>Total Expenditures</i>	<u>25,592,872</u>	<u>25,592,872</u>	<u>0</u>
Excess of Revenues Under Expenditures	<u>(358,213)</u>	<u>(358,213)</u>	<u>0</u>
<u>Other Financing Sources:</u>			
Refund of Prior Year Expenditures	130,894	130,894	0
Advances In	109,979	109,979	0
<i>Total Other Financing Sources</i>	<u>240,873</u>	<u>240,873</u>	<u>0</u>
Net Change in Fund Balance	(117,340)	(117,340)	0
Fund Balance at Beginning of Year	594,988	594,988	0
Prior Year Encumbrances Appropriated	20,059	20,059	0
Fund Balance at End of Year	<u><u>\$497,707</u></u>	<u><u>\$497,707</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Bond Retirement Debt Service Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$779,417	\$779,417	\$0
Intergovernmental	143,367	143,367	0
<i>Total Revenues</i>	<u>922,784</u>	<u>922,784</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Fiscal:			
Other	39,706	39,706	0
Debt Service:			
Principal Retirement	685,000	685,000	0
Interest and Fiscal Charges	490,288	490,288	0
Total Debt Service	<u>1,175,288</u>	<u>1,175,288</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,214,994</u>	<u>1,214,994</u>	<u>0</u>
Net Change in Fund Balance	(292,210)	(292,210)	0
Fund Balance at Beginning of Year	<u>2,614,581</u>	<u>2,614,581</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,322,371</u></u>	<u><u>\$2,322,371</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Food Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$1,076,952	\$1,076,952	\$0
Investment Earnings	4	4	0
Tuition and Fees	5,600	5,600	0
Charges for Services	58,304	58,304	0
<i>Total Revenues</i>	<u>1,140,860</u>	<u>1,140,860</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Fiscal:			
Purchased Services	258	258	0
Operation and Maintenance of Plant:			
Purchased Services	9,282	9,282	0
Materials and Supplies	2,450	2,450	0
Total Operation and Maintenance of Plant	<u>11,732</u>	<u>11,732</u>	<u>0</u>
Total Support Services	<u>11,990</u>	<u>11,990</u>	<u>0</u>
Operation of Non-Instructional Services:			
Food Service Operations:			
Salaries	382,804	382,804	0
Fringe Benefits	188,615	188,615	0
Purchased Services	36,015	36,015	0
Materials and Supplies	533,995	533,995	0
Total Operation of Non-Instructional Services	<u>1,141,429</u>	<u>1,141,429</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,153,419</u>	<u>1,153,419</u>	<u>0</u>
Net Change in Fund Balance	(12,559)	(12,559)	0
Fund Balance at Beginning of Year	131,808	131,808	0
Prior Year Encumbrances Appropriated	200	200	0
Fund Balance at End of Year	<u><u>\$119,449</u></u>	<u><u>\$119,449</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Special Donations Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Investment Earnings	\$25	\$25	\$0
Contributions and Donations	8,969	8,969	0
<i>Total Revenues</i>	<u>8,994</u>	<u>8,994</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Other	7,520	7,520	0
Support Services:			
Pupils:			
Other	10,000	10,000	0
Operation of Maintenance and Plant:			
Capital Outlay	6,600	6,600	0
Total Support Services	<u>16,600</u>	<u>16,600</u>	<u>0</u>
<i>Total Expenditures</i>	<u>24,120</u>	<u>24,120</u>	<u>0</u>
Net Change in Fund Balance	(15,126)	(15,126)	0
Fund Balance at Beginning of Year	<u>108,221</u>	<u>108,221</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$93,095</u></u>	<u><u>\$93,095</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
School Facilities Maintenance Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$82,317	\$82,317	\$0
Intergovernmental	102,590	102,590	0
<i>Total Revenues</i>	<u>184,907</u>	<u>184,907</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Fiscal:			
Other	3,897	3,897	0
Operation and Maintenance of Plant:			
Purchased Services	119,845	119,845	0
Materials and Supplies	11,602	11,602	0
Total Operation and Maintenance of Plant	<u>131,447</u>	<u>131,447</u>	<u>0</u>
<i>Total Expenditures</i>	<u>135,344</u>	<u>135,344</u>	<u>0</u>
Excess of Revenues Over Expenditures	49,563	49,563	0
<u>Other Financing Sources:</u>			
Insurance Recoveries	23,700	23,700	0
Net Change in Fund Balance	73,263	73,263	0
Fund Balance at Beginning of Year	824,462	824,462	0
Fund Balance at End of Year	<u><u>\$897,725</u></u>	<u><u>\$897,725</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
District Managed Student Activities Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Extracurricular Activities	\$101,288	\$101,288	\$0
Miscellaneous	640	640	0
<i>Total Revenues</i>	<u>101,928</u>	<u>101,928</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Sports Oriented Activities:			
Salaries	3,485	3,485	0
Fringe Benefits	18	18	0
Purchased Services	43,627	43,627	0
Materials and Supplies	46,540	46,540	0
Capital Outlay	1,307	1,307	0
<i>Total Sports Oriented Activities</i>	<u>94,977</u>	<u>94,977</u>	<u>0</u>
School and Public Service Co-Curricular Activities:			
Purchased Services	3,284	3,284	0
<i>Total Expenditures</i>	<u>98,261</u>	<u>98,261</u>	<u>0</u>
Excess of Revenues Over Expenditures	3,667	3,667	0
<u>Other Financing Uses:</u>			
Advances Out	(25,989)	(25,989)	0
Net Change in Fund Balance	(22,322)	(22,322)	0
Fund Balance at Beginning of Year	14,880	14,880	0
Fund Balance (Deficit) at End of Year	<u>(\$7,442)</u>	<u>(\$7,442)</u>	<u>\$0</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Auxiliary Services Non Public Special Revenue Fund
For the Fiscal Year Ended June 30, 2014*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$254,310	\$254,310	\$0
Investment Earnings	26	26	0
<i>Total Revenues</i>	<u>254,336</u>	<u>254,336</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries	48,762	48,762	0
Fringe Benefits	12,662	12,662	0
Purchased Services	83,572	83,572	0
Materials and Supplies	102,690	102,690	0
<i>Total Expenditures</i>	<u>247,686</u>	<u>247,686</u>	<u>0</u>
Excess of Revenues Over Expenditures	6,650	6,650	0
<u>Other Financing Uses:</u>			
Refund of Prior Year Receipts	(47,669)	(47,669)	0
Net Change in Fund Balance	(41,019)	(41,019)	0
Fund Balance at Beginning of Year	52,659	52,659	0
Prior Year Encumbrances Appropriated	67,515	67,515	0
Fund Balance at End of Year	<u>\$79,155</u>	<u>\$79,155</u>	<u>\$0</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Early Childhood Preschool Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$167,422	\$167,422	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries	31,107	31,107	0
Fringe Benefits	31,654	31,654	0
Materials and Supplies	15,048	15,048	0
Total Regular	77,809	77,809	0
Special:			
Salaries	51,430	51,430	0
Fringe Benefits	39,876	39,876	0
Total Special	91,306	91,306	0
Total Instruction	169,115	169,115	0
Support Services:			
Instructional Staff:			
Salaries	7,241	7,241	0
Fringe Benefits	1,119	1,119	0
Total Support Services	8,360	8,360	0
<i>Total Expenditures</i>	177,475	177,475	0
Excess of Revenues Under Expenditures	(10,053)	(10,053)	0
<u>Other Financing Uses:</u>			
Advances Out	(2,575)	(2,575)	0
Net Change in Fund Balance	(12,628)	(12,628)	0
Fund Balance at Beginning of Year	472	472	0
Fund Balance (Deficit) at End of Year	(\$12,156)	(\$12,156)	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
SchoolNet Praise Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$5,400	\$5,400	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	4,375	4,375	0
Net Change in Fund Balance	1,025	1,025	0
Fund Balance at Beginning of Year	2,977	2,977	0
Fund Balance at End of Year	\$4,002	\$4,002	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Straight A Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$169,930	\$169,930	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries	5,345	5,345	0
Fringe Benefits	127	127	0
Purchased Services	126,653	126,653	0
Materials and Supplies	122,314	122,314	0
Total Instruction	254,439	254,439	0
Support Services:			
Instructional Staff:			
Purchased Services	178,504	178,504	0
<i>Total Expenditures</i>	432,943	432,943	0
Net Change in Fund Balance	(263,013)	(263,013)	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance (Deficit) at End of Year	(\$263,013)	(\$263,013)	0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2014*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$174,694	\$174,694	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries	22,342	22,342	0
Materials and Supplies	134,233	134,233	0
Total Instruction	156,575	156,575	0
Support Services:			
Instructional Staff:			
Purchased Services	49,469	49,469	0
Materials and Supplies	1,088	1,088	0
Total Support Services	50,557	50,557	0
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	2,280	2,280	0
Materials and Supplies	14,959	14,959	0
Total Operation of Non-Instructional Services	17,239	17,239	0
<i>Total Expenditures</i>	224,371	224,371	0
Net Change in Fund Balance	(49,677)	(49,677)	0
Fund Balance at Beginning of Year	\$46,908	\$46,908	\$0
Fund Balance (Deficit) at End of Year	(\$2,769)	(\$2,769)	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
IDEA-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$532,052	\$532,052	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries	219,002	219,002	0
Fringe Benefits	106,695	106,695	0
Purchased Services	854	854	0
Materials and Supplies	798	798	0
Total Instruction	327,349	327,349	0
Support Services:			
Pupils:			
Purchased Services	63,933	63,933	0
Materials and Supplies	1,386	1,386	0
Total Pupils	65,319	65,319	0
Administration:			
Salaries	114,885	114,885	0
Fringe Benefits	30,477	30,477	0
Purchased Services	4,513	4,513	0
Materials and Supplies	123	123	0
Total Administration	149,998	149,998	0
Total Support Services	215,317	215,317	0
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	896	896	0
Total Expenditures	543,562	543,562	0
Excess of Revenues Under Expenditures	(\$11,510)	(\$11,510)	\$0 (continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
IDEA-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2014
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Other Financing Uses:</u>			
Advances Out	(6,362)	(6,362)	0
Net Change in Fund Balance	(17,872)	(17,872)	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance (Deficit) at End of Year	<u>(\$17,872)</u>	<u>(\$17,872)</u>	<u>\$0</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title I School Improvement, Sub A Special Revenue Fund
For the Fiscal Year Ended June 30, 2014*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$18,427	\$18,427	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	598	598	0
Excess of Revenues Over Expenditures	17,829	17,829	0
<u>Other Financing Uses:</u>			
Advances Out	(17,829)	(17,829)	0
Fund Balance (Deficit) at Beginning of Year	(598)	(598)	0
Prior Year Encumbrances Appropriated	598	598	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$1,751,689	\$1,751,689	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries	822,081	822,081	0
Fringe Benefits	401,034	401,034	0
Purchased Services	38,206	38,206	0
Materials and Supplies	12,941	12,941	0
Total Special	1,274,262	1,274,262	0
Student Intervention Services:			
Salaries	137,559	137,559	0
Fringe Benefits	55,989	55,989	0
Total Student Intervention Services	193,548	193,548	0
Total Instruction	1,467,810	1,467,810	0
Support Services:			
Pupils:			
Purchased Services	48,361	48,361	0
Instructional Staff:			
Salaries	113,420	113,420	0
Fringe Benefits	47,793	47,793	0
Purchased Services	22,007	22,007	0
Materials and Supplies	489	489	0
Total Instructional Staff	183,709	183,709	0
Total Support Services	\$232,070	\$232,070	\$0

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2014
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
Operation of Non-Instructional Services:			
Community Recreation Services:			
Purchased Services	\$17,084	\$17,084	\$0
Materials and Supplies	5,167	5,167	0
			0
Total Operation of Non-Instructional Services	22,251	22,251	0
<i>Total Expenditures</i>	1,722,131	1,722,131	0
Excess of Revenues Over Expenditures	29,558	29,558	0
<u>Other Financing Uses:</u>			
Advances Out	(50,238)	(50,238)	0
Net Change in Fund Balance	(20,680)	(20,680)	0
Fund Balance (Deficit) at Beginning of Year	(1,084)	(1,084)	0
Prior Year Encumbrances Appropriated	1,084	1,084	0
Fund Balance (Deficit) at End of Year	(\$20,680)	(\$20,680)	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Early Childhood Special Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2014*

	<u>Final Budgeted Amount</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Intergovernmental	<u>\$10,562</u>	<u>\$10,562</u>	<u>\$0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries	3,750	3,750	0
Fringe Benefits	<u>5,637</u>	<u>5,637</u>	<u>0</u>
 <i>Total Expenditures</i>	 <u>9,387</u>	 <u>9,387</u>	 <u>0</u>
Excess of Revenues Over Expenditures	1,175	1,175	0
<u>Other Financing Uses:</u>			
Advances Out	<u>(784)</u>	<u>(784)</u>	<u>0</u>
Net Change in Fund Balance	391	391	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$391</u></u>	<u><u>\$391</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title II-A Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$249,471	\$249,471	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries	159,446	159,446	0
Fringe Benefits	92,327	92,327	0
<i>Total Expenditures</i>	251,773	251,773	0
Excess of Revenues Under Expenditures	(2,302)	(2,302)	0
<u>Other Financing Uses:</u>			
Advances Out	(5,734)	(5,734)	0
Net Change in Fund Balance	(8,036)	(8,036)	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance (Deficit) at End of Year	(\$8,036)	(\$8,036)	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2014*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$4,716	\$4,716	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Pupils:			
Purchased Services	4,248	4,248	0
Excess of Revenues Over Expenditures	468	468	0
<u>Other Financing Uses:</u>			
Advances Out	(468)	(468)	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	1,797	1,797	0
Fund Balance at End of Year	<u>\$1,797</u>	<u>\$1,797</u>	<u>\$0</u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Uniform School Supplies Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Extracurricular Activities	\$18,373	\$18,373	\$0
Miscellaneous	2,285	2,285	0
<i>Total Revenues</i>	<u>20,658</u>	<u>20,658</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Pupils:			
Materials and Supplies	2,001	2,001	0
Extracurricular Activities:			
School and Public Service Co-Curricular Activities:			
Materials and Supplies	<u>22,325</u>	<u>22,325</u>	<u>0</u>
<i>Total Expenditures</i>	<u>24,326</u>	<u>24,326</u>	<u>0</u>
Net Change in Fund Balance	(3,668)	(3,668)	0
Fund Balance at Beginning of Year	<u>8,823</u>	<u>8,823</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$5,155</u></u>	<u><u>\$5,155</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Rotary Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	<u>Final Budgeted Amount</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>			
Extracurricular Activities	\$2,576	\$2,576	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Pupils:			
Purchased Services	224	224	0
Extracurricular Activities:			
School and Public Service Co-Curricular Activities:			
Purchased Services	2,661	2,661	0
<i>Total Expenditures</i>	<u>2,885</u>	<u>2,885</u>	<u>0</u>
Net Change in Fund Balance	(309)	(309)	0
Fund Balance at Beginning of Year	<u>2,418</u>	<u>2,418</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,109</u></u>	<u><u>\$2,109</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Public School Support Special Revenue Fund
For the Fiscal Year Ended June 30, 2014*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Extracurricular Activities	\$4,143	\$4,143	\$0
Miscellaneous	3,844	3,844	0
Gifts and Donations	2,058	2,058	0
<i>Total Revenues</i>	<u>10,045</u>	<u>10,045</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	4,266	4,266	0
Other	359	359	0
Total Regular	<u>4,625</u>	<u>4,625</u>	<u>0</u>
Special:			
Materials and Supplies	1,100	1,100	0
Total Instruction	<u>5,725</u>	<u>5,725</u>	<u>0</u>
Support Services:			
Pupils:			
Other	1,200	1,200	0
Administration:			
Purchased Services	2,030	2,030	0
Materials and Supplies	3,873	3,873	0
Total Administration	<u>5,903</u>	<u>5,903</u>	<u>0</u>
Total Support Services	<u>7,103</u>	<u>7,103</u>	<u>0</u>
<i>Total Expenditures</i>	<u>12,828</u>	<u>12,828</u>	<u>0</u>
Net Change in Fund Balance	(2,783)	(2,783)	0
Fund Balance at Beginning of Year	<u>36,457</u>	<u>36,457</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$33,674</u></u>	<u><u>\$33,674</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Print Shop Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Extracurricular Activities	\$39,117	\$39,117	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Vocational:			
Salaries	2,000	2,000	0
Fringe Benefits	280	280	0
Total Instruction	2,280	2,280	0
Support Services:			
Fiscal:			
Other	1,075	1,075	0
Business:			
Purchased Services	47	47	0
Materials and Supplies	31,855	31,855	0
Capital Outlay	1,850	1,850	0
Total Business	33,752	33,752	0
Total Support Services	34,827	34,827	0
<i>Total Expenditures</i>	37,107	37,107	0
Excess of Revenues Over Expenditures	2,010	2,010	0
<u>Other Financing Source:</u>			
Refund of Prior Year Expenditures	49	49	0
Net Change in Fund Balance	2,059	2,059	0
Fund Balance at Beginning of Year	34,219	34,219	0
Fund Balance at End of Year	\$36,278	\$36,278	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)*
Faculty/Memorial Fund Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Miscellaneous	\$212	\$212	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Materials and Supplies	437	437	0
Net Change in Fund Balance	(225)	(225)	0
Fund Balance at Beginning of Year	966	966	0
Fund Balance at End of Year	\$741	\$741	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Severance Special Revenue Fund
For the Fiscal Year Ended June 30, 2014*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>	\$0	\$0	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries	39,003	39,003	0
Fringe Benefits	87	87	0
Total Instruction	39,090	39,090	0
Support Services:			
Pupils:			
Salaries	16,835	16,835	0
Instructional Staff:			
Salaries	18,565	18,565	0
Fringe Benefits	269	269	0
Total Instructional Staff	18,834	18,834	0
Administration:			
Salaries	22,142	22,142	0
Operation and Maintenance of Plant:			
Salaries	494	494	0
Total Support Services	58,305	58,305	0
<i>Total Expenditures</i>	97,395	97,395	0
Net Change in Fund Balance	(97,395)	(97,395)	0
Fund Balance at Beginning of Year	739,974	739,974	0
Fund Balance at End of Year	\$642,579	\$642,579	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2014

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$469,824	\$469,824	\$0
Intergovernmental	67,117	67,117	0
<i>Total Revenues</i>	<u>536,941</u>	<u>536,941</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Capital Outlay	104,007	104,007	0
Support Services:			
Fiscal:			
Other	22,271	22,271	0
Capital Outlay:			
Site Acquisition Services:			
Purchased Services	2,491	2,491	0
Site Improvement Services:			
Materials and Supplies	361,272	361,272	0
Capital Outlay	300	300	0
Total Site Improvement Services	<u>361,572</u>	<u>361,572</u>	<u>0</u>
Architecture and Engineering Services:			
Purchased Services	600	600	0
Total Capital Outlay	<u>364,663</u>	<u>364,663</u>	<u>0</u>
<i>Total Expenditures</i>	<u>490,941</u>	<u>490,941</u>	<u>0</u>
Net Change in Fund Balance	46,000	46,000	0
Fund Balance at Beginning of Year	<u>29,754</u>	<u>29,754</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$75,754</u></u>	<u><u>\$75,754</u></u>	<u><u>\$0</u></u>

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STATISTICAL SECTION

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STATISTICAL TABLES

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

<u>CONTENTS</u>	<u>PAGES</u>
Financial Trends	102-115
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	
Revenue Capacity	116-127
These schedules contain information to help the reader assess the School District's most significant local revenue sources.	
Debt Capacity	128-133
These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	
Demographic and Economic Information	134-137
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.	
Operating Information	138-157
These schedules contain service and capital assets data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

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

Fiscal Year	2005	2006	2007	2008
Net Investment in Capital Assets	\$47,821,407	\$53,930,015	\$49,868,043	\$47,745,755
Restricted	13,801,697	5,658,264	4,578,776	5,294,118
Unrestricted (Deficit)	443,079	(24,392)	275,794	(589,170)
<i>Total Net Position</i>	<u>\$62,066,183</u>	<u>\$59,563,887</u>	<u>\$54,722,613</u>	<u>\$52,450,703</u>

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$46,147,550	\$44,092,020	\$44,790,154	\$44,161,654	\$43,376,192	\$42,364,724
5,667,882	5,972,961	4,874,569	4,747,385	4,263,779	4,536,732
<u>(298,058)</u>	<u>950,415</u>	<u>831,318</u>	<u>692,536</u>	<u>(874,318)</u>	<u>(1,604,855)</u>
<u>\$51,517,374</u>	<u>\$51,015,396</u>	<u>\$50,496,041</u>	<u>\$49,601,575</u>	<u>\$46,765,653</u>	<u>\$45,296,601</u>

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

Fiscal Year	2005	2006	2007 (1)
Expenses:			
Current:			
Instruction:			
Regular	\$10,608,667	\$12,169,231	\$12,640,485
Special	5,436,258	6,622,247	5,788,924
Vocational	431,277	380,329	410,481
Student Intervention Services	0	445,405	1,174,211
Intergovernmental	35,000	43,500	38,500
Support Services:			
Pupils	1,121,140	1,760,834	1,704,291
Instructional Staff	1,987,011	2,352,092	2,044,780
Board of Education	16,589	17,703	19,611
Administration	1,367,234	1,566,110	1,814,350
Fiscal	642,889	655,226	678,032
Business	109,044	117,299	91,249
Operation and Maintenance of Plant	1,795,612	2,053,486	2,761,532
Pupil Transportation	375,360	633,970	751,522
Central	22,133	30,025	90,398
Operation of Non-Instructional Services:			
Food Service Operations	1,003,493	1,195,821	1,270,836
Other	203,699	227,513	224,685
Extracurricular Activities	252,910	290,208	301,445
Interest and Fiscal Charges	860,111	825,820	763,791
<i>Total Expenses</i>	<u>26,268,427</u>	<u>31,386,819</u>	<u>32,569,123</u>
Program Revenues:			
Charges for Services and Sales:			
Instruction:			
Regular	601,777	546,511	722,722
Special	37,294	0	21,557
Support Services:			
Pupils	35,426	384	0
Instructional Staff	41,114	0	0
Administration	0	1,529	10,031
Business	6,913	4,703	0
Operation and Maintenance of Plant	145,301	34,135	38,401
Pupil Transportation	0	1,000	42,650
Central	0	0	0
Operation of Non-Instructional Services:			
Food Service Operations	206,136	191,444	231,560
Extracurricular Activities	78,653	93,600	69,494
Total Charges for Services	<u>1,152,614</u>	<u>873,306</u>	<u>1,136,415</u>
Operating Grants, Contributions, and Interest	4,749,113	5,849,948	5,929,213
Capital Grants and Contributions	<u>0</u>	<u>0</u>	<u>226,000</u>
<i>Total Program Revenues</i>	<u>5,901,727</u>	<u>6,723,254</u>	<u>7,291,628</u>
<i>Net Expense</i>	<u>(\$20,366,700)</u>	<u>(\$24,663,565)</u>	<u>(\$25,277,495)</u>

2008	2009	2010 (2)	2011	2012	2013	2014
\$13,103,606	\$13,573,992	\$13,753,627	\$13,689,351	\$13,977,856	\$14,007,162	\$15,721,759
5,396,013	4,950,325	5,879,260	6,090,527	5,955,417	6,103,402	6,063,483
452,153	507,713	480,887	441,427	441,078	340,318	425,475
1,422,054	1,541,524	1,164,825	883,606	403,813	418,259	370,366
43,500	35,600	29,000	37,500	0	0	0
1,736,450	1,610,831	1,430,317	1,237,058	1,213,131	1,365,942	1,226,534
1,900,014	2,244,651	2,372,062	2,200,333	1,935,458	1,987,804	1,216,603
22,717	24,501	30,589	20,334	19,937	28,682	19,928
1,957,080	1,838,174	1,776,063	1,762,928	1,709,868	1,735,055	1,787,897
798,597	750,674	669,614	590,995	645,375	695,493	729,379
76,236	76,787	82,268	96,868	98,227	107,601	54,750
2,640,319	2,867,303	3,114,874	2,886,014	2,672,950	2,608,690	2,387,431
696,035	592,894	595,484	633,169	606,198	596,336	553,645
77,150	344,578	62,866	96,569	23,704	41,843	87,200
1,192,836	1,134,696	1,241,298	1,260,493	1,280,076	1,300,826	1,260,162
239,402	227,667	220,403	232,488	278,346	208,589	318,466
321,079	338,911	477,581	250,238	352,078	375,081	476,121
641,868	640,624	637,143	621,052	524,349	686,655	615,607
32,717,109	33,301,445	34,018,161	33,030,950	32,137,861	32,607,738	33,314,806
833,866	702,476	813,908	771,521	903,769	718,223	687,751
8,057	9,661	12,305	69,056	103,938	64,605	65,087
0	0	0	0	0	0	224
0	0	0	0	0	0	0
13,836	7,975	7,235	4,697	3,211	1,057	4,143
0	0	0	0	0	0	39,166
23,101	41,926	19,038	54,594	44,611	38,264	33,905
2,106	8,045	1,638	25,800	40,978	15,424	6,875
0	0	129,892	0	129,323	2,757	0
142,910	172,450	177,183	159,151	159,477	129,369	63,904
115,273	86,911	144,916	110,431	127,501	104,353	122,013
1,139,149	1,029,444	1,306,115	1,195,250	1,512,808	1,074,052	1,023,068
6,290,703	7,105,527	8,124,682	7,220,511	7,440,064	6,369,831	7,333,163
81,352	37,777	30,123	0	8,846	750	0
7,511,204	8,172,748	9,460,920	8,415,761	8,961,718	7,444,633	8,356,231
(\$25,205,905)	(\$25,128,697)	(\$24,557,241)	(\$24,615,189)	(\$23,176,143)	(\$25,163,105)	(\$24,958,575)

(continued)

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

Fiscal Year	2005	2006	2007
General Revenues:			
Property Taxes Levied for:			
General Purposes	\$4,644,731	\$4,776,914	\$4,643,256
Debt Service	1,228,724	1,267,834	1,236,071
Capital Outlay	88,356	89,670	87,507
Grants and Entitlements not Restricted to Specific Programs			
Operating	15,183,620	15,174,137	15,979,356
Capital	0	0	(2,476,078) *
Contributions and Donations	10,270	96,988	21,861
Investment Earnings	516,895	659,852	495,355
Miscellaneous	206,988	95,874	448,893
Gain on Sale of Capital Assets	0	0	0
Insurance Recoveries	0	0	0
<i>Total General Revenues</i>	<u>21,879,584</u>	<u>22,161,269</u>	<u>20,436,221</u>
<i>Change in Net Position</i>	<u><u>\$1,512,884</u></u>	<u><u>(\$2,502,296)</u></u>	<u><u>(\$4,841,274)</u></u>

* The School District was awarded a grant in the amount of \$52,617,286 on December 14, 2001, from the Ohio School Facilities Commission for the construction of new facilities. At June 30, 2007, the new facilities were complete and it was determined that \$2,476,078 of the grant would not be received. Therefore, revenue was reduced since the total amount of the grant had been reported as revenue in fiscal year 2002, the year of the grant award.

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

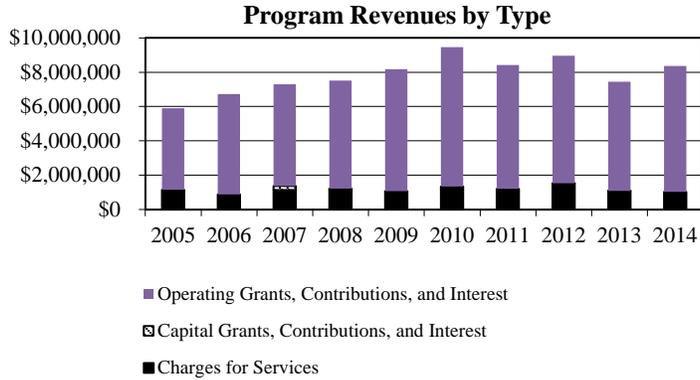
Expenses in Operation and Maintenance of Plant increased significantly from fiscal year 2006 to fiscal year 2007 due to increases in purchases of supplies and maintenance costs related to the new buildings.

(2) Restated in fiscal year 2010.

2008	2009	2010 (2)	2011	2012	2013	2014
\$4,614,506	\$4,541,034	\$4,319,587	\$4,288,395	\$4,238,222	\$4,167,324	\$4,258,733
1,270,249	1,277,487	1,227,943	1,054,789	835,829	741,284	752,376
84,971	83,405	80,238	251,604	458,603	453,010	618,858
16,535,835	17,914,549	18,319,840	18,375,417	16,668,432	16,737,958	17,744,749
0	0	0	0	0	0	0
7,276	122,502	6,566	33,469	16,055	13,553	0
228,426	93,194	27,280	18,364	17,287	20,862	14,431
140,770	163,197	74,005	73,796	47,249	120,931	100,376
51,962	0	0	0	0	0	0
0	0	0	0	0	72,261	0
22,933,995	24,195,368	24,055,459	24,095,834	22,281,677	22,327,183	23,489,523
<u>(\$2,271,910)</u>	<u>(\$933,329)</u>	<u>(\$501,782)</u>	<u>(\$519,355)</u>	<u>(\$894,466)</u>	<u>(\$2,835,922)</u>	<u>(\$1,469,052)</u>

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

Fiscal Year	2005	2006	2007
Function / Program:			
Instruction:			
Regular	\$776,829	\$655,376	\$780,193
Special	2,525,523	2,961,157	2,862,385
Vocational	133,713	123,342	108,519
Student Intervention Services	0	0	594,453
Intergovernmental	35,000	43,500	38,500
Support Services:			
Pupils	334,395	903,686	695,466
Instructional Staff	748,177	740,038	626,664
Administration	0	1,529	10,431
Fiscal	0	22,066	18,789
Business	6,913	4,703	0
Operation and Maintenance of Plant	145,301	34,135	264,401
Pupil Transportation	11,266	20,486	55,794
Central	6,557	6,799	7,190
Operation of Non-Instructional Services:			
Food Service Operations	896,858	863,570	947,947
Other	202,317	234,370	200,688
Extracurricular Activities	78,878	108,497	80,208
Total Program Revenues	<u>\$5,901,727</u>	<u>\$6,723,254</u>	<u>\$7,291,628</u>



(1) Restated in fiscal year 2010.

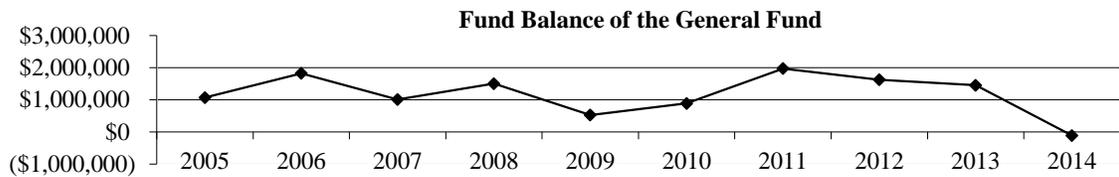
2008	2009	2010 (1)	2011	2012	2013	2014
\$835,334	\$706,481	\$827,825	\$916,517	\$1,566,622	\$725,883	\$1,125,304
3,009,488	3,773,426	4,257,939	4,227,133	4,615,363	4,409,205	4,602,588
108,312	80,633	81,164	85,817	82,642	82,272	115,141
637,011	824,849	822,038	697,931	233,939	194,892	190,776
43,500	35,600	29,000	37,500	0	0	0
687,936	518,201	438,918	275,148	136,581	163,372	191,505
727,823	748,494	1,080,460	634,328	456,523	408,080	517,368
13,836	7,975	7,235	4,697	120,063	1,057	6,201
0	0	0	0	0	0	0
0	0	0	0	0	0	39,166
101,443	41,926	49,161	54,594	44,611	38,264	33,905
16,034	39,699	36,657	29,106	50,705	19,842	11,794
7,436	6,196	134,892	5,000	129,323	2,757	0
989,939	1,013,715	1,175,655	1,096,700	1,144,936	1,019,875	1,140,860
213,690	277,667	293,680	240,759	252,519	251,961	254,310
119,422	97,886	226,296	110,531	127,891	127,173	127,313
<u>\$7,511,204</u>	<u>\$8,172,748</u>	<u>\$9,460,920</u>	<u>\$8,415,761</u>	<u>\$8,961,718</u>	<u>\$7,444,633</u>	<u>\$8,356,231</u>

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund:			
Nonspendable	\$0	\$0	\$0
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0
Reserved	853,035	570,286	386,658
Unreserved, Designated for:			
Future Severance Payments	0	144,916	39,497
Employee Health Benefits	0	0	260,012
Unreserved (Deficit)	<u>970,227</u>	<u>297,480</u>	<u>816,255</u>
<i>Total General Fund</i>	<u>1,823,262</u>	<u>1,012,682</u>	<u>1,502,422</u>
All Other Governmental Funds:			
Nonspendable	0	0	0
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned (Deficit)	0	0	0
Reserved	210,291	2,600,479	314,250
Unreserved, Undesignated Reported in:			
Special Revenue Funds	655,987	823,534	422,042
Debt Service Fund	1,198,864	1,526,591	1,572,878
Capital Projects Funds	<u>15,763,438</u>	<u>3,042,442</u>	<u>2,632,126</u>
<i>Total All Other Governmental Funds</i>	<u>17,828,580</u>	<u>7,993,046</u>	<u>4,941,296</u>
<i>Total Governmental Funds</i>	<u><u>\$19,651,842</u></u>	<u><u>\$9,005,728</u></u>	<u><u>\$6,443,718</u></u>

(1) Restated in fiscal year 2010. The School District implemented GASB 54 in fiscal year 2011.

2008	2009	2010 (1)	2011	2012	2013	2014
\$0	\$0	\$36,693	\$38,557	\$33,211	\$28,995	\$25,166
0	0	182,690	35,610	29,872	30,622	32,388
0	0	393,349	617,396	705,447	702,063	640,121
0	0	145,220	73,334	682,753	634,157	0
0	0	1,215,268	861,787	0	(1,503,150)	(1,363,214)
318,879	493,013	0	0	0	0	0
0	0	0	0	0	0	0
115,237	17,994	0	0	0	0	0
95,854	379,036	0	0	0	0	0
529,970	890,043	1,973,220	1,626,684	1,451,283	(107,313)	(665,539)
0	0	43,465	2,453	22,248	18,214	29,555
0	0	5,349,820	4,113,660	3,955,969	3,746,215	3,693,849
0	0	113,090	260,436	107,349	75,704	64,070
0	0	941	1,301	1,301	1,301	1,333
0	0	(315,471)	(318,838)	(238,557)	(260,581)	(352,433)
153,620	248,389	0	0	0	0	0
829,331	659,756	0	0	0	0	0
1,884,722	2,160,713	0	0	0	0	0
2,603,996	2,414,136	0	0	0	0	0
5,471,669	5,482,994	5,191,845	4,059,012	3,848,310	3,580,853	3,436,374
\$6,001,639	\$6,373,037	\$7,165,065	\$5,685,696	\$5,299,593	\$3,473,540	\$2,770,835



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

	2005	2006	2007	2008
<u>Revenues:</u>				
Property Taxes	\$5,843,336	\$6,113,783	\$5,950,227	\$5,846,283
Intergovernmental	42,090,396	24,873,719	22,285,912	22,889,706
Investment Earnings	513,626	663,175	500,962	220,765
Tuition and Fees	708,727	581,230	769,582	853,102
Extracurricular Activities	86,933	100,858	85,294	140,440
Rentals	145,301	3,407	19,175	5,001
Charges for Services	202,898	186,765	226,760	138,500
Contributions and Donations	47,420	220,770	299,081	91,535
Miscellaneous	206,457	96,895	612,970	140,770
Total Revenues	49,845,094	32,840,602	30,749,963	30,326,102
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	10,452,972	11,449,775	11,198,436	11,922,586
Special	5,466,596	5,685,519	5,283,592	5,082,517
Vocational	364,702	282,628	372,088	414,553
Student Intervention Services	0	445,405	1,033,777	1,422,054
Intergovernmental	35,000	43,500	71,834	43,500
Support Services:				
Pupils	1,133,842	1,551,356	1,580,635	1,581,368
Instructional Staff	1,952,423	1,948,181	1,867,975	1,672,959
Board of Education	16,589	17,703	19,341	22,717
Administration	1,372,555	1,373,106	1,497,568	1,579,663
Fiscal	636,210	618,325	637,334	765,319
Business	75,031	119,389	61,244	61,376
Operation and Maintenance of Plant	1,595,541	1,864,911	2,411,030	2,540,184
Pupil Transportation	396,939	423,496	628,841	584,863
Central	22,133	30,025	69,681	77,150
Operation of Non-Instructional Services	1,239,057	1,168,103	1,273,249	1,244,908
Extracurricular Activities	257,171	286,170	270,860	318,507
Capital Outlay	28,587,294	14,932,204	3,708,759	462,503
Debt Service:				
Principal Retirement	461,304	520,604	243,579	216,638
Interest and Fiscal Charges	744,136	729,816	721,991	621,758
Capital Appreciation Bonds Interest	0	0	207,456	237,558
Issuance Costs	0	0	159,703	0
Total Expenditures	54,809,495	43,490,216	33,318,973	30,872,681
Excess of Revenues Over (Under) Expenditures	(\$4,964,401)	(\$10,649,614)	(\$2,569,010)	(\$546,579)

2009	2010	2011	2012	2013	2014
\$5,815,069	\$5,490,584	\$5,384,638	\$5,406,665	\$5,376,582	\$5,599,930
24,755,768	26,442,427	25,502,504	24,084,849	23,236,325	24,706,594
104,549	27,295	18,407	15,670	22,362	15,103
731,539	835,597	845,385	1,006,073	774,898	772,487
107,503	170,000	152,657	171,640	141,396	165,546
25,454	4,580	42,241	25,027	25,176	21,528
166,934	295,598	185,422	315,645	126,281	61,176
25,002	103,294	53,832	18,420	44,533	16,327
162,797	74,004	42,943	78,584	120,931	98,929
<u>31,894,615</u>	<u>33,443,379</u>	<u>32,228,029</u>	<u>31,122,573</u>	<u>29,868,484</u>	<u>31,457,620</u>
12,541,748	12,888,840	13,229,670	13,175,623	13,569,313	15,078,553
4,710,824	5,599,597	5,915,073	5,731,335	5,734,893	5,667,717
468,224	442,357	411,459	422,490	314,023	377,659
1,506,816	1,223,490	948,950	359,941	361,850	342,878
35,600	29,000	37,500	0	0	0
1,499,536	1,313,347	1,133,381	1,119,554	1,299,096	1,155,130
1,962,474	2,276,496	2,033,051	1,781,000	1,744,873	1,013,574
24,501	30,589	20,334	19,937	28,682	19,928
1,571,955	1,549,841	1,545,930	1,565,886	1,542,821	1,567,129
724,687	646,529	661,337	620,254	674,134	695,841
61,611	67,125	84,098	85,285	101,286	65,903
2,692,751	2,957,556	2,740,942	2,514,806	2,572,475	2,258,484
477,755	488,643	532,207	535,935	515,050	474,671
344,578	62,866	96,569	23,704	41,843	87,200
1,207,375	1,307,829	1,295,735	1,403,498	1,348,341	1,408,829
336,435	478,267	353,297	348,408	371,815	351,006
437,044	412,407	1,454,974	620,168	679,469	526,495
528,277	596,429	634,590	672,945	777,755	804,574
614,266	603,516	578,301	452,429	441,865	506,754
0	0	0	0	0	0
0	0	0	60,338	0	0
<u>31,746,457</u>	<u>32,974,724</u>	<u>33,707,398</u>	<u>31,513,536</u>	<u>32,119,584</u>	<u>32,402,325</u>
<u>\$148,158</u>	<u>\$468,655</u>	<u>(\$1,479,369)</u>	<u>(\$390,963)</u>	<u>(\$2,251,100)</u>	<u>(\$944,705)</u>

(continued)

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

	2005	2006	2007	2008
<u>Other Financing Sources (Uses):</u>				
Refunding General Obligation Bonds Issued	\$0	\$0	\$9,800,000	\$0
Premium on Debt Issuance	0	0	466,546	0
Payment to Refunded Bond Escrow Agent	0	0	(10,266,546)	0
Proceeds from Sale of Capital Assets	0	3,500	7,000	104,500
Inception of Capital Leases	8,966	0	0	0
Insurance Recoveries	0	0	0	0
Transfers In	315,710	220,267	306,451	113,451
Transfers Out	(315,710)	(220,267)	(306,451)	(113,451)
<i>Total Other Financing Sources (Uses)</i>	<u>8,966</u>	<u>3,500</u>	<u>7,000</u>	<u>104,500</u>
Net Change in Fund Balances	<u>(\$4,955,435)</u>	<u>(\$10,646,114)</u>	<u>(\$2,562,010)</u>	<u>(\$442,079)</u>
Debt Service as a Percentage of Noncapital Expenditures	4.6%	4.0%	3.1%	3.5%

2009	2010	2011	2012	2013	2014
\$0	\$0	\$0	\$2,864,457	\$0	\$0
0	0	0	190,695	0	0
0	0	0	(3,057,702)	0	0
0	325,000	0	7,410	0	0
223,240	0	0	0	179,424	242,000
0	0	0	0	245,623	0
2,943	2,233,098	1,915	3,420	0	0
(2,943)	(2,233,098)	(1,915)	(3,420)	0	0
223,240	325,000	0	4,860	425,047	242,000
\$371,398	\$793,655	(\$1,479,369)	(\$386,103)	(\$1,826,053)	(\$702,705)
3.6%	3.7%	3.8%	3.7%	3.9%	4.1%

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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2005	\$138,236,930	\$59,627,020	\$565,325,571	\$15,406,410	\$61,625,640
2006	138,193,810	61,781,900	571,359,171	15,599,920	62,399,680
2007	137,372,790	64,103,370	575,646,171	15,387,970	61,551,880
2008	151,287,800	66,721,490	622,883,686	13,091,910	52,367,640
2009	151,433,790	66,832,190	623,617,086	13,210,120	52,840,480
2010	150,905,230	66,796,810	622,005,829	13,210,120	52,840,480
2011	154,845,580	66,282,840	631,795,486	13,344,030	53,376,120
2012	154,328,280	65,034,900	626,751,943	13,634,070	54,536,280
2013	153,817,100	62,463,440	617,944,400	14,688,050	58,752,200
2014	154,499,050	63,626,150	623,214,857	16,720,590	66,882,360

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax has been phased out. The assessment percent was 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax is 2010. The percentages for telecommunications are 10.0 percent for 2009, 5.0 for 2010 and zero for 2011.

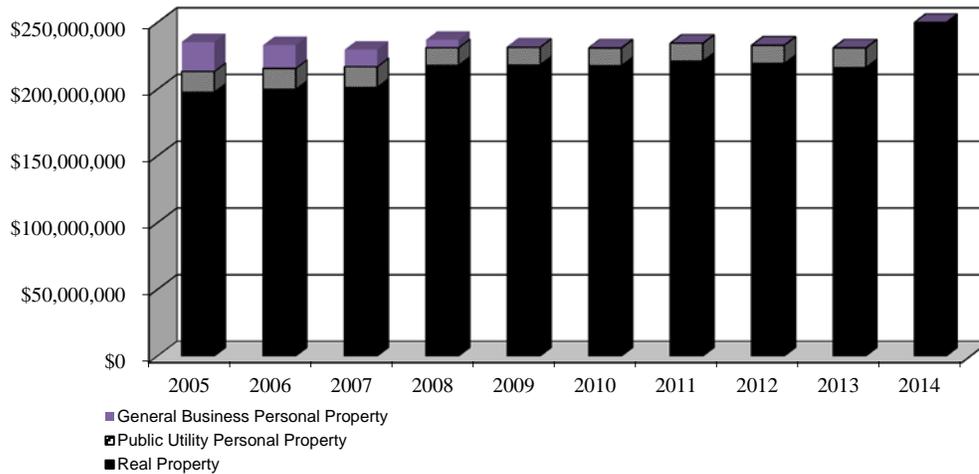
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by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

Source: Ohio Department of Taxation

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

Tangible Personal Property		Total			Weighted Average Tax Rate (per \$1,000 of assessed value)
General Business		Assessed Value	Estimated Actual Value	Ratio (1)	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio (1)	
\$22,180,082	\$88,720,328	\$235,450,442	\$715,671,539	32.90%	25.08
17,455,515	93,096,080	233,031,145	726,854,931	32.06%	24.84
12,786,263	102,290,104	229,650,393	739,488,155	31.06%	24.61
5,951,460	95,223,360	237,052,660	770,474,686	30.77%	23.90
828,540	8,285,400	232,304,640	684,742,966	33.93%	23.65
435,460	8,709,200	231,347,620	683,555,509	33.84%	23.63
0	0	234,472,450	685,171,606	34.22%	23.50
0	0	232,997,250	681,288,223	34.20%	23.53
0	0	230,968,590	676,696,600	34.13%	23.58
0	0	234,845,790	690,097,217	34.03%	24.95

Assessed Value of Taxable Property



Portsmouth City School District
Principal Property Taxpayers
Real Property Tax
2014 and 2005

Tax Payer	2014		Percentage of Real Property Assessed Valuation
	Assessed Value	Rank	
Neal and Vicky Hatcher	\$3,400,180	1	1.56%
Hillview Retirement Center	2,710,280	2	1.24%
Southern Ohio Medical Center Title Holding	2,600,630	3	1.19%
OSCO Industries, Inc.	1,431,570	4	0.66%
Norfolk Southern Railway Company	1,127,050	5	0.52%
National Church Residences	982,040	6	0.45%
OHI Asset III PA Trust	851,060	7	0.39%
Forest Heights	837,180	8	0.38%
Gallia Realty LLC	832,100	9	0.38%
PGS Rentals Inc.	810,500	10	0.37%
Liberty Nursing Properties of Portsmouth	-		-
Fifth Third Bank	-		-
Total	15,582,590		7.14%
All Others	202,542,610		92.86%
Total Assessed Valuation	<u>\$218,125,200</u>		<u>100.00%</u>

Source: Scioto County Auditor

2005		
Assessed Value	Rank	Percentage of Real Property Assessed Valuation
\$2,185,330	2	1.10%
1,956,360	3	0.99%
4,090,640	1	2.07%
1,008,460	6	0.51%
-		-
-		-
-		-
-		-
-		-
-		-
1,310,210	4	0.66%
<u>1,076,120</u>	5	<u>0.54%</u>
11,627,120		5.87%
<u>186,236,830</u>		<u>94.13%</u>
<u><u>\$197,863,950</u></u>		<u><u>100.00%</u></u>

Portsmouth City School District
Principal Property Taxpayers
Public Utility Personal Property Tax
 2014 and 2005

Tax Payer	2014		Percentage of Public Utility Property Assessed Valuation
	Assessed Value	Rank	
Ohio Power	\$13,038,980	1	77.98%
Columbia Gas of Ohio	2,397,010	2	14.34%
AEP Ohio Transmission Company	1,107,640	3	6.62%
Tennessee Gas Pipeline Company	75,680	4	0.45%
Mass Mutual Asset Finance	52,770	5	0.32%
RBS Asset Finance	22,720	6	0.14%
General Electric Capital Co.	15,520	7	0.09%
BLX 13 Inc.	7,330	8	0.04%
Columbia Gas Transmission Corporation	2,940	9	0.02%
Verizon North	-		-
N & W Railway	-		-
Total	16,720,590		100.00%
All Others	0		0.00%
Total Assessed Valuation	<u>\$16,720,590</u>		<u>100.00%</u>

Source: Scioto County Auditor

2005		
Assessed Value	Rank	Percentage of Public Utility Property Assessed Valuation
\$8,603,480	1	55.84%
1,425,830	4	9.26%
-		-
-		-
-		-
-		-
-		-
-		-
2,069,690	3	13.43%
2,217,170	2	14.39%
14,316,170		92.92%
1,090,240		7.08%
<u>\$15,406,410</u>		<u>100.00%</u>

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

	2005	2006
UNVOTED MILLAGE:		
Operating	\$3.66	\$3.66
VOTED MILLAGE - BY LEVY:		
1976 Current Expense		
Residential/Agricultural Real	\$8.66	\$8.67
Commercial/Industrial and Public Utility Real	8.69	8.70
General Business and Public Utility Personal	18.07	18.07
1979 Current Expense		
Residential/Agricultural Real	3.30	3.30
Commercial/Industrial and Public Utility Real	3.16	3.16
General Business and Public Utility Personal	6.40	6.40
1988 Current Expense		
Residential/Agricultural Real	4.38	4.39
Commercial/Industrial and Public Utility Real	4.49	4.50
General Business and Public Utility Personal	6.40	6.40
2001 Bond Levy (\$11,550,000)		
Residential/Agricultural Real	4.00	4.00
Commercial/Industrial and Public Utility Real	4.00	4.00
General Business and Public Utility Personal	4.00	4.00
2001 Site Acquisition (\$5,520,000)		
Residential/Agricultural Real	2.00	2.00
Commercial/Industrial and Public Utility Real	2.00	2.00
General Business and Public Utility Personal	2.00	2.00
2001 Classroom Facilities		
Residential/Agricultural Real	0.40	0.40
Commercial/Industrial and Public Utility Real	0.43	0.43
General Business and Public Utility Personal	0.50	0.50

2007	2008	2009	2010	2011	2012	2013	2014
<u>\$3.66</u>							
\$8.68	\$8.81	\$8.83	\$8.83	\$9.48	\$10.11	\$10.14	\$10.11
8.78	8.75	8.80	8.80	9.28	9.92	9.95	10.11
18.07	18.07	18.07	18.07	18.07	18.07	18.07	18.07
3.31	3.32	3.32	3.32	3.53	3.74	3.76	3.74
3.19	3.18	3.19	3.19	3.37	3.59	3.60	3.66
6.40	6.40	6.40	6.40	6.40	6.40	6.40	6.40
4.39	4.21	4.22	4.22	4.33	4.59	4.50	4.48
4.54	4.42	4.44	4.44	4.68	4.83	4.85	4.93
6.40	6.40	6.40	6.40	6.40	6.40	6.40	6.40
4.00	4.00	4.00	4.00	3.25	2.50	2.50	2.50
4.00	4.00	4.00	4.00	3.25	2.50	2.50	2.50
4.00	4.00	4.00	4.00	3.25	2.50	2.50	2.50
2.00	2.00	2.00	2.00	1.75	1.50	1.50	1.50
2.00	2.00	2.00	2.00	1.75	1.50	1.50	1.50
2.00	2.00	2.00	2.00	1.75	1.50	1.50	1.50
0.40	0.36	0.36	0.36	0.36	0.36	0.36	0.36
0.43	0.41	0.41	0.41	0.44	0.44	0.44	0.45
0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50

(continued)

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

	2005	2006
TOTAL VOTED MILLAGE BY TYPE OF PROPERTY		
Residential/Agricultural Real	\$22.74	\$22.76
Commercial/Industrial and Public Utility Real	22.77	22.79
General Business and Public Utility Personal	37.37	37.37
WEIGHTED AVERAGE	25.08	24.84
TOTAL MILLAGE BY TYPE OF PROPERTY		
Residential/Agricultural Real	\$26.40	\$26.42
Commercial/Industrial and Public Utility Real	26.43	26.45
General Business and Public Utility Personal	41.03	41.03
OVERLAPPING RATES BY TAXING DISTRICT		
TOWNSHIPS:		
Residential/Agricultural Real	0.27 - 2.92	0.27 - 2.92
Commercial/Industrial and Public Utility Real	0.35 - 2.92	0.35 - 2.92
General Business and Public Utility Personal	0.50 - 2.92	0.50 - 3.00
CORPORATIONS:		
Residential/Agricultural Real	0.30 - 4.29	0.30 - 4.29
Commercial/Industrial and Public Utility Real	0.30 - 4.29	0.30 - 4.29
General Business and Public Utility Personal	0.30 - 4.29	0.30 - 4.29
SCIOTO COUNTY JOINT VOCATIONAL SCHOOL DISTRICT:		
Residential/Agricultural Real	0.61 - 0.72	0.61 - 0.73
Commercial/Industrial and Public Utility Real	0.43 - 0.81	0.43 - 0.74
General Business and Public Utility Personal	1.37 - 1.50	1.00 - 1.50
COUNTY AND OTHER UNITS:		
Residential/Agricultural Real	0.09 - 2.08	0.09 - 3.30
Commercial/Industrial and Public Utility Real	0.14 - 2.08	0.14 - 3.30
General Business and Public Utility Personal	0.20 - 2.08	0.20 - 3.30
LIBRARY		
Residential/Agricultural Real	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00
General Business and Public Utility Personal	0.00	0.00

Source: Ohio Department of Taxation

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

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

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

2007	2008	2009	2010	2011	2012	2013	2014
\$22.78	\$22.70	\$22.73	\$22.73	\$22.70	\$22.80	\$22.76	\$22.69
22.94	22.76	22.84	22.84	22.77	22.78	22.84	23.15
37.37	37.37	37.37	37.37	36.37	35.37	35.37	35.37
24.61	23.90	23.65	23.63	23.50	23.53	23.58	24.95
\$26.44	\$26.36	\$26.39	\$26.39	\$26.36	\$26.46	\$26.42	\$26.35
26.60	26.42	26.50	26.50	26.43	26.44	26.50	26.81
41.03	41.03	41.03	41.03	40.03	39.03	39.03	39.03
0.27 - 2.92	0.24 - 2.92	0.24 - 2.92	0.24 - 2.92	0.23 - 2.92	0.23 - 2.92	0.23 - 2.92	0.22 - 2.92
0.35 - 2.92	0.34 - 2.92	0.34 - 2.92	0.35 - 2.92	0.37 - 2.92	0.36 - 2.92	0.36 - 2.92	0.36 - 2.92
0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00
0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.61 - 0.72	0.59 - 0.71	0.59 - 0.72	0.59 - 0.72	0.56 - 0.72	0.56 - 0.72	0.56 - 0.72	0.54 - 0.71
0.64 - 0.83	0.61 - 0.80	0.67 - 0.80	0.63 - 0.74	0.64 - 0.83	0.66 - 0.85	0.66 - 0.85	0.67 - 0.87
1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50
0.09 - 3.30	0.09 - 3.01	0.09 - 3.02	0.08 - 3.03	0.08 - 2.85	0.08 - 2.86	0.09 - 2.86	0.08 - 2.76
0.14 - 3.30	0.13 - 3.17	0.13 - 3.18	0.14 - 3.25	0.14 - 3.29	0.14 - 3.30	0.14 - 3.30	0.15 - 3.30
0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30
0.00	0.00	0.00	0.00	0.94	0.95	0.95	0.91
0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00
0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00

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

Collection Year (1)	Total Tax Levied (2)	Current Tax Collection (3)	Percent of Current Levy Collected	Delinquent Tax Collection (4)	Total Tax Collections
2004	\$6,390,997	\$4,471,383	69.96%	\$224,048	\$4,695,431
2005	6,155,199	5,475,920	88.96%	294,474	5,770,394
2006	7,176,401	5,498,085	76.61%	334,023	5,832,108
2007	6,453,333	5,540,706	85.86%	277,855	5,818,561
2008	6,538,915	5,317,607	81.32%	291,377	5,608,984
2009	6,331,636	5,087,391	80.35%	331,404	5,418,795
2010	6,378,276	5,122,326	80.31%	291,367	5,413,693
2011	6,367,959	5,122,410	80.44%	331,016	5,453,426
2012	6,284,548	5,048,790	80.34%	394,034	5,442,824
2013	6,420,049	5,177,009	80.64%	447,664	5,624,673

Source: Scioto County Auditor

- (1) The 2014 information cannot be presented because all collections have not been made by June 30, 2014.
- (2) Taxes levied and collected are presented on a cash basis because that is the manner that information is maintained by the County Auditor.
- (3) State reimbursements of rollback and homestead exemptions are not included.
- (4) Penalties and interest are included since, by Ohio law, they become part of the tax obligation as assessment occurs.

<u>Percent Of Total Collections To Total Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Percent of Outstanding Delinquent Taxes To Total Tax Levied</u>
73.47%	\$744,845	11.65%
93.75%	832,330	13.52%
81.27%	836,619	11.66%
90.16%	567,644	8.80%
85.78%	687,143	10.51%
85.58%	782,672	12.36%
84.88%	911,979	14.30%
85.64%	1,133,570	17.80%
86.61%	1,258,187	20.02%
87.61%	1,180,096	18.38%

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

Fiscal Year	General Obligation Bonds (1)	EPA Asbestos Loan (1)	Capital Leases (1)	Total Outstanding Debt	Estimated Actual Value (2)
2005	\$16,595,089	\$35,707	\$95,114	\$16,725,910	\$715,671,539
2006	16,267,255	21,423	3,794	16,292,472	726,854,931
2007	15,911,027	7,139	2,043	15,920,209	739,488,155
2008	15,476,755	0	0	15,476,755	770,474,686
2009	14,972,234	0	214,963	15,187,197	684,742,966
2010	14,450,128	0	163,534	14,613,662	683,555,509
2011	13,902,337	0	108,944	14,011,281	685,171,606
2012	13,297,879	0	50,999	13,348,878	681,288,223
2013	13,107,836	0	162,668	13,270,504	676,696,600
2014	12,474,361	0	285,094	12,759,455	690,097,217

Source: (1) School District Financial Records
 (2) Scioto County Auditor
 (3) Census data for 2000 and 2010 census
 (4) Computation of per capita personal income multiplied by population

<u>Population (3)</u>	<u>Personal Income (4)</u>	<u>Ratio of Debt to Estimated Actual Value</u>	<u>Ratio of Debt to Personal Income</u>	<u>Debt Per Capita</u>
20,909	\$315,265,902	2.34%	5.31%	\$799.94
20,909	315,265,902	2.24%	5.17%	779.21
20,909	315,265,902	2.15%	5.05%	761.40
20,909	315,265,902	2.01%	4.91%	740.20
20,909	315,265,902	2.22%	4.82%	726.35
20,909	315,265,902	2.14%	4.64%	698.92
20,226	321,836,112	2.04%	4.35%	692.74
20,226	321,836,112	1.96%	4.15%	659.99
20,226	321,836,112	1.96%	4.12%	656.11
20,226	351,972,852	1.85%	3.63%	630.84

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

Fiscal Year	General Obligation Bonded Debt (1)	Estimated Actual Value (2)	Population (3)	Ratio of General Obligation Debt to Estimated Actual Value	General Obligation Debt Per Capita
2005	\$16,595,089	\$715,671,539	20,909	2.32%	\$793.68
2006	16,267,255	726,854,931	20,909	2.24%	778.00
2007	15,911,027	739,488,155	20,909	2.15%	760.97
2008	15,476,755	770,474,686	20,909	2.01%	740.20
2009	14,972,234	684,742,966	20,909	2.19%	716.07
2010	14,450,128	683,555,509	20,909	2.11%	691.10
2011	13,902,337	685,171,606	20,226	2.03%	687.35
2012	13,297,879	681,288,223	20,226	1.95%	657.46
2013	13,107,836	676,696,600	20,226	1.94%	648.07
2014	12,474,361	690,097,217	20,226	1.81%	616.75

(1) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

Source: (2) Scioto County Auditor
 (3) Census data for 2000 and 2010 census

Portsmouth City School District
Computation of Direct and Overlapping Debt
 June 30, 2014

Jurisdiction	Debt Attributable to Governmental Activities (1)	Percentage Applicable to District (2)	Amount Applicable to District
Direct:			
Portsmouth City School District:			
General Obligation Bonds	\$12,474,361	100.00%	\$12,474,361
Capital Lease Obligation	<u>285,094</u>	100.00	<u>285,094</u>
Total Direct Debt	<u>12,759,455</u>		<u>12,759,455</u>
Overlapping:			
Scioto County:			
General Obligation Bonds	8,298,273	24.08	1,998,224
Loan Obligation	4,016	24.08	967
Bond Anticipation Notes	112,000	24.08	26,970
Capital Lease Obligation	1,369,319	24.08	329,732
Scioto County Career Technical Center:			
Loan Obligation	58,400	24.30	14,191
Capital Lease Obligation	3,150,000	24.30	765,450
City of Portsmouth:			
General Obligation Bonds	1,450,000	100.00	1,450,000
Capital Lease Obligation	<u>662,384</u>	100.00	<u>662,384</u>
Total Overlapping Debt	<u>15,104,392</u>		<u>5,247,918</u>
Total Direct and Overlapping Debt	<u>\$27,863,847</u>		<u>\$18,007,373</u>

Source: Ohio Municipal Advisory Council

(1) Represents General Obligation Bonded Debt Only

(2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.

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

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>
Total Assessed Valuation	\$235,450,442	\$233,031,145	\$229,650,393
Less Railroad and Telephone Property Valuation	0	(4,636,680)	(3,882,440)
Less General Business Tangible Personal Property Valuation	<u>0</u>	<u>(17,455,515)</u>	<u>(12,786,263)</u>
Total Assessed Valuation used to Calculate Legal Debt Margin (1)	235,450,442	210,938,950	212,981,690
Overall debt limitation - 9.0% of assessed valuation (2)	21,190,540	18,984,506	19,168,352
Gross indebtedness authorized by the School District	16,120,707	15,691,423	15,449,595
Less exempt debt:			
EPA Asbestos Loan	<u>(35,707)</u>	<u>(21,423)</u>	<u>(7,139)</u>
Debt within 9.0% limitation	16,085,000	15,670,000	15,442,456
Less amount available in the debt service fund	<u>(1,270,369)</u>	<u>(1,593,664)</u>	<u>(1,636,739)</u>
Net debt within 9.0% limitation	<u>14,814,631</u>	<u>14,076,336</u>	<u>13,805,717</u>
Legal debt margin within 9.0% limitation	<u>\$6,375,909</u>	<u>\$4,908,170</u>	<u>\$5,362,635</u>
Legal Debt Margin as a Percentage of the Debt Limit	30.1%	25.9%	28.0%
<hr/>			
Unvoted debt limitation .10% of assessed valuation (2)	\$235,450	\$210,939	\$212,982
Gross indebtedness authorized by the School District	35,707	21,423	7,139
Less exempt debt:			
EPA Asbestos Loan	<u>(35,707)</u>	<u>(21,423)</u>	<u>(7,139)</u>
Legal debt margin within .10% limitation	<u>\$235,450</u>	<u>\$210,939</u>	<u>\$212,982</u>
Unvoted Legal Debt Margin as a Percentage of the Excess of Revenues Over (Under) Expenditures	100.0%	100.0%	100.0%

Source: Scioto County Auditor and School District Records

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

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

2008	2009	2010	2011	2012	2013	2014
\$237,052,660	\$232,304,640	\$231,347,620	\$234,472,450	\$232,997,250	\$230,968,590	\$234,845,790
(2,663,890)	(1,832,410)	(828,540)	0	0	0	0
(5,951,460)	(828,540)	(435,460)	0	0	0	0
228,437,310	229,643,690	230,083,620	234,472,450	232,997,250	230,968,590	234,845,790
20,559,358	20,667,932	20,707,526	21,102,521	20,969,753	20,787,173	21,136,121
15,235,000	14,715,000	14,170,000	13,590,000	12,974,457	12,264,457	11,579,457
0	0	0	0	0	0	0
15,235,000	14,715,000	14,170,000	13,590,000	12,974,457	12,264,457	11,579,457
(1,951,714)	(2,243,808)	(3,060,637)	(3,118,408)	(2,986,970)	(2,678,358)	(2,368,570)
13,283,286	12,471,192	11,109,363	10,471,592	9,987,487	9,586,099	9,210,887
\$7,276,072	\$8,196,740	\$9,598,163	\$10,630,929	\$10,982,266	\$11,201,074	\$11,925,234
35.4%	39.7%	46.4%	50.4%	52.4%	53.9%	56.4%
\$228,437	\$229,644	\$230,084	\$234,472	\$232,997	\$230,969	\$234,846
0	0	0	0	0	0	0
0	0	0	0	0	0	0
\$228,437	\$229,644	\$230,084	\$234,472	\$232,997	\$230,969	\$234,846
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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

Year	Population (1)	Total Personal Income (2)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age (1)
2005	20,909	\$ 315,265,902	\$15,078	\$23,004	38
2006	20,909	315,265,902	15,078	23,004	38
2007	20,909	315,265,902	15,078	23,004	38
2008	20,909	315,265,902	15,078	23,004	38
2009	20,909	315,265,902	15,078	23,004	38
2010	20,909	315,265,902	15,078	23,004	38
2011	20,226	321,836,112	15,912	24,562	38
2012	20,226	321,836,112	15,912	24,562	38
2013	20,226	321,836,112	15,912	24,562	38
2014	20,226	351,972,852	17,402	26,530	38

Source: (1) U.S. Census Bureau
(2) Computation of per capita personal income multiplied by population
(3) School District Records
(4) Ohio Department of Job and Family Services
(5) Ohio Department of Taxation

<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>	<u>School Enrollment (3)</u>	<u>Scioto County Unemployment Rate (4)</u>	<u>State of Ohio Unemployment Rate (4)</u>	<u>U.S.A. Unemployment Rate (4)</u>	<u>Total Assessed Property Value (5)</u>
12.50	2,079	8.40	5.70	5.00	\$235,450,442
12.50	1,982	7.40	5.20	4.80	233,031,145
12.50	2,119	7.80	6.10	4.70	229,650,393
12.50	2,132	8.30	6.70	5.50	237,052,660
12.50	2,101	12.90	11.20	9.70	232,304,640
12.50	2,163	13.50	10.50	9.50	231,347,620
11.30	2,120	12.50	8.80	9.20	234,472,450
11.30	2,066	11.10	7.20	8.30	232,997,250
11.30	1,943	11.60	7.20	7.60	230,968,590
16.80	1,908	7.20	5.10	5.70	234,845,790

Portsmouth City School District
Principal Employers
Fiscal Years 2014 and 2005

Employer	2014		
	Total Employees	Rank	Percentage of Total Employees
Southern Ohio Medical Center	2,567	1	38.59%
Shawnee State University	1,577	2	23.71
Scioto County	694	3	10.43
City of Portsmouth	419	4	6.30
State of Ohio	312	5	4.69
Norfolk and Southern Railway	301	6	4.52
OSCO Industries, Inc.	263	7	3.95
Portsmouth City School District	245	8	3.68
Portsmouth Hospital Corporation	179	9	2.69
Southern Ohio Medical Care Foundation	95	10	1.44
Community Action Organization	-		-
Ohio Troopers Coalition	-		-
Kroger	-		-
Total Employees	<u>6,652</u>		<u>100.00%</u>

Source: City of Portsmouth

Total employment within the School District is not available.

2005		
Total Employees	Rank	Percentage of Total Employees
2,042	1	34.09%
1,483	2	24.75
662	3	11.05
286	6	4.77
327	4	5.46
-		-
292	5	4.87
273	7	4.56
-		-
-		-
250	8	4.17
200	9	3.34
176	10	2.94
<u>5,991</u>		<u>100.00%</u>

Portsmouth City School District
Building Statistics
Last Ten Fiscal Years

	2005	2006
Portsmouth Middle/High School (1)		
Constructed in 1906		
Total Building Square Footage	177,653	177,653
Acreage	4.00	4.00
Enrollment Grades 9-12 (Fiscal Years 1997 - 2005)	732	N/A
Enrollment Grades 7-12 (Beginning in Fiscal Year 2006)	N/A	761
Student Capacity	1,064	1,064
Regular Instructional Classrooms	37	37
Regular Instructional Teachers	40	37
Special Instructional Classrooms	4	4
Special Instructional Teachers	5	4
Extracurricular Space - Gymnasium Square Footage	18,992	18,992
Cafeteria Facilities Square Footage	3,500	3,500
Library/Media Center Square Footage	2,924	2,924
Portsmouth High/Junior High School (2)		
Constructed in 2007		
Total Building Square Footage	N/A	N/A
Acreage	N/A	N/A
Enrollment Grades 7-12	N/A	N/A
Student Capacity	N/A	N/A
Regular Instructional Classrooms	N/A	N/A
Regular Instructional Teachers	N/A	N/A
Special Instructional Classrooms	N/A	N/A
Special Instructional Teachers	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	N/A	N/A
Cafeteria Facilities Square Footage	N/A	N/A
Library/Media Center Square Footage	N/A	N/A
East Portsmouth Elementary School (3)		
Constructed in 2005		
Total Building Square Footage	N/A	45,779
Acreage	N/A	23.29
Enrollment Grades K-8	N/A	231
Student Capacity	N/A	390
Regular Instructional Classrooms	N/A	14
Regular Instructional Teachers	N/A	14
Special Instructional Classrooms	N/A	5
Special Instructional Teachers	N/A	2
Extracurricular Space - Gymnasium Square Footage	N/A	3,769
Cafeteria Facilities Square Footage	N/A	3,857
Library/Media Center Square Footage	N/A	1,106

2007	2008	2009	2010	2011	2012	2013	2014
N/A							
N/A							
N/A							
N/A							
N/A							
N/A							
N/A							
N/A							
N/A							
N/A							
N/A							
N/A							
182,540	182,540	182,540	182,540	182,540	182,540	182,540	182,540
8.26	8.26	8.26	8.26	8.26	8.26	8.26	8.26
815	755	759	795	777	747	724	687
1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150
52	52	52	52	51	51	50	50
47	40	40	43	42	43	41	40
11	11	11	11	12	13	13	13
11	11	11	11	12	13	13	13
17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847
16,021	16,021	16,021	16,021	16,021	16,021	16,021	16,021
4,098	4,098	4,098	4,098	4,098	4,098	4,098	4,098
45,779	45,779	45,779	45,779	45,779	45,779	45,779	45,779
23.29	23.29	23.29	23.29	23.29	23.29	23.29	23.29
247	255	204	247	246	258	229	239
390	390	390	390	390	390	390	390
14	14	14	14	14	14	12	12
14	14	14	14	14	14	14	15
5	5	5	5	5	5	5	5
4	4	4	5	5	5	5	6
3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769
3,857	3,857	3,857	3,857	3,857	3,857	3,857	3,857
1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106

(continued)

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

	2005	2006
McKinley Elementary School (1)		
Constructed in 1916 with additions in 1955		
Total Building Square Footage	64,450	64,450
Acreage	2.02	2.02
Enrollment Grades 6-8 (Fiscal Years 1997 - 2000)	N/A	N/A
Enrollment Grades 4-6 (Beginning in Fiscal Year 2001)	298	350
Student Capacity	427	427
Regular Instructional Classrooms	22	22
Regular Instructional Teachers	18	13
Special Instructional Classrooms	6	6
Special Instructional Teachers	7	4
Extracurricular Space - Gymnasium Square Footage	6,148	6,148
Cafeteria Facilities Square Footage	1,904	1,904
Library/Media Center Square Footage	2,160	2,160
Wilson Elementary School (1)		
Constructed in 1926 with additions in 1957		
Total Building Square Footage	61,790	61,790
Acreage	2.00	2.00
Enrollment Grades K-5 (Fiscal Years 1997 - 2000)	N/A	N/A
Enrollment Grades K-3 (Beginning in Fiscal Year 2001)	402	320
Student Capacity	522	522
Regular Instructional Classrooms	20	20
Regular Instructional Teachers	16	14
Special Instructional Classrooms	8	8
Special Instructional Teachers	2	3
Extracurricular Space - Gymnasium Square Footage	3,990	3,990
Cafeteria Facilities Square Footage	3,990	3,990
Library/Media Center Square Footage	828	828
Roosevelt Elementary School (1)		
Constructed in 1929 with additions in 1956 and 1958		
Total Building Square Footage	32,224	32,224
Acreage	3.79	3.79
Enrollment Grades K-5 (Fiscal Years 1997 - 2000)	N/A	N/A
Enrollment Grades K-3 (Beginning in Fiscal Year 2001)	329	320
Student Capacity	258	258
Regular Instructional Classrooms	11	11
Regular Instructional Teachers	15	14
Special Instructional Classrooms	1	1
Special Instructional Teachers	3	3
Extracurricular Space - Gymnasium Square Footage	4,230	4,230
Cafeteria Facilities Square Footage	4,230	4,230
Library/Media Center Square Footage	1,280	1,280

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

	2005	2006
Harding Elementary School (4)		
Constructed in 1929 with additions in 1959		
Total Building Square Footage	41,455	N/A
Acreage	2.00	N/A
Enrollment Grades K-6	318	N/A
Student Capacity	332	N/A
Regular Instructional Classrooms	17	N/A
Regular Instructional Teachers	17	N/A
Special Instructional Classrooms	3	N/A
Special Instructional Teachers	2	N/A
Extracurricular Space - Gymnasium Square Footage	4,600	N/A
Cafeteria Facilities Square Footage	4,600	N/A
Library/Media Center Square Footage	1,012	N/A
Portsmouth Elementary School (2)		
Constructed in 2007		
Total Building Square Footage	N/A	N/A
Acreage	N/A	N/A
Enrollment Grades K-6	N/A	N/A
Student Capacity	N/A	N/A
Regular Instructional Classrooms	N/A	N/A
Regular Instructional Teachers	N/A	N/A
Special Instructional Classrooms	N/A	N/A
Special Instructional Teachers	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	N/A	N/A
Cafeteria Facilities Square Footage	N/A	N/A
Library/Media Center Square Footage	N/A	N/A

Source: School District Records

N/A - Not Available

- (1) Portsmouth Middle/High School, McKinley Elementary School, Wilson Elementary School, and Roosevelt Elementary School were demolished in fiscal year 2007.
- (2) Portsmouth High/Junior High School and Portsmouth Elementary School were constructed in fiscal year 2007.
- (3) East Portsmouth Elementary School was constructed in fiscal year 2006.
- (4) Harding Elementary School was demolished in fiscal year 2006

Portsmouth City School District

Employees by Function

Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<i>Governmental Activities</i>				
Instruction:				
Regular	107.00	102.00	103.00	105.00
Special	40.00	39.50	36.00	32.00
Vocational	5.00	4.00	4.00	4.00
Support Services:				
Pupils				
Student Facilitator	1.00	1.00	1.00	1.00
Pupil Personnel Facilitator	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	1.00	1.00
Guidance Counselors	6.00	5.00	5.00	5.00
Psychologists	2.00	3.00	3.00	3.00
Speech and Language Pathologists	2.00	2.00	2.00	3.00
Data Facilitators	2.00	10.50	4.00	4.00
Test Coordinator	1.00	0.00	0.00	0.00
Nurse	1.00	1.00	1.00	1.00
Nurse Aides	2.00	2.00	2.00	2.00
Attendance Officer	1.00	1.00	1.00	1.00
Instructional Staff				
Directors	2.00	2.00	2.00	2.00
Coordinator	1.00	0.00	2.00	4.00
Secretary	1.00	2.00	2.00	1.00
Aides/Paraprofessionals	26.00	26.00	20.00	22.00
Librarians	2.00	2.00	2.00	2.00
Supervisor Technical Support	1.00	1.00	1.00	1.00
Administration				
Superintendent	1.00	1.00	1.00	1.00
Coordinator	0.00	0.00	0.00	4.00
Executive Assistants	2.00	2.00	2.00	2.00
Principals/Assistant Principals	5.00	4.00	5.00	5.00
Dean	1.00	1.00	1.00	1.00
Secretaries	9.00	8.00	18.00	16.00
Fiscal				
Treasurer	1.00	1.00	1.00	1.00
Assistant Treasurer	0.00	0.00	0.00	1.00
Secretaries	3.00	3.00	3.00	3.00

2009	2010	2011	2012	2013	2014
114.50	114.00	113.00	110.25	109.00	108.00
31.25	34.00	34.00	32.25	30.00	30.00
4.25	4.00	4.00	3.50	3.00	2.00
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00	1.00
5.00	5.00	5.00	5.00	5.00	5.00
3.00	2.00	2.00	2.00	2.00	2.00
3.00	3.00	3.00	3.00	3.00	3.00
4.00	4.00	1.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	3.00
1.00	1.00	1.00	0.00	0.00	0.00
2.00	1.00	1.00	1.00	1.00	1.00
1.00	2.00	2.00	2.00	2.00	0.00
1.00	1.00	1.00	1.00	1.00	1.00
19.00	21.00	21.00	20.00	19.00	19.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00
2.00	2.00	2.00	2.00	2.00	2.00
5.00	4.00	4.00	3.00	4.00	4.00
1.00	1.00	1.00	1.00	1.00	1.00
8.00	8.00	8.00	8.00	8.00	9.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00

(continued)

Portsmouth City School District
Employees by Function
Last Ten Fiscal Years
(continued)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Business				
Director	0.50	0.50	1.50	1.50
Executive Assistant	0.50	0.50	0.50	0.50
Operation and Maintenance of Plant				
Executive Assistant	0.50	0.50	0.50	0.50
Custodians	16.50	16.50	18.00	17.00
Maintenance	2.00	2.00	2.00	2.00
Pupil Transportation				
Bus Drivers	7.00	7.00	7.00	8.00
Operation of Non-Instructional Services:				
Food Service Opoerations				
Director	0.50	0.50	0.50	0.50
Manager	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	1.00	1.00
Cooks	16.00	14.00	14.00	15.00
Courier	0.50	0.50	0.00	0.00
<i>Total Number of Employees</i>	<u><u>273.00</u></u>	<u><u>270.00</u></u>	<u><u>270.00</u></u>	<u><u>276.00</u></u>

Method: Using 1.0 for each full-time employee and either 0.25 or 0.50 for part-time and seasonal employees.

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

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
1.50	1.50	1.50	1.50	1.50	1.50
0.50	0.50	0.50	0.50	0.50	0.50
0.50	0.50	0.50	0.50	0.50	0.50
18.00	18.00	18.00	18.00	18.00	16.00
2.00	2.00	2.00	2.00	2.00	2.00
7.00	7.00	7.00	6.00	6.00	6.00
0.50	0.50	0.50	0.50	0.50	0.50
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
17.00	18.00	18.00	19.00	18.00	16.00
0.00	0.00	0.00	0.00	0.00	0.00
<u>266.00</u>	<u>269.00</u>	<u>265.00</u>	<u>256.00</u>	<u>251.00</u>	<u>245.00</u>

Portsmouth City School District
Per Pupil Cost
Last Ten Fiscal Years

Year	General Government Expenditures (1)	Average Daily Membership	Per Pupil Cost	Teaching Staff	Pupil/ Teacher Ratio
2005	\$54,809,495	2,079	26,363	166	12.52
2006	43,490,216	1,982	21,943	167	11.87
2007	33,318,973	2,119	15,724	172	12.32
2008	30,872,681	2,132	14,481	175	12.18
2009	31,746,457	2,101	15,110	169	12.43
2010	32,974,724	2,163	15,245	170	12.72
2011	33,707,398	2,120	15,900	165	12.85
2012	31,513,536	2,066	15,253	159	12.99
2013	32,119,584	1,943	16,531	155	12.54
2014	32,402,325	1,908	16,982	154	12.39

Source: School District Records

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

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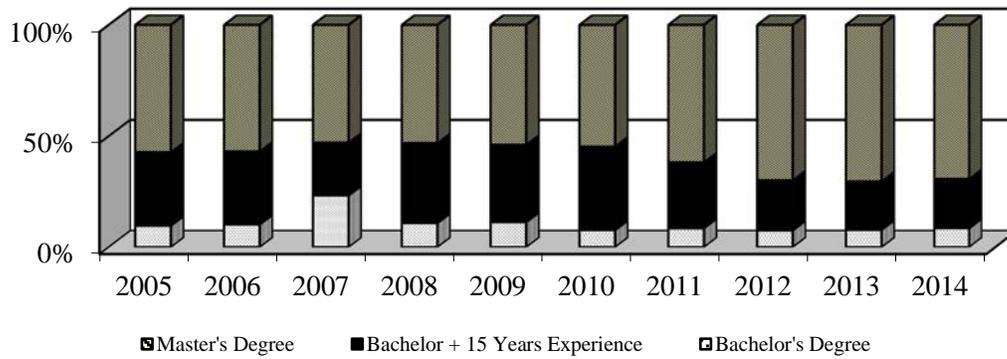
Portsmouth City School District
Full-Time Equivalent Teachers by Education
Last Ten Fiscal Years

Degree	2005	2006	2007
Bachelor's Degree	16	17	40
Bachelor + 15 Years Experience	55	55	41
Master's Degree	<u>95</u>	<u>95</u>	<u>91</u>
Total	<u><u>166</u></u>	<u><u>167</u></u>	<u><u>172</u></u>

Source: School District Records

2008	2009	2010	2011	2012	2013	2014
19	19	13	14	12	12	14
63	59	64	49	36	34	34
93	91	93	102	111	109	106
175	169	170	165	159	155	154

Full-Time Equivalent Teachers by Education



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

<u>Years of Experience</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
0 - 5	21	18	26
6 - 10	29	34	36
11 - 15	18	14	13
16 - 20	41	35	34
21 - 25	25	28	27
26 and over	<u>32</u>	<u>38</u>	<u>36</u>
Total	<u><u>166</u></u>	<u><u>167</u></u>	<u><u>172</u></u>

Source: School District Records

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
35	29	27	24	21	15	24
33	27	27	26	30	38	32
14	26	26	32	29	27	41
31	18	18	15	15	17	14
28	35	36	28	28	22	26
<u>34</u>	<u>34</u>	<u>36</u>	<u>40</u>	<u>36</u>	<u>36</u>	<u>17</u>
<u><u>175</u></u>	<u><u>169</u></u>	<u><u>170</u></u>	<u><u>165</u></u>	<u><u>159</u></u>	<u><u>155</u></u>	<u><u>154</u></u>

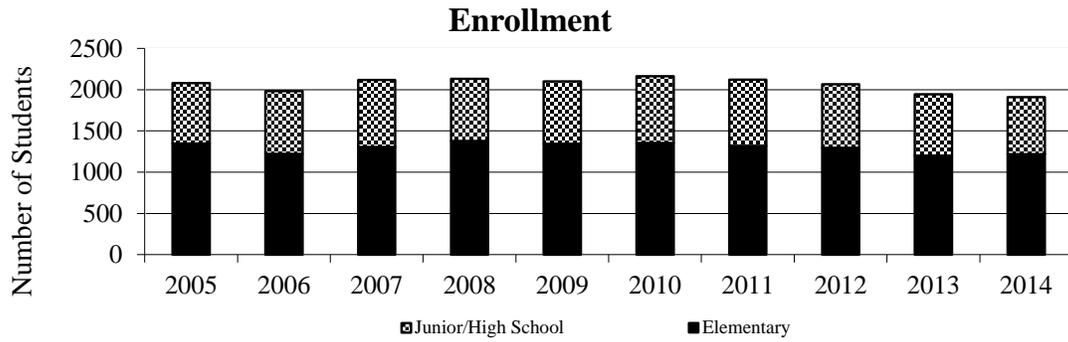
Portsmouth City School District

Enrollment

Last Ten Fiscal Years

<u>Year</u>	<u>Preschool</u>	<u>K</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
2005	37	209	218	183	158	144	158
2006	34	196	201	193	168	158	149
2007	40	212	220	188	200	180	143
2008	37	200	223	211	201	208	159
2009	87	195	206	182	187	159	160
2010	106	208	191	182	170	177	157
2011	99	219	202	157	163	147	166
2012	101	186	199	180	154	174	143
2013	85	203	192	146	158	137	157
2014	75	193	198	165	143	154	154

6	7	8	9	10	11	12	Total
240	145	119	121	126	114	107	2,079
122	166	139	104	118	127	107	1,982
121	136	170	147	118	127	117	2,119
138	122	128	156	126	110	113	2,132
166	114	130	136	145	122	112	2,101
162	164	109	141	110	161	125	2,163
165	164	156	124	112	106	140	2,120
159	147	151	164	96	111	101	2,066
125	142	142	148	127	86	95	1,943
139	110	120	124	119	134	80	1,908



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

District Buildings	2005	2006	2007	2008
Portsmouth Middle/High School (1)	51.64%	55.85%	N/A	N/A
Portsmouth High/Junior High School (2)	N/A	N/A	64.04%	63.31%
East Portsmouth Elementary School (3)	N/A	84.85%	85.43%	81.96%
McKinley Elementary School (1)	100.00%	78.86%	N/A	N/A
Wilson Elementary School (1)	72.89%	100.00%	N/A	N/A
Roosevelt Elementary School (1)	54.41%	58.44%	N/A	N/A
Harding Elementary School (4)	75.16%	N/A	N/A	N/A
Portsmouth Elementary School (2)	N/A	N/A	82.21%	82.17%
District-Wide	67.87%	73.66%	75.60%	75.47%

Source: Food Service Director Records

N/A - Not Available

- (1) Portsmouth Middle/High School, McKinley Elementary School, Wilson Elementary School, and Roosevelt Elementary School were demolished in fiscal year 2007.
- (2) Portsmouth High/Junior High School and Portsmouth Elementary School were constructed in fiscal year 2007.
- (3) East Portsmouth Elementary School was constructed in fiscal year 2006.
- (4) Harding Elementary School was demolished in fiscal year 2006.
- (5) For 2014, this information was not available.

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 (5)</u>
N/A	N/A	N/A	N/A	N/A	N/A
63.37%	55.60%	65.64%	66.40%	69.61%	N/A
89.71%	92.30%	92.28%	92.25%	96.51%	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
80.58%	81.20%	83.77%	80.87%	86.97%	N/A
75.47%	73.00%	78.11%	77.06%	81.63%	N/A

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Dave Yost • Auditor of State

PORTSMOUTH CITY SCHOOL DISTRICT

SCIOTO COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 7, 2015**