

PRINCETON CITY SCHOOL DISTRICT  
HAMILTON COUNTY  
SINGLE AUDIT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020



Millhuff-Stang, CPA, Inc.  
1428 Gallia Street / Portsmouth, Ohio 45662 / Phone: 740.876.8548  
45 West Second Street, Suite D / Chillicothe, Ohio 45601 / Phone: 740.851.4978  
Fax: 888.876.8549  
[natalie@millhuffstangcpa.com](mailto:natalie@millhuffstangcpa.com) / [roush@millhuffstangcpa.com](mailto:roush@millhuffstangcpa.com)  
[www.millhuffstangcpa.com](http://www.millhuffstangcpa.com)



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

Board of Education  
Princeton City School District  
3900 Cottingham Drive  
Cincinnati, Ohio 45241

We have reviewed the *Independent Auditor's Report* of Princeton City School District, Hamilton County, prepared by Millhuff-Stang, CPA, Inc., for the audit period July 1, 2019 through June 30, 2020. 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. Princeton City School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

January 13, 2021

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**Princeton City School District**  
**Hamilton County**  
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*For the Fiscal Year Ended June 30, 2020*

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**PRINCETON CITY SCHOOL DISTRICT  
HAMILTON COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Pass Through Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	3L60	\$138,051
Cash Assistance:			
COVID - 19 School Breakfast Program	10.553	3L70	107,616
School Breakfast Program	10.553	3L70	492,792
Total - School Breakfast Program			<u>600,408</u>
COVID - 19 National School Lunch Program	10.555	3L60	199,172
National School Lunch Program	10.555	3L60	1,427,794
Total - National School Lunch Program			<u>1,626,966</u>
Total Child Nutrition Cluster			<u>2,365,425</u>
Child Nutrition Discretionary Grants Limited Availability	10.579	3670	<u>14,310</u>
Total U.S. Department of Agriculture			<u>2,379,735</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
Special Education Cluster:			
Special Education-Grants to States	84.027	3M20	1,470,624
Special Education-Preschool Grants	84.173	3C50	21,604
Total Special Education Cluster			<u>1,492,228</u>
Title I Grants to Local Educational Agencies	84.010	3M00	1,784,073
English Language Acquisition State Grants	84.365	3Y70	230,860
Supporting Effective Instruction State Grants	84.367	3Y60	233,771
Student Support and Academic Enrichment Program	84.424	3H10	80,097
Total U.S. Department of Education			<u>3,821,029</u>
Total Federal Assistance			<u><u>\$6,200,764</u></u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**PRINCETON CITY SCHOOL DISTRICT  
HAMILTON COUNTY  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2020**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Princeton City School District (the District) under programs of the federal government for the year ended June 30, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE C - CHILD NUTRITION CLUSTER**

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

**NOTE D – FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective program that benefited 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  
Princeton City School District  
3900 Cottingham Drive  
Cincinnati, Ohio 45241

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 Princeton City School District, Hamilton County, (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 9, 2020, wherein we noted the financial impact of COVID-19 and the continuing emergency measures that may impact subsequent periods of the District.

**Internal Control Over Financial Reporting**

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

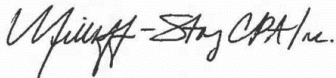
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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.



Millhuff-Stang, CPA, Inc.  
Portsmouth, Ohio

December 9, 2020

**Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Federal Awards Expenditures Required by the Uniform Guidance**

Independent Auditor's Report

Board of Education  
Princeton City School District  
3900 Cottingham Drive  
Cincinnati, Ohio 45241

**Report on Compliance for Each Major Federal Program**

We have audited Princeton City School District's, Hamilton County, (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 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 District's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the 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, 2020.

### **Report on Internal Control Over Compliance**

Management of the 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 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 the Uniform Guidance, 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 District's internal control over compliance.

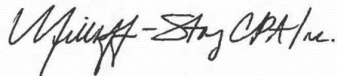
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 9, 2020, which contained unmodified opinions on those financial statements, and wherein we noted that the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. 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 the Uniform Guidance 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. 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.



Millhuff-Stang, CPA, Inc.  
Portsmouth, Ohio

December 9, 2020

**Princeton City School District**  
*Schedule of Findings and Questioned Costs*  
*For the Fiscal Year Ended June 30, 2020*

**Section I – Summary of Auditor’s Results**

<i>Financial Statements</i>		
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:		Unmodified
Internal control over financial reporting:		
	Material weakness(es) identified?	No
	Significant deficiency(ies) identified?	No
Noncompliance material to financial statements noted?		No
<i>Federal Awards</i>		
Internal control over major federal program(s):		
	Material weakness(es) identified?	No
	Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major federal programs:		Unmodified
Any auditing findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		No
Identification of major federal program(s):		Child Nutrition Cluster, CFDA #10.555 & #10.553; Special Education Cluster, CFDA #84.027 & #84.173
Dollar threshold used to distinguish between type A and type B programs:		Type A: >\$750,000 Type B: all others
Auditee qualified as low-risk auditee?		Yes

**Section II – Financial Statement Findings**

None

**Section III – Federal Award Findings and Questioned Costs**

None

# Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2020



Princeton City School District  
Cincinnati, Ohio

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**PRINCETON CITY SCHOOL DISTRICT  
CINCINNATI, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**PREPARED BY: OFFICE OF THE TREASURER**

**Christine Cook Poetter – CFO / TREASURER**

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# INTRODUCTORY SECTION



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3900 Cottingham Drive  
Cincinnati, OH 45241

Office of the Treasurer

Phone: (513) 864-1040

Fax: (513) 864-1059

December 9, 2020

TO THE CITIZENS AND BOARD OF EDUCATION OF THE PRINCETON CITY SCHOOL DISTRICT:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Princeton City School District (District) for the fiscal year ended June 30, 2020. This report was prepared by the Treasurer's Office, and contains financial statements, supplemental statements, and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 2019-20 fiscal year.

Responsibility for the accuracy, completeness, and fairness of the report rests with the District. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB).

This report includes all funds of the District. The District provides a full range of traditional and non-traditional educational programs, services, and facilities. These include elementary and secondary curriculum offerings at the general, college preparatory, and vocational levels; a broad range of co-curricular and extra-curricular activities; special education programs; and facilities and community recreation facilities.

In addition to providing these general activities, the District receives pass-through grants from the State and distributes these grants to parochial/private schools located within the District. This activity is included in the entity as a Special Revenue fund because of the District's administrative involvement in the program. The parochial/private schools served are: Cincinnati Hills Christian Academy, Hillcrest Training Academy, Bethany School, St. Gabriel School, St. Michael School and St. Rita School for the Deaf. While these organizations share operational and service similarity with the District, each is a legally separate and distinct entity. Because of their independent nature, none of these organizations are included in this report.

#### DESCRIPTION OF THE DISTRICT

The District serves an area of 36 square miles in the north central part of Hamilton County, encompassing the villages of Glendale, Evendale, Woodlawn and Lincoln Heights, and, the cities of Springdale and Sharonville. It also encompasses a small portion of Butler and Warren Counties. The tax base of the District is comprised of a unique blend of residential, commercial, and industrial property, with approximately 84% of the revenue coming from general property tax, public utility tax, homestead and rollback reimbursements, and TPP reimbursements.

During the 2019-20 school year, the District served 6,265 students enrolled in preschool, eight elementary schools, one middle school, one innovation center and one high school. The District's enrollment has stabilized with moderate increases in elementary and middle schools.

The student enrollment of the District is a reflection of the diversity of the communities it serves. For the 2019-20 school year, approximately 63.3% of the students were considered low-income and eligible to participate in the free/reduced lunch program; 145 students were enrolled in a full time or part-time trade program, through vocational education; 843 (13.5%) students with disabilities received instruction through a variety of special

education programs; and all eligible students can participate in a number of advanced academic programs such as International Baccalaureate, advanced placement courses, college credit plus and gifted elementary programs.

## ORGANIZATION OF THE DISTRICT

The Board of Education of the Princeton City School District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body and policy initiator for the operation of the District. The Board is also responsible for the adoption of the tax budget, the annual operating budget and approves all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

The members of the Board, their current terms, and total years served on the Board as of June 30, 2020, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Dr. Lillian Hawkins	Jan. 2018 - Dec. 2021	14 ½
Mrs. Mary Cleveland	Jan. 2018 - Dec. 2021	6 ½
Mrs. Susan Wyder	Jan. 2016 - Dec. 2023	8 ½
Ms. Gina Ruffin Moore	Jan. 2016 - Dec. 2023	4 ½
Mr. Jon Simons	Jan. 2020 - Dec. 2023	½

The Superintendent is the Chief Executive Officer of the District and is directly responsible to the Board for all operations of the District. Mr. Thomas D. Burton is serving as Superintendent effective May 4, 2018.

The Treasurer is the Chief Financial Officer of the District and is directly responsible to the Board for all financial operations, investments, and serves as Secretary to the Board. Christine Cook Poetter began her role as Treasurer on July 2, 2016.

## FINANCIAL CONDITION

This is the sixteenth year the District has prepared financial statements following GASB Statement 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 created basic financial statements for reporting on the District's financial activities as follows:

**Government-wide financial statements:** These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

**Fund financial statements:** These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

**Statement of budgetary comparisons:** These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this reporting model, management is responsible for preparing a Management's Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for fiscal year 2020 and the outlook for the future.

## EMPLOYEE RELATIONS

During the 2019-2020 school year, the Board employed staff that totaled a full time equivalency (FTE) of 750.11. Of the Board's current employees, a total FTE of 436.86 were certificated by the Ohio Department of Education serving as classroom teachers or education specialists, all of whom have at least a bachelor's degree. Other certificated staff included administrators with an FTE of 27.

Certificated teachers and education specialists are represented by the Princeton Association of Classroom Educators (PACE) which is a labor organization affiliated with the Ohio Education Association. A new 2 year PACE contract was signed effective 7/1/19 – 6/30/21.

Operational personnel are represented by the Princeton Support Staff Association (PSSA) which is affiliated with the Ohio Association of Public School Employees, Chapter 174 (OAPSE) which is a labor organization affiliated with the American Federation of State, County and Municipal Employees (AFSCME). A new 2 year PSSA contract was signed effective 7/1/19 – 6/30/21.

## MAJOR INITIATIVES FOR THE YEAR

The District continues its efforts to become an excellent educational institution. Through strategic planning, several areas have become the focus of increased activity. An Operational Strategic Plan was developed and the implementation is ongoing. This plan mirrors components of the previous District-wide plan. Central office and building administrators were instrumental in its development and are leading the implementation effort. As in the past, the plan is based on the District's mission statement.

### Princeton City Schools Strategic Plan Vision, Mission, and Guiding Principles

Drawn from themes initially shared by parents/families and residents, validated by staff and board interviews, and synthesized based on Princeton City School District's goals and momentum, these guiding principles inform the District's path ahead.

These principles set the tone for our strategic plan and are at the heart of everything the District does to ensure its students are prepared for the challenges and opportunities facing them today and tomorrow.

#### Vision:

The Princeton City School District will be nationally recognized for fostering innovative teaching and learning practices and instilling a passion for life-long learning in all students.

#### Mission:

Empowering each student for college, career, and life success.

### **Goal I: Responsibility**

All stakeholders will play a role in the success of each student's learning.

#### Objectives:

- Staff encourage a culture of student ownership and empower student responsibility.
- Families are partners in students' success.
- The District will establish new and strengthen existing business and community partnerships that benefit staff and students.
- The District will hold high standards for fiscal responsibility and stewardship.

## **Goal II: Performance**

Learning will be student-centered, and each student will be challenged to their highest potential, regardless of their starting point.

Objectives:

- Rigorous curriculum and instruction inspire innovative teaching and learning.
- Staff challenge and encourage each student to reach their highest potential throughout all grade-level transitions.
- Systems/processes monitor and respond to evidence of student learning.
- Graduates are equipped for success in college, on the job, and in life.

## **Goal III: Personalization**

We will celebrate diversity and respect the cultural, academic, and social/ emotional uniqueness of each student, and provide them with equitable access to learning opportunities for ongoing and future success.

Objectives:

- Consistent programming/resources highlight inclusion and celebrate the uniqueness of each student.
- Students and staff are equipped to encourage, support, and respond to the uniqueness of each student.
- All staff have professional learning opportunities aligned to their roles/responsibilities.
- All students are encouraged to participate in various extra- and co-curricular activities aligned to their personal interests.

## **Goal IV: Safety**

Students and staff will have safe learning environments where they feel protected and encouraged to voice their needs with confidence.

Objectives:

- Safety and security policies/procedures are communicated and accessible to all.
- Schools have strong partnerships with local law enforcement, physical and mental health care, and social service agencies.
- Staff foster a culture of safety where all students can grow and thrive.

## **Goal V: Communication**

We will foster consistent and transparent communication to build awareness and trust among all stakeholders.

Objectives:

- Stakeholders receive timely and consistent communications from the district and schools.
- Stakeholders view the District and schools as trusted and welcoming sources.
- Leaders encourage staff collaboration and communication within and across schools

## Relevant Financial Policies

The State of Ohio developed a new funding formula for funding public education in the state. The new formula allocates funding based on the number and demographic makeup of the District's student population as well as the relative wealth (both property and income based) for a District. In addition to the formula aid, districts are guaranteed to not receive less funding than they did in the base year or are capped on their growth to 5.2% of the formula amounts. For 2019, Princeton's funding was capped. Had there not been a state imposed funding cap in place, Princeton would have received approximately \$4.7 million in additional state funding. In FY20, the State froze funding for schools at the FY19 amounts with small additions for enrollment growth. In May 2020, the State reduced Princeton's funding by \$1.4 million for the current fiscal year. The \$1.4 million was also carried over to FY21.

Another significant change in the budget bill was the restructuring of Tangible Personal Property and Electric Deregulation Property Tax reimbursements. These reimbursements were restructured such that, for FY20, the reduction in the District's phase out for each reimbursement is limited to 5/8 mill.

## FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

### Internal Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

### Single Audit Act

As a recipient of federal and state financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District and annual reviews by the District's independent auditors.

As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

### Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by individual fund. Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons

at the fund and function level of expenditures. Any budgetary modifications at this level may only be made by resolution of the Board. The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. All special revenue, debt service, and capital project governmental funds have an annual appropriated budget.

Unencumbered appropriation balances are reviewed prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

#### Financial Policies

The District requires Board approval of all financial contracts exceeding \$50,000 as well as legal counsel review. Contracts are all processed through the District Treasurer.

#### Long-Term Financial Planning

The District maintains a five-year forecast as required by Ohio law with mandated updates in October and May of each year. In addition, the District has begun development on a short-term and long-term capital plan to address capital needs. In October 2010, the Princeton 2020 Task Force was created to identify the various programs and services offered by the District. The results of the Task Force contributed to the updated five-year forecast and serves as a foundation for determining strategies for maintaining fiscal sustainability throughout the forecast period.

#### OTHER INFORMATION

##### Independent Audit

Provisions of State statute require that the District's financial statements be subjected to an annual examination by an independent auditor. The Millhuff-Stang, CPA, Inc.'s unmodified opinion rendered on the District's basic financial statements, combining statements and individual fund schedules is included in the financial section of this Comprehensive Annual Financial Report. Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio.

##### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Princeton City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the nineteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe 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.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2019, to the District. The award was the twenty-first for the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the

Association of School Business Officials. This award is granted only after extensive review of the report by an expert panel of certified public accountants and practicing school business officials. The District believes our current report conforms to the ASBO's principles and standards, and we are submitting it to ASBO to determine its eligibility for a certificate.

Acknowledgments

The preparation and publication of the 2020 Comprehensive Annual Financial Report of the Princeton City School District was made possible by the combined efforts of the entire Treasurer's office staff. Finally, this report would not have been possible without the support, commitment, and leadership of the Board of Education to continue the pursuit of excellence in financial reporting.

Sincerely,



Christine Cook Poetter



Mr. Thomas D. Burton

PRINCETON CITY SCHOOL DISTRICT  
LIST OF PRINCIPAL OFFICIALS  
June 30, 2020

Elected Officials

---

President, Board of Education.....Dr. Lillian Hawkins  
Vice-President, Board of Education.....Mrs. Susan Wyder  
Board Member.....Mrs. Mary Cleveland  
Board Member.....Mrs. Gina Moore  
Board Member.....Mr. Jon Simons

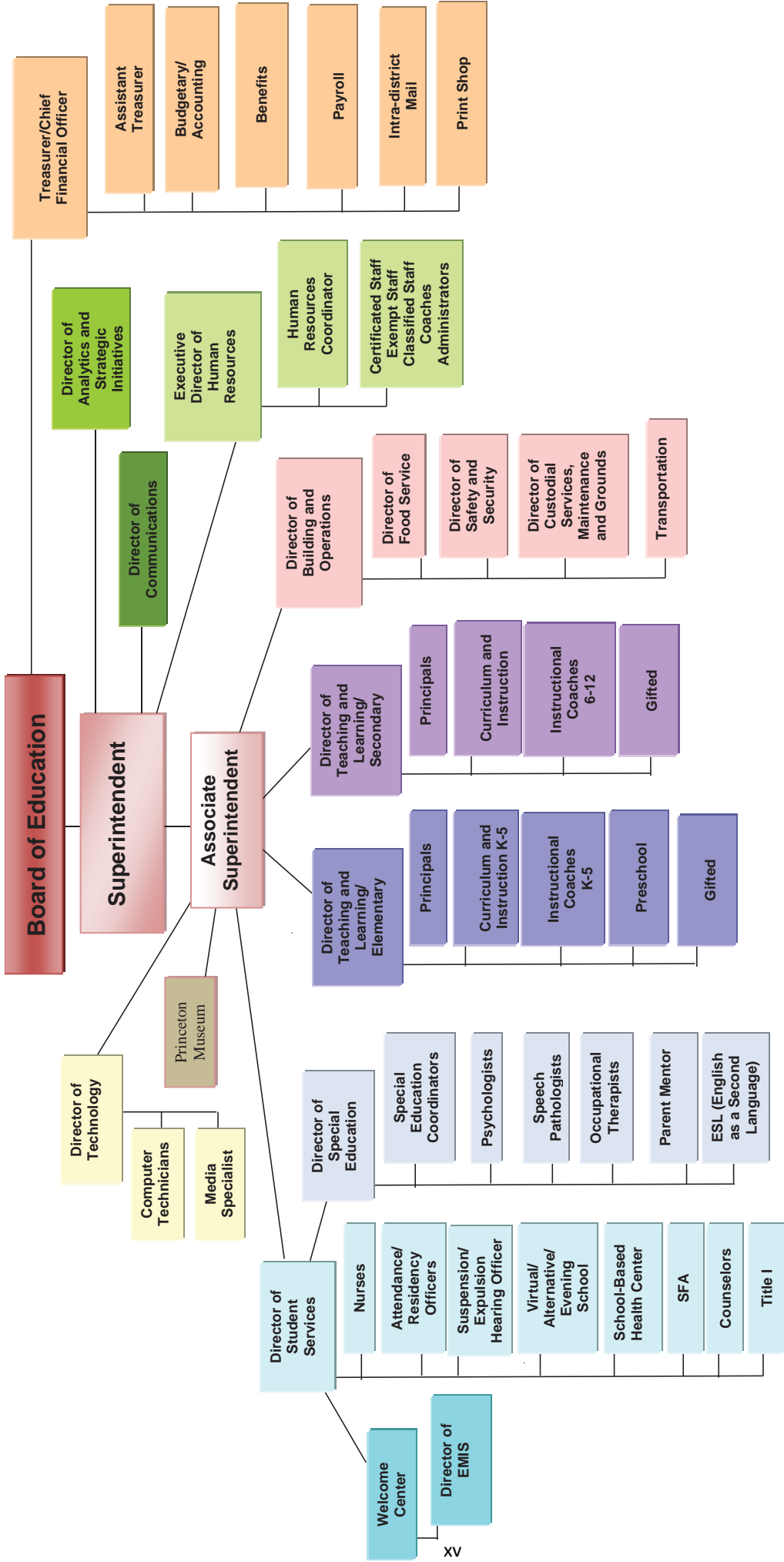
Administrative Officials

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Superintendent.....Mr. Thomas D. Burton  
Treasurer.....Ms. Christine Cook Poetter



# Organizational Chart of the Princeton City School District





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Princeton City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Princeton City School District, Ohio**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'. The signature is written in a cursive style and is positioned above a horizontal line.

**Claire Hertz, SFO**  
President

A handwritten signature in black ink, reading 'David J. Lewis'. The signature is written in a cursive style and is positioned above a horizontal line.

**David J. Lewis**  
Executive Director

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# FINANCIAL SECTION



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**Independent Auditor's Report**

Board of Education  
Princeton City School District  
3900 Cottingham Drive  
Cincinnati, Ohio 45241

**Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Princeton City School District, Hamilton County, (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the 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 Princeton City School District, Hamilton County, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in note 22 to the financial statements, during fiscal year 2020, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. We did not modify our opinion regarding this matter.

***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 13, the schedules of District's proportionate share of the net pension and OPEB liabilities on pages 62, 63, 66, and 67, the schedules of District contributions on pages 64, 65, 68, and 69, and the budgetary comparison information on page 70 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 District's basic financial statements. The financial section's combining statements and individual fund schedules, the introductory section, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

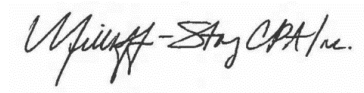
The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing 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 nonmajor 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 9, 2020 on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 District's internal control over financial reporting and compliance.



Millhuff-Stang, CPA, Inc.  
Portsmouth, Ohio

December 9, 2020

**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

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The management's discussion and analysis of Princeton City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

### **Financial Highlights**

Key financial highlights for 2020 are as follows:

- Net position of governmental activities decreased \$18,326,598 which represents a 44% decrease from 2019.
- General revenues accounted for \$74,875,933 in revenue or 84% of all revenues. Program specific revenues in the form of charges for services and sales, and operating grants and contributions accounted for \$14,640,473 or 16% of total revenues of \$89,516,406.
- The District had \$107,843,004 in expenses related to governmental activities; \$14,640,473 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$74,875,933 were also used to provide for these programs.

### **Overview of the Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the 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 District, presenting both an aggregate view of the 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 District's most significant funds with all other nonmajor funds presented in total in one column. The General and Bond Retirement funds are the major funds of the District.

### **Government-wide Financial Statements**

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2020?" The Government-wide Financial Statements answer this question. These statements include *all assets and deferred outflows* and *liabilities and deferred inflows* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

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These two statements report the District's net position and changes in net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Government-wide Financial Statements, the overall financial position of the District is presented in the following manner:

- **Governmental Activities** – Most of the District's programs and services are reported here including instruction, support services, operation of non-instructional services, extracurricular activities and interest and fiscal charges.

**Fund Financial Statements**

The analysis of the District's major funds is presented in the Fund Financial Statements (see Table of Contents). Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds.

**Governmental Funds** Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) 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** Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

**The District as a Whole**

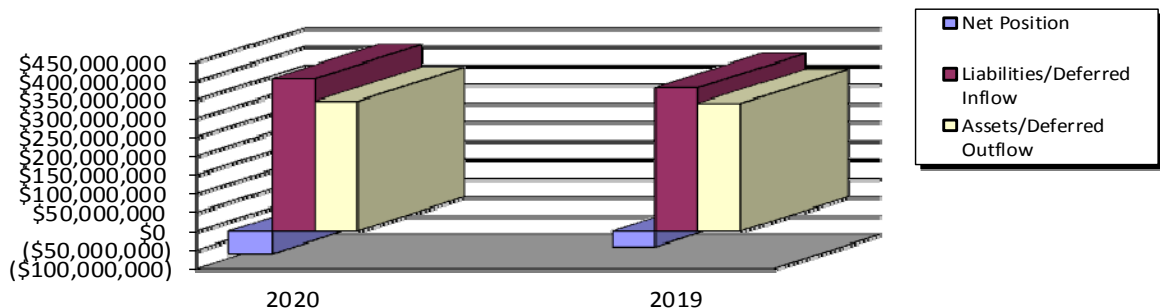
As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2020 compared to 2019:

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**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

**Table 1  
Net Position**

	Governmental Activities	
	2020	2019
<b>Assets:</b>		
Current and Other Assets	\$141,235,441	\$129,659,319
Net OPEB Asset	5,168,891	4,835,036
Capital Assets	173,771,618	178,569,926
<b>Total Assets</b>	<b>320,175,950</b>	<b>313,064,281</b>
<b>Deferred Outflows of Resources:</b>		
Deferred Charge on Refunding	2,611,459	1,931,932
OPEB	2,375,624	1,188,719
Pension	19,951,021	22,849,286
<b>Total Deferred Outflows of Resources</b>	<b>24,938,104</b>	<b>25,969,937</b>
<b>Liabilities:</b>		
Other Liabilities	11,273,707	11,593,584
Long-Term Liabilities	307,454,732	306,033,983
<b>Total Liabilities</b>	<b>318,728,439</b>	<b>317,627,567</b>
<b>Deferred Inflows of Resources:</b>		
Property Taxes	64,023,900	40,155,390
Grants and Other Taxes	1,305,495	495,139
Deferred Gain on Refunding	7,645,288	7,992,801
OPEB	9,098,868	8,586,037
Pension	4,241,416	5,780,038
<b>Total Deferred Inflows of Resources</b>	<b>86,314,967</b>	<b>63,009,405</b>
<b>Net Position:</b>		
Net Investment in Capital Assets	(30,504,867)	(29,974,247)
Restricted	21,572,103	23,737,763
Unrestricted	(50,996,588)	(35,366,270)
<b>Total Net Position</b>	<b>(\$59,929,352)</b>	<b>(\$41,602,754)</b>



**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

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Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2020, the District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$59,929,352.

At year-end, capital assets represented 54% of total assets. Capital assets include land, buildings and improvements, and equipment. Capital assets, net of related debt to acquire the assets at June 30, 2020, was (\$30,504,867). These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$21,572,103 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Capital Assets decreased due to current year depreciation being greater than current year additions. Long-term liabilities increased due to the District issuing new long-term debt during the year. Deferred outflows of resources for pension decreased from the prior year due to a decrease in the other post employment benefits calculation. Deferred inflows of resources for property taxes increased from the prior year due to a decrease in tax advances available in the current year.

Table 2 shows the changes in net position for fiscal years 2020 and 2019.

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**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

**Table 2  
Changes in Net Position**

	Governmental Activities	
	2020	2019
Revenues:		
Program Revenues		
Charges for Services	\$3,247,831	\$2,965,342
Operating Grants, Contributions	11,392,642	10,899,941
General Revenues:		
Property Taxes	51,398,358	63,268,568
Grants and Entitlements	18,857,829	21,818,633
Revenue in Lieu of Taxes	1,344,274	660,371
Other	3,275,472	2,411,504
<b>Total Revenues</b>	<b>89,516,406</b>	<b>102,024,359</b>
Program Expenses:		
Instruction	60,247,351	52,497,474
Support Services:		
Pupil and Instructional Staff	9,031,383	7,205,471
School Administration, General		
Administration, Fiscal and Business	9,586,749	7,893,111
Operations and Maintenance	8,733,309	7,381,291
Pupil Transportation	5,458,881	6,289,527
Central	1,293,944	1,050,220
Operation of Non-Instructional Services	3,932,180	4,405,563
Extracurricular Activities	1,726,491	1,817,811
Interest and Fiscal Charges	7,832,716	8,783,725
<b>Total Program Expenses</b>	<b>107,843,004</b>	<b>97,324,193</b>
Change in Net Position	(18,326,598)	4,700,166
Net Position - Beginning of Year	(41,602,754)	(46,302,920)
Net Position - End of Year	(\$59,929,352)	(\$41,602,754)

The District revenues are mainly from three sources. Property taxes levied for general, debt service and capital projects purposes, grants and entitlements and operating grants and contributions comprised about 91% of the District's revenues for governmental activities.

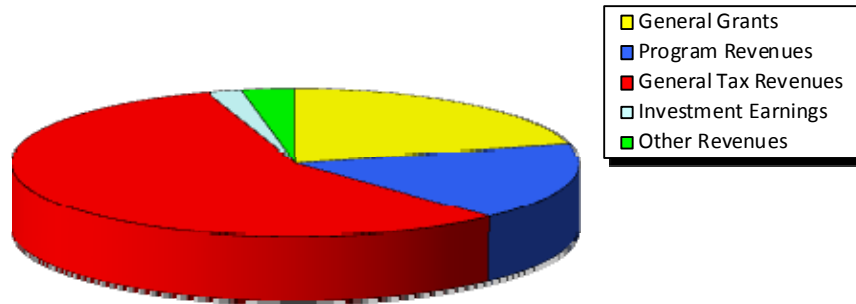
The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

**Princeton City School District, Ohio  
 Management Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2020**

Thus, Ohio districts do not receive additional property tax revenue from increases in appraisal values and must regularly return to the voters to maintain a constant level of service. Property taxes made up 57% of revenue for governmental activities for the District in fiscal year 2020.

**Governmental Activities  
 Revenue Sources**

Revenue Sources	2020	Percent of Total
General Grants	\$18,857,829	21%
Program Revenues	14,640,473	17%
General Tax Revenues	51,398,358	57%
Investment Earnings	1,717,164	2%
Other Revenues	2,902,582	3%
<b>Total Revenues</b>	<b>\$89,516,406</b>	<b>100%</b>



Instruction comprises 56% of governmental program expenses. Support services expenses were 32% of governmental program expenses. All other expenses and interest expense was 12%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Property taxes revenue decreased mainly due to a decrease in taxes advances available in fiscal year 2020 as compared to fiscal year 2019. Total expenses increased due to changes related to net pension liability and other post employment benefits liability.

**Governmental Activities**

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

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**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

**Table 3  
Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
Instruction	\$60,247,351	\$52,497,474	(\$53,042,981)	(\$45,916,312)
Support Services:				
Pupil and Instructional Staff	9,031,383	7,205,471	(6,745,036)	(5,742,947)
School Administration, General				
Administration, Fiscal and Business	9,586,749	7,893,111	(9,006,583)	(7,392,525)
Operations and Maintenance	8,733,309	7,381,291	(8,583,598)	(7,168,903)
Pupil Transportation	5,458,881	6,289,527	(5,289,373)	(6,158,891)
Central	1,293,944	1,050,220	(1,270,631)	(1,032,220)
Operation of Non-Instructional Service	3,932,180	4,405,563	86,901	368,334
Extracurricular Activities	1,726,491	1,817,811	(1,518,514)	(1,631,721)
Interest and Fiscal Charges	7,832,716	8,783,725	(7,832,716)	(8,783,725)
Total Expenses	<u>\$107,843,004</u>	<u>\$97,324,193</u>	<u>(\$93,202,531)</u>	<u>(\$83,458,910)</u>

**The District's Funds**

The District has two major governmental funds: the General Fund and the Bond Retirement Fund. Assets of these funds comprise \$123,950,872 (90%) of the total \$138,298,356 governmental funds' assets.

**General Fund:** Fund balance at June 30, 2020 was \$38,631,826. The primary reason for the decrease in fund balance was due to a decrease in property tax revenues from 2019 to 2020.

**Bond Retirement Fund:** Fund balance at June 30, 2020 was \$9,705,884. Fund balance decreased due to a decrease in property tax revenue compared to the prior year.

**General Fund Budgeting Highlights**

The 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.

For the General Fund, final budget basis revenue was \$80,755,395. The original budget estimate was \$76,974,580. The difference was \$3,780,815. Of this difference, most was due to under estimates for taxes and intergovernmental revenues. The final budget basis expenditures were \$82,519,006. The original budget estimate was \$84,056,779. The difference was \$1,537,773. Of this difference, most was due to over estimates for regular and special instruction expenditures.

The District's ending unobligated cash balance was \$37,616,615.



**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

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**Capital Assets and Debt Administration**

***Capital Assets***

At fiscal year end, the District had \$173,771,618 invested in land, buildings and improvements and equipment. Table 4 shows fiscal year 2020 balances compared to fiscal year 2019:

**Table 4  
Capital Assets at Year End  
(Net of Depreciation)**

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	Governmental Activities	
	2020	2019
Land	\$4,908,448	\$4,908,448
Buildings and Improvements	166,721,535	171,658,169
Equipment	2,141,635	2,003,309
Total Net Capital Assets	<u>\$173,771,618</u>	<u>\$178,569,926</u>

The decrease in capital assets is mainly due to capital asset additions being less than capital asset depreciation.

See Note 5 in the Notes to the Basic Financial Statements for further details on the District’s capital assets.

***Debt***

At June 30, 2020, the District had \$201,848,688 in debt outstanding, \$5,210,191 due within one year. Table 5 summarizes debt outstanding.

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**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

**Table 5  
Outstanding Debt at Year End**

	<u>2020</u>	<u>2019</u>
2016 Refunding Bonds	\$25,260,000	\$27,825,000
2016 Refunding Bonds-Premium	5,705,644	5,964,658
2006 Refunding Bonds	26,000,000	26,000,000
2006 Refunding Bonds - Premium	2,365,452	2,590,734
2010 School Improvement Bonds	11,260,000	11,260,000
2010 School Improvement Capital Appreciation Bonds - Principal Only	71,457	189,481
2010 School Improvement Capital Appreciation Bonds - Accreted Interest	1,610,734	3,029,770
2012 Certificate of Participation	3,470,000	15,225,000
2012 Certificate of Participation - Discount	(55,531)	(178,496)
2013 Energy Conservation Bonds	385,000	425,000
2013 Certificate of Participation	150,000	2,135,000
2013 Certificate of Participation - Premium	25,533	102,140
OASBO Loan	2,241,000	2,403,000
2015 Refunding Bonds	90,995,000	90,995,000
2015 School Improvement Capital Appreciation Bonds - Principal Only	6,795,000	6,795,000
2015 School Improvement Capital Appreciation Bonds - Accreted Interest	2,005,298	1,621,633
2015 Refunding Bonds - Premium	7,539,101	7,881,787
2018 Bleacher Project	1,235,000	1,370,000
2019 COP Refunding	14,790,000	0
Total Long-Term Notes, Bonds and Capital Leases	<u>\$201,848,688</u>	<u>\$205,634,707</u>

See Note 11 in the Notes to the Basic Financial Statements for further details on the District's long-term obligations.

**For the Future**

A challenge facing the District is the future of state funds. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The Court found the state's school funding system unconstitutional but declined to retain jurisdiction of the matter meaning the decision included no timeline for compliance or accountability for lack of compliance.

While the State has made some progress in resolving the school funding issue, the court ruled that the funding system is far too reliant on property taxes which are inherently not equitable or adequate for many districts. The District, however, receives about 57% of its funding from property taxes.

**Princeton City School District, Ohio  
Management Discussion and Analysis  
For the Fiscal Year Ended June 30, 2020**

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In June of 2005, the State legislature passed House Bill 66 which phases out the tax on tangible personal property of general business, telephone, and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2006 and was eliminated by 2009. The tax on telephone and telecommunication property began being phased out in 2009 and was eliminated in 2011.

In June of 2012, the State legislature passed House Bill 153 which restructured the reimbursement of tangible personal property and electric deregulation property tax reimbursement by no more than 2% per year of its total resources (state and local funding) as compared to the base year. Any reimbursement a District is still receiving in FY13 will continue to be received at that level in the future.

However, in June 2015 and as further revised in November of 2015, the State legislature and the Governor, again changed their stance on tangible personal property and reinstated the phase out of these revenue streams. At this time, the legislature has passed SB 208 which continues a phase out of tangible personal property tax revenues that unless again altered by the legislature will result in the complete elimination of tangible personal tax reimbursement to the District. The phase out will occur at a computed rate of approximately 5/8 mill (over \$920,000 in FY20) each year until eliminated in its entirety. At this time, current estimates are that the phase out will be complete in approximately 14 years.

On November 5, 2019, voters passed a \$4.25-mill operating levy that will provide additional funding to Princeton City Schools for day-to-day expenses such as teachers, support services, supplies, and utilities.

In May of 2020, the State cut funding for the current fiscal year by \$1.4 million as a result of the pandemic. The District did not have enough funds in the final three payments of the fiscal year to cover the \$1.4 million so a reimbursement payment was processed to the State. The State continued the \$1.4 million dollar cut for FY21 state revenues.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer at Princeton City Schools, 3900 Cottingham Dr., Cincinnati, Ohio 45241.

Princeton City School District  
Statement of Net Position  
June 30, 2020

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$62,389,717
Restricted Cash and Investments	212,907
Receivables (Net):	
Taxes	74,602,994
Accounts	754,881
Intergovernmental	3,159,991
Inventory	114,951
Nondepreciable Capital Assets	4,908,448
Depreciable Capital Assets, Net	168,863,170
Net OPEB Asset	5,168,891
<b>Total Assets</b>	<b>320,175,950</b>
Deferred Outflows of Resources:	
Deferred Charge on Refunding	2,611,459
Pension	19,951,021
OPEB	2,375,624
<b>Total Deferred Outflows of Resources</b>	<b>24,938,104</b>
Liabilities:	
Accounts Payable	330,696
Accrued Wages and Benefits	8,616,398
Accrued Interest Payable	657,793
Claims Payable	658,820
Tax Anticipation Notes Payable	1,010,000
Long-Term Liabilities:	
Due Within One Year	6,060,722
Due In More Than One Year:	
Net Pension Liability	93,644,737
Net OPEB Liability	9,900,282
Other Amounts	197,848,991
<b>Total Liabilities</b>	<b>318,728,439</b>
Deferred Inflows of Resources:	
Property Taxes	64,023,900
OPEB	9,098,868
Grants and Other Taxes	1,305,495
Deferred Gain on Refunding	7,645,288
Pension	4,241,416
<b>Total Deferred Inflows of Resources</b>	<b>86,314,967</b>
Net Position:	
Net Investment in Capital Assets	(30,504,867)
Restricted for:	
Debt Service	9,709,720
Capital Projects	6,556,508
Athletic	237,814
Auxiliary Services	375,857
State Grants	537,640
Federal Grants	720,230
Food Service	3,323,315
Other Purposes	109,745
Endowment Nonexpendable	1,274
Unrestricted (Deficit)	(50,996,588)
<b>Total Net Position</b>	<b>(\$59,929,352)</b>

See accompanying notes to the basic financial statements.

Princeton City School District  
Statement of Activities  
For the Fiscal Year Ended June 30, 2020

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$43,601,168	\$1,970,684	\$1,787,308	(\$39,843,176)
Special	13,385,826	482,987	2,735,969	(10,166,870)
Vocational	36,917	0	4,430	(32,487)
Other	3,223,440	166,473	56,519	(3,000,448)
<b>Support Services:</b>				
Pupil	5,604,613	0	691,473	(4,913,140)
Instructional Staff	3,426,770	0	1,594,874	(1,831,896)
General Administration	305,133	0	0	(305,133)
School Administration	6,970,672	0	580,166	(6,390,506)
Fiscal	2,034,962	0	0	(2,034,962)
Business	275,982	0	0	(275,982)
Operations and Maintenance	8,733,309	109,915	39,796	(8,583,598)
Pupil Transportation	5,458,881	0	169,508	(5,289,373)
Central	1,293,944	0	23,313	(1,270,631)
Operation of Non-Instructional Services	3,932,180	309,795	3,709,286	86,901
Extracurricular Activities	1,726,491	207,977	0	(1,518,514)
Interest and Fiscal Charges	7,832,716	0	0	(7,832,716)
<b>Totals</b>	<b>\$107,843,004</b>	<b>\$3,247,831</b>	<b>\$11,392,642</b>	<b>(93,202,531)</b>

**General Revenues:**

<b>Property Taxes Levied for:</b>	
General Purposes	42,380,421
Debt Service Purposes	7,500,721
Capital Projects Purposes	1,517,216
Grants and Entitlements, Not Restricted	18,857,829
Revenue in Lieu of Taxes	1,344,274
Unrestricted Contributions	91,395
Investment Earnings	1,717,164
Other Revenues	1,466,913

**Total General Revenues** 74,875,933

**Change in Net Position** (18,326,598)

**Net Position - Beginning of Year** (41,602,754)

**Net Position - End of Year** (\$59,929,352)

See accompanying notes to the basic financial statements.

Princeton City School District  
Balance Sheet  
Governmental Funds  
June 30, 2020

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$39,963,176	\$8,760,884	\$10,153,185	\$58,877,245
Restricted Cash and Investments	212,907	0	0	212,907
<b>Receivables (Net):</b>				
Taxes	61,245,914	11,132,228	2,224,852	74,602,994
Accounts	660,793	0	0	660,793
Intergovernmental	1,305,495	0	1,854,496	3,159,991
Interfund	669,475	0	0	669,475
Inventory	0	0	114,951	114,951
<b>Total Assets</b>	<b>104,057,760</b>	<b>19,893,112</b>	<b>14,347,484</b>	<b>138,298,356</b>
<b>Liabilities:</b>				
Accounts Payable	118,445	0	209,463	327,908
Accrued Wages and Benefits	8,018,090	0	598,308	8,616,398
Compensated Absences	57,990	0	0	57,990
Accrued Interest Payable	0	0	1,790	1,790
Interfund Payable	0	0	669,475	669,475
Tax Anticipation Notes Payable	0	0	1,010,000	1,010,000
<b>Total Liabilities</b>	<b>8,194,525</b>	<b>0</b>	<b>2,489,036</b>	<b>10,683,561</b>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	55,925,914	10,187,228	2,029,852	68,142,994
Grants and Other Taxes	1,305,495	0	1,028,864	2,334,359
<b>Total Deferred Inflows of Resources</b>	<b>57,231,409</b>	<b>10,187,228</b>	<b>3,058,716</b>	<b>70,477,353</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	1,274	1,274
Restricted	212,907	9,705,884	10,014,089	19,932,880
Committed	11,000	0	0	11,000
Assigned	3,202,539	0	0	3,202,539
Unassigned (Deficit)	35,205,380	0	(1,215,631)	33,989,749
<b>Total Fund Balances</b>	<b>38,631,826</b>	<b>9,705,884</b>	<b>8,799,732</b>	<b>57,137,442</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$104,057,760</b>	<b>\$19,893,112</b>	<b>\$14,347,484</b>	<b>\$138,298,356</b>

See accompanying notes to the basic financial statements.

Princeton City School District  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 June 30, 2020

Total Governmental Fund Balance		\$57,137,442
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.		
Capital assets used in the operation of Governmental Funds		173,771,618
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Delinquent Property Taxes	4,119,094	
Intergovernmental	<u>1,028,864</u>	
		5,147,958
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Internal Service Net Position		2,944,952
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(656,003)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(2,003,035)
Deferred charges for bond refunding losses and gains are not recognized in the governmental funds, whereas they are capitalized and amortized for net position.		
Deferred charge on refunding	2,611,459	
Deferred gain on refunding	<u>(7,645,288)</u>	
		(5,033,829)
Deferred outflows and inflows or resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	19,951,021	
Deferred inflows of resources related to pensions	(4,241,416)	
Deferred outflows of resources related to OPEB	2,375,624	
Deferred inflows of resources related to OPEB	<u>(9,098,868)</u>	
		8,986,361
Long-term liabilities and net OPEB assets are not available to pay for current period expenditures and are not due and payable in the current period and, therefore, are not reported in the funds.		
Net OPEB Asset	5,168,891	
Net Pension Liability	(93,644,737)	
Net OPEB Liability	(9,900,282)	
Other Amounts	<u>(201,848,688)</u>	
		(300,224,816)
Net Position of Governmental Activities		<u><u>(\$59,929,352)</u></u>

See accompanying notes to the basic financial statements.

Princeton City School District  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2020

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property and Other Taxes	\$40,917,725	\$7,376,435	\$1,477,983	\$49,772,143
Tuition and Fees	2,619,308	0	385	2,619,693
Investment Earnings	1,708,894	0	8,270	1,717,164
Intergovernmental	19,654,289	1,199,092	8,968,017	29,821,398
Extracurricular Activities	61,884	0	145,708	207,592
Charges for Services	0	0	309,795	309,795
Revenue in Lieu of Taxes	1,339,999	3,622	653	1,344,274
Other Revenues	1,502,090	5,793	161,176	1,669,059
<b>Total Revenues</b>	<b>67,804,189</b>	<b>8,584,942</b>	<b>11,071,987</b>	<b>87,461,118</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	35,060,426	0	906,062	35,966,488
Special	11,295,135	0	1,265,606	12,560,741
Vocational	32,772	0	0	32,772
Other	3,115,634	0	58,422	3,174,056
<b>Support Services:</b>				
Pupil	4,782,512	0	507,308	5,289,820
Instructional Staff	1,846,454	0	1,335,384	3,181,838
General Administration	302,587	0	0	302,587
School Administration	5,912,347	0	540,601	6,452,948
Fiscal	1,794,715	147,239	29,209	1,971,163
Business	251,166	0	0	251,166
Operations and Maintenance	8,193,157	0	24,552	8,217,709
Pupil Transportation	4,969,657	0	58,558	5,028,215
Central	1,131,570	0	21,040	1,152,610
Operation of Non-Instructional Services	112,957	0	3,688,671	3,801,628
Extracurricular Activities	1,137,353	0	328,563	1,465,916
Capital Outlay	1,157,271	0	115,054	1,272,325
<b>Debt Service:</b>				
Principal Retirement	0	2,683,024	362,000	3,045,024
Interest and Fiscal Charges	0	8,884,816	933,300	9,818,116
<b>Total Expenditures</b>	<b>81,095,713</b>	<b>11,715,079</b>	<b>10,174,330</b>	<b>102,985,122</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(13,291,524)</b>	<b>(3,130,137)</b>	<b>897,657</b>	<b>(15,524,004)</b>
<b>Other Financing Sources (Uses):</b>				
Issuance of Refunded Bonds	0	14,790,000	0	14,790,000
Payments to Bond Escrow Account	0	(14,542,571)	0	(14,542,571)
Transfers In	0	0	743,005	743,005
Transfers (Out)	(226,630)	0	(516,375)	(743,005)
<b>Total Other Financing Sources (Uses)</b>	<b>(226,630)</b>	<b>247,429</b>	<b>226,630</b>	<b>247,429</b>
<b>Net Change in Fund Balance</b>	<b>(13,518,154)</b>	<b>(2,882,708)</b>	<b>1,124,287</b>	<b>(15,276,575)</b>
<b>Fund Balance - Beginning of Year</b>	<b>52,149,980</b>	<b>12,588,592</b>	<b>7,675,445</b>	<b>72,414,017</b>
<b>Fund Balance - End of Year</b>	<b>\$38,631,826</b>	<b>\$9,705,884</b>	<b>\$8,799,732</b>	<b>\$57,137,442</b>

See accompanying notes to the basic financial statements.



Princeton City School District  
 Reconciliation of the Statement of Revenues, Expenditures, and Change  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2020

Net Change in Fund Balance - Total Governmental Funds: (\$15,276,575)

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

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period

Capital assets used in governmental activities	1,389,865	
Depreciation Expense	<u>(6,188,173)</u>	(4,798,308)

Governmental funds report district pension and OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension and OPEB benefits earned net of employee contributions are reported as pension and OPEB expense

District pension contributions	7,404,845	
Cost of benefits earned net of employee contributions - Pension	(14,123,898)	
District OPEB contributions	113,580	
Cost of benefits earned net of employee contributions - OPEB	<u>1,367,367</u>	(5,238,106)

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

Delinquent Property Taxes	1,626,215	
Intergovernmental	<u>429,073</u>	2,055,288

In the statement of activities, certain costs and proceeds associated with long-term debt obligations issued during the year are accrued and amortized over the life of the debt obligation. In governmental fund these costs and proceeds are recognized as financing sources and uses

Refunding COPs	(14,790,000)	
Deferred Charge on Refunding	870,251	
COPs Advance Refunded	<u>13,715,000</u>	(204,749)

Repayment of bond and lease principal, current bond refundings, and accretion interest payments are an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position 5,287,000

In the statement of activities interest expense is accrued when incurred whereas, in governmental funds an interest expenditure is reported when due. (30,064)

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

Compensated Absences	(327,850)	
Amortization of Bond Premium	903,589	
Amortization of Bond Discount	(122,965)	
Bond Accretion	(1,206,605)	
Amortization of Deferred Charge on Refunding	(190,724)	
Amortization of Deferred Gain on Refunding	<u>347,513</u>	(597,042)

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

Change in Net Position - Internal Service Funds:	<u>475,958</u>	
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Change in Net Position of Governmental Activities: (\$18,326,598)

See accompanying notes to the basic financial statements

Princeton City School District  
Statement of Net Position  
Proprietary Funds  
June 30, 2020

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	<u>Governmental Activities- Internal Service Funds</u>
Assets:	
Current Assets:	
Equity in Pooled Cash and Investments	\$3,512,472
Receivables (Net):	
Accounts	<u>94,088</u>
Total Assets	<u>3,606,560</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	2,788
Claims Payable	<u>658,820</u>
Total Liabilities	<u>661,608</u>
Net Position:	
Unrestricted (Deficit)	<u>2,944,952</u>
Total Net Position	<u>\$2,944,952</u>

See accompanying notes to the basic financial statements.

Princeton City School District  
Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2020

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	<u>Governmental Activities- Internal Service Funds</u>
Operating Revenues:	
Charges for Services	\$10,728,350
Other Revenues	<u>1,126,674</u>
Total Operating Revenues	<u>11,855,024</u>
Operating Expenses:	
Personal Services	1,351,273
Contactual Services	2,788
Claims	9,360,501
Other Expenses	<u>666,291</u>
Total Operating Expenses	<u>11,380,853</u>
Operating Income (Loss)	<u>474,171</u>
Non-Operating Revenues (Expenses):	
Investment Earnings	<u>1,787</u>
Total Non-Operating Revenues (Expenses)	<u>1,787</u>
Change in Net Position	475,958
Net Position - Beginning of Year	<u>2,468,994</u>
Net Position - End of Year	<u>\$2,944,952</u>

See accompanying notes to the basic financial statements.

Princeton City School District  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2020

	<u>Governmental Activities- Internal Service Funds</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$11,847,330
Cash Payments to Employees	(1,351,273)
Cash Payments to Suppliers	<u>(9,743,908)</u>
Net Cash Provided (Used) by Operating Activities	<u>752,149</u>
Cash Flows from Investing Activities:	
Earnings on Investments	<u>1,787</u>
Net Cash Provided (Used) by Cash Flows from Investing Activities	<u>1,787</u>
Net Increase (Decrease) in Cash and Cash Equivalent:	753,936
Cash and Cash Equivalents - Beginning of Year	<u>2,758,536</u>
Cash and Cash Equivalents - End of Year	<u><u>3,512,472</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	474,171
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	(7,694)
Increase (Decrease) in Payables	2,788
Increase (Decrease) in Claims Payables	<u>282,884</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$752,149</u></u>

See accompanying notes to the basic financial statements.

Princeton City School District  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2020

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	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$165,787	\$181,031
Receivables (Net):		
Accounts	0	203
Total Assets	<u>165,787</u>	<u>181,234</u>
Liabilities:		
Accounts Payable	0	4,455
Other Liabilities	0	176,779
Total Liabilities	<u>0</u>	<u>\$181,234</u>
Net Position:		
Held in Trust	<u>165,787</u>	
Total Net Position	<u>\$165,787</u>	

See accompanying notes to the basic financial statements.

Princeton City School District  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2020

	Private Purpose Trust
Additions:	
Other	<u>\$3,727</u>
Total Additions	<u>3,727</u>
Deductions:	
Scholarships	<u>0</u>
Total Deductions	<u>0</u>
Change in Net Position	3,727
Net Position - Beginning of Year	<u>162,060</u>
Net Position - End of Year	<u><u>\$165,787</u></u>

See accompanying notes to the basic financial statements.

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 1 - Summary of Significant Accounting Policies**

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The financial statements of the Princeton City School District, Ohio (the "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 standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

**Reporting Entity**

The District is a consolidation of nine Districts originally chartered by the Ohio State Legislature. In 1853, state laws were enacted to create local Boards of Education. Today, the District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code. The District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charter or further mandated by state and/or federal guidelines. The Board controls the District's instructional and support facilities to provide services to students and other community members.

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

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

The following activity is included within the reporting entity:

*Parochial and Private Schools* - Within the District boundaries, several parochial and private schools are operated. Current State legislation provides funding to these schools, which is received and disbursed on behalf of the schools by the Treasurer of the District, as directed by the schools. The administration of the State monies by the District is reflected in a special revenue fund for financial reporting purposes.

The District is associated with two jointly governed organizations. These organizations are the Southwest Ohio Computer Association and Great Oaks Career Campuses. The organizations are presented in Note 14 to the basic financial statements.

**Basis of Presentation**

The 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 that provide a more detailed level of financial information.

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**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 primary government except for fiduciary funds. The activity of the internal service funds is eliminated to avoid doubling up revenues and expenses. The interfund services provided and used are not eliminated in the consolidation.

The government-wide statements are prepared using the economic resources measurement focus, which differs from the manner in which the governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities, and certain deferred inflows and outflows of resources are generally included on the balance sheet. Operating statements of these funds present sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund operating statement presents increases (i.e., revenues) and decreases (i.e., expenses) in total Net Position.

Operating revenues and expenses generally result from providing services and producing and delivering services in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non- operating revenues and expenses.

The private purpose trust funds are reported using the economic resources measurement focus. Agency funds do not have a measurement focus.



**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**Fund Accounting**

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are grouped into the categories governmental, proprietary, and fiduciary.

**Governmental funds** focus 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 and liabilities and deferred inflows is reported as fund balance. The following are the District's major governmental funds:

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

**Bond Retirement Fund** – The bond retirement fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long term obligations from governmental resources when the District is obligated in some manner for the payment.

**Proprietary funds** are used to account for the District's ongoing activities that are similar to those found in the private sector where the intent of the governing body is that the cost of providing goods and services financed or recovered primarily through user charges. The District created internal service funds for the operation of its self-insured employee benefits and workers' compensation activities.

**Fiduciary funds** report on net position and changes in net position. The District's fiduciary funds consist of private-purpose trust funds and an agency fund. The District's private-purpose trust funds account for scholarship programs for students. These assets are not available for the District's use. The agency fund is custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency fund accounts for student activities.

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and relates to the timing of the measurements made.

The modified accrual basis of accounting is used by the governmental funds. On a modified accrual basis, revenues are recorded when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the District is sixty days after fiscal year end. Under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, interest, tuition, student fees, and grants.

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. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Allocations of cost, such as depreciation, are not recognized in the governmental funds.

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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Government-wide financial statements are prepared using the accrual basis of accounting. Also, proprietary funds and fiduciary funds utilize accrual accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**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.

Non-exchange transactions, in which the District receives value without directly giving 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 were levied.

Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

**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 that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources includes a deferred charge on refunding, OPEB, and pension. These are reported on the government-wide statement of net position. For more pension and OPEB related information, see Notes 7 and 8.

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 that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, OPEB, pension, a deferred gain on refunding, and grants and other taxes. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2020, but which were levied to finance year 2021 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Grants and other taxes have been recorded as deferred inflows on the governmental fund financial statements. Deferred inflows related to pension and OPEB are reported on the governmental-wide statement of net position. See Notes 7 and 8 for more pension and OPEB related information.

**Equity in Pooled Cash and Cash Equivalents**

Cash received by the District is pooled for investment purposes. Individual fund integrity is maintained through District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the balance sheet.

During fiscal year 2020, the District's investments were limited to STAROhio, Money Market Funds, Negotiable CDs, U.S. Treasury obligations, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, Commercial Paper, and Federal National Mortgage Association.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

There were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice is appreciated for deposits and withdrawals of \$25 million or more. STAR Ohio reserves the right to limit the transaction to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

For purposes of the statement of cash flows and for presentation on the balance sheet, 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 District are considered to be cash equivalents.

**Inventory**

All inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventory items are recorded as expenditures in the governmental funds when consumed rather than when purchased.

**Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. The District defines capital assets as those with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are capitalized at cost or estimated historical cost where no historical records exist. The 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. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

All reported capital assets except land are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Land improvements	20 years
Buildings and improvements	20 - 50 years
Equipment and furniture	5-20 years
Vehicles	8 years

**Interfund Balances**

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

On fund financials, receivables and payables resulting from short-term interfund loans are classified as "interfund receivable/payable." These amounts are eliminated in the governmental activities column of the statement of net position.

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**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 District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that has matured due to employee resignations and retirements. These amounts are recorded as matured compensated absences payable.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. Governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources with the exception of compensated absences as noted above. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable, and the pension/OPEB plan's fiduciary net position is not sufficient for payments of those benefits.

**Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

**Fund Balance**

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

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

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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

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

**Assigned** – Resources intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts are intended to be used for specific purposes as approved through the District’s formal purchase order procedure by the Superintendent and the Treasurer. The adoption of the board appropriation resolution is the established policy, which gives the authorization to assign resources for a specific purpose.

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

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

**Restricted Assets**

Restricted assets in the general fund represent equity in pooled cash and investments set aside to establish a budget set aside in accordance with state statutes.

**Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments which for the District includes amounts set-aside for budget stabilization and restricted grants.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the District’s \$21,572,103 in restricted net position, none was restricted by enabling legislation.

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**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 2 – Deposits and Investments**

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

Active deposits are public deposits necessary to meet current demands on the Treasury. Such monies must be maintained either as cash in the 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 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 that 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 pass book accounts.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Interim monies held by the 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.
2. Bonds, notes, debentures, or any other obligation or security 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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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- 4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met.
- 5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts.
- 6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- 7. The State Treasurer’s investment pool (STAR Ohio).
- 8. Certain bankers’ acceptances for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time 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. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

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

The following information classifies investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and amended by GASB Statement No. 40 "Deposit and Investment Risk Disclosures".

**Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2020, \$3,885,592 of the District's bank balance of \$4,151,731 was exposed to custodial credit risk because it was uninsured and collateralized.

The District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

- Eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

- Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

**Investments**

The District's investments at June 30, 2020 are as summarized as follows:

	Fair Value	Fair Value Hierarchy	Weighted Average Maturity (Years)
STAR Ohio	\$9,093,550	N/A	0.11
Money Market Funds	9,826	N/A	0.00
Negotiable CDs	17,309,224	Level 2	1.61
Federal Home Loan Mortgage Corp	11,423,214	Level 2	3.05
Federal Farm Credit Bank	4,019,505	Level 2	3.45
Federal National Mortgage Association	3,211,983	Level 2	1.16
Commercial Paper	11,707,979	Level 2	0.46
Treasury Notes	2,236,244	Level 1	1.22
Total Fair Value	<u>\$59,011,525</u>		
Portfolio Weighted Average Maturity			1.52

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the District's recurring fair value measurements as of June 30, 2020. STAR Ohio is reported at its share price (Net Asset Value per share).

*Credit Risk* – It is the District's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings by nationally recognized statistical rating organizations. The District's investments in Treasury Notes, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, Commercial Paper, and Federal National Mortgage Association were rated AA+ by Standard & Poor's and Aaa by Moody's. Investments in STAR Ohio and Money Market Funds were rated AAAM by Standard & Poor's. Negotiable CDs were not rated.

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of a failure of a counter party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment securities are registered in the name of the District except for its investments in STAR Ohio and US Money Market Funds, which are not evidenced by securities that exist in physical or book entry form.

*Concentration of Credit Risk* – The District's policy places no limit on the amount it may invest in any one issuer. The District has invested 15% in STAR Ohio, less than 1% in Money Market Funds, 29% in Negotiable CDs, 19% in Federal Home Loan Mortgage Corporation, 7% in Federal Farm Credit Bank, 20% in Commercial Paper, 5% in Federal National Mortgage Association, and 4% in Treasury Notes.

*Interest Rate Risk* – In accordance with the investment policy, the District manages its exposure to declines in fair value by limiting the weighted average maturity of its investment portfolio to five years.



**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 3 – Property Taxes**

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Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real and public utility property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on real property at 35 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. The District receives property taxes primarily from Hamilton County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2020, are available to finance fiscal year 2021 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2020. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations.

The assessed values upon which fiscal year 2020 taxes were collected are:

<u>2020 First Half Collections</u>		<u>2019 Second Half Collections</u>	
Agricultural/Residential and		Agricultural/Residential and	
Other Real Estate	\$1,449,655,090	Other Real Estate	\$1,454,489,690
Public Utility Personal	99,046,050	Public Utility Personal	94,231,460
Total Assessed Value	<u>\$1,548,701,140</u>	Total Assessed Value	<u>\$1,548,721,150</u>
	\$65.43		\$62.18

**Note 4 – Interfund Transactions**

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During the year ended June 30, 2020, the District made the following interfund receivables/payables and transfers in/out:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$669,475	\$0	\$0	\$226,630
Nonmajor Governmental Funds	0	669,475	743,005	516,375
Total All Funds	<u>\$669,475</u>	<u>\$669,475</u>	<u>\$743,005</u>	<u>\$743,005</u>

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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The \$516,375 transfer out of the Permanent Improvement Fund in to the Building Fund is to help pay for the 2018 bleacher project.

**Note 5 – Capital Assets**

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Capital assets activity for the year ended June 30, 2020 was as follows.

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$4,908,448	\$0	\$0	\$4,908,448
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	235,934,006	853,793	0	236,787,799
Equipment	12,219,594	536,072	0	12,755,666
Totals at Historical Cost	253,062,048	1,389,865	0	254,451,913
Less Accumulated Depreciation:				
Buildings and Improvements	64,275,837	5,790,427	0	70,066,264
Equipment	10,216,285	397,746	0	10,614,031
Total Accumulated Depreciation	74,492,122	6,188,173	0	80,680,295
Governmental Activities Capital Assets, Net	<u>\$178,569,926</u>	<u>(\$4,798,308)</u>	<u>\$0</u>	<u>\$173,771,618</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$5,353,088
Special	3,249
Vocational	1,028
Support Services:	
Instructional Staff	15,010
School Administration	21,495
Fiscal	1,967
Business	10,714
Operations and Maintenance	81,527
Pupil Transportation	430,666
Central	31,512
Operation of Non-Instructional Services	77,478
Extracurricular Activities	160,439
Total Depreciation Expense	<u>\$6,188,173</u>

**Note 6 – Risk Management**

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The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial general liability insurance against these risks and all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage from last year.

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Beginning in fiscal year 2011, the District began providing health insurance coverage for its employees on a self-insurance basis. Expenses for claims are recorded on a current basis based on an actuarially determined charge per employee. The District also purchased stop-loss insurance for claims over 125% of premiums. The District accounts for such activity in an internal service fund in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*.

A summary of the changes in self-insurance medical claims liability is as follows:

	2020	2019	2018	2017
Claims liability at beginning of year	\$341,907	\$814,916	\$744,617	\$343,182
Claims incurred	9,234,337	6,814,996	7,114,474	7,069,849
Claims paid	(8,938,097)	(7,288,005)	(7,044,175)	(6,668,414)
Claims liability at end of year	<u>\$638,147</u>	<u>\$341,907</u>	<u>\$814,916</u>	<u>\$744,617</u>

Claims are accrued based upon estimates of the claims liability made by management and the third-party administrator of the District. These estimates are based on past experience and current claims outstanding. Actual claims experience may differ from the estimate. An actuary was used in the determination of the current liability.

Beginning in January 2011, the District began to self-insure its workers’ compensation costs. Expenses for claims are recorded on the current basis based on an actuarially determined charge per employee. The District accounts for the activities of this program in an internal service fund in accordance with GASB Statement No. 10.

A summary of the changes in self-insurance workers’ compensation claims liability is as follows:

	2020	2019	2018	2017
Claims liability at beginning of year	\$34,029	\$20,433	\$14,526	\$42,065
Claims incurred	126,164	349,080	120,874	108,431
Claims paid	(139,520)	(335,484)	(114,967)	(135,970)
Claims liability at end of year	<u>\$20,673</u>	<u>\$34,029</u>	<u>\$20,433</u>	<u>\$14,526</u>

**Note 7 - Defined Benefit Pension Plans**

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The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

**Net Pension Liability/Net OPEB Liability (Asset)**

Pensions and OPEB are a component of exchange transactions between an employer and its employees of salaries and benefits for employee services. Pensions/OPEB are provided to an employee on a deferred payment basis as part of the total compensation package offered by an employer for employee services each financial period.

The net pension/OPEB liability (asset) represent the employer’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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Ohio Revised Code limits the employer’s obligation for this liability to annually required payments. The employer cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the employer does receive the benefit of employees’ services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes the required pension disclosures. See Note 8 for the required OPEB disclosures.

**Plan Description - School Employees Retirement System (SERS)**

**Plan Description**

Non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. 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, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

\* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit

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recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent.

**Funding Policy**

Plan members are required to contribute 10 percent of their annual covered salary and the employer 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, 2020, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2020, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The contractually required contribution to SERS was \$1,922,645 for fiscal year 2020. Of this amount \$159,466 is reported as accrued wages and benefits.

**Plan Description - State Teachers Retirement System (STRS)**

**Plan Description**

Licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple employer public employee system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

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The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty and after termination of employment.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. 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**

Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2020 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For fiscal year 2020, the full employer contribution was allocated to pension.

The contractually required contribution to STRS was \$5,482,200 for fiscal year 2020. Of this amount \$854,728 is reported as accrued wages and benefits.

**Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$24,628,802	\$69,015,935	\$93,644,737
Proportion of the Net Pension Liability:			
Current Measurement Date	0.41163430%	0.31208596%	
Prior Measurement Date	<u>0.38632950%</u>	<u>0.30089257%</u>	
Change in Proportionate Share	0.02530480%	0.01119339%	
Pension Expense	\$4,089,006	\$10,034,892	\$14,123,898

At June 30 2020, reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$624,532	\$561,905	\$1,186,437
Changes of assumptions	0	8,107,254	8,107,254
Changes in employer proportionate share of net pension liability	824,106	2,428,379	3,252,485
Contributions subsequent to the measurement date	<u>1,922,645</u>	<u>5,482,200</u>	<u>7,404,845</u>
Total Deferred Outflows of Resources	<u>\$3,371,283</u>	<u>\$16,579,738</u>	<u>\$19,951,021</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$0	\$298,756	\$298,756
Net difference between projected and actual earnings on pension plan investments	316,141	3,373,125	3,689,266
Changes in employer proportionate share of net pension liability	<u>78,637</u>	<u>174,757</u>	<u>253,394</u>
Total Deferred Inflows of Resources	<u>\$394,778</u>	<u>\$3,846,638</u>	<u>\$4,241,416</u>

\$7,404,845 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year			
Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2021	\$1,170,037	\$4,835,572	\$6,005,609
2022	(274,429)	1,393,650	1,119,221
2023	(21,038)	185,899	164,861
2024	<u>179,290</u>	<u>835,779</u>	<u>1,015,069</u>
Total	<u>\$1,053,860</u>	<u>\$7,250,900</u>	<u>\$8,304,760</u>

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**Actuarial Assumptions - SERS**

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2019, are presented below:

Inflation	3.00%
Future Salary Increases, including inflation	3.50% - 18.20%
COLA or Ad Hoc COLA	2.50%
Investment Rate of Return	7.50% net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement. The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalanced uncorrelated asset classes.



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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00%	0.50%
US Equity	22.50%	4.75%
International Equity	22.50%	7.00%
Fixed Income	19.00%	1.50%
Private Equity	10.00%	8.00%
Real Assets	15.00%	5.00%
Multi-Asset Strategies	10.00%	3.00%
Total	100.00%	

**Discount Rate**

The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Proportionate share of the net pension liability	\$34,513,757	\$24,628,802	\$16,339,030

**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2019, actuarial valuation, are presented below:

Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.45%, net of investment expenses, including inflation
Discount Rate of Return	7.45%
Payroll Increases	3.00%
Cost-of-Living Adjustments (COLA)	0%

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Post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2019, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Rate of Return **
Domestic Equity	28.00%	7.35%
International Equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed Income	21.00%	3.00%
Real Estate	10.00%	6.00%
Liquidity Reserves	1.00%	2.25%
Total	100.00%	

\* Target weights will be phased in over a 24-month period concluding on July 1, 2019.

\*\*10 Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2019. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2019. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2019.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

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	1% Decrease <u>6.45%</u>	Current Discount Rate <u>7.45%</u>	1% Increase <u>8.45%</u>
Proportionate share of the net pension liability	\$100,859,100	\$69,015,935	\$42,059,064

**Note 8 - Defined Benefit OPEB Plans**

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See Note 7 for a description of the net OPEB liability (asset).

**Plan Description - School Employees Retirement System (SERS)**

**Health Care Plan Description**

The employer contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

**Funding Policy**

State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2020, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2020, this amount was \$19,600. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2020, the employer's surcharge obligation was \$113,580.

The surcharge, added to any allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The contractually required contribution to SERS was \$113,580 for fiscal year 2020. Of this amount \$113,580 is reported as accrued wages and benefits.

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**Plan Description - State Teachers Retirement System (STRS)**

**Plan Description**

The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians’ fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

**Funding Policy**

Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For fiscal year ended June 30, 2020, STRS did not allocate any employer contributions to post-employment health care.

**Net OPEB Liabilities (Assets), OPEB Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The net OPEB liability (asset) was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The employer’s proportion of the net OPEB liability (asset) was based on the employer’s share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$9,900,282	\$0	\$9,900,282
Proportionate Share of the Net OPEB (Asset)	0	(5,168,891)	(5,168,891)
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.39368230%	0.31208596%	
Prior Measurement Date	<u>0.37391100%</u>	<u>0.30089257%</u>	
Change in Proportionate Share	0.01977130%	0.01119339%	
OPEB Expense	\$184,005	(\$1,551,372)	(\$1,367,367)

At June 30 2020, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$145,328	\$468,600	\$613,928
Changes of assumptions	723,103	108,649	831,752
Net difference between projected and actual earnings on OPEB plan investments	23,764	0	23,764
Changes in employer proportionate share of net OPEB liability	536,433	256,167	792,600
Contributions subsequent to the measurement date	<u>113,580</u>	<u>0</u>	<u>113,580</u>
Total Deferred Outflows of Resources	<u>\$1,542,208</u>	<u>\$833,416</u>	<u>\$2,375,624</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$2,175,025	\$262,975	\$2,438,000
Changes of assumptions	554,782	5,667,090	6,221,872
Net difference between projected and actual earnings on OPEB plan investments	0	324,641	324,641
Changes in employer proportionate share of net OPEB liability	<u>68,850</u>	<u>45,505</u>	<u>114,355</u>
Total Deferred Inflows of Resources	<u>\$2,798,657</u>	<u>\$6,300,211</u>	<u>\$9,098,868</u>

\$113,580 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (adjustment to net OPEB asset) in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year			
Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2021	(\$537,823)	(\$1,202,720)	(\$1,740,543)
2022	(192,894)	(1,202,720)	(1,395,614)
2023	(185,919)	(1,072,608)	(1,258,527)
2024	(187,055)	(1,026,964)	(1,214,019)
2025	(182,841)	(987,391)	(1,170,232)
Thereafter	<u>(83,497)</u>	<u>25,608</u>	<u>(57,889)</u>
Total	<u>(\$1,370,029)</u>	<u>(\$5,466,795)</u>	<u>(\$6,836,824)</u>

**Actuarial Assumptions - SERS**

The total OPEB liability is determined by SERS’ actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

**Princeton City School District, Ohio**  
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Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2019, are presented below:

Inflation	3.00%
Future Salary Increases, including inflation	3.50% to 18.20%
Investment Rate of Return	7.50% net of investment expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.13%
Prior Measurement Date	3.62%
Single Equivalent Interest Rate, net of plan investment expense, including price inflation:	
Measurement Date	3.22%
Prior Measurement Date	3.70%
Medical Trend Assumption:	
Medicare	5.25% to 4.75%
Pre-Medicare	7.00% to 4.75%

Mortality rates among active members were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years. The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00%	0.50%
US Equity	22.50%	4.75%
International Equity	22.50%	7.00%
Fixed Income	19.00%	1.50%
Private Equity	10.00%	8.00%
Real Assets	15.00%	5.00%
Multi-Asset Strategies	10.00%	3.00%
<b>Total</b>	<b>100.00%</b>	

**Discount Rate**

The discount rate used to measure the total OPEB liability at June 30, 2019 was 3.22 percent. The discount rate used to measure total OPEB liability prior to June 30, 2019, was 3.70 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.13 percent, as of June 30, 2019 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

**Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates**

The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.22%) and higher (4.22%) than the current discount rate (3.22%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate.

	<u>1% Decrease (2.22%)</u>	<u>Current Discount Rate (3.22%)</u>	<u>1% Increase (4.22%)</u>
Proportionate share of the net OPEB liability	\$12,017,065	\$9,900,282	\$8,217,192
	<u>1% Decrease (6.00% decreasing to 3.75%)</u>	<u>Current Trend Rate (7.00% decreasing to 4.75%)</u>	<u>1% Increase (8.00% decreasing to 5.75%)</u>
Proportionate share of the net OPEB liability	\$7,932,131	\$9,900,282	\$12,511,541

**Princeton City School District, Ohio**  
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**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2019, actuarial valuation are presented below:

Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.45%, net of investment expenses, including inflation
Payroll Increases	3.00%
Discount Rate of Return	7.45%
Health Care Cost Trends:	
Medical	
Pre-Medicare	5.87% initial, 4% ultimate
Medicare	4.93% initial, 4% ultimate
Prescription Drug	
Pre-Medicare	7.73% initial, 4% ultimate
Medicare	9.62% initial, 4% ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2019, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Rate of Return**
Domestic Equity	28.00%	7.35%
International Equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed Income	21.00%	3.00%
Real Estate	10.00%	6.00%
Liquidity Reserves	1.00%	2.25%
Total	100.00%	

\* Target weights will be phased in over a 24-month period concluding on July 1, 2019.  
 \*\*10 Year annualized geometric nominal returns, which include the real rate of return and inflation of



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2.25% and does not include investment expenses. Over a 30-year period, STRS’ investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 7.45 percent as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2019. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was used to measure the total OPEB liability as of June 30, 2019.

**Sensitivity of the Proportionate Share of the Net OPEB (Asset) to Changes in the Discount and Health Care Cost Trend Rate**

The following table represents the net OPEB asset as of June 30, 2019, calculated using the current period discount rate assumption of 7.45 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
Proportionate share of the net OPEB (asset)	(\$4,410,620)	(\$5,168,891)	(\$5,806,422)
	1% Decrease	Current Trend Rate	1% Increase
Proportionate share of the net OPEB (asset)	(\$5,861,286)	(\$5,168,891)	(\$4,320,877)

**Assumption and Benefit Changes since the Prior Measurement Date**

There was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

There were changes in assumptions, which increased the total OPEB liability by approximately \$0.04 billion. The assumption changes included changes in healthcare costs and trends.

**Note 9 – Employee Benefits Compensated Absences**

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The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty 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, 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 maximum of 260 days for teachers, 279 days for

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administrators and 265 days for classified staff. Upon retirement, payment is made for twenty-five percent of the employee’s accumulated sick leave.

**Note 10 – Short-Term Obligations**

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A summary of the short-term note transaction for the year ended June 30, 2020 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Funds</b>				
<b>Notes Payable:</b>				
2012 Tax Anticipation Note	<u>\$1,500,000</u>	<u>\$0</u>	<u>\$490,000</u>	<u>\$1,010,000</u>
Total Short-Term Liabilities	<u><u>\$1,500,000</u></u>	<u><u>\$0</u></u>	<u><u>\$490,000</u></u>	<u><u>\$1,010,000</u></u>

The \$4,170,000 of Tax Anticipation Notes was issued to pay for construction of buildings.

**Note 11 – Long-Term Obligations**

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The changes in the District's long-term obligations during fiscal year 2020 were as follows:

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	Beginning Balance	Additions	Deletions	Ending Balance	Due In One Year
<b>Governmental Activities:</b>					
Bonds Payable:					
2016 Refunding Bonds	\$27,825,000	\$0	(\$2,565,000)	\$25,260,000	\$2,725,000
2016 Refunding Bonds-Premium	5,964,658	0	(259,014)	5,705,644	0
2006 Refunding Bonds	26,000,000	0	0	26,000,000	0
2006 Refunding Bonds - Premium	2,590,734	0	(225,282)	2,365,452	0
2010 School Improvement Bonds	11,260,000	0	0	11,260,000	0
2010 School Improvement Capital Appreciation Bonds - Principal Only	189,481	0	(118,024)	71,457	71,457
2010 School Improvement Capital Appreciation Bonds - Accreted Interest	3,029,770	822,940	(2,241,976)	1,610,734	1,610,734
2012 Certificate of Participation	15,225,000	0	(11,755,000)	3,470,000	0
2012 Certificate of Participation - Discount	(178,496)	0	122,965	(55,531)	0
2013 Energy Conservation Bonds	425,000	0	(40,000)	385,000	45,000
2013 Certificate of Participation	2,135,000	0	(1,985,000)	150,000	20,000
2013 Certificate of Participation - Premium	102,140	0	(76,607)	25,533	0
2019 COP refunding of 2012 and 2013 Issuance	0	14,790,000	0	14,790,000	130,000
2015 Refunding Bonds	90,995,000	0	0	90,995,000	300,000
2015 Refunding Bonds - Capital Appreciation Bonds - Principal Only	6,795,000	0	0	6,795,000	0
2015 Refunding Bonds - Capital Appreciation Bonds - Accreted Interest	1,621,633	383,665	0	2,005,298	0
2015 Refunding Bonds - Premium	7,881,787	0	(342,686)	7,539,101	0
Debt from Direct Borrowing:					
2018 Bleacher Project Debt	1,370,000	0	(135,000)	1,235,000	140,000
OASBO Loan	2,403,000	0	(162,000)	2,241,000	168,000
Total General Obligation Bonds	<u>205,634,707</u>	<u>15,996,605</u>	<u>(19,782,624)</u>	<u>201,848,688</u>	<u>5,210,191</u>
Compensated Absences	1,740,649	1,095,220	(774,844)	2,061,025	850,531
Subtotal Bonds & Other Amounts	<u>207,375,356</u>	<u>17,091,825</u>	<u>(20,557,468)</u>	<u>203,909,713</u>	<u>6,060,722</u>
Net Pension Liability					
STRS	66,159,520	2,856,415	0	69,015,935	0
SERS	22,125,806	2,502,996	0	24,628,802	0
Total Net Pension Liability	<u>88,285,326</u>	<u>5,359,411</u>	<u>0</u>	<u>93,644,737</u>	<u>0</u>
Net OPEB Liability					
STRS	0	0	0	0 (a)	0
SERS	10,373,301	0	(473,019)	9,900,282	0
Total Net OPEB Liability	<u>10,373,301</u>	<u>0</u>	<u>(473,019)</u>	<u>9,900,282</u>	<u>0</u>
Total Governmental Activities Long-Term Liabilities	<u>\$306,033,983</u>	<u>\$22,451,236</u>	<u>(\$21,030,487)</u>	<u>\$307,454,732</u>	<u>\$6,060,722</u>

(a) OPEB for STRS has a Net OPEB asset in the amount of \$5,168,891 as of June 30, 2020.

*2006 School Improvement Refunding Bonds* – The District issued \$70,840,000 in refunding bonds for the partial advance refunding of \$71,800,000 of school improvement bonds issued in 2003. These bonds mature on December 1, 2030 and pay interest of 4.0% - 5.0%. The bonds are paid from the Debt Service Fund.

*2010 School Improvement Bonds* - The District issued \$119,999,930 in school improvement bonds on September 9, 2010 for the refinancing of bond anticipation notes and paying for a portion of the costs of new construction, improvements, renovations and additions to school facilities. The issuance includes \$1,785,000 of current interest bonds due 12/1/2012 and 12/1/2013 at 2.0%; \$1,714,930 of capital

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appreciation bonds with maturities on December 1, 2014 through 2020 with yields from 1.64% to 3.27%.; \$9,515,000 in serial bonds at interest rates from 4.01%-4.86% and maturing on December 1, 2020 through 2024; \$95,730,000 of term bonds at a rate from 5.49%-6.39% with maturities on December 1, 2030, 2035, 2040 and 2047; and \$11,260,000 in term bonds at 5.24% with sinking requirements beginning December 1, 2024 until final maturity on September 15, 2027. The bonds will be paid from the Debt Service Fund.

*2012 Certificate of Participation* – The District issued \$15,225,000 in certificate of participation bonds for the renovation of existing buildings. These bonds mature on December 1, 2041 and pay interest at 4.50%. The bonds are paid from the Debt Service Fund.

*OASBO loan* – The District entered into a loan agreement through the Ohio Association of School Business Officials Asset Pooled Financing Program for \$3,628,000. The loan is being used for completion of the District’s renovation of buildings and is payable from the Permanent Improvement Fund. The Loan matures on December 1, 2030.

*2013 Certificate of Participation* – The District issued \$2,300,000 in certificate of participation bonds for the renovation of existing buildings. These bonds mature on December 1, 2042 and pay interest at 2.20%. The bonds are paid from the Permanent Improvement Fund.

*2013 Energy Conservation Bonds* – The District issued \$645,000 in energy conservation bonds for energy conservation measures associated with the renovation of existing buildings. These bonds mature on December 1, 2027 and pay interest at 1.75%. The bonds are paid from the Permanent Improvement Fund.

*2015 Refunding Bonds* – The District issued \$91,320,000 in refunding bonds for construction of new buildings and the renovation of existing buildings. These bonds mature on December 1, 2047 and pay interest at 4.00% - 6.39%. The bonds are paid from the Debt Service Fund.

*2016 School Improvement Refunding Bonds* – The District issued \$32,825,000 in refunding bonds for the partial advance refunding of \$37,715,000 of school improvement bonds issued in 2006. These bonds mature on December 1, 2026 and pay interest of 2.0% - 5.0%. The bonds are paid from the Debt Service Fund.

*2018 Permanent Improvement Note* – The District issued \$1,515,000 for the purpose of financing the acquisition, construction, and equipping of bleachers and related capital improvements for athletic, recreational, and other school-related activities. The note matures on December 1, 2027 and pay interest on sum at 2.88%. The note is paid from the Permanent Improvement Fund.

*2019 Refunding COPs* – The District issued \$14,790,000 in refunding COPs. These COPs will mature on December 1, 2042 and pay interest at 3.563%. The COPs are paid from the Debt Service fund.

There is no repayment schedule for the net pension liability and net OPEB liability; however employer pension and OPEB contributions are made from the fund benefitting from their service.

All general obligation debt is supported by the full faith and credit of the District. Compensated absences payable are generally paid from the General Fund and Special Revenue funds from which the employee is paid.

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The District’s outstanding notes and loans from direct borrowings and direct placements related to governmental activities of \$3,476,000 contain the following provision that for the payment of the principal and the interest thereon, the full faith, credit, and revenue of the Board of Education are hereby irrevocably pledged, and for the purpose of providing the necessary funds to pay the interest on the debt promptly when and as the same falls due, and also to provide a fund sufficient to discharge the debt at maturity or upon mandatory sinking fund redemption, there shall be and is hereby levied on all the taxable property in this District within applicable limitations, in addition to all other taxes, a direct tax annually during the period the debt is to run in an amount sufficient to provide funds to pay interest upon the debt as and when the same falls due and also to provide a fund for the discharge of the principal of the debt at maturity or upon mandatory sinking fund redemption, which tax shall not be less than the interest and sinking fund tax required by Article XII, Section 11 of the Constitution of Ohio.

In connection with the OASBO loan, whenever any event of default shall have occurred and be continuing, the issuer or trustee shall have available to it any or all of the following remedies: a) upon 30 days prior written notice to the District, terminate the lease agreement and direct the District to promptly return possession of the project to the issuer or enter upon the project site and take immediate possession of and remove any or all of the project; b) upon 30 days prior written notice to the District, sell or lease the issuer’s interest in the project or lease the project for the account of the District pursuant to the terms of the lease agreement, holding the District liable for all applicable lease payments and other payments due during the then-current lease term to the effective date of such sale, lease, or sublease and for the difference between the purchase price, rental, and other amounts paid by the purchaser, lessee, or sublessee, pursuant to such sale, lease, or sublease and the amounts payable during the then-current lease term by the District under the lease agreement; and c) exercise any other right, remedy, or privilege that may be available to it under the indenture and the applicable laws of the State or any other applicable law or proceed by appropriate court action to enforce the terms of the lease agreement or to recover damages for the breach of the lease agreement or to rescind the lease agreement as to the project. The District will remain liable for all covenants and obligations under the lease agreement and to the extent permitted by law for all legal fees and other costs and expenses.

Principal and Interest requirements to retire general obligation debt outstanding at year end are as follows:

Fiscal Year Ending June 30	Current Interest Bonds, COPs, OASBO Loan and PI Note			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$3,528,000	\$8,660,351	\$12,188,351	\$71,457	\$1,908,542	\$1,979,999
2022	5,865,000	8,463,735	14,328,735	0	0	0
2023	6,686,000	8,180,147	14,866,147	0	0	0
2024	7,043,000	7,857,168	14,900,168	0	0	0
2025	7,695,000	7,554,394	15,249,394	0	0	0
2026-2030	43,756,000	29,790,747	73,546,747	0	0	0
2031-2035	44,768,000	18,465,315	63,233,315	0	0	0
2036-2040	53,875,000	7,251,393	61,126,393	0	0	0
2041-2043	2,570,000	101,189	2,671,189	6,795,000	15,635,000	22,430,000
<b>Total</b>	<b>\$175,786,000</b>	<b>\$96,324,439</b>	<b>\$272,110,439</b>	<b>\$6,866,457</b>	<b>\$17,543,542</b>	<b>\$24,409,999</b>

**Note 12 – Debt Refunding**

On December 12, 2019 the District issued \$14,790,000 in Certificates of Participation with an interest rate between 2.02% and 3.56% which was used to partially refund \$11,755,000 of the outstanding 2012

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Certificate of Participation with an interest rate between 4.00% and 4.50% and \$1,960,000 of the outstanding 2013 Certificate of Participation with an interest rate of 5.00%. The net proceeds of \$14,790,000 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the bond issues. As a result, \$11,755,000 of the 2012 COPs and \$1,960,000 of the 2013 COPs are considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position.

The District refunded 2012 and 2013 Certificates of Participation to reduce its total debt service payments by \$1,158,244 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$773,429.

**Note 13 - Prior Year Defeasance of Debt**

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In prior years, the District defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the District's financial statements. On June 30, 2020, \$206,095,000 of bonds is considered defeased.

**Note 14 – Jointly Governed Organizations**

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*Southwest Ohio Computer Association*

The District is a participant in the Southwest Ohio Computer Association (SWOCA), which is a computer consortium. SWOCA is an association of public schools and educational service centers across six counties in southwest Ohio. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to the administrative and instructional functions among member Districts. The Board of SWOCA consists of one representative from each of the participating members. The degree of control exercised by any participating district is limited to its representation on the Board. Financial information can be obtained from the Executive Director, Butler County JVS, 3603 Hamilton-Middletown Road, Hamilton, Ohio 45011.

*Great Oaks Career Campuses*

Great Oaks Career Campuses (Great Oaks), a jointly governed organization, is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from each of the participating District's elected board. The Board possesses its own budgeting and taxing authority as a separate body politic and corporate, established by the Ohio Revised Code. Great Oaks was formed for the purpose of providing vocational education opportunities to the students of the member Districts, which includes the students of the District. The District has no ongoing financial interest in or responsibility for Great Oaks. To obtain financial information, write to Great Oaks Career Campuses at 3254 East Kemper Road, Cincinnati, Ohio 45241.

**Note 15 – Fund Balances**

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

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

Fund Balances	General	Bond Retirement	Nonmajor Governmental Funds	Total
<b>Nonspendable:</b>				
Endowment	\$0	\$0	\$1,274	\$1,274
<b>Total Nonspendable</b>	0	0	1,274	1,274
<b>Restricted for:</b>				
Budget Set Aside	212,907	0	0	212,907
Food Service	0	0	3,339,258	3,339,258
Other Grants	0	0	109,745	109,745
Athletic	0	0	237,814	237,814
Auxiliary Services	0	0	375,857	375,857
Title I-School Improvement Funding	0	0	881	881
Public Preschool Subsidy	0	0	13,831	13,831
Data Communication	0	0	900	900
Reducing Class Size	0	0	24,308	24,308
Title III	0	0	32,049	32,049
Student Wellness and Success	0	0	436,920	436,920
Bond Retirement	0	9,705,884	0	9,705,884
Permanent Improvement	0	0	5,442,526	5,442,526
<b>Total Restricted</b>	212,907	9,705,884	10,014,089	19,932,880
<b>Committed to:</b>				
Underground Storage Tanks	11,000	0	0	11,000
<b>Total Committed</b>	11,000	0	0	11,000
<b>Assigned to:</b>				
Budgetary Resources	2,460,678	0	0	2,460,678
Encumbrances	521,100	0	0	521,100
Public School	220,761	0	0	220,761
<b>Total Assigned</b>	3,202,539	0	0	3,202,539
<b>Unassigned (Deficit)</b>	35,205,380	0	(1,215,631)	33,989,749
<b>Total Fund Balance</b>	<u>\$38,631,826</u>	<u>\$9,705,884</u>	<u>\$8,799,732</u>	<u>\$57,137,442</u>

Encumbrances (assigned) will be used for instruction, support services and capital improvements throughout the District.

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**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 16– Accountability**

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At June 30, 2020, the following funds had deficit fund balances:

Funds	Deficit
Other Governmental Funds:	
Race to the Top	\$3,548
IDEA Special Education	31,819
Title I	140,105
Miscellaneous Federal Grants	27,812
Miscellaneous State Grants	43,638
Building	968,559
ESSER - Cares Act	150

These deficit balances were created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur. The District is not required to transfer funds to cover negative balances from state or federal grant funds as long as the District has requested the cash reimbursements.

**Note 17 – Contingencies Grants**

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**Foundation Funding**

District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2020 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2020 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

Beginning in FY20 the State foundation funding formula was frozen at the FY19 amount with small additions for student enrollment growth. In FY20 and FY21, the District received \$1.4 million dollar reductions in State funding as a result of the pandemic.

**Litigation**

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

**Note 18 – Required Set-Asides**

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

The following cash basis information describes the change in the year-end set aside amounts for capital Improvements. Disclosure of this information is required by State statute.



**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set Aside Balance as of June 30, 2019	\$0	\$212,907
Current Year Set Aside Requirements	1,054,646	0
Qualified Disbursements	(645,367)	0
Prior Year Offsets from Bond Proceeds	(409,279)	0
Set Aside Balance as of June 30, 2020	<u>\$0</u>	<u>\$212,907</u>
Restricted Cash as of June 30, 2020	<u>\$0</u>	<u>\$212,907</u>

The excess qualifying disbursements of the capital improvement set-aside may not be used to reduce the capital improvement set aside requirements of future years.

The amount presented for Prior Year Offsets from Bond Proceeds is limited to an amount needed to reduce the reserve for capital improvements \$0. The District is responsible for tracking the amount of the bond proceeds that may be used as an offset in future periods.

**Note 19 – Significant Contractual and Other Commitments**

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The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the Districts’ commitments for encumbrances in the governmental funds were as follows:

<u>Description</u>	<u>Remaining Commitment</u>
General	\$601,943
Other Governmental	1,088,823

**Note 20 – Tax Abatements entered Into By Other Governments**

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Other governments entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area (“CRA”) and Enterprise Zone Agreement (“EZA”) programs with the taxing districts of the District. The CRA program is a directive incentive tax exemption program benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. The EZA program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in the community. Within the taxing districts of the District, other municipalities have entered into CRA and EZA agreements. Under these agreements the District’s property taxes were reduced by \$1,339,999.

**Note 21 – Implementation of New Accounting Principles**

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For fiscal year 2020, the District has postponed implementation of Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities and GASB No. 90, Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61. The District did not implement these statements

**Princeton City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2020**

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due to the GASB postponing the implementation by 12 months because of the COVID-19 pandemic in accordance with GASB No. 95 Postponement of the Effective Dates of Authoritative Guidance.

**Note 22 – COVID-19**

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The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The District’s investment portfolio could incur a significant decline in fair value. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the District’s future operating costs, revenues, the impact of the investments of the pension and other employee benefit plan in which the District participates and any recovery from emergency funding, either federal or state, cannot be estimated.

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# **REQUIRED SUPPLEMENTARY INFORMATION**

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Princeton City School District  
 Required Supplementary Information  
 Schedule of the District's Proportionate Share of the Net Pension Liability  
 State Teachers Retirement System of Ohio  
 Last Seven Fiscal Years (1) (2)

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2020	0.31208596%	\$69,015,935	\$35,944,164	192.01%	77.40%
2019	0.30089257%	66,159,520	35,044,371	188.79%	77.30%
2018	0.29443785%	69,944,342	33,911,071	206.26%	75.30%
2017	0.29592689%	99,055,650	30,667,286	323.00%	66.80%
2016	0.29591741%	81,782,917	30,403,843	268.99%	72.10%
2015	0.29786042%	72,449,962	32,774,115	221.06%	74.70%
2014	0.29786042%	86,069,505	31,864,632	270.11%	69.30%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

(2) Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Princeton City School District  
 Required Supplementary Information  
 Schedule of the District's Proportionate Share of the Net Pension Liability  
 School Employees Retirement System of Ohio  
 Last Seven Fiscal Years (1) (2)

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2020	0.41163430%	\$24,628,802	\$13,997,511	175.95%	70.85%
2019	0.38632950%	22,125,806	12,993,244	170.29%	71.36%
2018	0.38699010%	23,121,804	12,464,121	185.51%	69.50%
2017	0.39270710%	28,742,536	12,196,021	235.67%	62.98%
2016	0.40549380%	23,137,869	14,511,806	159.44%	69.16%
2015	0.41734900%	21,121,795	12,249,827	172.43%	71.70%
2014	0.41734900%	24,825,844	12,646,285	196.31%	65.52%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

(2) Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Princeton City School District  
 Required Supplementary Information  
 Schedule of District's Contributions for Net Pension Liability  
 State Teachers Retirement System of Ohio  
 Last Ten Fiscal Years

Year	District's Contractually Required Contribution	District's Contributions in Relation to the Contractually Required Contributions	District's Contribution Deficiency (Excess)	District's Covered Payroll	District's Contributions as a Percentage of Covered Payroll
2020	\$5,482,200	(\$5,482,200)	\$0	\$39,158,571	14.00%
2019	5,032,183	(5,032,183)	0	35,944,164	14.00%
2018	4,906,212	(4,906,212)	0	35,044,371	14.00%
2017	4,747,550	(4,747,550)	0	33,911,071	14.00%
2016	4,293,420	(4,293,420)	0	30,667,286	14.00%
2015	4,256,538	(4,256,538)	0	30,403,843	14.00%
2014	4,260,635	(4,260,635)	0	32,774,115	13.00%
2013	4,992,533	(4,992,533)	0	31,864,632	15.67%
2012	4,985,439	(4,985,439)	0	31,833,766	15.66%
2011	5,145,000	(5,145,000)	0	34,123,153	15.08%

See accompanying notes to the required supplementary information.

Princeton City School District  
 Required Supplementary Information  
 Schedule of District's Contributions for Net Pension Liability  
 School Employees Retirement System of Ohio  
 Last Ten Fiscal Years

Year	District's Contractually Required Contribution	District's Contributions in Relation to the Contractually Required Contributions	District's Contribution Deficiency (Excess)	District's Covered Payroll	District's Contributions as a Percentage of Covered Payroll
2020	\$1,922,645	(\$1,922,645)	\$0	\$13,733,179	14.00%
2019	1,889,664	(1,889,664)	0	13,997,511	13.50%
2018	1,754,088	(1,754,088)	0	12,993,244	13.50%
2017	1,744,977	(1,744,977)	0	12,464,121	14.00%
2016	1,707,443	(1,707,443)	0	12,196,021	14.00%
2015	1,912,656	(1,912,656)	0	14,511,806	13.18%
2014	1,697,826	(1,697,826)	0	12,249,827	13.86%
2013	2,429,448	(2,429,448)	0	12,646,285	19.21%
2012	2,331,912	(2,331,912)	0	13,512,486	17.26%
2011	2,085,000	(2,085,000)	0	14,555,676	14.32%

See accompanying notes to the required supplementary information.

Princeton City School District  
 Required Supplementary Information  
 Schedule of the District's Proportionate Share of the Net OPEB (Asset)/Liability  
 State Teachers Retirement System of Ohio  
 Last Four Fiscal Years (1) (2)

Year	District's Proportion of the Net OPEB (Asset)/Liability	District's Proportionate Share of the Net OPEB (Asset)/Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB (Asset)/Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB (Asset)/Liability
2020	0.31208596%	(\$5,168,891)	\$35,944,164	(14.38%)	174.74%
2019	0.30089257%	(\$4,835,036)	\$35,044,371	(13.80%)	176.00%
2018	0.29443785%	11,487,878	33,911,071	33.88%	47.10%
2017	0.29592689%	15,826,247	30,667,286	51.61%	37.30%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

(2) Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.



Princeton City School District  
 Required Supplementary Information  
 Schedule of the District's Proportionate Share of the Net OPEB Liability  
 School Employees Retirement System of Ohio  
 Last Four Fiscal Years (1) (2)

Year	District's Proportion of the Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2020	0.39368230%	\$9,900,282	\$13,997,511	70.73%	15.57%
2019	0.37391100%	10,373,301	12,993,244	79.84%	13.57%
2018	0.37204710%	9,984,767	12,464,121	80.11%	12.46%
2017	0.38399730%	10,945,344	12,196,021	89.75%	11.49%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

(2) Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Princeton City School District  
 Required Supplementary Information  
 Schedule of District's Contributions for Net OPEB (Asset)/Liability  
 State Teachers Retirement System of Ohio  
 Last Five Fiscal Years (1)

Year	District's Contractually Required Contribution	District's Contributions in Relation to the Contractually Required Contributions	District's Contribution Deficiency (Excess)	District's Covered Payroll	District's Contributions as a Percentage of Covered Payroll
2020	\$0	\$0	\$0	\$39,158,571	0.00%
2019	0	0	0	35,944,164	0.00%
2018	0	0	0	35,044,371	0.00%
2017	0	0	0	33,911,071	0.00%
2016	0	0	0	30,667,286	0.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

See accompanying notes to the required supplementary information

Princeton City School District  
 Required Supplementary Information  
 Schedule of District's Contributions for Net OPEB Liability  
 School Employees Retirement System of Ohio  
 Last Five Fiscal Years (1) (2)

Year	District's Contractually Required Contribution (2)	District's Contributions in Relation to the Contractually Required Contributions	District's Contribution Deficiency (Excess)	District's Covered Payroll	District's Contributions as a Percentage of Covered Payroll
2020	\$113,580	(\$113,580)	\$0	\$13,733,179	0.83%
2019	178,297	(178,297)	0	13,997,511	1.27%
2018	172,185	(172,185)	0	12,993,244	1.33%
2017	107,219	(107,219)	0	12,464,121	0.86%
2016	108,307	(108,307)	0	12,196,021	0.89%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

(2) Includes surcharge.

See accompanying notes to the required supplementary information

Princeton City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2020

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$52,080,512	\$54,638,588	\$54,297,725	(\$340,863)
Revenue in lieu of taxes	1,285,281	1,348,411	1,339,999	(8,412)
Tuition and Fees	2,314,833	2,428,532	2,413,382	(15,150)
Investment Earnings	1,217,827	1,277,644	1,269,673	(7,971)
Intergovernmental	18,791,073	19,714,048	19,591,062	(122,986)
Extracurricular Activities	59,343	62,257	61,869	(388)
Other Revenues	1,225,711	1,285,915	1,277,893	(8,022)
<b>Total Revenues</b>	<b>76,974,580</b>	<b>80,755,395</b>	<b>80,251,603</b>	<b>(503,792)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	36,167,141	35,505,484	35,132,069	373,415
Special	11,908,052	11,690,201	11,567,254	122,947
Vocational	33,738	33,120	32,772	348
Adult/Continuing	9,848	9,668	9,566	102
Other	3,200,017	3,141,474	3,108,435	33,039
<b>Support Services:</b>				
Pupil	5,061,100	4,968,510	4,916,256	52,254
Instructional Staff	1,851,529	1,817,656	1,798,540	19,116
General Administration	348,818	342,436	338,835	3,601
School Administration	5,984,907	5,875,416	5,813,624	61,792
Fiscal	1,810,722	1,777,596	1,758,901	18,695
Business	254,875	250,213	247,581	2,632
Operations and Maintenance	8,570,126	8,413,340	8,324,856	88,484
Pupil Transportation	5,152,148	5,057,892	5,004,698	53,194
Central	1,143,821	1,122,896	1,111,086	11,810
Operation of Non-Instructional Services	96,700	94,931	93,933	998
Extracurricular Activities	1,115,322	1,094,917	1,083,402	11,515
Capital Outlay	1,347,915	1,323,256	1,309,339	13,917
<b>Total Expenditures</b>	<b>84,056,779</b>	<b>82,519,006</b>	<b>81,651,147</b>	<b>867,859</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(7,082,199)</b>	<b>(1,763,611)</b>	<b>(1,399,544)</b>	<b>364,067</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	167,854	176,099	175,000	(1,099)
Transfers (Out)	(401,490)	(394,145)	(390,000)	4,145
<b>Total Other Financing Sources (Uses)</b>	<b>(233,636)</b>	<b>(218,046)</b>	<b>(215,000)</b>	<b>3,046</b>
<b>Net Change in Fund Balance</b>	<b>(7,315,835)</b>	<b>(1,981,657)</b>	<b>(1,614,544)</b>	<b>367,113</b>
<b>Fund Balance Beginning of Year, (includes prior year encumbrances appropriated)</b>	<b>39,231,159</b>	<b>39,231,159</b>	<b>39,231,159</b>	<b>0</b>
<b>Fund Balance - End of Year</b>	<b>\$31,915,324</b>	<b>\$37,249,502</b>	<b>\$37,616,615</b>	<b>\$367,113</b>

See accompanying notes to the required supplementary information.

**Princeton City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2020**

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**Note 1 - Budgetary Process**

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All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures at the level of control selected by the Board. The legal level of control has been established by the Board at the fund level. Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures. Any budgetary modifications at this level may only be made by resolution of the Board.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2020.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

While the District is reporting financial position, results of operations and changes in fund balance on the basis of 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 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

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 for all funds (budget basis) rather than as an assignment of fund balance for governmental fund types (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

**Princeton City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2020**

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**Net Change in Fund Balance**

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	<u>General</u>
GAAP Basis	(\$13,518,154)
Revenue Accruals	12,447,414
Expenditure Accruals	46,508
Proceeds of Capital Assets	0
Transfers In	175,000
Transfers Out	(163,370)
Encumbrances	(601,943)
Funds Budgeted Elsewhere	1
Budget Basis	<u><u>(\$1,614,544)</u></u>

**Note 2 - Net Pension Liability**

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**School Employees Retirement System (SERS)**

**Changes in Benefit Terms:**

2020: There were no changes in benefit terms from the amounts reported for this fiscal year.

2019: With the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

2018: SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the change in the Consumer Price Index Index (CPI-W), with a cap of 2.5% and a floor of 0%.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Changes in Assumptions:**

2018-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

2017: The following changes of assumptions affected the total pension liability since the prior measurement date:

- (1) The assumed rate of inflation was reduced from 3.25% to 3.00%,
- (2) Payroll growth assumption was reduced from 4.00% to 3.50%,
- (3) Assumed real wage growth was reduced from 0.75% to 0.50%,
- (4) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
- (5) Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females,
- (6) Mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates,
- (7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, and
- (8) The discount rate was reduced from 7.75% to 7.50%.

**Princeton City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2020**

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2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

**State Teachers Retirement System (STRS)**

**Changes in Benefit Terms:**

2019-2020: There were no changes in benefit terms from the amounts reported for these fiscal years.

2018: STRS decreased the Cost of Living Adjustment (COLA) to zero.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Changes in Assumptions:**

2019-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

2018: The following changes of assumptions affected the total pension liability since the prior measurement date:

- (1) The long term expected rate of return was reduced from 7.75% to 7.45%,
- (2) The inflation assumption was lowered from 2.75% to 2.50%,
- (3) The payroll growth assumption was lowered to 3.00%,
- (4) Total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation,
- (5) The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016, and
- (6) Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

**Note 3 - Net OPEB (Asset)/Liability**

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**School Employees Retirement System (SERS)**

**Changes in Benefit Terms:**

2017-2020: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Changes in Assumptions:**

2020: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:

Prior Measurement Date	3.70%
Measurement Date	3.22%
- (2) Municipal Bond Index Rate:

Prior Measurement Date	3.62%
Measurement Date	3.13%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	3.70%
Measurement Date	3.22%

**Princeton City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2020**

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2019: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (4) Discount Rate:
  - Prior Measurement Date 3.63%
  - Measurement Date 3.70%
- (5) Municipal Bond Index Rate:
  - Prior Measurement Date 3.56%
  - Measurement Date 3.62%
- (6) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  - Prior Measurement Date 3.63%
  - Measurement Date 3.70%

2018: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:
  - Fiscal Year 2018 3.63%
  - Fiscal Year 2017 2.98%
- (2) Municipal Bond Index Rate:
  - Fiscal Year 2018 3.56%
  - Fiscal Year 2017 2.92%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  - Fiscal Year 2018 3.63%
  - Fiscal Year 2017 2.98%

2017: The following changes of assumptions affected the total OPEB liability since the prior measurement date:

- (1) The assumed rate of inflation was reduced from 3.25% to 3.00%,
- (2) Payroll growth assumption was reduced from 4.00% to 3.50%,
- (3) Assumed real wage growth was reduced from 0.75% to 0.50%,
- (4) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
- (5) Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females,
- (6) Mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, and
- (7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

**State Teachers Retirement System (STRS)**

**Changes in Benefit Terms:**

2020: There was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly



**Princeton City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2020**

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reimbursement elimination date was postponed to January 1, 2021.

2019: The subsidy multiplier for non-Medicare benefit recipients was increased from 1.900% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. The Board is extending the current Medicare Part B partial reimbursement program for one year. Under this program, benefit recipients currently enrolled in the STRS Ohio Health Care Program and Medicare Part B receive \$29.90 per month to reimburse a portion of the Medicare Part B premium. The reimbursement was set to be reduced to \$0 beginning January 1, 2020. This impacts about 85,000 benefit recipients.

2018: The subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2019.

2017: There were no changes in benefit terms from the amounts reported for this fiscal year.

**Changes in Assumptions:**

2020: There were changes in assumptions during the measurement year, which increased the total OPEB liability by approximately \$0.04 billion. The assumption changes included changes in healthcare costs and trends.

2019: The discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB). Valuation year per capita health care costs were updated.

2018: The discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this fiscal year.

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# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



## **MAJOR GOVERNMENTAL FUNDS**

**Bond Retirement Fund** - The bond retirement fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for both are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$10,854,532	\$10,631,435	(\$223,097)
Revenue in lieu of taxes	3,698	3,622	(76)
Intergovernmental	1,224,255	1,199,092	(25,163)
<b>Total Revenues</b>	<b>12,082,485</b>	<b>11,834,149</b>	<b>(248,336)</b>
Expenditures:			
Current:			
Support Services:			
Fiscal	149,049	147,239	1,810
Debt Service:			
Principal Retirement	4,985,544	4,925,000	60,544
Interest and Fiscal Charges	6,474,031	6,395,411	78,620
<b>Total Expenditures</b>	<b>11,608,624</b>	<b>11,467,650</b>	<b>140,974</b>
Excess of Revenues Over (Under) Expenditures	473,861	366,499	(107,362)
Other Financing Sources (Uses):			
Premium on Bonds and Notes Issued	5,915	5,793	(122)
<b>Total Other Financing Sources (Uses)</b>	<b>5,915</b>	<b>5,793</b>	<b>(122)</b>
<b>Net Change in Fund Balance</b>	<b>479,776</b>	<b>372,292</b>	<b>(107,484)</b>
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	8,388,588	8,388,588	0
<b>Fund Balance - End of Year</b>	<b>\$8,868,364</b>	<b>\$8,760,880</b>	<b>(\$107,484)</b>

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

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 term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

### **Capital Projects Funds**

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

### **Permanent Fund**

The Permanent Fund should be used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for the purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. The Permanent fund does not include private-purpose trust funds, which should be used to report situations in which the government is required to use the principal or earnings for the benefit of individuals, private organizations, or other governments.

Princeton City School District  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$4,711,154	\$5,440,757	\$1,274	\$10,153,185
Receivables (Net):				
Taxes	0	2,224,852	0	2,224,852
Intergovernmental	1,854,496	0	0	1,854,496
Inventory	114,951	0	0	114,951
<b>Total Assets</b>	<b>6,680,601</b>	<b>7,665,609</b>	<b>1,274</b>	<b>14,347,484</b>
<b>Liabilities:</b>				
Accounts Payable	209,463	0	0	209,463
Accrued Wages and Benefits	598,308	0	0	598,308
Accrued Interest Payable	0	1,790	0	1,790
Interfund Payable	519,475	150,000	0	669,475
Tax Anticipation Notes Payable	0	1,010,000	0	1,010,000
<b>Total Liabilities</b>	<b>1,327,246</b>	<b>1,161,790</b>	<b>0</b>	<b>2,489,036</b>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	0	2,029,852	0	2,029,852
Grants and Other Taxes	1,028,864	0	0	1,028,864
<b>Total Deferred Inflows of Resources</b>	<b>1,028,864</b>	<b>2,029,852</b>	<b>0</b>	<b>3,058,716</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	1,274	1,274
Restricted	4,571,563	5,442,526	0	10,014,089
Unassigned (Deficit)	(247,072)	(968,559)	0	(1,215,631)
<b>Total Fund Balances</b>	<b>4,324,491</b>	<b>4,473,967</b>	<b>1,274</b>	<b>8,799,732</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$6,680,601</b>	<b>\$7,665,609</b>	<b>\$1,274</b>	<b>\$14,347,484</b>



Princeton City School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property and Other Taxes	\$0	\$1,477,983	\$0	\$1,477,983
Tuition and Fees	385	0	0	385
Investment Earnings	8,214	56	0	8,270
Intergovernmental	8,817,766	150,251	0	8,968,017
Extracurricular Activities	145,708	0	0	145,708
Charges for Services	309,795	0	0	309,795
Revenue in Lieu of Taxes	0	653	0	653
Other Revenues	136,176	25,000	0	161,176
<b>Total Revenues</b>	<b>9,418,044</b>	<b>1,653,943</b>	<b>0</b>	<b>11,071,987</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	906,062	0	0	906,062
Special	1,265,606	0	0	1,265,606
Other	58,422	0	0	58,422
<b>Support Services:</b>				
Pupil	507,308	0	0	507,308
Instructional Staff	1,335,384	0	0	1,335,384
School Administration	540,601	0	0	540,601
Fiscal	0	29,209	0	29,209
Operations and Maintenance	24,552	0	0	24,552
Pupil Transportation	58,558	0	0	58,558
Central	21,040	0	0	21,040
Operation of Non-Instructional Services	3,688,671	0	0	3,688,671
Extracurricular Activities	328,563	0	0	328,563
Capital Outlay	0	115,054	0	115,054
<b>Debt Service:</b>				
Principal Retirement	0	362,000	0	362,000
Interest and Fiscal Charges	0	933,300	0	933,300
<b>Total Expenditures</b>	<b>8,734,767</b>	<b>1,439,563</b>	<b>0</b>	<b>10,174,330</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>683,277</b>	<b>214,380</b>	<b>0</b>	<b>897,657</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	226,630	516,375	0	743,005
Transfers (Out)	0	(516,375)	0	(516,375)
<b>Total Other Financing Sources (Uses)</b>	<b>226,630</b>	<b>0</b>	<b>0</b>	<b>226,630</b>
<b>Net Change in Fund Balance</b>	<b>909,907</b>	<b>214,380</b>	<b>0</b>	<b>1,124,287</b>
<b>Fund Balance - Beginning of Year</b>	<b>3,414,584</b>	<b>4,259,587</b>	<b>1,274</b>	<b>7,675,445</b>
<b>Fund Balance - End of Year</b>	<b>\$4,324,491</b>	<b>\$4,473,967</b>	<b>\$1,274</b>	<b>\$8,799,732</b>

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**Food Service** - To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

**Other Grants** - To account for local funds, which are provided to assist the District with various programs.

**Athletic** - To account for those student activity programs which have student participation in the activity but do not have student management in the programs. This fund includes athletic programs as well as the band, cheerleaders, flag corps and other similar types of activities.

**Auxiliary Services** - To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

**Public Preschool Subsidy** - To account for state funds to assist school districts in paying the cost of preschool programs.

**Data Communication** - To account for funds to be used for communications.

**Miscellaneous State Grants** - To account for various monies received from state agencies which are not classified elsewhere.

**Race to the Top** – To account for a competitive grant program designed to encourage and reward states that are creating the conditions for education innovation and reform; achieving significant improvement in student outcomes, including making substantial gains in student achievement, closing achievement gaps, improving high school graduation rates, and ensuring student preparation for success in college and careers.

**IDEA Special Education** - To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialist in providing educational services to the handicapped.

**Title III** - To account for federal funds provided for students whose native language is not English.

**Title I** - To account for federal funds for services provided to meet special educational needs of educationally deprived children.

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**Preschool Development Grant** - To account for revenues and expenditures made in conjunction with child abuse, child neglect prevention programs and other grants.

**Reducing Class Size** – To account for federal funds received for class size reduction.

**Miscellaneous Federal Grants** - To account for various monies received directly from the federal government, which are, not classified elsewhere.

**Student Wellness and Success** - To account for student mental health services, mentoring programs, or child welfare involved youth, etc.

**Title I – School Improvement Funding** - To help the district improve the teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards

**ESSER – Cares Act** - To provide emergency relief grants to school districts related to the COVID-19 pandemic.

Princeton City School District  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2020

	Food Service	Other Grants	Athletic	Auxiliary Services	Public Preschool Subsidy	Data Communication
<b>Assets:</b>						
Equity in Pooled Cash and Investments	\$3,424,888	\$153,229	\$249,370	\$431,430	\$0	\$900
<b>Receivables (Net):</b>						
Intergovernmental	0	0	0	0	110,221	0
Inventory	114,951	0	0	0	0	0
<b>Total Assets</b>	<b>3,539,839</b>	<b>153,229</b>	<b>249,370</b>	<b>431,430</b>	<b>110,221</b>	<b>900</b>
<b>Liabilities:</b>						
Accounts Payable	5,243	43,427	11,556	48,673	0	0
Accrued Wages and Benefits	195,338	0	0	2,703	0	0
Interfund Payable	0	57	0	4,197	12,513	0
<b>Total Liabilities</b>	<b>200,581</b>	<b>43,484</b>	<b>11,556</b>	<b>55,573</b>	<b>12,513</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>						
Grants and Other Taxes	0	0	0	0	83,877	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>83,877</b>	<b>0</b>
<b>Fund Balances:</b>						
Restricted	3,339,258	109,745	237,814	375,857	13,831	900
Unassigned (Deficit)	0	0	0	0	0	0
<b>Total Fund Balances</b>	<b>3,339,258</b>	<b>109,745</b>	<b>237,814</b>	<b>375,857</b>	<b>13,831</b>	<b>900</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$3,539,839</b>	<b>\$153,229</b>	<b>\$249,370</b>	<b>\$431,430</b>	<b>\$110,221</b>	<b>\$900</b>

Continued

Miscellaneous State Grants	Race To The Top	IDEA Special Education	Title III	Title I	Preschool Development Grant	Reducing Class Size
\$0	\$0	\$0	\$0	\$0	\$0	\$0
54,001	0	598,446	102,671	680,912	9,894	121,464
0	0	0	0	0	0	0
<u>54,001</u>	<u>0</u>	<u>598,446</u>	<u>102,671</u>	<u>680,912</u>	<u>9,894</u>	<u>121,464</u>
3,910	0	9,391	6,946	51,754	0	0
6,456	0	101,966	14,871	270,595	0	0
41,523	3,548	231,646	9,010	160,304	0	5,518
<u>51,889</u>	<u>3,548</u>	<u>343,003</u>	<u>30,827</u>	<u>482,653</u>	<u>0</u>	<u>5,518</u>
<u>45,750</u>	<u>0</u>	<u>287,262</u>	<u>39,795</u>	<u>338,364</u>	<u>9,894</u>	<u>91,638</u>
<u>45,750</u>	<u>0</u>	<u>287,262</u>	<u>39,795</u>	<u>338,364</u>	<u>9,894</u>	<u>91,638</u>
0	0	0	32,049	0	0	24,308
(43,638)	(3,548)	(31,819)	0	(140,105)	0	0
<u>(43,638)</u>	<u>(3,548)</u>	<u>(31,819)</u>	<u>32,049</u>	<u>(140,105)</u>	<u>0</u>	<u>24,308</u>
<u>\$54,001</u>	<u>\$0</u>	<u>\$598,446</u>	<u>\$102,671</u>	<u>\$680,912</u>	<u>\$9,894</u>	<u>\$121,464</u>

Continued

Princeton City School District  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2020

	Miscellaneous Federal Grants	Student Wellness and Success	Title I - School Improvement Funding	ESSER- Cares Act	Total Nonmajor Special Revenue Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$0	\$451,337	\$0	\$0	\$4,711,154
<b>Receivables (Net):</b>					
Intergovernmental	115,387	0	61,500	0	1,854,496
Inventory	0	0	0	0	114,951
<b>Total Assets</b>	<b>115,387</b>	<b>451,337</b>	<b>61,500</b>	<b>0</b>	<b>6,680,601</b>
<b>Liabilities:</b>					
Accounts Payable	20,375	8,038	0	150	209,463
Accrued Wages and Benefits	0	6,379	0	0	598,308
Interfund Payable	51,159	0	0	0	519,475
<b>Total Liabilities</b>	<b>71,534</b>	<b>14,417</b>	<b>0</b>	<b>150</b>	<b>1,327,246</b>
<b>Deferred Inflows of Resources:</b>					
Grants and Other Taxes	71,665	0	60,619	0	1,028,864
<b>Total Deferred Inflows of Resources</b>	<b>71,665</b>	<b>0</b>	<b>60,619</b>	<b>0</b>	<b>1,028,864</b>
<b>Fund Balances:</b>					
Restricted	0	436,920	881	0	4,571,563
Unassigned (Deficit)	(27,812)	0	0	(150)	(247,072)
<b>Total Fund Balances</b>	<b>(27,812)</b>	<b>436,920</b>	<b>881</b>	<b>(150)</b>	<b>4,324,491</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$115,387</b>	<b>\$451,337</b>	<b>\$61,500</b>	<b>\$0</b>	<b>\$6,680,601</b>

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Princeton City School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2020

	Food Service	Other Grants	Athletic	Auxiliary Services	Public Preschool Subsidy	Data Communication
Revenues:						
Tuition and Fees	\$0	\$0	\$385	\$0	\$0	\$0
Investment Earnings	0	0	0	8,214	0	0
Intergovernmental	2,249,597	0	0	1,255,258	153,512	18,900
Extracurricular Activities	0	0	145,708	0	0	0
Charges for Services	309,795	0	0	0	0	0
Other Revenues	0	85,881	50,295	0	0	0
<b>Total Revenues</b>	<b>2,559,392</b>	<b>85,881</b>	<b>196,388</b>	<b>1,263,472</b>	<b>153,512</b>	<b>18,900</b>
Expenditures:						
Current:						
Instruction:						
Regular	0	11,678	0	0	162,348	0
Special	0	0	0	0	0	0
Other	0	0	0	0	0	0
Support Services:						
Pupil	0	39,073	0	0	0	0
Instructional Staff	0	14,999	0	0	0	0
School Administration	0	0	0	0	0	0
Operations and Maintenance	0	0	0	0	0	0
Pupil Transportation	0	0	0	0	0	0
Central	0	0	0	0	0	18,000
Operation of Non-Instructional Services	2,617,621	0	0	892,428	0	0
Extracurricular Activities	0	0	328,563	0	0	0
<b>Total Expenditures</b>	<b>2,617,621</b>	<b>65,750</b>	<b>328,563</b>	<b>892,428</b>	<b>162,348</b>	<b>18,000</b>
Excess of Revenues Over (Under) Expenditures	(58,229)	20,131	(132,175)	371,044	(8,836)	900
Other Financing Sources (Uses):						
Transfers In	0	0	226,630	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>226,630</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(58,229)</b>	<b>20,131</b>	<b>94,455</b>	<b>371,044</b>	<b>(8,836)</b>	<b>900</b>
Fund Balance - Beginning of Year	3,397,487	89,614	143,359	4,813	22,667	0
<b>Fund Balance - End of Year</b>	<b>\$3,339,258</b>	<b>\$109,745</b>	<b>\$237,814</b>	<b>\$375,857</b>	<b>\$13,831</b>	<b>\$900</b>

Continued



Miscellaneous State Grants	Race To The Top	IDEA Special Education	Title III	Title I	Preschool Development Grant	Reducing Class Size
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
84,903	0	1,465,409	253,599	1,808,130	21,605	245,547
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>84,903</u>	<u>0</u>	<u>1,465,409</u>	<u>253,599</u>	<u>1,808,130</u>	<u>21,605</u>	<u>245,547</u>
0	0	0	0	686,849	0	6,050
4,900	0	741,468	164,999	0	21,605	0
0	0	0	25,187	33,235	0	0
54,116	0	51,244	44,166	4,500	0	0
0	0	19,575	868	1,057,491	0	196,228
0	0	533,456	0	7,145	0	0
24,552	0	0	0	0	0	0
0	0	0	0	5,659	0	0
0	0	0	0	0	0	1,020
0	0	84,657	0	32,513	0	30,474
0	0	0	0	0	0	0
<u>83,568</u>	<u>0</u>	<u>1,430,400</u>	<u>235,220</u>	<u>1,827,392</u>	<u>21,605</u>	<u>233,772</u>
<u>1,335</u>	<u>0</u>	<u>35,009</u>	<u>18,379</u>	<u>(19,262)</u>	<u>0</u>	<u>11,775</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
1,335	0	35,009	18,379	(19,262)	0	11,775
(44,973)	(3,548)	(66,828)	13,670	(120,843)	0	12,533
<u>(\$43,638)</u>	<u>(\$3,548)</u>	<u>(\$31,819)</u>	<u>\$32,049</u>	<u>(\$140,105)</u>	<u>\$0</u>	<u>\$24,308</u>

Continued

Princeton City School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2020

	Miscellaneous Federal Grants	Student Wellness and Success	Title I - School Improvement Funding	ESSER- Cares Act	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>					
Tuition and Fees	\$0	\$0	\$0	\$0	\$385
Investment Earnings	0	0	0	0	8,214
Intergovernmental	115,796	1,141,129	4,381	0	8,817,766
Extracurricular Activities	0	0	0	0	145,708
Charges for Services	0	0	0	0	309,795
Other Revenues	0	0	0	0	136,176
<b>Total Revenues</b>	<b>115,796</b>	<b>1,141,129</b>	<b>4,381</b>	<b>0</b>	<b>9,418,044</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	37,863	1,274	0	0	906,062
Special	0	332,634	0	0	1,265,606
Other	0	0	0	0	58,422
<b>Support Services:</b>					
Pupil	6,400	307,809	0	0	507,308
Instructional Staff	29,741	12,982	3,500	0	1,335,384
School Administration	0	0	0	0	540,601
Operations and Maintenance	0	0	0	0	24,552
Pupil Transportation	5,409	47,490	0	0	58,558
Central	0	2,020	0	0	21,040
Operation of Non-Instructional Services	30,828	0	0	150	3,688,671
Extracurricular Activities	0	0	0	0	328,563
<b>Total Expenditures</b>	<b>110,241</b>	<b>704,209</b>	<b>3,500</b>	<b>150</b>	<b>8,734,767</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>5,555</b>	<b>436,920</b>	<b>881</b>	<b>(150)</b>	<b>683,277</b>
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	0	226,630
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>226,630</b>
<b>Net Change in Fund Balance</b>	<b>5,555</b>	<b>436,920</b>	<b>881</b>	<b>(150)</b>	<b>909,907</b>
<b>Fund Balance - Beginning of Year</b>	<b>(33,367)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,414,584</b>
<b>Fund Balance - End of Year</b>	<b>(\$27,812)</b>	<b>\$436,920</b>	<b>\$881</b>	<b>(\$150)</b>	<b>\$4,324,491</b>

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Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,560,274	\$2,272,038	(\$288,236)
Charges for Services	349,096	309,795	(39,301)
Total Revenues	<u>2,909,370</u>	<u>2,581,833</u>	<u>(327,537)</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	<u>2,870,646</u>	<u>2,834,954</u>	<u>35,692</u>
Total Expenditures	<u>2,870,646</u>	<u>2,834,954</u>	<u>35,692</u>
Net Change in Fund Balance	38,724	(253,121)	(291,845)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>3,293,945</u>	<u>3,293,945</u>	<u>0</u>
Fund Balance - End of Year	<u>\$3,332,669</u>	<u>\$3,040,824</u>	<u>(\$291,845)</u>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Other Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$88,342	\$85,881	(\$2,461)
Total Revenues	88,342	85,881	(2,461)
Expenditures:			
Current:			
Instruction:			
Regular	31,826	11,678	20,148
Support Services:			
Pupil	109,211	40,073	69,138
Instructional Staff	33,712	12,370	21,342
Total Expenditures	174,749	64,121	110,628
Net Change in Fund Balance	(86,407)	21,760	108,167
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	89,666	89,666	0
Fund Balance - End of Year	\$3,259	\$111,426	\$108,167

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Athletic Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$394	\$385	(\$9)
Extracurricular Activities	149,043	145,708	(3,335)
Other Revenues	52,490	51,316	(1,174)
Total Revenues	<u>201,927</u>	<u>197,409</u>	<u>(4,518)</u>
Expenditures:			
Current:			
Extracurricular Activities	390,232	339,728	50,504
Total Expenditures	<u>390,232</u>	<u>339,728</u>	<u>50,504</u>
Excess of Revenues Over (Under) Expenditures	<u>(188,305)</u>	<u>(142,319)</u>	<u>45,986</u>
Other Financing Sources (Uses):			
Transfers In	231,817	226,630	(5,187)
Total Other Financing Sources (Uses)	<u>231,817</u>	<u>226,630</u>	<u>(5,187)</u>
Net Change in Fund Balance	43,512	84,311	40,799
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>142,340</u>	<u>142,340</u>	<u>0</u>
Fund Balance - End of Year	<u>\$185,852</u>	<u>\$226,651</u>	<u>\$40,799</u>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$8,222	\$8,214	(\$8)
Intergovernmental	1,256,522	1,255,258	(1,264)
Total Revenues	1,264,744	1,263,472	(1,272)
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,289,101	938,475	350,626
Total Expenditures	1,289,101	938,475	350,626
Net Change in Fund Balance	(24,357)	324,997	349,354
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	29,011	29,011	0
Fund Balance - End of Year	\$4,654	\$354,008	\$349,354

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Public Preschool Subsidy Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$237,389	\$127,168	(\$110,221)
Total Revenues	237,389	127,168	(110,221)
Expenditures:			
Current:			
Instruction:			
Regular	260,055	162,348	97,707
Total Expenditures	260,055	162,348	97,707
Net Change in Fund Balance	(22,666)	(35,180)	(12,514)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	22,667	22,667	0
Fund Balance - End of Year	\$1	(\$12,513)	(\$12,514)



Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Data Communication Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$18,900	\$18,900	\$0
Total Revenues	18,900	18,900	0
Expenditures:			
Current:			
Support Services:			
Central	18,900	18,000	900
Total Expenditures	18,900	18,000	900
Net Change in Fund Balance	0	900	900
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$900	\$900

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$132,867	\$78,866	(\$54,001)
Total Revenues	<u>132,867</u>	<u>78,866</u>	<u>(54,001)</u>
Expenditures:			
Current:			
Instruction:			
Special	41,480	38,518	2,962
Support Services:			
Pupil	58,596	54,412	4,184
Instructional Staff	1,077	1,000	77
Operations and Maintenance	27,732	25,752	1,980
Operation of Non-Instructional Services	<u>2,393</u>	<u>2,222</u>	<u>171</u>
Total Expenditures	<u>131,278</u>	<u>121,904</u>	<u>9,374</u>
Net Change in Fund Balance	1,589	(43,038)	(44,627)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>(1,588)</u>	<u>(1,588)</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$1</u></u>	<u><u>(\$44,626)</u></u>	<u><u>(\$44,627)</u></u>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Race To The Top Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	0	0	(0)
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	IDEA Special Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,997,858	\$1,349,400	(\$648,458)
<b>Total Revenues</b>	<b>1,997,858</b>	<b>1,349,400</b>	<b>(648,458)</b>
Expenditures:			
Current:			
Instruction:			
Special	1,013,433	811,441	201,992
Support Services:			
Pupil	72,408	57,976	14,432
Instructional Staff	45,280	36,255	9,025
School Administration	649,560	520,093	129,467
Operation of Non-Instructional Services	105,731	84,657	21,074
<b>Total Expenditures</b>	<b>1,886,412</b>	<b>1,510,422</b>	<b>375,990</b>
<b>Net Change in Fund Balance</b>	<b>111,446</b>	<b>(161,022)</b>	<b>(272,468)</b>
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(110,421)	(110,421)	0
<b>Fund Balance - End of Year</b>	<b>\$1,025</b>	<b>(\$271,443)</b>	<b>(\$272,468)</b>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$328,382	\$225,710	(\$102,672)
Total Revenues	<u>328,382</u>	<u>225,710</u>	<u>(102,672)</u>
Expenditures:			
Current:			
Instruction:			
Special	205,650	159,922	45,728
Other	32,389	25,187	7,202
Support Services:			
Pupil	72,678	56,517	16,161
Instructional Staff	410	319	91
Pupil Transportation	12,753	9,917	2,836
Operation of Non-Instructional Services	643	500	143
Total Expenditures	<u>324,523</u>	<u>252,362</u>	<u>72,161</u>
Net Change in Fund Balance	3,859	(26,652)	(30,511)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>(3,859)</u>	<u>(3,859)</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>(\$30,511)</u>	<u>(\$30,511)</u>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,367,675	\$1,695,482	(\$672,193)
<b>Total Revenues</b>	<b>2,367,675</b>	<b>1,695,482</b>	<b>(672,193)</b>
Expenditures:			
Current:			
Instruction:			
Regular	879,155	715,641	163,514
Other	40,829	33,235	7,594
Support Services:			
Pupil	5,528	4,500	1,028
Instructional Staff	1,306,656	1,063,631	243,025
School Administration	8,778	7,145	1,633
Pupil Transportation	9,828	8,000	1,828
Operation of Non-Instructional Services	41,687	33,934	7,753
<b>Total Expenditures</b>	<b>2,292,461</b>	<b>1,866,086</b>	<b>426,375</b>
<b>Net Change in Fund Balance</b>	<b>75,214</b>	<b>(170,604)</b>	<b>(245,818)</b>
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(75,213)	(75,213)	0
<b>Fund Balance - End of Year</b>	<b>\$1</b>	<b>(\$245,817)</b>	<b>(\$245,818)</b>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Preschool Development Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$32,728	\$22,833	(\$9,895)
Total Revenues	<u>32,728</u>	<u>22,833</u>	<u>(9,895)</u>
Expenditures:			
Current:			
Instruction:			
Special	<u>31,499</u>	<u>21,604</u>	<u>9,895</u>
Total Expenditures	<u>31,499</u>	<u>21,604</u>	<u>9,895</u>
Net Change in Fund Balance	1,229	1,229	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>(1,228)</u>	<u>(1,228)</u>	<u>0</u>
Fund Balance - End of Year	<u>\$1</u>	<u>\$1</u>	<u>\$0</u>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance from Final Budget
		Reducing Class Size Fund	
Revenues:			
Intergovernmental	\$352,002	\$232,488	(\$119,514)
Total Revenues	<u>352,002</u>	<u>232,488</u>	<u>(119,514)</u>
Expenditures:			
Current:			
Instruction:			
Regular	8,819	6,050	2,769
Support Services:			
Instructional Staff	290,641	199,385	91,256
Central	1,487	1,020	467
Operation of Non-Instructional Services	<u>46,822</u>	<u>32,121</u>	<u>14,701</u>
Total Expenditures	<u>347,769</u>	<u>238,576</u>	<u>109,193</u>
Net Change in Fund Balance	4,233	(6,088)	(10,321)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>(4,234)</u>	<u>(4,234)</u>	<u>0</u>
Fund Balance - End of Year	<u><u>(\$1)</u></u>	<u><u>(\$10,322)</u></u>	<u><u>(\$10,321)</u></u>



Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Miscellaneous Federal Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$201,832	\$86,445	(\$115,387)
Total Revenues	201,832	86,445	(115,387)
Expenditures:			
Current:			
Instruction:			
Regular	83,161	57,859	25,302
Support Services:			
Pupil	9,199	6,400	2,799
Instructional Staff	44,353	30,858	13,495
Pupil Transportation	7,774	5,409	2,365
Operation of Non-Instructional Services	49,340	34,328	15,012
Total Expenditures	193,827	134,854	58,973
Net Change in Fund Balance	8,005	(48,409)	(56,414)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(8,005)	(8,005)	0
Fund Balance - End of Year	\$0	(\$56,414)	(\$56,414)

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Student Wellness and Success Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,141,129	\$1,141,129	\$0
Total Revenues	<u>1,141,129</u>	<u>1,141,129</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	1,563	1,274	289
Special	445,351	363,032	82,319
Support Services:			
Pupil	592,956	483,353	109,603
Instructional Staff	40,522	33,032	7,490
Pupil Transportation	58,259	47,490	10,769
Central	<u>2,478</u>	<u>2,020</u>	<u>458</u>
Total Expenditures	<u>1,141,129</u>	<u>930,201</u>	<u>210,928</u>
Net Change in Fund Balance	0	210,928	210,928
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>\$210,928</u>	<u>\$210,928</u>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Title I - School Improvement Funding Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$65,000	\$3,500	(\$61,500)
Total Revenues	65,000	3,500	(61,500)
Expenditures:			
Current:			
Instruction:			
Regular	8,966	800	8,166
Support Services:			
Instructional Staff	56,034	5,000	51,034
Total Expenditures	65,000	5,800	59,200
Net Change in Fund Balance	0	(2,300)	(2,300)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	(\$2,300)	(\$2,300)

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	ESSER - Cares Act Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Descriptions**

**Permanent Improvement** - To account for all transactions related to acquisition, construction or improvement of the infrastructure of buildings and grounds through permanent improvements.

**Building Fund** - The building fund is used to account for receipts and expenditures related to the acquisition and construction of capital facilities including real property.

Princeton City School District  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2020

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$5,397,526	\$43,231	\$5,440,757
Receivables (Net):			
Taxes	2,224,852	0	2,224,852
<b>Total Assets</b>	<b>7,622,378</b>	<b>43,231</b>	<b>7,665,609</b>
<b>Liabilities:</b>			
Accrued Interest Payable	0	1,790	1,790
Interfund Payable	150,000	0	150,000
Tax Anticipation Notes Payable	0	1,010,000	1,010,000
<b>Total Liabilities</b>	<b>150,000</b>	<b>1,011,790</b>	<b>1,161,790</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	2,029,852	0	2,029,852
<b>Total Deferred Inflows of Resources</b>	<b>2,029,852</b>	<b>0</b>	<b>2,029,852</b>
<b>Fund Balances:</b>			
Restricted	5,442,526	0	5,442,526
Unassigned (Deficit)	0	(968,559)	(968,559)
<b>Total Fund Balances</b>	<b>5,442,526</b>	<b>(968,559)</b>	<b>4,473,967</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$7,622,378</b>	<b>\$43,231</b>	<b>\$7,665,609</b>

Princeton City School District  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2020

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Property and Other Taxes	\$1,477,983	\$0	\$1,477,983
Investment Earnings	56	0	56
Intergovernmental	150,251	0	150,251
Revenue in Lieu of Taxes	653	0	653
Other Revenues	25,000	0	25,000
<b>Total Revenues</b>	<b>1,653,943</b>	<b>0</b>	<b>1,653,943</b>
Expenditures:			
Current:			
Support Services:			
Fiscal	29,209	0	29,209
Capital Outlay	0	115,054	115,054
Debt Service:			
Principal Retirement	362,000	0	362,000
Interest and Fiscal Charges	907,741	25,559	933,300
<b>Total Expenditures</b>	<b>1,298,950</b>	<b>140,613</b>	<b>1,439,563</b>
Excess of Revenues Over (Under) Expenditures	354,993	(140,613)	214,380
Other Financing Sources (Uses):			
Transfers In	0	516,375	516,375
Transfers (Out)	(516,375)	0	(516,375)
<b>Total Other Financing Sources (Uses)</b>	<b>(516,375)</b>	<b>516,375</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(161,382)</b>	<b>375,762</b>	<b>214,380</b>
Fund Balance - Beginning of Year	5,603,908	(1,344,321)	4,259,587
<b>Fund Balance - End of Year</b>	<b>\$5,442,526</b>	<b>(\$968,559)</b>	<b>\$4,473,967</b>

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,139,021	\$2,082,983	(\$56,038)
Revenue in lieu of taxes	671	653	(18)
Investment Earnings	58	56	(2)
Intergovernmental	154,293	150,251	(4,042)
Other Revenues	25,673	25,000	(673)
Total Revenues	<u>2,319,716</u>	<u>2,258,943</u>	<u>(60,773)</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	32,916	29,209	3,707
Debt Service:			
Principal Retirement	1,051,107	932,733	118,374
Interest and Fiscal Charges	961,686	853,383	108,303
Total Expenditures	<u>2,045,709</u>	<u>1,815,325</u>	<u>230,384</u>
Net Change in Fund Balance	274,007	443,618	169,611
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>4,716,280</u>	<u>4,716,280</u>	<u>0</u>
Fund Balance - End of Year	<u>\$4,990,287</u>	<u>\$5,159,898</u>	<u>\$169,611</u>



Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	158,289	124,189	34,100
Total Expenditures	158,289	124,189	34,100
Net Change in Fund Balance	(158,289)	(124,189)	34,100
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	158,289	158,289	0
Fund Balance - End of Year	\$0	\$34,100	\$34,100

## **NONMAJOR PERMANENT FUND**

### **Fund Description**

**Permanent Fund** - The Permanent fund should be used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for the purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. The Permanent fund does not include private-purpose trust funds, which should be used to report situations in which the government is required to use the principal or earnings for the benefit of individuals, private organizations, or other governments. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Nonmajor Governmental Funds Combining Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Permanent Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,273	0	1,273
Total Expenditures	1,273	0	1,273
Net Change in Fund Balance	(1,273)	0	1,273
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	1,273	1,273	0
Fund Balance - End of Year	\$0	\$1,273	\$1,273

## **OTHER GENERAL FUNDS**

With the implementation of GASB Statement No. 54, certain funds that the District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The District has only presented the budget schedules for these funds.

### **Fund Descriptions**

**Uniform School Supply** - To account for the purchase and sale of school supplies as adopted by the Board of Education for use in all schools of the District.

**Public School Support** - To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

**Early Childhood** - To account for preschool, extended day, and all day kindergarten operations provided to students primarily through user charges.

**Underground Storage Tank** - To account for local funds which are provided in the event of an underground storage tank leak.

**Rotary Internal Service Fund** – To account for funds from the Rotary.

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Uniform School Supply Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$2,340	\$975	(\$1,365)
Total Revenues	<u>2,340</u>	<u>975</u>	<u>(1,365)</u>
Expenditures:			
Current:			
Instruction:			
Regular	31,603	20,628	10,975
Total Expenditures	<u>31,603</u>	<u>20,628</u>	<u>10,975</u>
Net Change in Fund Balance	(29,263)	(19,653)	9,610
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>35,045</u>	<u>35,045</u>	<u>0</u>
Fund Balance - End of Year	<u>\$5,782</u>	<u>\$15,392</u>	<u>\$9,610</u>

(1) This fund is combined with the General fund in GAAP Statements.

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Public School Support Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$2,726	\$2,450	(\$276)
Other Revenues	46,537	41,830	(4,707)
Total Revenues	49,263	44,280	(4,983)
Expenditures:			
Current:			
Instruction:			
Regular	27,689	17,215	10,474
Support Services:			
Instructional Staff	20,781	12,920	7,861
School Administration	30,756	19,122	11,634
Operations and Maintenance	216	134	82
Extracurricular Activities	39,376	24,481	14,895
Total Expenditures	118,818	73,872	44,946
Net Change in Fund Balance	(69,555)	(29,592)	39,963
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	197,860	197,860	0
Fund Balance - End of Year	\$128,305	\$168,268	\$39,963

(1) This fund is combined with the General fund in GAAP Statements.

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Early Childhood Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$207,411	\$202,891	(\$4,520)
Total Revenues	207,411	202,891	(4,520)
Expenditures:			
Current:			
Instruction:			
Regular	190,757	148,378	42,379
Support Services:			
Instructional Staff	7,593	5,906	1,687
Operation of Non-Instructional Services	13,419	10,438	2,981
Total Expenditures	211,769	164,722	47,047
Net Change in Fund Balance	(4,358)	38,169	42,527
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	1,493,637	1,493,637	0
Fund Balance - End of Year	\$1,489,279	\$1,531,806	\$42,527

(1) This fund is combined with the General fund in GAAP Statements.

Princeton City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2020

	Underground Storage Tank Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	(0)
Total Expenditures	0	0	(0)
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	11,000	11,000	0
Fund Balance - End of Year	<u>\$11,000</u>	<u>\$11,000</u>	<u>\$0</u>

(1) This fund is combined with the General fund in GAAP Statements.



Princeton City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2020

	Rotary Internal Service Fund(1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$322	\$287	(\$35)
Extracurricular Activities	15	15	0
Other Revenues	90,938	81,053	(9,885)
Total Revenues	91,275	81,355	(9,920)
Expenditures:			
Current:			
Instruction:			
Regular	17,116	14,707	2,409
Support Services:			
School Administration	56,542	48,585	7,957
Central	20,913	17,970	2,943
Operation of Non-Instructional Services	11,313	9,721	1,592
Total Expenditures	105,884	90,983	14,901
Excess of Revenues Over (Under) Expenditures	(14,609)	(9,628)	4,981
Other Financing Sources (Uses):			
Transfers In	41,283	36,796	(4,487)
Transfers (Out)	(42,822)	(36,796)	6,026
Total Other Financing Sources (Uses)	(1,539)	0	1,539
Net Change in Fund Balance	(16,148)	(9,628)	6,520
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	221,136	221,136	0
Fund Balance - End of Year	\$204,988	\$211,508	\$6,520

(1) This fund is combined with the General fund in GAAP Statements.

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## **NONMAJOR FUNDS**

### **Internal Service Funds**

The Internal Service Funds are used to account for the financing of services provided by one department to other departments of the District on a cost-reimbursement basis. The following is a description of the District's non-major internal service funds.

### **Fund Descriptions**

**Employee Benefits Self Insurance** - A fund used to account for monies received from other funds as payment for providing employee benefits and payments to the third party administrator for claims payment and administration.

**Workers Compensation Self Insurance** - A fund used to account for workers' compensation self-insurance revenues and expenses.

Princeton City School District  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2020

	Employee Benefits	Worker's Compensation Self-Insurance	Total Internal Service Funds
Assets:			
Equity in Pooled Cash and Investments	\$2,460,304	\$1,052,168	\$3,512,472
Receivables (Net):			
Accounts	94,062	26	94,088
Total Assets	2,554,366	1,052,194	3,606,560
Liabilities:			
Current Liabilities:			
Accounts Payable	2,788	0	2,788
Claims Payable	638,147	20,673	658,820
Total Liabilities	640,935	20,673	661,608
Net Position:			
Unrestricted (Deficit)	1,913,431	1,031,521	2,944,952
Total Net Position	\$1,913,431	\$1,031,521	\$2,944,952

Princeton City School District  
Combining Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2020

	Employee Benefits	Worker's Compensation Self-Insurance	Total Internal Service Funds
Operating Revenues:			
Charges for Services	\$10,607,071	\$121,279	\$10,728,350
Other Revenues	1,122,239	4,435	1,126,674
<b>Total Operating Revenues</b>	<b>11,729,310</b>	<b>125,714</b>	<b>11,855,024</b>
Operating Expenses:			
Personal Services	1,351,273	0	1,351,273
Contactual Services	2,788	0	2,788
Claims	9,234,337	126,164	9,360,501
Other Expenses	621,238	45,053	666,291
<b>Total Operating Expenses</b>	<b>11,209,636</b>	<b>171,217</b>	<b>11,380,853</b>
Operating Income (Loss)	519,674	(45,503)	474,171
Non-Operating Revenues (Expenses):			
Investment Earnings	1,787	0	1,787
<b>Total Non-Operating Revenues (Expenses)</b>	<b>1,787</b>	<b>0</b>	<b>1,787</b>
Change in Net Position	521,461	(45,503)	475,958
Net Position - Beginning of Year	1,391,970	1,077,024	2,468,994
<b>Net Position - End of Year</b>	<b>\$1,913,431</b>	<b>\$1,031,521</b>	<b>\$2,944,952</b>

Princeton City School District  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2020

	Employee Benefits	Worker's Compensation Self-Insurance	Total Internal Service Funds
Cash Flows from Operating Activities:			
Cash Received from Customers	\$11,721,642	\$125,688	\$11,847,330
Cash Payments to Employees	(1,351,273)	0	(1,351,273)
Cash Payments to Suppliers	(9,559,335)	(184,573)	(9,743,908)
Net Cash Provided (Used) by Operating Activities	<u>811,034</u>	<u>(58,885)</u>	<u>752,149</u>
Cash Flows from Investing Activities:			
Earnings on Investments	<u>1,787</u>	<u>0</u>	<u>1,787</u>
Net Cash Provided (Used) by Cash Flows from Investing Activities	<u>1,787</u>	<u>0</u>	<u>1,787</u>
Net Increase (Decrease) in Cash and Cash Equivalents	812,821	(58,885)	753,936
Cash and Cash Equivalents - Beginning of Year	<u>1,647,483</u>	<u>1,111,053</u>	<u>2,758,536</u>
Cash and Cash Equivalents - End of Year	<u>2,460,304</u>	<u>1,052,168</u>	<u>3,512,472</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	519,674	(45,503)	474,171
Changes in Assets & Liabilities:			
(Increase) Decrease in Receivables	(7,668)	(26)	(7,694)
Increase (Decrease) in Payables	2,788	0	2,788
Increase (Decrease) in Claims Payables	<u>296,240</u>	<u>(13,356)</u>	<u>282,884</u>
Net Cash Provided (Used) by Operating Activities	<u>\$811,034</u>	<u>(\$58,885)</u>	<u>\$752,149</u>

## **NONMAJOR FUNDS**

### **Fiduciary funds**

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

**Student Managed Activity (Agency Fund)** – Fund used to account for resources that belong to various student groups in the District. Students are involved in the management of the program.

**District Agency Fund** – To account for assets held by the District as an agent for individuals, private organizations, other governmental units and/or other funds.

Princeton City School District  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2020

	Student Managed Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$164,646	\$54,740	\$50,005	\$169,381
Receivables (Net):				
Accounts	203	203	203	203
<b>Total Assets</b>	<b>164,849</b>	<b>54,943</b>	<b>50,208</b>	<b>169,584</b>
<b>Liabilities:</b>				
Accounts Payable	520	4,455	520	4,455
Other Liabilities	164,329	50,488	49,688	165,129
<b>Total Liabilities</b>	<b>\$164,849</b>	<b>\$54,943</b>	<b>\$50,208</b>	<b>\$169,584</b>

	District Agency			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$11,701	\$63,991	\$64,042	\$11,650
<b>Total Assets</b>	<b>11,701</b>	<b>63,991</b>	<b>64,042</b>	<b>11,650</b>
<b>Liabilities:</b>				
Other Liabilities	11,701	63,991	64,042	11,650
<b>Total Liabilities</b>	<b>\$11,701</b>	<b>\$63,991</b>	<b>\$64,042</b>	<b>\$11,650</b>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$176,347	\$118,731	\$114,047	\$181,031
Receivables (Net):				
Accounts	203	203	203	203
<b>Total Assets</b>	<b>176,550</b>	<b>118,934</b>	<b>114,250</b>	<b>181,234</b>
<b>Liabilities:</b>				
Accounts Payable	520	4,455	520	4,455
Other Liabilities	176,030	114,479	113,730	176,779
<b>Total Liabilities</b>	<b>\$176,550</b>	<b>\$118,934</b>	<b>\$114,250</b>	<b>\$181,234</b>



# STATISTICAL SECTION



## **STATISTICAL SECTION**

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

### **CONTENTS**

**FINANCIAL TRENDS:** These schedules contain trend information to help the reader understand how the District's financial position has changed over time.

**REVENUE CAPACITY:** These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax.

**DEBT CAPACITY:** 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.

**ECONOMIC AND DEMOGRAPHIC INFORMATION:** These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

**OPERATING INFORMATION:** These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.

**SOURCES:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Princeton City School District, Ohio  
 Net Position by Component  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 1

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in Capital Assets	\$12,349,072	\$1,231,465	\$1,346,980	\$7,255,387	(\$618,311)	\$822,415	\$2,046,856	(\$28,935,571)	(\$29,974,247)	(\$30,504,867)
Restricted	4,461,165	9,946,127	12,121,084	12,486,156	20,777,163	20,240,148	22,338,559	24,051,555	23,737,763	21,572,103
Unrestricted	24,350,261	19,356,922	20,911,787	31,173,848	(65,992,418)	(63,389,958)	(57,444,757)	(41,418,904)	(35,366,270)	(50,996,588)
Total Governmental Net Position	\$41,160,498	\$30,534,514	\$34,379,851	\$50,915,391	(\$45,833,566)	(\$42,327,395)	(\$33,059,342)	(\$46,302,920)	(\$41,602,754)	(\$59,929,352)

Source: District Records

Princeton City School District, Ohio  
 Expenses, Program Revenues and Net (Expense)/Revenue  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 2

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
<b>Governmental Activities:</b>										
Instruction	\$43,949,741	\$46,957,499	\$49,289,509	\$42,489,229	\$47,048,759	\$48,617,351	\$52,212,556	\$31,358,212	\$52,497,474	\$60,247,351
Pupil	4,838,552	4,135,169	4,303,537	4,264,176	3,945,463	3,991,900	4,363,747	2,337,750	4,504,694	5,604,613
Instructional Staff	7,408,565	7,301,286	2,134,313	2,893,298	3,026,545	2,640,460	3,068,594	1,291,337	2,700,777	3,426,770
General Administration	358,720	224,251	222,072	226,937	364,132	254,320	214,919	175,935	366,827	305,133
School Administration	3,666,881	5,901,904	5,932,219	5,311,998	4,723,722	5,580,589	6,066,246	1,419,166	5,671,246	6,970,672
Fiscal	2,616,425	2,021,731	2,093,683	1,437,394	1,633,180	1,780,588	1,900,770	1,223,416	1,679,273	2,034,962
Business	214,352	181,585	219,646	118,180	67,301	152,047	225,367	8,301	175,765	275,982
Operation and Maintenance	8,022,850	7,112,340	7,404,673	7,191,825	7,322,086	7,240,926	8,500,839	4,552,797	7,381,291	8,733,309
Pupil Transportation	5,133,648	4,838,681	5,556,446	4,622,493	4,960,671	5,135,966	5,618,225	6,144,121	6,289,527	5,458,881
Central	1,485,580	1,428,593	936,744	1,168,493	1,046,084	1,004,826	1,257,665	599,408	1,050,220	1,293,944
Operation of Non-Instructional Services	5,406,734	4,271,955	4,053,667	3,331,906	4,200,043	3,742,446	4,941,988	3,361,437	4,405,563	3,932,180
Extracurricular Activities	1,508,941	1,151,974	1,263,001	1,166,289	1,233,773	1,230,530	1,394,198	778,825	1,817,811	1,726,491
Interest and Fiscal Charges	10,093,624	11,417,579	12,167,816	12,599,961	10,931,904	10,163,458	9,419,691	9,191,038	8,783,725	7,832,716
Bond Issuance Cost	0	0	0	0	662,514	0	0	0	0	0
<b>Total Governmental Activities Expenses</b>	<b>94,704,613</b>	<b>96,944,547</b>	<b>95,577,326</b>	<b>86,822,179</b>	<b>91,166,177</b>	<b>91,535,407</b>	<b>99,184,805</b>	<b>62,401,743</b>	<b>97,324,193</b>	<b>107,843,004</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services and Sales										
Instruction	1,556,734	5,453,093	4,934,196	4,133,248	2,033,190	1,411,008	2,689,830	3,712,431	2,190,891	2,620,144
Business	0	0	59,058	0	0	0	0	0	0	0
Operations and Maintenance	0	57,127	0	60,096	32,951	48,223	228,574	177,386	188,651	109,915
Central	0	423	159	0	0	0	0	0	0	0
Operation of Non-Instructional Services	467,866	591,920	523,624	361,204	394,741	426,233	404,419	366,101	399,710	309,795
Extracurricular Activities	131,184	126,198	105,600	179,472	184,868	202,916	172,448	171,565	186,090	207,977
Food Service	682,191	0	0	0	0	0	0	0	0	0
Operating Grants and Contributions	10,743,225	8,586,992	7,828,636	9,213,891	8,314,442	9,371,078	9,700,897	9,418,644	10,899,941	11,392,642
Capital Grants and Contributions	0	0	0	0	0	0	0	0	0	0
<b>Total Governmental Activities Program Revenues</b>	<b>13,581,200</b>	<b>14,815,753</b>	<b>13,451,273</b>	<b>13,947,911</b>	<b>10,960,192</b>	<b>11,459,458</b>	<b>13,196,168</b>	<b>13,846,127</b>	<b>13,865,283</b>	<b>14,640,473</b>
<b>Net (Expense)/Revenue</b>	<b>(\$81,123,413)</b>	<b>(\$82,128,794)</b>	<b>(\$82,126,053)</b>	<b>(\$72,874,268)</b>	<b>(\$80,205,985)</b>	<b>(\$80,075,949)</b>	<b>(\$85,988,637)</b>	<b>(\$48,555,616)</b>	<b>(\$83,458,910)</b>	<b>(\$93,202,531)</b>

Source: District Records

Princeton City School District, Ohio  
 General Revenues and Total Change in Net Position  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 3

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Total Government Net Expense	(\$81,123,413)	(\$82,128,794)	(\$82,126,053)	(\$72,874,268)	(\$80,205,985)	(\$80,075,949)	(\$85,988,637)	(\$48,555,616)	(\$83,458,910)	(\$93,202,531)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	45,487,235	42,437,792	57,539,338	62,939,584	59,715,785	56,459,997	68,435,017	64,736,977	63,268,568	51,398,358
Grants and Entitlements Not Restricted	27,489,047	27,503,063	26,600,918	26,859,702	24,383,897	24,574,947	23,173,598	22,282,875	21,818,633	18,857,829
Payment in Lieu of Taxes	0	318,935	294,599	0	0	0	0	-1,064,202	0	0
Unrestricted Contributions	0	51,695	54,317	66,434	56,269	52,537	50,777	40,511	73,477	91,395
Revenue in Lieu of Taxes	0	0	0	874,948	851,862	628,120	1,931,017	0	660,371	1,344,274
Investment Earnings	1,603,978	724,883	353,627	(65,250)	2,240,446	259,389	117,231	703,457	1,630,673	1,717,164
Refunds and Reimbursements	0	0	0	0	661,823	0	0	0	0	0
Other Revenues	1,237,850	466,442	1,128,591	516,796	483,834	1,667,130	1,489,050	1,742,952	707,354	1,466,913
Total Governmental Activities	75,818,110	71,502,810	85,971,390	91,192,214	88,393,916	83,642,120	95,196,690	90,570,974	88,159,076	74,875,933
Change in Net Position	(\$5,305,303)	(\$10,625,984)	\$3,845,337	\$18,317,946	\$8,187,931	\$3,566,171	\$9,208,053	\$42,015,358	\$4,700,166	(\$18,326,598)

Source: District Records

Princeton City School District, Ohio  
 Governmental Funds - Fund Balances  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 4

	2011 (1)	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Fund</b>										
Nonspendable	\$70,088	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Restricted	212,907	212,907	212,907	212,907	212,907	212,907	212,907	212,907	212,907	212,907
Committed	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Assigned	1,762,134	1,665,971	2,502,626	2,112,106	2,003,017	2,468,645	1,030,679	2,209,007	6,541,755	3,202,539
Unassigned	17,279,293	14,513,410	14,662,671	26,915,128	35,946,883	38,508,211	51,076,754	54,429,826	45,384,318	35,205,380
<b>Total General Fund</b>	<b>19,335,422</b>	<b>16,403,288</b>	<b>17,389,204</b>	<b>29,251,141</b>	<b>38,173,807</b>	<b>41,200,763</b>	<b>52,331,340</b>	<b>56,862,740</b>	<b>52,149,980</b>	<b>38,631,826</b>
<b>All Other Governmental Funds</b>										
Nonspendable	305,097	31,428	18,830	19	44	189	562	1,274	1,274	1,274
Restricted	125,923,822	120,497,590	63,586,311	36,926,583	26,827,458	16,907,000	19,549,862	21,599,945	21,876,643	19,719,973
Unassigned	(845,338)	(23,989)	(626,832)	(660,949)	(291,955)	(140,090)	(182,090)	(232,910)	(1,613,880)	(1,215,631)
<b>Total all Other Governmental Funds</b>	<b>\$125,383,581</b>	<b>\$120,505,029</b>	<b>\$62,978,309</b>	<b>\$36,265,653</b>	<b>\$26,535,547</b>	<b>\$16,767,099</b>	<b>\$19,368,334</b>	<b>\$21,368,309</b>	<b>\$20,264,037</b>	<b>\$18,505,616</b>

Source: District Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The change in the classification of fund balance amounts are discussed in the Notes to the Financial Statements.

Princeton City School District, Ohio  
 Governmental Funds - Revenues  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 5

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Taxes	\$45,225,898	\$45,001,017	\$57,396,548	\$60,924,490	\$61,961,388	\$56,459,998	\$68,563,533	\$64,359,412	\$64,151,145	\$49,772,143
Revenue in Lieu of Taxes	0	204,696	266,425	874,948	851,862	628,122	1,931,017	1,064,202	660,371	1,344,274
Tuition and Fees	1,570,137	5,447,149	4,917,204	4,126,669	2,022,690	1,404,105	2,684,774	3,708,910	2,189,495	2,619,693
Investment Earnings	1,603,104	647,201	490,367	(101,361)	2,262,953	272,993	117,231	703,457	1,630,673	1,717,164
Intergovernmental	38,060,361	36,018,462	33,768,487	35,927,474	33,717,788	33,669,713	32,977,816	31,820,059	32,694,388	29,821,398
Extracurricular Activities	0	124,859	105,584	177,907	184,858	202,855	172,225	171,565	185,875	207,592
Charges for Services	1,382,156	596,983	540,509	417,306	395,291	435,641	404,419	366,101	399,710	309,795
Other Revenues	1,121,294	643,797	523,926	595,369	583,013	1,765,442	1,773,681	1,964,371	971,091	1,669,059
<b>Total Revenues</b>	<b>\$88,962,950</b>	<b>\$88,684,164</b>	<b>\$98,009,050</b>	<b>\$102,942,802</b>	<b>\$101,979,843</b>	<b>\$94,838,869</b>	<b>\$108,624,696</b>	<b>\$104,158,077</b>	<b>\$102,882,748</b>	<b>\$87,461,118</b>

Source: District Records

Princeton City School District, Ohio  
 Governmental Funds - Expenditures and Debt Service Ratio  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 6

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction	\$41,325,970	\$42,349,983	\$47,526,439	\$43,801,814	\$42,304,942	\$44,375,348	\$45,815,389	\$47,965,760	\$51,609,886	\$51,734,057
Pupil	4,879,958	4,113,558	4,292,060	4,308,172	4,043,653	4,081,150	4,197,499	4,213,891	5,010,726	5,289,820
Instructional Staff	7,288,612	6,979,434	2,202,967	2,867,210	3,072,770	2,698,369	2,882,239	2,914,849	3,134,528	3,181,838
General Administration	358,720	224,251	222,072	226,937	365,756	254,541	213,281	205,927	373,832	302,587
School Administration	5,999,568	5,934,410	5,894,558	5,298,769	4,946,962	5,730,223	5,664,998	6,116,517	6,444,231	6,452,948
Fiscal	2,342,938	2,026,008	2,083,024	1,434,580	1,620,895	1,811,931	1,834,655	1,962,637	1,816,586	1,971,163
Business	249,815	185,583	215,765	131,485	63,650	145,062	204,551	175,702	195,752	251,166
Operations and Maintenance	7,934,426	7,072,906	7,391,505	7,203,914	7,436,467	7,370,623	8,008,022	7,742,758	8,124,262	8,217,709
Pupil Transportation	4,756,146	4,482,907	5,299,350	4,435,273	4,781,683	4,929,514	5,411,292	5,469,617	5,851,148	5,028,215
Central	1,153,797	1,427,616	927,910	1,135,063	1,080,578	1,005,583	1,168,608	1,222,077	1,170,086	1,152,610
Operation of Non-Instructional Services	5,408,244	4,175,626	3,950,224	3,291,183	4,203,855	3,747,356	4,448,131	4,082,619	4,546,999	3,801,628
Extracurricular Activities	1,491,800	1,079,342	1,190,368	1,093,656	1,194,933	1,165,321	1,215,285	1,336,334	1,451,253	1,465,916
Capital Outlay	8,200,649	18,814,067	62,972,645	27,260,119	16,513,562	10,966,346	1,077,713	3,191,025	3,211,830	1,272,325
Debt Service:										
Principal Retirement	1,566,517	1,642,570	1,891,348	3,841,363	108,145,203	10,549,799	3,161,572	2,568,998	2,948,658	3,045,024
Interest and Fiscal Charges	9,597,684	10,931,934	11,355,573	11,463,983	11,227,453	2,749,195	10,002,637	9,972,991	10,260,434	9,818,116
Bond Issuance Costs	1,223,069	236,004	0	0	662,514	0	0	0	0	0
Total Expenditures	\$103,777,913	\$111,676,199	\$157,415,808	\$117,793,521	\$211,664,876	\$101,580,361	\$95,305,872	\$99,141,702	\$106,150,211	\$102,985,122
Debt Service as a Percentage of Noncapital Expenditures	11.69%	13.54%	14.01%	17.24%	60.81%	14.51%	13.84%	12.88%	12.56%	12.66%

Source: District Records



Princeton City School District, Ohio  
 Governmental Funds - Other Financing Sources and Uses and Net Change in Fund Balances  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 7

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Financing Sources (Uses)										
Issuance of Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,515,000	\$0	\$0
Payments to Refunded Bond Escrow Agent	0	0	0	0	0	0	(38,536,529)	0	0	(14,542,571)
Issuance of Refunding Bonds	0	0	0	0	98,115,000	0	32,825,000	0	0	14,790,000
Proceeds from Sale of Capital Assets	0	48,348	736,784	0	1,167,376	0	0	0	0	0
Inception of Capital Leases	509,975	0	0	0	0	0	0	0	0	0
Premium on Bonds and Notes Issued	10,746,972	145,998	127,670	0	9,595,217	0	6,124,517	0	0	0
Issuance of Bonds	119,999,930	0	645,000	0	0	0	0	0	0	0
Discount on Certificate of Participation	0	15,225,000	2,300,000	0	0	0	0	0	0	0
Transfers In	11,493,131	1,141,801	2,164,261	1,320,805	133,545,348	1,179,650	1,181,375	1,257,660	738,140	743,005
Transfers (Out)	(11,493,131)	(1,141,801)	(3,107,761)	(1,320,805)	(133,545,348)	(1,179,650)	(1,181,375)	(1,257,660)	(970,946)	(743,005)
Total Other Financing Sources (Uses)	131,256,877	15,181,349	2,865,954	0	108,877,593	0	412,988	1,515,000	(232,806)	247,429
Net Change in Fund Balances	\$116,441,914	(\$7,810,686)	(\$56,540,804)	(\$14,850,719)	(\$807,440)	(\$6,741,492)	\$13,731,812	\$6,531,375	(\$3,500,269)	(\$15,276,575)

Source: District Records

Princeton City School District, Ohio  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Calendar Years  
 Schedule 8

Calendar Year	Real Property Assessed Value (2)	Tangible Personal Property Assessed Value (2)	Public Utilities Personal Assessed Value (2)	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
2010	\$1,554,771,440	\$5,517,290	\$58,044,658	\$1,618,333,388	\$4,623,809,680	50.48
2011	1,449,563,270	0	52,029,740	1,501,593,010	4,290,265,743	50.83
2012	1,432,182,830	0	76,712,050	1,508,894,880	4,311,128,229	61.28
2013	1,415,476,540	0	78,641,030	1,494,117,570	4,268,907,343	61.28
2014	1,392,604,800	0	72,631,790	1,465,236,590	4,186,390,257	62.58
2015	1,275,206,570	0	74,858,080	1,350,064,650	3,857,327,571	62.58
2016	1,280,291,060	0	80,320,320	1,360,611,380	3,887,461,086	62.58
2017	1,308,437,790	0	83,011,810	1,391,449,600	3,975,570,286	62.58
2018	1,435,958,590	0	86,338,610	1,522,297,200	4,349,420,571	62.58
2019	1,454,489,690	0	94,231,460	1,548,721,150	4,424,917,571	62.18

Source: Hamilton County, Butler County and Warren County Auditor, Ohio Department of Taxation

(2) - Assessed values shown in this schedule may not agree to amounts in the notes to the financial statements, since the schedules are shown on a calendar year basis, which is consistent with the method county auditors maintain this information.

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received 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, 2 1/2 percent and homestead exemptions before being billed.

Princeton City School District, Ohio  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 9

Calendar Year	(1) District Direct Rates	Overlapping Rates									
		Hamilton County	City of Blue Ash	City of Springdale	Village of Evendale	Village of Glendale	Village of Lincoln Heights	Village of Woodlawn	Springfield Township	Sycamore Township	Great Oaks Joint Vocational School
2011	50.83	19.03	3.08	3.08	0.00	20.08	40.73	5.08	22.80	8.75	2.70
2012	61.28	19.03	3.08	3.08	0.00	21.58	48.73	5.08	23.80	8.75	2.70
2013	61.28	19.03	3.08	3.08	0.00	21.58	48.73	5.08	23.80	8.75	2.70
2014	62.58	18.85	3.08	3.08	0.00	21.58	48.73	10.08	23.80	8.75	2.70
2015	62.58	18.85	3.08	3.08	0.00	21.58	48.73	10.08	23.80	8.75	2.70
2016	62.58	18.85	3.08	3.08	0.00	21.58	48.73	10.08	23.80	8.75	2.70
2017	62.58	18.85	3.08	3.08	0.00	21.58	42.83	10.08	23.80	8.75	2.70
2018	62.58	19.16	3.08	3.08	0.00	21.58	57.83	10.08	23.80	8.75	2.70
2019	62.18	21.14	3.08	3.08	0.00	21.58	57.83	10.08	23.80	8.75	2.70
2020	65.43	21.14	3.08	3.08	0.00	21.58	57.83	10.08	23.80	8.75	2.70

Source: Hamilton County Auditor

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

(1) - Components of the District direct rate are unavailable and will be shown in total only.

Princeton City School District, Ohio  
Principal Property Tax Payers  
Current Calendar Year and Nine Years Ago  
Schedule 10

2019		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy	\$68,431,560	4.42%
Duke Energy	28,362,970	1.83%
LSREF2 Oreo Direct LLC	10,237,520	0.66%
Progress Place LLC	9,553,760	0.62%
Tri County Mall LLC	9,289,550	0.60%
Tri-County Towne Center 15A LLC	7,770,030	0.50%
Kemper Apartments LTD	7,710,750	0.50%
Commons Res LLC	6,630,010	0.43%
Mallard Lakes Apartments LLC	6,557,070	0.42%
Springdale-Kemper Re LLC	6,451,890	0.42%
Total Principal Taxpayers	160,995,110	10.40%
All Other Taxpayers	1,387,726,040	89.60%
Total Taxpayers	\$1,548,721,150	100.00%

2010		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio	\$56,446,820	3.49%
Tri-County Mall LLC	22,804,810	1.41%
Merchant Street 27 LLC	8,242,510	0.51%
Springdale-Kemper Assoc	7,726,890	0.48%
KE Tri-County LLC	7,605,510	0.47%
Kemper Apartments LTD	7,385,780	0.46%
KIMCO 420 Inc	7,225,800	0.45%
Sharonville Realty	7,142,310	0.44%
General Western Highland Company	6,720,000	0.41%
Procter & Gamble	6,391,580	0.39%
Total Principal Taxpayers	137,692,010	8.51%
All Other Taxpayers	1,480,641,378	91.49%
Total Taxpayers	\$1,618,333,388	100.00%

Source: Ohio Department of Taxation.

Princeton City School District, Ohio  
Property Tax Levies and Collections  
Last Ten Calendar Years  
Schedule 11

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$45,148,878	\$42,920,852	95.07%	\$1,647,379	\$44,568,231	98.71%
2011	47,240,712	42,281,133	89.50%	1,992,615	44,273,748	93.72%
2012	63,099,261	58,120,642	92.11%	1,615,442	59,736,084	94.67%
2013	65,405,130	60,194,697	92.03%	1,652,853	61,847,550	94.56%
2014	59,851,889	57,919,262	96.77%	1,932,627	59,851,889	100.00%
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	64,565,970	59,876,532	92.74%	1,691,546	61,568,078	95.36%
2017	65,995,756	60,763,076	92.07%	1,857,223	62,620,299	94.89%
2018	64,845,394	60,805,557	93.77%	1,546,959	62,352,516	96.16%
2019	71,385,958	65,947,700	92.38%	1,974,504	67,922,204	95.15%

Source: Hamilton County Auditor (Information for Butler and Warren Counties is not reported since they represent a minor portion of the total tax collections)

N/A - Information not available.

Princeton City School District, Ohio  
 Outstanding Debt by Type  
 Last Ten Fiscal Years  
 Schedule 12

Fiscal Year	General Obligation Bonds		Governmental Activities			Restricted for Debt Service Fund Balance		General Bonded Debt Outstanding		Percentage of Personal Income (1)	Per Capita Ratio of Total General Bonded Debt	Per Capita Ratio of Total Outstanding Debt	Percentage of Estimated Actual Value of Taxable Property
			Permanent Improvement Note	OASRO Loan	Capital Leases			Net General Obligation	Bonds				
2011	\$207,984,994		\$0	\$3,506,000	\$425,458	\$10,638,613	\$197,346,381		0.49%	143	153	4.58%	
2012	221,948,219		0	3,385,000	328,888	6,479,654	215,468,565		0.37%	156	163	5.26%	
2013	224,079,958		0	3,260,000	227,540	6,837,072	217,242,886		0.36%	156	164	5.28%	
2014	223,551,220		0	3,130,000	121,177	6,420,463	217,130,757		0.35%	156	163	5.31%	
2015	213,787,422		0	2,995,000	9,548	8,574,116	205,213,306		0.32%	146	155	5.18%	
2016	211,042,168		0	2,855,000	0	7,986,694	203,055,474		0.31%	144	152	5.55%	
2017	208,865,021		0	2,710,000	0	10,089,606	198,775,415		0.30%	141	150	5.44%	
2018	205,821,376		1,515,000	2,559,000	0	11,796,860	194,024,516		0.27%	136	147	5.28%	
2019	201,861,707		1,370,000	2,403,000	0	12,588,592	189,273,115		0.25%	132	144	4.73%	
2020	198,372,688		1,235,000	2,241,000	0	9,705,884	188,666,804		0.24%	131	141	4.56%	

Source: District Records

(1) - On the calendar year basis

Princeton City School District, Ohio  
 Direct and Overlapping Governmental Activities Debt -- All Counties  
 As of June 30, 2020  
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
<b>Counties:</b>			
Butler County	\$25,027,420	1.29%	\$322,854
Hamilton County	120,015,000	7.19%	8,629,079
Warren County	33,310,000	0.40%	133,240
<b>Cities:</b>			
Springdale City	8,200,000	100.00%	8,200,000
<b>Villages:</b>			
Woodlawn Village	1,000,000	100.00%	1,000,000
<b>Townships:</b>			
Deerfield Township	4,170,000	2.26%	94,242
Springfield Township	7,150,000	1.15%	82,225
Sycamore Township	14,750,000	25.28%	3,728,800
West Chester Township	29,365,000	2.77%	813,411
<b>School Districts:</b>			
Great Oaks Career Center Jt. Voc. School District	0	7.54%	0
Subtotal Overlapping Debt	\$242,987,420		\$23,003,850
Princeton CSD Direct Debt	\$200,613,688	100.00%	\$200,613,688
<b>Total Direct and Overlapping Debt</b>	<b>\$443,601,108</b>		<b>\$223,617,538</b>

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

Source: Ohio Municipal Advisory Council

Legal Debt Margin Calculation for Fiscal Year 2020

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$145,650,005	\$135,143,371	\$135,800,539	\$134,470,581	\$131,871,293	\$121,505,819	\$122,455,024	\$125,230,464	\$137,006,748	\$139,384,904
Total net debt applicable to limit	210,247,769	194,554,930	229,596,747	226,802,397	216,791,970	213,897,168	211,575,021	209,895,376	204,264,707	200,613,688
Legal debt margin	(\$64,597,764)	(\$59,411,559)	(\$93,796,208)	(\$92,331,816)	(\$84,920,677)	(\$92,391,349)	(\$89,119,997)	(\$84,664,912)	(\$67,257,959)	(\$61,228,785)
Total net debt applicable to the limit as a percentage of debt limit	144.35%	143.96%	169.07%	168.66%	164.40%	176.04%	172.78%	167.61%	149.09%	143.93%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2018 is calendar year 2017)

(2) - The District has obtained a consent of the State Tax Commissioner and the Superintendent of Public Instruction to issue debt beyond the nine percent debt limitation and has qualified as a "special needs" district.



Princeton City School District, Ohio  
 Demographic and Economic Statistics -- Butler County  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2010	368,130	\$9,381,425	25,484	9.6%
2011	369,999	13,538,158	36,590	8.6%
2012	370,589	14,398,043	38,852	7.1%
2013	371,272	14,592,549	39,304	6.9%
2014	373,948	14,985,181	40,073	5.4%
2015	376,353	15,631,343	41,534	4.2%
2016	377,537	16,090,464	42,620	4.2%
2017	380,604	17,089,200	44,900	4.2%
2018	382,378	18,127,599	47,408	4.0%
2019	383,134	18,829,414	49,146	3.8%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau for Butler County
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Butler County
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Butler County
  - (4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

N/A - Information not available.

Princeton City School District, Ohio  
 Demographic and Economic Statistics -- Hamilton County  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2010	802,374	\$27,317,612	46,509	9.4%
2011	800,362	37,522,065	46,881	8.0%
2012	802,038	39,631,501	49,413	7.0%
2013	804,520	40,415,100	50,235	7.1%
2014	806,332	41,292,782	51,211	5.3%
2015	807,598	42,060,595	52,081	4.2%
2016	809,099	43,251,503	53,456	4.2%
2017	813,822	46,331,959	56,931	4.0%
2018	816,684	48,642,736	59,561	4.0%
2019	817,473	50,464,493	61,732	3.8%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau for Hamilton County
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Hamilton County
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Hamilton County
  - (4) - Ohio Department of Job and Family Services - Office of Workforce Development Bureau of Labor Market Information -- Annual Average

N/A - Information not available.

Princeton City School District, Ohio  
 Demographic and Economic Statistics -- Warren County  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2010	212,693	\$6,701,106	31,506	8.9%
2011	214,910	9,202,095	42,818	7.6%
2012	217,241	9,880,531	45,482	6.3%
2013	219,169	10,131,284	46,226	6.3%
2014	221,816	11,078,563	49,945	4.8%
2015	224,469	11,572,120	51,553	3.9%
2016	227,063	12,024,592	52,957	3.9%
2017	228,882	13,002,293	56,808	3.8%
2018	232,173	13,883,738	59,799	3.7%
2019	234,602	14,571,287	62,111	3.5%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau for Warren County
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Warren County
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Warren County
  - (4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

N/A - Information not available.

Princeton City School District, Ohio  
 Major Employers -- Butler County (1)  
 Current Fiscal Year and Fiscal Period Nine Years Ago  
 Schedule 16

2020

Major Employer (3)	Type	Number of Employees	Employer's Percentage of Total Employment
AK Steel Holding Corp	Mfg	(4)	(5)
Cincinnati Financial Corp	Ins	(4)	(5)
Cornerstone Brands Inc	Trade	(4)	(5)
Ft Hamilton Memorial Hospital	Serv	(4)	(5)
GE Aviation	Mfg	(4)	(5)
Lakota Local Schools	Govt	(4)	(5)
Liberty Mutual/Ohio Casualty Corp	Ins	(4)	(5)
Mercy Hospital Fairfield	Serv	(4)	(5)
Miami University	Govt	(4)	(5)
Miller Coors	Mfg	(4)	(5)
Tyson Foods	Mfg	(4)	(5)
Univ. Cincinnati Medical Center	Serv	(4)	(5)

2011

Major Employer (3)	Type	Number of Employees	Employer's Percentage Of Total Employment
AK Steel Holding Corp	Mfg	(4)	(5)
BAE Systems	Mfg	(4)	(5)
Butler County Government	Govt	(4)	(5)
Cincinnati Financial Corp	Finance	(4)	(5)
Cornerstone Brands Inc	Trade	(4)	(5)
Fairfield City Bd of Ed	Govt	(4)	(5)
Ft Hamilton Memorial Hospital	Serv	(4)	(5)
GE Aviation	Mfg	(4)	(5)
Hamilton City Board of Education	Govt	(4)	(5)
Lakota Local Board of Education	Govt	(4)	(5)
Liberty Mutal/Ohio Casualty Corp	Ins	(4)	(5)
Mercy Regional Hospital	Serv	(4)	(5)
Miami University	Govt	(4)	(5)
Middletown Regional Health System	Serv	(4)	(5)
Miller Coors	Mfg	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Butler County

(3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(4) - The number of employees of each listed major employer was not available.

(5) - The employer's percentage of total employment for each major employer was not available.

Princeton City School District, Ohio  
 Major Employers -- Hamilton County (1)  
 Current Fiscal Year and Fiscal Period Nine Years Ago  
 Schedule 16

2020

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(4)	(5)
Cincinnati Children's Hospital	Serv	(4)	(5)
Fifth Third Bancorp	Fin	(4)	(5)
Ford Motor Co	Mfg	(4)	(5)
General Electric Co	Mfg	(4)	(5)
Johnson & Johnson/Ethicon	Mfg	(4)	(5)
Kroger Co	Trade	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mercy Health Partners	Serv	(4)	(5)
Procter & Gamble Co	Mfg	(4)	(5)
TriHealth Inc	Serv	(4)	(5)
University of Cincinnati	Govt	(4)	(5)

2011

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(4)	(5)
Chiquita Brands International Inc	Trade	(4)	(5)
Cincinnati Children's Hospital	Serv	(4)	(5)
Fifth Third Bancorp	Fin	(4)	(5)
Ford Motor Co	Mfg	(4)	(5)
General Electric Co	Mfg	(4)	(5)
Johnson & Johnson/Ethicon	Mfg	(4)	(5)
Kroger Co	Trade	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mercy Health Partners	Trade	(4)	(5)
Procter & Gamble Co	Mfg	(4)	(5)
TriHealth Inc	Serv	(4)	(5)
University of Cincinnati	Govt	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Hamilton County

(3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(4) - The number of employees of each listed major employer was not available

(5) - The employer's percentage of total employment for each major employer was not available

Princeton City School District, Ohio  
 Major Employers --Warren County (1)  
 Current Fiscal Year and Fiscal Period Nine Years Ago  
 Schedule 16

2020

Major Employer (3)	Type	Number of Employees	Employer's Percentage of Total Employment
Aisin Seiki/ADVICS Co Ltd	Mfg	(4)	(5)
Atrium Medical Center	Serv	(4)	(5)
Cedar Fair/Kings Island	Serv	(4)	(5)
Cengage Learning Inc	Serv	(4)	(5)
Cintas Corp	Mfg	(4)	(5)
L-3 Cincinnati Electronics	Mfg	(4)	(5)
Luxtottica Group SpA	Mfg	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mason Local Schools	Govt	(4)	(5)
Portion Pac Inc	Serv	(4)	(5)
Procter & Gamble Co	R&D	(4)	(5)
State of Ohio	Govt	(4)	(5)
WellPoint Inc/Anthem	Ins	(4)	(5)

2011

Major Employer (3)	Type	Number of Employees	Employer's Percentage Of Total Employment
Aisin Seiki/ADVICS Co Ltd	Mfg	(4)	(5)
Atrium Medical Center	Serv	(4)	(5)
Cedar Fair/Kings Island	Serv	(4)	(5)
Cengage Learning Inc	Serv	(4)	(5)
Cintas Corp	Mfg	(4)	(5)
HJ Heinz/Portion Pac Inc	Mfg	(4)	(5)
L-3 Cincinnati Electronics	Mfg	(4)	(5)
Luxtottica Group SpA	Mfg	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mason Local Schools	Govt	(4)	(5)
Procter & Gamble Co	R&D	(4)	(5)
State of Ohio	Govt	(4)	(5)
WellPoint Inc/Anthem	Ins	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Warren County

(3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(4) - The number of employees of each listed major employer was not available.

(5) - The employer's percentage of total employment for each major employer was not available.

Princeton City School District, Ohio  
 Full-Time - Equivalent District Employees by Type  
 Last Ten Fiscal Years  
 Schedule 17

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Regular Instruction</b>	<b>306.96</b>	<b>269.44</b>	<b>260.23</b>	<b>260.78</b>	<b>269.00</b>	<b>265.36</b>	<b>275.14</b>	<b>282.92</b>	<b>309.99</b>	<b>315.00</b>
REGULAR TEACHING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PERMANENT SUBSTITUTE	0.00	0.00	0.00	1.00	0.00	0.50	0.00	1.50	0.00	0.00
TEACHER/MENTOR/EVALUATOR	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	2.00	2.00
GENERAL EDUCATION	277.30	239.20	228.50	229.34	239.75	237.12	237.14	255.56	265.00	271.00
ART EDUCATION K-8	8.00	8.50	8.00	9.00	9.00	7.87	11.00	7.87	12.00	12.00
MUSIC EDUCATION K-8	13.00	13.00	13.00	13.00	12.00	11.87	17.00	12.99	17.99	17.00
PHYSICAL EDUCATION K-8	8.66	8.74	8.23	8.44	8.25	8.00	10.00	5.00	13.00	13.00
<b>Special Instruction</b>	<b>6.80</b>	<b>7.90</b>	<b>6.30</b>	<b>7.50</b>	<b>6.00</b>	<b>6.50</b>	<b>9.00</b>	<b>12.00</b>	<b>13.00</b>	<b>10.00</b>
AUDIO-VISUAL STAFF	4.00	3.00	2.00	2.00	2.00	2.00	2.00	3.00	2.00	2.00
EDUC SERVICE PERSONNEL TEACHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GIFTED & TALENTED	0.80	2.90	2.30	3.50	2.00	2.50	4.00	7.00	8.00	5.00
PRESCHOOL SPECIAL EDUCATION	2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.00	3.00	3.00
<b>Vocational Instruction</b>	<b>0.86</b>	<b>0.86</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>9.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
VACATIONAL EDUCATION TEACHING	0.00	0.00	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00
CAREER-TECHNICAL PROGRAMS/PATHWAYS	0.86	0.86	2.00	2.00	2.00	2.00	4.00	1.00	1.00	1.00
<b>Other Instruction</b>	<b>8.00</b>	<b>5.00</b>	<b>3.00</b>	<b>3.00</b>	<b>2.88</b>	<b>2.38</b>	<b>5.38</b>	<b>6.82</b>	<b>5.82</b>	<b>2.94</b>
OTHER PROFESSIONAL	7.00	4.00	2.00	2.00	0.00	0.00	3.00	3.00	1.00	1.00
TEACHING AIDE	0.00	0.00	0.00	0.00	2.38	2.38	1.88	2.82	3.82	0.94
PARENT MENTOR	1.00	1.00	1.00	1.00	0.50	0.00	0.50	1.00	1.00	1.00
<b>Pupil Support Services</b>	<b>116.28</b>	<b>106.80</b>	<b>105.65</b>	<b>103.52</b>	<b>104.38</b>	<b>82.22</b>	<b>74.33</b>	<b>84.83</b>	<b>93.77</b>	<b>101.65</b>
COUNSELING	10.00	7.50	8.00	7.00	7.00	6.00	9.00	6.00	9.00	9.00
REMEDIATION SPECIALIST	9.50	8.00	8.00	4.00	4.00	3.00	4.00	3.00	2.00	3.00
SPECIAL EDUCATION TEACHING	0.00	17.27	14.12	16.72	18.50	17.30	0.00	10.00	10.00	24.00
SUPPL SERVICE TEACHER (SPEC ED)	46.74	46.85	47.41	49.58	52.08	35.08	37.36	37.36	41.36	34.36
SPECIAL EDUCATION	20.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DIETITIAN/NUTRITIONIST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PSYCHOLOGIST	11.00	9.00	9.00	8.00	7.00	7.00	9.00	8.00	10.00	10.00
REGISTERED NURSING	4.00	2.90	2.90	3.00	3.00	3.40	3.00	3.00	3.00	3.00
SOCIAL WORK	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SPEECH & LANGUAGE THERAPIST	6.80	6.80	6.80	5.80	6.30	4.50	5.50	7.50	7.00	7.00
OCCUPATIONAL THERAPIST	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
EDUCATIONAL INTERPRETER	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER PROFESSIONAL-OTHER	0.00	1.00	0.94	0.94	1.00	0.94	0.00	2.00	2.00	1.00
PRACTICAL NURSING	2.00	3.50	3.50	3.50	2.50	2.00	2.47	4.97	5.41	5.29
ATTENDANCE OFFICER	2.98	1.98	2.98	2.98	2.00	2.00	3.00	2.00	3.00	4.00
<b>Instructional Staff Support Services</b>	<b>120.18</b>	<b>103.43</b>	<b>111.89</b>	<b>100.52</b>	<b>102.31</b>	<b>96.69</b>	<b>109.30</b>	<b>110.90</b>	<b>117.33</b>	<b>117.18</b>
CURRICULUM SPECIALIST	6.50	7.50	15.00	12.00	12.00	10.00	10.00	6.00	5.00	7.00
LIBRARIAN/MEDIA	3.00	2.00	2.00	2.00	1.00	1.00	2.00	1.00	1.00	1.00
TUTOR/SMALL GROUP INSTRUCTOR	11.50	11.50	9.50	10.00	9.00	7.00	17.00	15.00	15.50	11.50
LIBRARY TECHNICIAN	0.00	0.00	0.00	0.00	0.00	0.75	0.00	0.00	0.00	0.00
LIBRARY AIDE	0.53	0.00	0.00	0.00	0.75	0.00	0.00	0.00	7.11	6.64
INSTRUCTIONAL PARAPROFESSIONAL	95.65	79.43	82.39	74.52	77.56	75.94	77.30	86.90	86.72	89.04
OTHER TECHNICAL	3.00	3.00	3.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00
<b>Administration Support Services</b>	<b>92.45</b>	<b>94.94</b>	<b>86.82</b>	<b>81.82</b>	<b>83.79</b>	<b>87.42</b>	<b>78.44</b>	<b>83.87</b>	<b>90.41</b>	<b>86.35</b>
ADMIN. ASSISTANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ASSIST DEPUTY/ASSOC SUPERINTENDENT	0.80	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00
ASSIST PRINCIPAL	6.00	5.00	5.50	5.50	5.00	14.50	5.50	6.00	8.00	7.00
PRINCIPAL	9.00	10.00	10.00	10.00	10.00	10.00	10.00	9.00	11.00	11.00
SUPERINTENDENT	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
SUPERVISING/MANAGING/DIRECTING	0.00	3.00	2.00	1.00	1.00	1.00	3.00	3.00	3.00	3.00
COORDINATOR	5.00	6.00	4.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00
EDUCATION ADMINISTRATIVE SPECIALIST	3.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00
DIRECTOR	5.00	5.00	7.50	6.50	10.00	9.00	9.00	10.50	13.00	14.00
OTHER OFFICIAL/ADMINISTRATIVE	1.00	4.94	4.00	5.00	3.87	1.00	0.00	0.00	0.00	1.00
PERSONNEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CLERICAL	61.65	57.00	51.82	48.82	51.92	49.92	48.94	52.37	51.41	48.35
<b>Fiscal Services</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>2.00</b>	<b>3.00</b>	<b>1.00</b>	<b>3.00</b>	<b>5.00</b>	<b>5.00</b>	<b>6.00</b>
TREASURER	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
ACCOUNTING	2.00	1.00	1.00	1.00	1.00	0.00	2.00	4.00	4.00	5.00
RECORDS MANAGING	1.00	2.00	2.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
<b>Business Support Services</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
PRINTER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MESSENGER	1.00	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00

Princeton City School District, Ohio  
 Full-Time - Equivalent District Employees by Type  
 Last Ten Fiscal Years  
 Schedule 17 (Continued)

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Operation of Plant</b>	<b>81.25</b>	<b>76.25</b>	<b>73.72</b>	<b>67.56</b>	<b>70.69</b>	<b>0.00</b>	<b>67.60</b>	<b>75.60</b>	<b>78.57</b>	<b>80.63</b>
GENERAL MAINTENANCE	12.00	12.00	11.00	8.84	10.00	0.00	11.00	13.00	13.00	12.00
MECHANIC	4.00	4.00	5.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00
FOREMAN	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTODIAN	47.25	44.25	41.75	40.75	40.75	0.00	38.75	39.75	45.75	47.75
ELEVATOR OPERATING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GUARD/WATCHMAN	7.00	6.00	6.00	6.00	6.00	0.00	4.50	5.00	5.00	5.00
MONITORING	7.00	10.00	9.97	8.97	13.94	0.00	13.35	17.85	14.82	15.88
ATTENDANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Pupil Transportation</b>	<b>56.53</b>	<b>52.30</b>	<b>56.96</b>	<b>52.59</b>	<b>3.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5.00</b>	<b>3.00</b>	<b>2.00</b>
DISPATCHING	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
VEHICLE OPERATOR (BUSES)	51.53	47.30	51.96	48.59	0.00	0.00	0.00	0.00	0.00	0.00
EQUIPMENT OPERATING ASSIGNMENT	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER OPERATIVE	4.00	4.00	3.00	3.00	3.00	0.00	0.00	5.00	3.00	2.00
<b>Central Support Services</b>	<b>4.00</b>	<b>3.00</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>
PUBLICITY RELATIONS	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COMPUTER OPERATING	3.00	3.00	1.00	0.00	1.00	0.00	1.00	1.00	0.00	1.00
INSPECTOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Food Service Program</b>	<b>28.02</b>	<b>25.94</b>	<b>29.91</b>	<b>29.91</b>	<b>26.02</b>	<b>0.00</b>	<b>30.39</b>	<b>27.80</b>	<b>27.67</b>	<b>26.36</b>
FOOD SERVICE	28.02	25.94	29.91	29.91	26.02	0.00	30.39	27.80	27.67	26.36
<b>Grand Total</b>	<b>826.33</b>	<b>750.86</b>	<b>741.48</b>	<b>712.20</b>	<b>674.07</b>	<b>543.57</b>	<b>662.58</b>	<b>696.74</b>	<b>745.56</b>	<b>750.11</b>

Source: State Department of Education

Note: Information is not available to provide a breakdown between High School and Elementary



Princeton City School District, Ohio  
 Operating Statistics  
 Last Ten Fiscal Years  
 Schedule 18

Fiscal Year	Enrollment (1)	Operating Expenditure (2)	Cost Per Pupil (3)	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2011	5,612	\$80,246,996	\$14,299	-4.42%	429	13	58.60%
2012	5,480	73,279,119	13,372	-6.48%	431	13	58.60%
2013	5,575	76,260,037	13,679	2.29%	405	14	64.00%
2014	5,416	68,274,652	12,606	-7.84%	394	14	65.00%
2015	5,730	71,054,333	12,400	-1.63%	397	14	70.02%
2016	5,847	68,829,693	11,772	-5.07%	429	14	65.00%
2017	5,920	71,407,176	12,062	2.47%	392	15	67.88%
2018	6,036	75,300,424	12,475	3.43%	340	18	63.29%
2019	6,126	81,693,034	13,335	6.90%	380	16	68.30%
2020	6,265	81,049,188	12,937	-2.99%	385	16	63.26%

Source: District Records

(1) - Enrollment amount includes the satellite students in programs at partner districts.

(2) - Operating Expenditure is Total General Fund Cash Expenditures.

(3) - Operating Expenditure by Enrollment.

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Princeton City School District, Ohio  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19

School	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Elementary:										
Evendale (PK-6 / PK-5)										
Square feet	55,040	55,040	55,040	55,040	55,040	55,040	55,040	55,040	55,040	55,040
Capacity	364	364	364	364	364	364	364	364	364	364
Enrollment	250	281	322	290	273	265	254	237	259	244
Glendale (PK-6 / PK-5)										
Square feet	31,676	31,676	31,676	31,676	31,676	31,676	31,676	31,676	31,676	31,676
Capacity	364	364	364	364	364	364	364	364	364	364
Enrollment	261	289	284	265	266	315	314	315	274	257
Heritage Hill (PK-6 / PK-5)										
Square feet	63,093	63,093	63,093	63,093	63,093	63,093	63,093	63,093	63,093	63,093
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	346	331	368	377	468	517	507	535	507	519
Sharonville (PK-6 / PK-5)										
Square feet	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	469	438	461	486	512	459	443	442	452	407
Springdale (K-6)										
Square feet	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	469	448	453	462	517	490	474	466	441	479
Stewart (PK-3 / PK-4)										
Square feet	62,240	62,240	62,240	62,240	62,240	62,240	62,240	62,240	62,240	62,240
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	492	464	485	462	500	482	516	529	517	513
Woodlawn (Grades K-3)										
Square feet	52,711	52,711	52,711	52,711	52,711	52,711	52,711	52,711	52,711	52,711
Capacity	364	364	364	364	364	364	364	364	364	364
Enrollment	202	212	245	235	216	206	208	193	181	194
Lincoln Heights (PK-6 / PK-5)										
Square feet	63,301	63,301	63,301	63,301	63,301	63,301	63,301	63,301	63,301	63,301
Capacity	546	546	546	546	546	546	546	546	0	546
Enrollment	287	206	152	123	194	306	300	300	290	242

Princeton City School District, Ohio  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19 (Continued)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>RELIS</b>										
Square feet	12,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	1,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	46	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Innovation Center</b>										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8,560	8,560
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	120	120
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	54	169
<b>Middle School</b>										
<b>Princeton Community (Grades 7-8 / 6-8)</b>										
Square feet	176,195	176,195	176,195	160,518	160,518	160,518	160,518	160,518	160,518	160,518
Capacity	1,500	1,500	1,500	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	1,147	1,126	1,187	1,204	1,206	1,201	1,250	1,374	1,442	1,472
<b>High School</b>										
<b>Princeton HS (Grades 9-12)</b>										
Square feet	347,217	347,217	347,217	347,217	209,518	209,518	209,518	209,518	209,518	209,518
Capacity	2,700	2,700	2,700	2,700	2,000	2,000	2,000	2,000	2,000	2,000
Enrollment	1,689	1,674	1,613	1,517	1,578	1,606	1,654	1,645	1,709	1,769

Source: School District Records and Ohio Department of Education

N/A - Information not available.

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# OHIO AUDITOR OF STATE KEITH FABER



**PRINCETON CITY SCHOOL DISTRICT**

**HAMILTON COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 1/26/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
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