

Princeton City School District



Single Audit Reports

June 30, 2011

PLATTENBURG
Certified Public Accountants



Dave Yost • Auditor of State

Board of Education
Princeton City School District
25 West Sharon Road
Cincinnati, Ohio 45246

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

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

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

Dave Yost
Auditor of State

December 6, 2011

PRINCETON CITY SCHOOL DISTRICT
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2011

Federal Grant/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
Passed Through Ohio Department of Education:						
Nutrition Cluster:						
School Breakfast Program	3L70	10.553	\$440,465	\$0	\$440,465	\$0
National School Lunch Program	3L60	10.555	1,154,127	175,334	1,154,127	175,334
Summer Food Program	3L60	10.559	19,825	0	19,825	0
Total Nutrition Cluster			1,614,417	175,334	1,614,417	175,334
Team Nutrition	3670	10.574	2,000	0	1,613	0
Fresh Fruit and Vegetable Program	3L60	10.582	25,940	0	25,940	0
Total U.S. Department of Agriculture			1,642,357	175,334	1,641,970	175,334
U.S. DEPARTMENT OF EDUCATION						
Passed Through Ohio Department of Education:						
Special Education Cluster:						
Special Education-Grants to States	3M20	84.027	1,285,741	0	1,206,760	0
Special Education-Grants to States -ARRA	3DJ0	84.391	615,863	0	618,280	0
Special Education-Preschool Grants	3C50	84.173	10,384	0	13,222	0
Special Education-Preschool Grants -ARRA	3DL0	84.392	27,600	0	26,444	0
Total Special Education Cluster			1,939,588	0	1,864,706	0
Title I Cluster:						
Title I Grants to Local Educational Agencies	3M00	84.010	1,778,269	0	1,699,788	0
Title I Grants to Local Educational Agencies -ARRA	3DK0	84.389	476,990	0	448,352	0
Total Title I Cluster			2,255,259	0	2,148,140	0
Career & Technical Education Basic Grants to States	N/A	84.048	15,320	0	3,901	0
Readiness and Emergency Management for Schools	N/A	84.184	0	0	19,947	0
Safe and Drug Free Schools and Communities	3D10	84.186	16,924	0	14,258	0
Teaching American History Grant	N/A	84.215	0	0	274,914	0
Education Technology State Grants	3S20	84.318	17,124	0	13,707	0
English Language Acquisition Grants	3Y70	84.365	100,440	0	87,403	0
Improving Teacher Quality	3Y60	84.367	144,812	0	135,328	0
School Improvement Grant	3AN0	84.377	1,747	0	1,747	0
McKinney-Vento Homeless Children & Youth Grant -ARRA	3DG0	84.387	8,108	0	0	0
State Fiscal Stabilization Fund (SFSF) Ed.St Grant -ARRA	GRF	84.394	350,573	0	350,573	0
Race to the Top Fund - ARRA	3FD0	84.395	10,639	0	5,997	0
Total Department of Education			4,860,534	0	4,920,621	0
Total Federal Assistance			\$6,502,891	\$175,334	\$6,562,591	\$175,334

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

**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**

Board of Education
Princeton City School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Princeton City School District (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 28, 2011 wherein we noted the District adopted GASB Statement No. 54 as disclosed in Note 2. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, 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.

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the District in a separate letter dated October 28, 2011.

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
October 28, 2011

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

Board of Education
Princeton City School District

Compliance

We have audited Princeton City School District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2011. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to 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. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District, complied, in all material respects, with the 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, 2011.

Internal Control over Compliance

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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the District as of and for the year ended June 30, 2011, and have issued our report thereon dated October 28, 2011, which contained an unqualified opinion on those financial statements wherein we noted the District adopted GASB Statement No. 54 as disclosed in Note 2. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
October 28, 2011

**PRINCETON CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011**

Section I – Summary of Auditor’s Results

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any material reported non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any other significant control deficiencies reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under Section .510?</i>	No
(d)(1)(vii)	<i>Major Programs (list):</i>	Special Education Cluster: Special Education-Grants to States CFDA #84.027 Special Education-Grants to States - ARRA CFDA #84.391 Special Education-Preschool Grants CFDA #84.173 Special Education-Preschool Grants - ARRA CFDA #84.392 Title I Cluster: Title I Grants to Local Educational Agencies CFDA #84.010 Title I Grants to Local Educational Agencies - ARR CFDA #84.389 State Fiscal Stabilization Fund (SFSF) Ed St Grant - .CFDA #84.394
(d)(1)(viii)	<i>Dollar Threshold: Type A/B Programs</i>	Type A: > \$616,157 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee?</i>	No

Section II – Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

PRINCETON CITY SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133
Year Ended June 30, 2011

The Princeton City School District had no prior audit findings or questioned costs.

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURE**

Board of Education
Princeton City School District

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

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

1. We noted the Board amended its anti-harassment policy on November 15, 2010 to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

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

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
October 28, 2011

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Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2011



Princeton City School District
Cincinnati, Ohio

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INTRODUCTORY SECTION

Mission Statement

Princeton is a diverse community where we are all learners - inspired to dream and challenged to achieve.

Vision Statement

Princeton City Schools is an Excellent school district of opportunities where families desire to live and choose to educate their children.

**PRINCETON CITY SCHOOL DISTRICT
CINCINNATI, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

PREPARED BY: OFFICE OF THE TREASURER

JAMES M. ROWAN – CFO / TREASURER

**PRINCETON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Fiscal Year Ended June 30, 2011**

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**PRINCETON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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**PRINCETON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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**PRINCETON CITY SCHOOL DISTRICT, OHIO
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Office of the Treasurer

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November 2, 2011

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

We are pleased to present the thirteenth Comprehensive Annual Financial Report (CAFR) of the Princeton City School District (District) for the fiscal year ended June 30, 2011. 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 2010-11 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 and account groups 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 54.4% of the tax revenue of the District paid by business and industry.

During the 2010-11 school year, the District served 5,568 students enrolled in preschool, eight elementary schools, one junior high school and one high school. The District's enrollment has stabilized with slight decreases in elementary/middle school and slight increases in the high school.

The student enrollment of the District is a reflection of the diversity of the communities it serves. For the 2010-11 school year, approximately 58.6% of the students were considered low-income and eligible to participate in the free/reduced lunch program; 117 students were enrolled in a full time or part-time trade program, through vocational education; 810 students 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 and gifted elementary programs. The District also offers a comprehensive adult education program to the community to help adults obtain a high school diploma.

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, 2011, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mrs. Sandy Leach	Jan. 2004 - Dec. 2012	7 ½
Ms. Lillian Hawkins	Jan. 2006 - Dec. 2014	5 ½
Ms. Tawana Keels	Jan. 2006 - Dec. 2014	13 ½
Mr. Robert Maine	Jan. 2008 - Dec. 2012	3 ½
Mr. Steve Moore	Jan. 2008 - Dec. 2012	3 ½

The Superintendent is the Chief Executive Officer of the District and is directly responsible to the Board for all operations of the District. Dr. Gary Pack has served as Superintendent since August 1, 2008. Dr. Pack has 19 years as a school superintendent.

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. James M. Rowan began his role as Treasurer on January 18, 2010. Mr. Rowan has 20 years experience as a school treasurer in Ohio.

FINANCIAL CONDITION

This is the eighth 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 2011 and the outlook for the future.

EMPLOYEE RELATIONS

As of June 30, 2011, the Board employed 844 full-time employees. Of the Board's current employees, 433 were certificated by the Ohio Department of Education serving as classroom teachers or education specialists, and 32 administrators, all of whom have at least a bachelor's degree.

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. As of June 30, 2011, the District and the association have three years remaining on the contract.

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). As of June 30, 2011, the District and the association have three years remaining on the contract.

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 will lead the implementation effort. As in the past, the plan is based on the District's mission statement that states:

The mission: Princeton is a diverse community where we are all learners –
inspired to dream and challenge to achieve.

District goals for the 2010-2011 school year are as follows:

Goal One: Continue to develop and deploy year three of the School Improvement Process, implementing and monitoring instruction and support programs, resulting in all students reaching their full potential. Focus upon making AYP as a district and develop plans to advance 21st Century skills (e.g. STEM and Early College programs)

Goal Two: Create a comprehensive understanding of the District's finances and strategies for maintaining and communicating our fiduciary responsibilities to all taxpayers through 2020. Develop the financial creativity, expertise and transparent outreach to develop stakeholder understanding, and support efforts for sustainable Princeton school financing.

Goal Three: Improve school climate and culture. Engage stakeholders, and build trusting relationships to achieve an enriched and student centered culture. Implement safety and security recommendations from audit.

Goal Four: Invest in employees as the District's most valuable asset. Focus upon high quality professional development and enhance leadership at all levels.

Goal Five: Design and construct the new middle school and high school buildings on time, under budget, and address the academic needs for 21st century teaching and learning. Use transparent communication of progress, issues, and opportunities as this multi-year project is completed.

Relevant Financial Policies

In June of 2011, the State legislature passed Amended Substitute House Bill 153. Amended Substitute House Bill 153 (Biennial Budget Bill) changed many provisions regarding the funding of public education. The administration of Governor John Kasich has proposed a move away from the Evidence Based Model (EBM) to a new formula for fund distribution to school districts. However, since a new funding mechanism is not formulated as of yet, the administration has decided to fund school districts in FY2012 based on a transitional approach until a new formula is devised. This transitional approach is referred to as the "Bridge" formula which the administration hopes to replace with a permanent formula by FY2013 or FY2014. Another significant change in the budget bill was the restructuring of Tangible Personal Property (TPP) and Electric Deregulation Property Tax reimbursements. These reimbursements were restructured such that, for FY12 and FY13, the reduction in the district's phase out for each reimbursement is limited to no more than 2% per year of its total resources (state & local funding) as compared to the base year. Any reimbursement a district is still receiving in FY13 continues to be received at that level in the future.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund and account group 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. The results of the District's single audit for the fiscal year ended June 30, 2011, provided no significant violations of 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. The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

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 two readings on all financial contracts exceeding \$1,000 as well as legal counsel review. Contracts are all process 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. Plattenburg & Associates unqualified 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, 2010. This was the thirteenth 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.

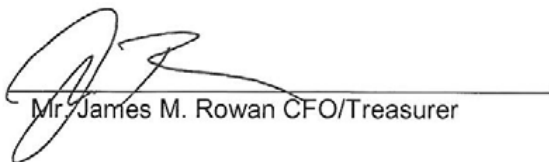
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2010, to the District. The award was the fourteenth for the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010, 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 2011 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,



Mr. James M. Rowan CFO/Treasurer



Dr. Gary Pack, Superintendent

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, 2010

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



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

PRINCETON CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2010

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

PRINCETON CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICIALS
June 30, 2011

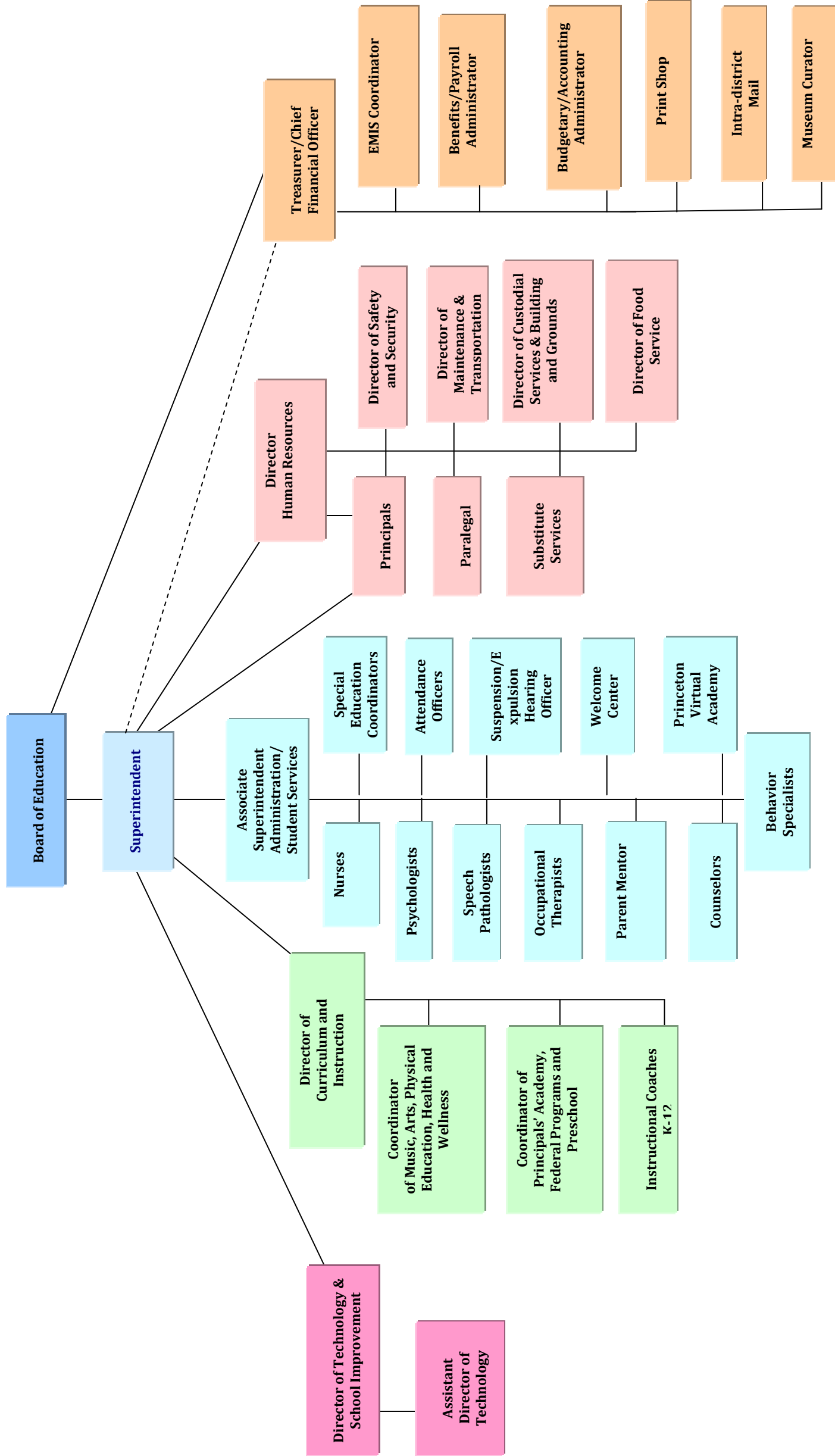
Elected Officials

President, Board of Education.....	Mr. Steve Moore
Vice-President, Board of Education	Ms. Tawana Keels
Board Member	Dr. Lillian Hawkins
Board Member	Mrs. Sandy Leach
Board Member	Mr. Bob Maine

Administrative Officials

Superintendent	Dr. Gary Pack
Associate Superintendent, Administration / Student Services.....	Dr. Mari Phillips
Director of Human Resources	Mrs. Victoria Brian
Treasurer / Chief Financial Officer	Mr. James M. Rowan

Organizational Chart of the Princeton City School District



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FINANCIAL SECTION

CHARACTER EDUCATION VALUES

Trustworthiness - Be honest, dependable, and sincere to self and others.

Respect - Demonstrate courtesy and civility. Be good to self and others.

Responsibility - Be accountable for the results of your actions.

Honor - Stand by your word. Exhibit ethical conduct.

Compassion - Treat others and self with kindness.

Service - Give back to the community. Help others.

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INDEPENDENT AUDITORS' REPORT

Board of Education
Princeton City School District

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

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

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

As described in Note 2 to the financial statements, during the year ended June 30, 2011, the District implemented Governmental Accounting Standards Board ("GASB") Statement No. 54, *"Fund Balance Reporting and Governmental Fund Type Definitions"*.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2011, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the 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 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 financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 it.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
October 28, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

This discussion and analysis provides key information from management highlighting the overall financial performance of the Princeton City School District, Ohio for the year ended June 30, 2011. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the School District's financial statements.

Financial Highlights

Major financial highlights for fiscal year 2011 are listed below:

- ✓ The assets of the School District exceeded its liabilities at year-end by \$41.2 million. Of this amount, \$24.4 million may be used to meet the government's ongoing obligations to citizens and creditors.
- ✓ In total, net assets decreased by \$5.3 million.
- ✓ The School District had \$94.7 million in expenses related to governmental activities; only \$13.6 million of these expenses were offset by program specific charges for services, grants or contributions. General revenue of \$75.8 million, made up primarily of property taxes and State Foundation payments provided the majority of funding for the School District.
- ✓ The General Fund balance decreased by \$3.9 million from \$23.2 million at June 30, 2010 to \$19.3 million at June 30, 2011.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances in a manner similar to a private-sector business.

The statement of net assets presents information on all of the School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years (e.g. uncollected taxes and earned but unused vacation leave).

PRINCETON CITY SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2011
Unaudited

The governmental activities of the School District are principally supported through taxes and intergovernmental revenues and include instruction, support services, administration, operation and maintenance of plant, and extracurricular activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for government activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between government funds and governmental activities.

The School District accounts for its activities using many individual funds. The most significant funds are reported in separate columns in the governmental fund financial statements. These statements provide detailed information about the individual major funds – unlike the government-wide financial statements, which report on the School District as a whole. Data for the other governmental funds is combined into a single aggregated presentation.

Proprietary funds. Proprietary funds use the full accrual basis of accounting. The School District uses internal service funds to account for its self-insured employee benefits and workers' compensation. Internal service funds are used to report activities that provide services to the School District's other departments.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit 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 School District's own programs. The accounting used for fiduciary funds is similar to proprietary funds.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2011
Unaudited

Other information. In addition to the basic financial statements and notes, this report also contains required supplementary information concerning the budget for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

A. Net assets at year-end

The following table presents a condensed summary of the School District's overall financial position at June 30, 2011 and 2010:

	<u>FY11</u>	<u>FY10 (Reclassified)</u>
Current and other assets	\$ 196,224,337	80,902,029
Capital assets	<u>100,703,633</u>	<u>95,268,326</u>
Total assets	<u>296,927,970</u>	<u>176,170,355</u>
Long-term liabilities	214,905,085	84,649,720
Other liabilities	<u>40,862,387</u>	<u>45,054,834</u>
Total liabilities	<u>255,767,472</u>	<u>129,704,554</u>
Net assets:		
Invested in capital assets, net of debt	12,349,072	11,939,134
Restricted	4,461,165	7,958,748
Unrestricted	<u>24,350,261</u>	<u>26,567,919</u>
Total net assets	<u>\$ 41,160,498</u>	<u>46,465,801</u>

A portion of the School District's net assets (30%) reflects its investment in capital assets, less any related debt to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The School District experienced an increase in their investment in capital assets, net of debt primarily due to the construction and renovation of buildings. As the project continues, capital assets will be increased for the full amount of the project and the debt will decrease with principal payments. The balance of unrestricted net assets (\$24,350,261) may be used to meet the government's ongoing obligations to citizens and creditors.

In fiscal year 2011, the School District's total assets and liabilities increased during the year primarily due to the issuance of \$119,999,930 in school improvement bonds for the costs related to the construction, addition, improvements and renovation of buildings.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2011
Unaudited

B. Governmental Activities

The following is a summary of the School District's activities during fiscal year 2011 and 2010 and the resulting change in net assets:

	<u>FY11</u>	<u>FY10</u>
Revenues:		
Program revenues:		
Charges for services and sales	\$ 2,837,975	3,013,068
Operating grants and contributions	<u>10,743,225</u>	<u>8,356,788</u>
Total program revenues	<u>13,581,200</u>	<u>11,369,856</u>
General revenues:		
Property taxes	45,487,235	45,314,998
Grants and entitlements	27,489,047	26,779,285
Investment earnings	1,603,978	116,100
Miscellaneous	<u>1,237,850</u>	<u>889,498</u>
Total general revenues	<u>75,818,110</u>	<u>73,099,881</u>
Total revenues	<u>89,399,310</u>	<u>84,469,737</u>
Expenses:		
Instruction	43,949,741	45,105,572
Support services:		
Pupil	4,838,552	5,176,839
Instructional staff	7,408,565	7,268,709
Board of Education	358,720	417,868
Administration	3,666,881	7,747,880
Fiscal	2,616,425	2,433,305
Business	214,352	363,532
Operation and maintenance of plant	8,022,850	8,100,618
Pupil transportation	5,133,648	4,943,041
Central	1,485,580	934,365
Non-instructional services	6,915,675	6,982,394
Interest and fiscal charges	<u>10,093,624</u>	<u>3,592,012</u>
Total expenses	<u>94,704,613</u>	<u>93,066,135</u>
Change in net assets	\$ <u><u>(5,305,303)</u></u>	<u><u>(8,596,398)</u></u>

PRINCETON CITY SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2011
Unaudited

Of the total governmental activities revenues of \$89,399,310, \$13,581,200 (15%) is from program revenue. This means that the government relies on general revenues to fund the majority of the cost of services provided to the citizens. Of the total general revenues, 60% (\$45,487,235) comes from property tax levies and 36% (\$27,489,047) is from state funding. The School District's operations are reliant upon its property tax levy and the state's foundation program.

In total, revenues increased about 6% due in part to increased investment earnings related to the investment of the 2010 School Improvement Bonds as well as to the School District receiving a subsidy for the payment of interest on bonds. The overall increase in expenses is due mainly to an increase in interest and fiscal charges related to the bond issue. In other functions, the School District experienced some reductions in force as well as slight increases in payroll and benefits.

Governmental Activities

The following table presents the total cost of each of the government's primary services, and the comparative net cost after deducting the revenues generated by each function. Approximately 14% of the cost of the general government programs was recouped in program revenues. Instruction costs were \$43,949,741 but program revenue contributed \$3,944,954 to fund 9% of those costs. Thus, general revenues of \$40,004,787 were used to support of remainder of the instruction costs.

Governmental Activities

		<u>Total Cost of Services</u>	<u>Program Revenue</u>	<u>Revenues as a % of Total Costs</u>	<u>Net Cost of Services</u>
Instruction	\$	43,949,741	3,944,954	9%	40,004,787
Support services		33,745,573	3,128,421	9%	30,617,152
Non-instructional services		6,915,675	4,623,656	67%	2,292,019
Interest and fiscal charges		<u>10,093,624</u>	<u>1,884,169</u>	19%	<u>8,209,455</u>
Total	\$	<u>94,704,613</u>	<u>13,581,200</u>	<u>14%</u>	<u>81,123,413</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2011
Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S INDIVIDUAL FUNDS

Governmental funds

The School District has two major governmental funds: the General Fund and Building Fund. Assets of the major funds comprise \$170,563,586 (88%) of the total \$192,929,179 governmental funds assets.

General Fund: Fund balance at June 30, 2011 was \$19,335,422, with an unassigned balance of \$17,279,293 . The fund balance decreased by approximately \$3.9 million. Revenues remained fairly consistent with the prior year and expenditures and transfers were down approximately 8.3%. The unassigned fund balance represents approximately 23.8% of current-year general fund expenditures.

Building Fund: Restricted fund balance for the Building Fund at June 30, 2011 was \$113,909,070. This fund will account for the proceeds of school improvement bonds used for the construction, addition and renovation of the School District's buildings.

GENERAL FUND BUDGETARY HIGHLIGHTS

The schedule comparing the School District's original and final budgets and actual results is included in the required supplementary information. Significant differences between the original and final budgets were as follows:

- In total, revenues in the final budget were approximately \$2.6 million, or 4%, less than original budget. This was primarily due to original estimates on taxes higher than what was being collected.
- Total expenditures were originally budgeted at \$67.7 million and later amended to \$75.8 million. This increase was due to additional costs involved in the issuance of bonds as reflected in fiscal support services and increases in regular instruction salaries and benefits.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. At June 30, 2011, the School District had \$100,703,633 invested in a broad range of capital assets, including land, buildings, equipment and vehicles. The School District acquired capital assets of approximately \$680,000 including a vehicle and equipment. Construction in progress of approximately \$7.6 million was added as a result of the District's current construction and renovations of buildings. Depreciation of \$2.9 was recorded for fiscal year 2011 for a net increase in capital assets of approximately \$5.4 million. See Note 6 to the financial statements for more detail.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2011
Unaudited

Capital Assets at Year-End
(Net of Depreciation)

		<u>2011</u>	<u>2010</u>
Land	\$	6,327,535	6,327,535
Construction in progress		7,616,816	-
Land improvements		1,660,879	1,857,536
Buildings and improvements		81,388,801	83,248,977
Equipment and furniture		2,021,131	1,866,341
Vehicles		<u>1,688,471</u>	<u>1,967,937</u>
Total	\$	<u>100,703,633</u>	<u>95,268,326</u>

Debt

During the year ended June 30, 2011, the School District made its regularly scheduled payments for general obligation bonds as well as issued \$119,999,930 in general obligation school improvement bonds. As of June 30, 2011, the School District's obligations for general obligation bonds are \$194,729,930, which are payable over the next thirty-six years. The OASBO Loan of \$3,506,000 is payable over the next twenty years. See Note 11 to the financial statements for more detail.

Outstanding Debt at Year-End

		<u>2011</u>	<u>2010</u>
2003 School Improvement Bonds	\$	4,505,000	5,765,000
2006 Refunding Bonds		70,225,000	70,325,000
2010 Refunding Bonds		119,999,930	-
OASBO Loan		<u>3,506,000</u>	<u>3,628,000</u>
Total	\$	<u>198,235,930</u>	<u>79,718,000</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2011
Unaudited

ECONOMIC FACTORS

A challenge facing the School 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. Princeton, however, receives 54.5% of its general funding from property taxes.

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 2011, 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 School District is still receiving in FY13 will continue to be received at that level in the future.

REQUESTS FOR ADDITIONAL INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's office at the Princeton City School District, Ohio, 25 West Sharon Avenue, Cincinnati, Ohio 45246.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Net Assets

June 30, 2011

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and investments	\$ 139,040,530
Receivables:	
Taxes	52,188,283
Accounts	63,999
Intergovernmental	2,788,925
Supplies inventory	114,796
Restricted cash and investments	212,907
Deferred charges	1,814,897
Nondepreciable capital assets	13,944,351
Depreciable capital assets, net	<u>86,759,282</u>
Total assets	<u>296,927,970</u>
Liabilities:	
Accounts payable	1,471,373
Accrued wages and benefits	5,944,447
Intergovernmental payable	2,087,088
Claims payable	535,217
Unearned revenue	28,476,994
Accrued interest payable	877,700
Notes payable	1,250,000
Matured compensated absences payable	219,568
Long-term liabilities:	
Due within one year	2,678,986
Due within more than one year	<u>212,226,099</u>
Total liabilities	<u>255,767,472</u>
Net Assets:	
Invested in capital assets, net of related debt	12,349,072
Restricted for:	
Capital projects	64,968
Debt service	685,905
Food service	960,330
Disadvantaged children	341,878
Special education	286,637
Race to the top	106,103
Other purposes	1,741,826
Endowment:	
Expendable	13,129
Nonexpendable	260,389
Unrestricted	<u>24,350,261</u>
Total net assets	<u>\$ 41,160,498</u>

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Activities
Year Ended June 30, 2011

	Expenses	Program Revenues		Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$ 33,963,420	1,556,734	2,165,445	\$ (30,241,241)
Special education	7,849,533	-	222,775	(7,626,758)
Other instruction	2,136,788	-	-	(2,136,788)
Support services:				
Pupil	4,838,552	-	1,068,537	(3,770,015)
Instructional staff	7,408,565	-	1,437,609	(5,970,956)
Board of Education	358,720	-	-	(358,720)
Administration	3,666,881	-	96,947	(3,569,934)
Fiscal	2,616,425	-	10,995	(2,605,430)
Business	214,352	-	-	(214,352)
Operation and maintenance of plant	8,022,850	-	374,496	(7,648,354)
Pupil transportation	5,133,648	-	119,020	(5,014,628)
Central	1,485,580	-	20,817	(1,464,763)
Non-instructional services:				
Extracurricular activities	1,508,941	131,184	-	(1,377,757)
Food service	2,434,906	682,191	1,871,315	118,600
Community service	2,971,828	467,866	1,471,100	(1,032,862)
Interest and fiscal charges	10,093,624	-	1,884,169	(8,209,455)
Total Governmental Activities	\$ 94,704,613	2,837,975	10,743,225	\$ (81,123,413)

General Revenues:

Property taxes, levied for general purposes	39,141,605
Property taxes, levied for debt service	4,173,292
Property taxes, levied for capital improvements	2,172,338
Grants and entitlements not restricted to specific programs	27,489,047
Investment earnings	1,603,978
Miscellaneous	1,237,850
Total general revenues	75,818,110
Change in net assets	(5,305,303)
Net assets beginning of year	46,465,801
Net assets end of year	\$ 41,160,498

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Balance Sheet
 Governmental Funds
 June 30, 2011

	General Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 10,018,261	114,762,291	11,622,502	136,403,054
Restricted cash and investments	212,907	-	-	212,907
Receivables:				
Taxes	43,966,200	-	8,222,083	52,188,283
Accounts	63,486	-	-	63,486
Intergovernmental	312,625	-	2,476,300	2,788,925
Materials and supplies inventory	70,088	-	44,708	114,796
Interfund receivable	<u>1,157,728</u>	-	-	<u>1,157,728</u>
Total assets	<u>55,801,295</u>	<u>114,762,291</u>	<u>22,365,593</u>	<u>192,929,179</u>
Liabilities:				
Accounts payable	373,349	853,221	244,803	1,471,373
Accrued wages and benefits	5,483,535	-	460,912	5,944,447
Intergovernmental payable	1,860,774	-	226,314	2,087,088
Interfund payable	-	-	1,157,728	1,157,728
Compensated absences payable	216,139	-	3,429	219,568
Accrued interest payable	-	-	9,479	9,479
Notes payable	-	-	1,250,000	1,250,000
Deferred revenue	<u>28,532,076</u>	-	<u>7,538,417</u>	<u>36,070,493</u>
Total liabilities	<u>36,465,873</u>	<u>853,221</u>	<u>10,891,082</u>	<u>48,210,176</u>
Fund Balances:				
Nonspendable	70,088	-	305,097	375,185
Restricted	212,907	113,909,070	12,014,752	126,136,729
Committed	11,000	-	-	11,000
Assigned	1,762,134	-	-	1,762,134
Unassigned	<u>17,279,293</u>	-	<u>(845,338)</u>	<u>16,433,955</u>
Total fund balances	<u>19,335,422</u>	<u>113,909,070</u>	<u>11,474,511</u>	<u>144,719,003</u>
Total liabilities and fund balances	\$ <u>55,801,295</u>	<u>114,762,291</u>	<u>22,365,593</u>	<u>192,929,179</u>

See accompanying notes to the basic financial statements.

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

Total Governmental Fund Balances		\$ 144,719,003
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		100,703,633
Other long-term assets are not available to pay for current-period expenditures and therefore are not reported in the funds.		7,593,499
Deferred charges on the statement of net assets are not capitalized in the funds.		1,814,897
The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		2,102,772
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General obligation bonds	207,553,189	
Accreted interest on bonds	431,805	
OASBO loan payable	3,506,000	
Capital lease payable	425,458	
Compensated absences	2,988,633	
Accrued interest payable	<u>868,221</u>	
Total		<u>(215,773,306)</u>
Net Assets of Governmental Activities		\$ <u><u>41,160,498</u></u>

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2011

	General Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 39,112,460	-	6,113,438	45,225,898
Tuition and fees	1,570,137	-	-	1,570,137
Interest	91,948	1,510,835	321	1,603,104
Intergovernmental	26,808,520	-	11,251,841	38,060,361
Charges for services	569,171	-	812,985	1,382,156
Other local revenues	382,797	660,052	78,445	1,121,294
Total revenues	<u>68,535,033</u>	<u>2,170,887</u>	<u>18,257,030</u>	<u>88,962,950</u>
Expenditures:				
Current:				
Instruction:				
Regular	29,185,397	-	2,149,450	31,334,847
Special education	7,670,361	-	193,912	7,864,273
Other instruction	2,076,612	-	50,238	2,126,850
Support services:				
Pupil	3,926,548	-	953,410	4,879,958
Instructional staff	6,027,314	-	1,261,298	7,288,612
Board of Education	358,720	-	-	358,720
Administration	5,883,107	-	116,461	5,999,568
Fiscal	2,223,509	-	119,429	2,342,938
Business	208,731	-	41,084	249,815
Operation and maintenance of plant	7,490,878	-	443,548	7,934,426
Pupil transportation	4,646,621	-	109,525	4,756,146
Central	906,586	-	247,211	1,153,797
Non-instructional services:				
Community service	1,353,899	-	1,628,207	2,982,106
Food service	-	-	2,426,138	2,426,138
Extracurricular activities	474,664	-	1,017,136	1,491,800
Capital outlay	79,069	7,601,765	519,815	8,200,649
Debt Service:				
Principal	-	-	1,566,517	1,566,517
Interest and fiscal charges	7,760	1,113,436	8,476,488	9,597,684
Bond issuance costs	-	1,223,069	-	1,223,069
Total expenditures	<u>72,519,776</u>	<u>9,938,270</u>	<u>21,319,867</u>	<u>103,777,913</u>
Excess of revenues over (under) expenditures	<u>(3,984,743)</u>	<u>(7,767,383)</u>	<u>(3,062,837)</u>	<u>(14,814,963)</u>
Other financing sources (uses):				
Transfers in	1,268,698	-	10,224,433	11,493,131
Transfers out	(1,153,984)	(9,070,449)	(1,268,698)	(11,493,131)
Issuance of bonds	-	119,999,930	-	119,999,930
Premium on issuance of bonds	-	10,746,972	-	10,746,972
Inception of lease-purchase agreement	-	-	509,975	509,975
Total other financing sources (uses):	<u>114,714</u>	<u>121,676,453</u>	<u>9,465,710</u>	<u>131,256,877</u>
Net change in fund balance	(3,870,029)	113,909,070	6,402,873	116,441,914
Fund balance, beginning of year, restated	<u>23,205,451</u>	<u>-</u>	<u>5,071,638</u>	<u>28,277,089</u>
Fund balance, end of year	\$ <u>19,335,422</u>	<u>113,909,070</u>	<u>11,474,511</u>	<u>144,719,003</u>

See accompanying notes to the basic financial statements.

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

Net Change in Fund Balances - Total Governmental Funds	\$	116,441,914
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlay	8,297,167	
Depreciation expense	<u>(2,861,860)</u>	5,435,307
Repayment of bond, loan and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
		1,566,517
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
		(570,008)
Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(418,105)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
		432,927
Governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are amortized in the statement of activities.		
Premium on sale of bonds	400,945	
Bond issuance costs	(60,640)	
Deferred amount on refunding	<u>(116,040)</u>	224,265
Items related to the issuance of bonds are reported in governmental funds, but reclassified as assets and liabilities on the statement of net assets.		
Proceeds from sale of bonds	(119,999,930)	
Premium on sale of bonds	(10,746,972)	
Bond issuance costs	<u>1,223,069</u>	(129,523,833)
The internal service fund used by management to charge the cost of providing insurance is reported with government activities.		
		2,047,493
Accretion on capital appreciation bonds is recorded each year as interest in the statement of activities.		
		(431,805)
The inception of a capital lease is recorded as an other financing source in the fund statements and as a liability in the statement of net assets.		
		<u>(509,975)</u>
Change in Net Assets of Governmental Activities	\$	<u><u>(5,305,303)</u></u>

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Net Assets

Proprietary Funds

June 30, 2011

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
Assets:	
Current assets:	
Equity in pooled cash and investments	\$ 2,637,476
Receivables:	
Accounts	<u>513</u>
Total assets	<u>2,637,989</u>
Liabilities:	
Current liabilities:	
Claims payable	<u>535,217</u>
Total liabilities	<u>535,217</u>
Net Assets:	
Unrestricted	<u>2,102,772</u>
Total net assets	<u>\$ 2,102,772</u>

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Revenues, Expenses and Changes in Net Assets

Proprietary Funds

Year Ended June 30, 2011

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
Operating revenues:	
Charges for services	\$ <u>5,571,414</u>
Total operating revenues	<u>5,571,414</u>
Operating expenses:	
Claims	3,218,508
Contract services	<u>306,608</u>
Total operating expenses	<u>3,525,116</u>
Operating income	<u>2,046,298</u>
Nonoperating revenues:	
Interest income	<u>1,195</u>
Total nonoperating revenues	<u>1,195</u>
Net income	2,047,493
Net assets, beginning of year	<u>55,279</u>
Net assets, end of year	\$ <u><u>2,102,772</u></u>

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2011

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
Cash flows from operating activities:	
Cash received from customers	\$ 5,570,901
Cash payments for claims	(2,781,356)
Cash payments for contract services	<u>(306,608)</u>
Net cash provided by operating activities	<u>2,482,937</u>
Cash flows from investing activities:	
Interest received	<u>1,195</u>
Net cash provided by investing activities	<u>1,195</u>
Net increase in cash and investments	2,484,132
Cash and investments at beginning of year	<u>153,344</u>
Cash and investments at end of year	\$ <u><u>2,637,476</u></u>
 <u>Reconciliation of operating income to net cash provided by operating activities:</u>	
Operating income	\$ 2,046,298
Adjustment to reconcile operating income to net cash used provided by operating activities:	
Changes in assets and liabilities:	
Increase in accounts receivable	(513)
Increase in claims payable	<u>437,152</u>
Net cash provided by operating activities	\$ <u><u>2,482,937</u></u>

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Net Assets

Fiduciary Funds

June 30, 2011

	Private- Purpose Trust Funds	Agency Fund
ASSETS		
Equity in pooled cash and investments	\$ 328,210	129,564
Total assets	<u>328,210</u>	<u>129,564</u>
LIABILITIES		
Accounts payable	-	7,292
Due to student groups	-	122,272
Total liabilities	<u>-</u>	<u>129,564</u>
NET ASSETS		
Held in trust	\$ <u>328,210</u>	

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Changes in Net Assets

Fiduciary Funds

Year Ended June 30, 2011

	<u>Private- Purpose Trust Funds</u>
Additions:	
Contributions	\$ <u>12,199</u>
Total additions	<u>12,199</u>
Deductions:	
Community gifts, awards and scholarships	<u>2,561</u>
Total deductions	<u>2,561</u>
Change in net assets	9,638
Net assets, beginning of year	<u>318,572</u>
Net assets, end of year	\$ <u><u>328,210</u></u>

See accompanying notes to the basic financial statements.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The School District is a consolidation of nine school districts originally chartered by the Ohio State Legislature. In 1853, state laws were enacted to create local Boards of Education. Today, the School District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.09 of the Ohio Revised Code. The School 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. This Board controls the School 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 School District. This includes general operations, food service, and student related activities of the School District.

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

The following activity is included within the reporting entity:

Parochial and Private Schools - Within the School 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 School District, as directed by the schools. The administration of the State monies by the School District is reflected in a special revenue fund for financial reporting purposes.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

The School District is associated with two jointly governed organizations. These organizations are the Hamilton/Clermont Cooperative Association and Great Oaks Institute of Technology and Career Development. The organizations are presented in Note 15 to the basic financial statements.

B. Basis of Presentation

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

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government except for 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 School 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 School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements Fund financial statements report detailed information about the School 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.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

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 and current liabilities 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 statements present increases (i.e., revenues) and decreases (i.e., expenses) in total assets.

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.

C. Fund Accounting

The School 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 School 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 School 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 liabilities is reported as fund balance. The following are the School 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 School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Building Fund - The building fund accounts for the activity related to the construction of the middle and high school facilities and improvements to other existing school facilities.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

Proprietary funds are used to account for the School 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 School District created internal service funds for the operation of its self-insured employee benefits and workers' compensation activities.

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

D. 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 School 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.

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.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

Non-exchange transactions, in which the School 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 School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred Revenue Deferred revenues arise when potential revenue does not meet both the measurable and available criteria recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2011 which are intended to finance fiscal year 2012 operations have been recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Unearned Revenue Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

E. Equity in Pooled Cash and Cash Equivalents

Cash received by the School District is pooled for investment purposes. Individual fund integrity is maintained through School 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 2011, the School District's investments were limited to commercial paper, bankers' acceptances, U.S. Government Agency securities, money market funds, and the State Treasury Assets Reserve of Ohio (STAR Ohio).

STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2011. The School District recorded other investments held at June 30, 2011 at fair value.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

Under existing Ohio statutes, all investment earnings accrue to the General Fund except those specifically related to agency funds, certain trust funds, and those other funds individually authorized by Board resolutions. Interest earnings are allocated to these funds based on average monthly cash balance.

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 School District are considered to be cash equivalents.

F. 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.

G. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. The School 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. Donated capital assets are recorded at their estimated fair values as of the date received. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets except land and construction in progress 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

H. 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 assets.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

I. Compensated Absences

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

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 School 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 School 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.

J. 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.

K. Fund Balance

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

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in 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

Year Ended June 30, 2011

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

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

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

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

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

L. Restricted Assets

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

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

M. Net Assets

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

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

N. 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.

2. CHANGE IN ACCOUNTING PRINCIPLES

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that compromise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the reclassification of certain funds and restatement of the School District's beginning fund balance:

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balance at June 30, 2010	\$ 22,455,543	5,821,546	28,277,089
Change in fund structure	<u>749,908</u>	<u>(749,908)</u>	<u>-</u>
Restated Fund Balance at June 30, 2010	\$ <u>23,205,451</u>	<u>5,071,638</u>	<u>28,277,089</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

3. DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits 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 School District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Interim monies are permitted to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, 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

Custodial credit risk is the risk that in the event of a failure, the School District's deposits may not be returned to it. The School District's custodial credit risk policy requires that deposits be collateralized as required by ORC Chapter 135. At year end, \$9,954,427 of the School District's bank balance of \$13,573,875 was exposed to custodial credit risk since it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name. ORC Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities.

Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

Investments

The School District's investments at June 30, 2011 are as summarized as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity Years</u>
FHLB	\$ 28,243,635	1.41
FNMA	28,021,545	1.64
FHLMC	36,987,121	1.49
U.S. Treasury Notes	30,311,399	2.22
Bankers Acceptances	1,557,339	0.01
Commercial Paper	199,562	0.00
STAR Ohio	321,428	-
US Money Market	918,908	-
	<u>\$ 126,560,937</u>	1.65

Credit Risk

It is the School 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 School District's investments in FHLB, FNMA, FHLMC securities and U.S. Treasury Notes were rated AAA by Standard & Poor's and Aaa by Moody's. The investment in bankers' acceptances and commercial paper were rated A-1+ by Standard & Poor's and P-1 by Moody's. The School District's investments in the U.S. Money Market Funds were rated AAA by Standard & Poor's. Investments in STAR Ohio were rated AAAM by Standard & Poor's.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a counter party, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's investment securities are registered in the name of the School 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 School District's policy places no limit on the amount it may invest in any one issuer. The School District has invested 29% in FHLMC securities, 24% in U.S. Treasury Notes, 23% in FHLB securities, 22% in FNMA securities, 1% Bankers Acceptances and 1% in the remaining investments.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

Interest Rate Risk

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

4. PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Public utility property taxes are assessed on tangible personal property at varying percentages of true value and on real property at 35% of true value.

Tangible personal property tax revenue received during calendar year 2011 (other than public utility property tax) represents the collection of 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing and equipment, and furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2011 were levied after April 1, 2010, on the value listed as of December 31, 2010. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

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

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

The amounts available for advance at June 30, 2011 were \$14,629,000, \$1,564,000, and \$832,000 in the General Fund, Debt Service Fund and Permanent Improvement Fund, respectively.

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, 2011. 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 revenue for that portion not intended to finance current year operations.

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

	<u>2010 Second- Half Collections</u>		<u>2011 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 1,620,811,910	96.07%	1,554,771,440	96.07%
Public Utility	48,392,540	2.87%	58,044,658	3.59%
Tangible Personal Property	<u>17,853,270</u>	1.06%	<u>5,517,290</u>	0.34%
Total Assessed Value	\$ <u><u>1,687,057,720</u></u>	100.00%	<u><u>1,618,333,388</u></u>	100.00%
Tax rate per \$1,000 of assessed valuation		\$48.99		\$50.48

5. INTERFUND TRANSACTIONS

During the year ended June 30, 2011, the School District made the following transfers:

	Transfers	
	<u>In</u>	<u>Out</u>
General	\$ 1,268,698	1,153,984
Building	-	9,070,449
Other Governmental Funds	<u>10,224,433</u>	<u>1,268,698</u>
Total All Funds	\$ <u><u>11,493,131</u></u>	<u><u>11,493,131</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

The School District recorded certain transfers as adjusting entries that related to the issuance of bonds and the reissuance of notes. These were not actual transfers made by the School District. A transfer for \$9,070,449 was recorded from the Building Fund to the Debt Service Fund and a transfer for \$1,268,698 was recorded from the Permanent Improvement Fund to the General Fund.

At June 30, 2011, the School District has also made interfund loans from the General Fund to Other Governmental Funds in the amounts of \$1,157,728. These interfund loans were made to provide operating capital.

6. CAPITAL ASSETS

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

	Balance 7/1/10	Additions	Disposals	Balance 6/30/11
<i>Governmental Activities</i>				
Capital assets, not being depreciated:				
Land	\$ 6,327,535	-	-	6,327,535
Construction in progress	-	7,616,816	-	7,616,816
Subtotal	<u>6,327,535</u>	<u>7,616,816</u>	<u>-</u>	<u>13,944,351</u>
Capital assets, being depreciated:				
Land improvements	5,437,046	-	-	5,437,046
Buildings and improvements	101,255,302	-	-	101,255,302
Equipment and furniture	6,588,537	625,982	-	7,214,519
Vehicles	5,446,478	54,369	(36,248)	5,464,599
Subtotal	<u>118,727,363</u>	<u>680,351</u>	<u>(36,248)</u>	<u>119,371,466</u>
Totals at historical cost	<u>125,054,898</u>	<u>8,297,167</u>	<u>(36,248)</u>	<u>133,315,817</u>
Less accumulated depreciation:				
Land improvements	3,579,510	196,657	-	3,776,167
Buildings and improvements	18,006,325	1,860,176	-	19,866,501
Equipment and furniture	4,722,196	471,192	-	5,193,388
Vehicles	3,478,541	333,835	(36,248)	3,776,128
Total accumulated depreciation	<u>29,786,572</u>	<u>2,861,860</u>	<u>(36,248)</u>	<u>32,612,184</u>
Capital assets, net	<u>\$ 95,268,326</u>	<u>5,435,307</u>	<u>-</u>	<u>100,703,633</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO
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Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 2,185,245
Special education	1,850
Support services:	
Instructional staff	120,460
Administration	24,428
Fiscal/Business	3,974
Operations and maintenance of plant	27,110
Pupil transportation	372,452
Central	27,637
Food service	26,070
Extracurricular activities	72,634
Total depreciation expense	<u>\$ 2,861,860</u>

7. RISK MANAGEMENT

The School 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 School 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.

Beginning in fiscal year 2011, the School 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 School District also purchased stop-loss insurance for claims over 125% of premiums. The School 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:

Claims liability at July 1, 2010	\$ -
Claims incurred	3,106,054
Claims paid	<u>(2,605,832)</u>
Claims liability at June 30, 2011	<u>\$ 500,222</u>

Claims are accrued based upon estimates of the claims liability made by management and the third-party administrator of the School 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.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

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Beginning in January 2011, the School 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 School 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:

Claims liability at July 1, 2010	\$	-
Claims incurred		210,519
Claims paid		<u>(175,524)</u>
Claims liability at June 30, 2011	\$	<u>34,995</u>

8. DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability, and survivor benefits; annual cost-of-living adjustments; and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute at an actuarially determined rate, which is currently 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocated the current employer contribution rate amount the four funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For the fiscal year ended June 30, 2011, the allocation to pension and death benefits was 11.81%. The remaining 2.19% of the 14% employer contribution rate was allocated to the Health Care and Medicare B Funds.

The School District's required contributions to SERS for the fiscal years ended June 30, 2011, 2010, and 2009 were approximately \$2,085,000, \$2,082,000, and \$2,015,000 respectively; 57% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009. The unpaid contribution for fiscal year 2011 is recorded as a liability within the respective funds.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a state-wide, cost-sharing multiple-employer public employee retirement system for licensed teachers and other faculty members employed by the School District. STRS Ohio provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS Ohio issued a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771.

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

DB Plan benefits are established under Chapter 3307 of the Ohio Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchase credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%.

An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service credit over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final years will be calculated at 2.5% instead of 2.2%. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

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

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

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

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

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

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

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

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Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute 14%. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The School District's required contributions to STRS for the years ended June 30, 2011, 2010, and 2009 were approximately \$5,145,000, \$5,272,000 and \$5,045,000 respectively; 82% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009. The unpaid contribution for fiscal year 2011 is recorded as a liability within the respective funds.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by SERS or STRS have an option to choose Social Security or SERS/STRS. The School District's liability is 6.2% of wages paid.

9. POSTEMPLOYMENT BENEFITS

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS Ohio), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by state statute.

STRS Ohio administers a pension plan that is comprised of: a defined benefit plan; a self-directed defined contribution plan and a combined plan which is a hybrid of the defined benefit and defined contribution plan. Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the defined benefit or combined plans. Pursuant to 3307 of the Ohio Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contribution rate, 1% of covered payroll was allocated to post-employment health care for years ended June 30, 2011, 2010, and 2009. The 14% employer contribution rate is the maximum rate established under Ohio law. The School District's contributions to STRS Ohio allocated to post-employment health care for the years June 30, 2011, 2010, and 2009 were approximately \$368,000, \$377,000, and \$360,000, respectively. 82% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

SERS administers two postemployment benefit plans:

Medicare B Plan - The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 was \$96.40 for most participants, but could be as high as \$369.10 per month depending on their income. SERS' reimbursement to retirees was \$45.50. The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2011, the actuarially required allocation was 0.76%. The School District contributions for the year ended June 30 2011, 2010 and 2009 were approximately \$113,000, \$113,000 and \$108,000, respectively, which equaled the required contributions each year. 57% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

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

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

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2011, the health care allocation was 1.43%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2011, the minimum compensation level was \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contributions for the years ended June 30, 2011, 2010, and 2009 were \$213,000, \$68,000, and \$599,000, respectively. 57% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

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

10. EMPLOYEE BENEFITS

Compensated Absences

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

11. LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2011 were as follows:

	Principal Outstanding 7/1/10	Additions	Reductions	Principal Outstanding 6/30/11	Amounts Due in One Year
<i>Governmental Activities:</i>					
General obligation bonds:					
2003 School Improvement \$	5,765,000	-	(1,260,000)	4,505,000	1,320,000
Issuance premiums	121,735	-	(30,434)	91,301	-
2006 Refunding Bonds	70,325,000	-	(100,000)	70,225,000	105,000
Issuance premiums	4,618,272	-	(225,282)	4,392,990	-
Deferred amount on refunding	(2,378,815)	-	116,040	(2,262,775)	-
2010 School Improvement	-	119,999,930	-	119,999,930	-
Issuance premiums	-	10,746,972	(145,229)	10,601,743	-
Accreted interest	-	431,805	-	431,805	-
OASBO loan	3,628,000	-	(122,000)	3,506,000	121,000
Capital lease obligation	-	509,975	(84,517)	425,458	96,570
Compensated absences	2,570,528	1,491,480	(1,073,375)	2,988,633	1,036,416
Total	\$ 84,649,720	133,180,162	(2,924,797)	214,905,085	2,678,986

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

2003 School Improvement Bonds – The School District issued School Improvement Bonds on December 1, 2003 in the amount of \$85,000,000 for the construction of new school buildings and renovation of certain existing buildings. These bonds mature on December 1, 2030 and pay interest at 4.77%. The bonds will be paid from the Debt Service Fund.

2006 School Improvement Refunding Bonds – The School 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.

Principal and interest requirements for the 2003 and 2006 School Improvement bonds are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$	1,425,000	3,535,497	4,960,497
2013		1,660,000	3,487,739	5,147,739
2014		1,745,000	3,427,537	5,172,537
2015		1,795,000	3,345,475	5,140,475
2016		2,150,000	3,273,675	5,423,675
2017 - 2021		13,650,000	14,669,850	28,319,850
2022 - 2026		21,085,000	10,995,375	32,080,375
2027 - 2031		31,220,000	5,145,488	36,365,488
Total	\$	<u>74,730,000</u>	<u>47,880,636</u>	<u>122,610,636</u>

2010 School Improvement Bonds - The School 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 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.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

Principal and interest requirements for the 2010 School Improvement bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	\$ -	6,883,154	6,883,154
2013	5,000	6,883,105	6,888,105
2014	1,780,000	6,865,255	8,645,255
2015	478,575	8,243,880	8,722,455
2016	389,646	8,572,808	8,962,454
2017 - 2021	1,186,709	44,413,746	45,600,455
2022 - 2026	9,170,000	32,861,028	42,031,028
2027 - 2031	21,605,000	29,098,425	50,703,425
2032 - 2036	20,175,000	23,424,653	43,599,653
2037 - 2041	23,485,000	18,350,071	41,835,071
2042 - 2046	28,575,000	8,000,280	36,575,280
2047 - 2048	13,150,000	428,769	13,578,769
Total	\$ <u>119,999,930</u>	<u>194,025,174</u>	<u>314,025,104</u>

OASBO loan – The School 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 School District’s renovation of buildings and is payable from the General Fund. The Loan matures on December 1, 2030.

Principal and interest requirements for the OASBO loan are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2012	\$ 121,000	142,299	263,299
2013	125,000	137,219	262,219
2014	130,000	131,953	261,953
2015	135,000	126,481	261,481
2016	140,000	120,802	260,802
2017 - 2021	782,000	511,171	1,293,171
2022 - 2026	941,000	333,725	1,274,725
2027 - 2031	1,132,000	120,308	1,252,308
Total	\$ <u>3,506,000</u>	<u>1,623,958</u>	<u>5,129,958</u>

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

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

12. SHORT-TERM OBLIGATIONS

A summary of the short-term note transaction for the year ended June 30, 2011 follows:

	Principal Outstanding 7/1/10	Additions	Reductions	Principal Outstanding 6/30/11
Vehicle Acquisition				
Bond Anticipation Notes	\$ 1,250,000	1,250,000	1,250,000	1,250,000
School Improvement				
Bond Anticipation Notes	-	108,740,000	108,740,000	-
Total	\$ <u>1,250,000</u>	<u>109,990,000</u>	<u>109,990,000</u>	<u>1,250,000</u>

Vehicle Bond Anticipation Notes – On November 30, 2010, the School District reissued \$1,250,000 of bond anticipation notes for the acquisition of vehicles bearing interest at 1.3%. These notes mature on November 29, 2011.

School Improvement Bond Anticipation Notes – On July 8, 2010, the School District issued \$108,740,000 of bond anticipation notes for the initial funding for the costs of new construction, improvements, renovations and additions to school facilities bearing interest at 2.0%. The notes were retired on November 24, 2010 with the issuance of bonds.

13. PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the School 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 School District's financial statements. On June 30, 2011, \$71,800,000 of bonds is considered defeased.

14. CAPITAL LEASES – LESEE DISCLOSURE

On July 7, 2010, the District entered into a lease agreement for various copiers throughout the School District. Assets acquired under these leases were \$509,975. The lease meets the criteria of a capital lease as defined by generally accepted accounting principles. In the case of the copier lease, the term is sixty months. Capital lease payments have been reflected as debt service expenditures.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

The following is a schedule of the future minimum lease payments for the capital leases, and the present value of the future minimum lease payments at June 30, 2011:

Year Ending June 30	
2012	\$ 115,038
2013	115,038
2014	115,038
2015	115,038
2016	<u>9,586</u>
Minimum lease payments	469,738
Less: Amount representing interest	<u>44,280</u>
Present value of minimum lease payment \$	<u><u>425,458</u></u>

15. JOINTLY GOVERNED ORGANIZATIONS

The Hamilton/Clermont Cooperative Association

The School District is a participant in a consortium of school districts to operate The Hamilton/Clermont Cooperative Association (H/CCA). H/CCA is an association of public districts in a geographic area determined by the Ohio Department of Education formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The Board of H/CCA consists of one representative from each of the participating members. The School District has no ongoing financial interest in nor responsibility for H/CCA. Complete financial statements can be obtained for H/CCA at 7615 Harrison Avenue, Cincinnati 45231.

The Great Oaks Institute of Technology and Career Development

The Great Oaks Institute of Technology and Career Development, 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 school 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 school districts, which includes the students of the School District. The School District has no ongoing financial interest in nor responsibility for Great Oaks. To obtain financial information, write to Great Oaks at 3254 East Kemper Road, Cincinnati, Ohio 45241.

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

16. FUND BALANCES

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

Fund Balances	General	Building Fund	Other Governmental Funds	Total Governmental Funds
<i>Nonspendable</i>				
Inventory	\$ 70,088	-	44,708	114,796
Scholarships	-	-	260,389	260,389
<i>Total Nonspendable</i>	70,088	-	305,097	375,185
<i>Restricted for</i>				
Food Service Operations	-	-	915,622	915,622
Athletics	-	-	153,290	153,290
Auxilliary Schools	-	-	33,818	33,818
Public School Preschool	-	-	1,971	1,971
Ohio Reads	-	-	3,119	3,119
Alternative Schools	-	-	102,405	102,405
Race-to-the-Top	-	-	4,642	4,642
Vocational Education	-	-	26,654	26,654
Technology	-	-	615	615
Limited English Proficiency	-	-	16,027	16,027
Drug Free Schools	-	-	4,607	4,607
Improving Teacher Quality	-	-	35,183	35,183
Other Purposes	212,907	-	78,186	291,093
Debt Service Payments	-	-	10,638,613	10,638,613
Capital Improvements	-	113,909,070	-	113,909,070
<i>Total Restricted</i>	212,907	113,909,070	12,014,752	126,136,729
<i>Committed</i>				
Underground Storage tank	11,000	-	-	11,000
<i>Assigned to</i>				
Other Purposes	1,762,134	-	-	1,762,134
<i>Unassigned (Deficit)</i>	17,279,293	-	(845,338)	16,433,955
<i>Total Fund Balance</i>	\$ 19,335,422	113,909,070	11,474,511	144,719,003

PRINCETON CITY SCHOOL DISTRICT, OHIO
Notes to the Basic Financial Statements
Year Ended June 30, 2011

At June 30, 2011, the following funds had deficit fund balances:

Other Governmental Funds:	
Education Management Information Systems	\$ 1,153
Miscellaneous State Grants	55,257
Title VI-B	39,617
Title I	108,121
Preschool Development Grant	3,169
Miscellaneous Federal Grants	329,956
Permanent Improvement	<u>308,065</u>
	\$ <u>845,338</u>

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.

17. CONTINGENCIES

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.

However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2011.

Litigation

The School District is party to legal proceedings. The School 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 School District.

18. REQUIRED SET-ASIDES

The School District is required by State statute to annually set aside in the general fund an amount based on the statutory formula for the purchase of textbooks and other instructional materials and an equal amount 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 School District was also required by State statute to set aside an amount for budget stabilization.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements

Year Ended June 30, 2011

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

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-aside reserve balance as of June 30, 2010 \$	-	-	212,907
Current year set-aside requirement	740,236	740,236	-
Current year qualifying expenditures	(1,195,487)	(1,151,322)	
Excess qualified expenditures from prior years	<u>(3,229,845)</u>	<u>-</u>	<u>-</u>
Total	<u>(3,685,096)</u>	<u>(411,086)</u>	<u>212,907</u>
Balance carried to FY2012	<u>(3,685,096)</u>	<u>-</u>	<u>212,907</u>
Set-aside reserve balance as of June 30, 2011 \$	<u>-</u>	<u>-</u>	<u>212,907</u>

Since the School District had offsets and qualifying disbursements during the year that reduced the set aside amount for textbooks and instructional materials to below zero, these extra amounts may be used to reduce the set aside requirements of future years. However, 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.

19. SIGNIFICANT CONTRACTUAL COMMITMENTS

As of June 30, 2011, the School District had entered into various construction contracts for the construction and improvements under which it had a remaining unperformed and unpaid total commitment of approximately \$12,721,000.

20. SUBSEQUENT EVENTS

During fiscal year 2012, the School District passed a resolution to provide self-insurance for general liability and worker's compensation related to contractors during the construction phase of their new and existing buildings.

Required Supplementary Information

PRINCETON CITY SCHOOL DISTRICT, OHIO

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

Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes	\$ 40,202,000	36,730,967	36,730,967	-
Tuition and fees	894,000	1,557,260	1,557,260	-
Interest	225,000	106,222	117,309	11,087
Intergovernmental	26,145,000	26,808,520	26,808,520	-
Other local revenues	728,700	382,177	382,177	-
Total revenues	<u>68,194,700</u>	<u>65,585,146</u>	<u>65,596,233</u>	<u>11,087</u>
Expenditures:				
Current:				
Instruction:				
Regular	27,390,522	29,859,481	29,601,710	257,771
Special education	7,457,950	8,325,170	8,300,913	24,257
Other instruction	854,027	2,313,295	2,313,295	-
Support services:				
Pupil	3,771,140	3,949,251	3,949,251	-
Instructional staff	5,752,492	6,127,040	6,125,473	1,567
Board of Education	324,487	401,496	401,496	-
Administration	5,810,626	6,095,876	6,095,478	398
Fiscal	1,295,346	3,840,968	3,840,968	-
Business	337,955	230,187	230,187	-
Operation and maintenance of plant	8,594,416	8,282,460	8,005,484	276,976
Pupil transportation	4,488,841	4,731,518	4,731,518	-
Central	1,098,652	982,784	982,784	-
Non-instructional services:				
Community services	114,684	99,010	99,010	-
Extracurricular activities	325,176	435,507	435,507	-
Capital outlay	115,244	92,755	92,755	-
Total expenditures	<u>67,731,558</u>	<u>75,766,798</u>	<u>75,205,829</u>	<u>560,969</u>
Excess of revenues over (under) expenditures	463,142	(10,181,652)	(9,609,596)	(549,882)
Other financing sources (uses):				
Other financing uses	(12,625,569)	-	-	-
Transfers in	-	142,807	142,807	-
Transfers out	-	(1,740,901)	(1,740,901)	-
Advances in	5,000,000	4,596,649	4,596,649	-
Advances out	-	(5,302,728)	(5,302,728)	-
Proceeds from sale of bonds	-	1,223,069	1,223,069	-
Premium from sale of bonds	-	281,608	281,608	-
Total other financing sources (uses):	<u>(7,625,569)</u>	<u>(799,496)</u>	<u>(799,496)</u>	<u>-</u>
Net change in fund balance	(7,162,427)	(10,981,148)	(10,409,092)	(549,882)
Fund balance, beginning of year	16,525,462	16,525,462	16,525,462	
Prior year encumbrances appropriated	1,743,231	1,743,231	1,743,231	
Fund balance, end of year	\$ <u>11,106,266</u>	<u>7,287,545</u>	<u>7,859,601</u>	

See accompanying notes to required supplementary information.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Notes to Required Supplementary Information

Year Ended June 30, 2011

Note A **Budgetary Basis of Accounting**

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

Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

Encumbrances are treated as expenditures for all funds (budget basis) rather than as an expenditures when liquidated (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP statements and the budgetary basis schedule:

		<u>General</u>
Net change in fund balance - GAAP Basis	\$	(3,870,029)
Increase / (decrease):		
Due to revenues		(2,938,800)
Due to expenditures		(762,867)
Due to other sources (uses)		(914,210)
Due to encumbrances		<u>(1,923,186)</u>
Net change in fund balance - Budget Basis	\$	<u>(10,409,092)</u>

**Combining Statements And
Individual Fund Schedules**

Combining Nonmajor Funds

Special Revenue Funds:

The Special Revenue Funds are used to account for revenue sources that are legally restricted to expenditure for specified purposes. The following are descriptions of each Special Revenue Fund:

Other Grants:

To account for monies for grant monies provided from local organizations, foundations or charities for a particular purpose or activity.

Athletic:

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

Auxiliary Service:

To account for monies which provide services and materials to pupils attending non-public schools within the District's boundaries. These monies are received and disbursed on behalf of the non-public school by the Treasurer of the District, as directed by the non-public school.

Educational Management Information System:

To account for expenditures made in conjunction with the implementation of a system to gather student, staff and financial information to comply with Senate Bill 140.

Data Communications:

To account for state funds appropriated for Ohio Educational Computer Network Connections.

Ohio Reads:

This fund accounts for state monies and operating expenditures associated with the administering the Ohio Reads Program. The program is intended to improve reading outcomes, particularly on the fourth grade proficiency test.

Alternative Schools:

To account for state funds which, provide for alternative educational programs for at-risk and delinquent youth.

Miscellaneous State Grants:

This fund accounts for various monies received from State agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

Combining Nonmajor Funds (Continued)

Education Jobs

To account for federal funds distributed by the State and is used to create or save education jobs.

Race-to-the-Top

To account for federal funds distributed by the State used to create standards and assessments for students and teachers.

Title VI-B:

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

Vocational Education:

To account for federal funds used in the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, cooperative education, advisory committee, and work-study projects.

State Fiscal Stabilization:

A fund used to account for monies distributed by the State from the federal government that is being used to stabilize local budgets due to the reduction of school foundation.

Title II-D:

A fund used to account for monies distributed by the State from the federal government that is being used for improving student academic achievement through the use of technology in schools.

Title I Sub G:

A fund used to account for monies distributed by the State from the federal government that is being used for improving student academic achievement through intervention.

Nutrition

To account for federal funds distributed by the State that is being used to improve nutrition education.

Title III:

To account for federal funds provided for students whose native language is not English.

Combining Nonmajor Funds (Continued)

Title I:

To account for federal funds whose purpose is to provide financial assistance to enable state and local educational agencies to meet the special needs of educationally deprived children.

Drug Free School Grant:

To account for federal funds used to implement programs to educate and encourage students to live their lives free of drug dependency.

Preschool Development Grant:

To account for federal funds received for the purpose of assisting in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at preschool.

Reducing Class Size:

To account for federal funds received to provide for class size reduction.

Miscellaneous Federal Grants:

This fund accounts for various federal projects not specified by a particular fund. Each project is maintained in a specific cost center.

Food Service:

This fund accounts for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

Public School Subsidy:

To account for state funds to assist school districts in paying the cost of pre-school programs.

Combining Nonmajor Funds (Continued)

Debt Service Fund:

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 School District is obligated in some manner for the payment.

Capital Projects Funds:

To account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, and for major renovation projects including equipment purchases.

Permanent Improvement:

The District records the activity of a trust fund in a Permanent Fund which is used to account for monies set aside as an investment for public school purposes. The income from the Permanent Fund may be expended, but the principal must remain intact.

Permanent Fund:

To account for the financial resources that are restricted. Only the income can be used for specific purposes.

Other General Funds:

With the implementation of GASB Statement No. 54, certain funds that the School 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 School District has only presented the budget schedules for these funds.

Uniform School Supplies:

To account for the purchase and sale of school supplies, as adopted by the Board of Education, for resale to students of the School District.

Public School Support:

To account for local revenue sources generated by individual school buildings. Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

Early Childhood Programs:

To account for preschool, extended day, and all day kindergarten operations provided to students and financed primarily through user charges.

**Combining Nonmajor Funds
(Continued)**

Major Governmental Fund

Major Governmental Fund:

This section contains the Budget and Actual statement on a non-GAAP basis of accounting for the Building Fund. Combining statements are not required as all pertinent information is portrayed on the Governmental Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

Building Fund:

This fund accounts for the issuance of bonds restricted for use on the construction and renovation of buildings.

Internal Service Funds:

To account for the financing of goods and services by one fund to other funds on a cost-reimbursement basis.

Employee Benefits Self-Insurance:

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:

To account for the resources used to make payments to the Ohio Bureau of Workers' Compensation and the third party administrator for claims payment and administration.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Equity in pooled cash and investments \$	2,237,599	9,006,855	102,530	275,518	11,622,502
Receivables:					
Taxes	-	5,524,232	2,697,851	-	8,222,083
Intergovernmental	2,476,300	-	-	-	2,476,300
Materials and supplies inventory	44,708	-	-	-	44,708
Total assets	<u>4,758,607</u>	<u>14,531,087</u>	<u>2,800,381</u>	<u>275,518</u>	<u>22,365,593</u>
Liabilities:					
Accounts payable	223,630	-	19,173	2,000	244,803
Accrued wages and benefits	460,912	-	-	-	460,912
Intergovernmental payable	226,314	-	-	-	226,314
Interfund payable	1,157,728	-	-	-	1,157,728
Compensated absences payable	3,429	-	-	-	3,429
Accrued interest payable	-	-	9,479	-	9,479
Notes payable	-	-	1,250,000	-	1,250,000
Deferred revenue	1,816,149	3,892,474	1,829,794	-	7,538,417
Total liabilities	<u>3,888,162</u>	<u>3,892,474</u>	<u>3,108,446</u>	<u>2,000</u>	<u>10,891,082</u>
Fund Balances:					
Nonspendable	44,708	-	-	260,389	305,097
Restricted	1,363,010	10,638,613	-	13,129	12,014,752
Unassigned	(537,273)	-	(308,065)	-	(845,338)
Total fund balances	<u>870,445</u>	<u>10,638,613</u>	<u>(308,065)</u>	<u>273,518</u>	<u>11,474,511</u>
Total liabilities and fund balances	<u>\$ 4,758,607</u>	<u>14,531,087</u>	<u>2,800,381</u>	<u>275,518</u>	<u>22,365,593</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ -	4,156,635	1,956,803	-	6,113,438
Interest	321	-	-	-	321
Intergovernmental	8,522,549	2,646,240	83,052	-	11,251,841
Charges for services	812,985	-	-	-	812,985
Other local revenues	77,676	-	426	343	78,445
Total revenues	<u>9,413,531</u>	<u>6,802,875</u>	<u>2,040,281</u>	<u>343</u>	<u>18,257,030</u>
Expenditures:					
Current:					
Instruction:					
Regular	1,848,885	-	300,565	-	2,149,450
Special education	193,912	-	-	-	193,912
Other	50,238	-	-	-	50,238
Support services:					
Pupil	953,410	-	-	-	953,410
Instructional staff	1,217,028	-	44,270	-	1,261,298
Administration	86,432	-	30,029	-	116,461
Fiscal	11,361	64,916	43,152	-	119,429
Business	-	-	41,084	-	41,084
Operations and maintenance	325,054	-	118,494	-	443,548
Pupil transportation	109,525	-	-	-	109,525
Central	148,648	-	98,563	-	247,211
Non-instructional services:					
Community services	1,621,607	-	-	6,600	1,628,207
Food services	2,426,138	-	-	-	2,426,138
Extracurricular activities	1,001,305	-	15,831	-	1,017,136
Capital outlay	-	-	519,815	-	519,815
Debt service:					
Principal	-	1,360,000	206,517	-	1,566,517
Interest and fiscal charges	-	8,298,756	177,732	-	8,476,488
Total expenditures	<u>9,993,543</u>	<u>9,723,672</u>	<u>1,596,052</u>	<u>6,600</u>	<u>21,319,867</u>
Excess of revenues over (under) expenditures	<u>(580,012)</u>	<u>(2,920,797)</u>	<u>444,229</u>	<u>(6,257)</u>	<u>(3,062,837)</u>
Other financing sources (uses)					
Transfers in	1,153,984	9,070,449	-	-	10,224,433
Transfers out	-	-	(1,268,698)	-	(1,268,698)
Inception of capital lease	-	-	509,975	-	509,975
Total other financing sources (uses)	<u>1,153,984</u>	<u>9,070,449</u>	<u>(758,723)</u>	<u>-</u>	<u>9,465,710</u>
Net change in fund balances	573,972	6,149,652	(314,494)	(6,257)	6,402,873
Fund balance, beginning of year, restated	296,473	4,488,961	6,429	279,775	5,071,638
Fund balance, end of year	\$ <u>870,445</u>	<u>10,638,613</u>	<u>(308,065)</u>	<u>273,518</u>	<u>11,474,511</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2011

	Other Grants	Athletic	Auxiliary Service	Education Management Information Systems	Data Communications
Assets:					
Equity in pooled cash and investments	\$ 66,526	193,071	122,115	2,540	-
Receivables:					
Intergovernmental	-	-	-	-	-
Materials and supplies inventory	-	-	-	-	-
Total assets	<u>66,526</u>	<u>193,071</u>	<u>122,115</u>	<u>2,540</u>	<u>-</u>
Liabilities:					
Accounts payable	1,469	-	62,756	-	-
Accrued wages and benefits	-	5,969	15,927	-	-
Intergovernmental payable	-	33,812	8,248	3,693	-
Interfund loans payable	-	-	1,366	-	-
Compensated absences payable	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	<u>1,469</u>	<u>39,781</u>	<u>88,297</u>	<u>3,693</u>	<u>-</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	65,057	153,290	33,818	-	-
Unassigned	-	-	-	(1,153)	-
Total fund balances	<u>65,057</u>	<u>153,290</u>	<u>33,818</u>	<u>(1,153)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 66,526</u>	<u>193,071</u>	<u>122,115</u>	<u>2,540</u>	<u>-</u>

<u>Ohio Reads</u>	<u>Alternative Schools</u>	<u>Misc. State Grants</u>	<u>Education Jobs</u>	<u>Race-to the-Top</u>	<u>Title VI-B</u>	<u>Vocational Education</u>
3,119	96,176	35,574	-	4,642	73,857	26,654
-	27,187	79,453	95,715	101,461	478,819	-
-	-	-	-	-	-	-
<u>3,119</u>	<u>123,363</u>	<u>115,027</u>	<u>95,715</u>	<u>106,103</u>	<u>552,676</u>	<u>26,654</u>
-	15,900	-	-	-	37,842	-
-	-	32,574	-	-	123,719	-
-	626	-	-	-	37,437	-
-	-	58,257	-	-	103,229	-
-	-	-	-	-	3,429	-
-	4,432	79,453	95,715	101,461	286,637	-
-	20,958	170,284	95,715	101,461	592,293	-
-	-	-	-	-	-	-
3,119	102,405	-	-	4,642	-	26,654
-	-	(55,257)	-	-	(39,617)	-
<u>3,119</u>	<u>102,405</u>	<u>(55,257)</u>	<u>-</u>	<u>4,642</u>	<u>(39,617)</u>	<u>26,654</u>
<u>3,119</u>	<u>123,363</u>	<u>115,027</u>	<u>95,715</u>	<u>106,103</u>	<u>552,676</u>	<u>26,654</u>

(Continued)

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2011

(Continued)

	State Fiscal Stabilization	Title II-D	Title I - Sub G	Nutrition	Title III
Assets:					
Equity in pooled cash and investments	\$ -	3,910	-	-	57,969
Net receivables:					
Intergovernmental	-	4,318	-	-	144,494
Materials and supplies inventory	-	-	-	-	-
Total assets	<u>-</u>	<u>8,228</u>	<u>-</u>	<u>-</u>	<u>202,463</u>
Liabilities:					
Accounts payable	-	3,295	-	-	19,357
Accrued wages and benefits	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-
Interfund loans payable	-	2,410	-	-	44,884
Compensated absences payable	-	-	-	-	-
Deferred revenue	-	1,908	-	-	122,195
Total liabilities	<u>-</u>	<u>7,613</u>	<u>-</u>	<u>-</u>	<u>186,436</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	615	-	-	16,027
Unassigned	-	-	-	-	-
Total fund balances	<u>-</u>	<u>615</u>	<u>-</u>	<u>-</u>	<u>16,027</u>
Total liabilities and fund balances	\$ <u>-</u>	<u>8,228</u>	<u>-</u>	<u>-</u>	<u>202,463</u>

<u>Title I</u>	<u>Drug Free School Grant</u>	<u>Preschool Development Grant</u>	<u>Reducing Class Size</u>	<u>Misc. Federal Grants</u>	<u>Food Service</u>	<u>Public Preschool Subsidy</u>	<u>TOTAL</u>
236,921	4,607	2,718	66,321	325,790	914,450	639	2,237,599
544,088	-	12,324	196,725	591,426	183,890	16,400	2,476,300
-	-	-	-	-	44,708	-	44,708
<u>781,009</u>	<u>4,607</u>	<u>15,042</u>	<u>263,046</u>	<u>917,216</u>	<u>1,143,048</u>	<u>17,039</u>	<u>4,758,607</u>
45,005	-	370	3,019	34,323	294	-	223,630
199,398	-	2,797	-	-	78,234	2,294	460,912
32,813	-	364	438	773	104,190	3,920	226,314
270,036	-	5,361	42,681	620,650	-	8,854	1,157,728
-	-	-	-	-	-	-	3,429
<u>341,878</u>	<u>-</u>	<u>9,319</u>	<u>181,725</u>	<u>591,426</u>	<u>-</u>	<u>-</u>	<u>1,816,149</u>
<u>889,130</u>	<u>-</u>	<u>18,211</u>	<u>227,863</u>	<u>1,247,172</u>	<u>182,718</u>	<u>15,068</u>	<u>3,888,162</u>
-	-	-	-	-	44,708	-	44,708
-	4,607	-	35,183	-	915,622	1,971	1,363,010
<u>(108,121)</u>	<u>-</u>	<u>(3,169)</u>	<u>-</u>	<u>(329,956)</u>	<u>-</u>	<u>-</u>	<u>(537,273)</u>
<u>(108,121)</u>	<u>4,607</u>	<u>(3,169)</u>	<u>35,183</u>	<u>(329,956)</u>	<u>960,330</u>	<u>1,971</u>	<u>870,445</u>
<u>781,009</u>	<u>4,607</u>	<u>15,042</u>	<u>263,046</u>	<u>917,216</u>	<u>1,143,048</u>	<u>17,039</u>	<u>4,758,607</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2011

	Other Grants	Athletic	Auxiliary Service	Education Management Information Systems	Data Comm- unications
Revenues:					
Interest	\$ -	-	321	-	-
Intergovernmental	-	-	1,004,949	5,000	25,025
Charges for services	-	130,794	-	-	-
Other local revenues	76,811	865	-	-	-
Total revenues	<u>76,811</u>	<u>131,659</u>	<u>1,005,270</u>	<u>5,000</u>	<u>25,025</u>
Expenditures:					
Current:					
Instruction:					
Regular	37,607	-	-	-	-
Special education	-	-	-	-	-
Other	-	-	-	-	-
Support services:					
Pupil	-	-	-	-	-
Instructional staff	476	-	-	-	37,244
Administration	-	-	-	-	-
Fiscal	-	-	-	-	-
Operations and maintenance	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	20,000	-	-	112,724	-
Non-instructional services:					
Community services	779	-	1,204,497	-	-
Food services	-	-	-	-	-
Extracurricular activities	-	1,001,305	-	-	-
Total expenditures	<u>58,862</u>	<u>1,001,305</u>	<u>1,204,497</u>	<u>112,724</u>	<u>37,244</u>
Excess of revenues over (under) expenditures	17,949	(869,646)	(199,227)	(107,724)	(12,219)
Other financing sources					
Transfers in	1,037	1,041,700	-	111,247	-
Total other financing sources	<u>1,037</u>	<u>1,041,700</u>	<u>-</u>	<u>111,247</u>	<u>-</u>
Net change in fund balances	18,986	172,054	(199,227)	3,523	(12,219)
Fund balance, beginning of year, restated	46,071	(18,764)	233,045	(4,676)	12,219
Fund balance, end of year	\$ <u>65,057</u>	<u>153,290</u>	<u>33,818</u>	<u>(1,153)</u>	<u>-</u>

Ohio Reads	Alternative Schools	Misc. State Grants	Education Jobs	Race-to the-Top	Title VI-B	Vocational Education
-	-	-	-	-	-	-
-	45,406	35,581	-	10,639	2,093,786	15,320
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	45,406	35,581	-	10,639	2,093,786	15,320
1,943	6,484	28,404	-	4,750	-	-
-	-	-	-	-	184,766	-
-	-	-	-	-	-	-
-	17,918	57,045	-	-	810,854	3,901
-	18,572	-	-	1,247	465,792	-
-	-	-	-	-	86,432	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	109,091	-
-	-	-	-	-	13,830	-
-	-	-	-	-	143,264	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,943	42,974	85,449	-	5,997	1,814,029	3,901
(1,943)	2,432	(49,868)	-	4,642	279,757	11,419
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(1,943)	2,432	(49,868)	-	4,642	279,757	11,419
5,062	99,973	(5,389)	-	-	(319,374)	15,235
3,119	102,405	(55,257)	-	4,642	(39,617)	26,654

(Continued)

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

and Changes in Fund Balances

Nonmajor Special Revenue Funds

Year Ended June 30, 2011

(Continued)

	State Fiscal Stabilization	Title II-D	Title I - Sub G	Nutrition	Title III
Revenues:					
Earnings on investments	\$ -	-	-	-	-
Intergovernmental	350,573	18,117	1,747	2,000	122,739
Charges for services	-	-	-	-	-
Other local revenues	-	-	-	-	-
Total revenues	<u>350,573</u>	<u>18,117</u>	<u>1,747</u>	<u>2,000</u>	<u>122,739</u>
Expenditures:					
Current:					
Instruction:					
Regular	-	9,236	-	1,428	-
Special education	-	-	-	572	8,574
Other	50,238	-	-	-	-
Support services:					
Pupil	-	-	-	-	15,787
Instructional staff	-	6,132	-	-	32,515
Administration	-	-	-	-	-
Fiscal	-	-	-	-	-
Operations and maintenance	300,335	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Non-instructional services:					
Community services	-	1,634	-	-	-
Food services	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Total expenditures	<u>350,573</u>	<u>17,002</u>	<u>-</u>	<u>2,000</u>	<u>56,876</u>
Excess of revenues over (under) expenditures	-	1,115	1,747	-	65,863
Other financing sources					
Transfers in	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	1,115	1,747	-	65,863
Fund balance, beginning of year, restated	-	(500)	(1,747)	-	(49,836)
Fund balance, end of year	\$ -	<u>615</u>	<u>-</u>	<u>-</u>	<u>16,027</u>

<u>Title I</u>	<u>Drug Free School Grant</u>	<u>Preschool Development Grant</u>	<u>Reducing Class Size</u>	<u>Misc. Federal Grants</u>	<u>Food Service</u>	<u>Public Preschool Subsidy</u>	<u>TOTAL</u>
-	-	-	-	-	-	-	321
2,465,577	16,924	40,989	159,812	-	1,871,315	237,050	8,522,549
-	-	-	-	-	682,191	-	812,985
-	-	-	-	-	-	-	77,676
<u>2,465,577</u>	<u>16,924</u>	<u>40,989</u>	<u>159,812</u>	<u>-</u>	<u>2,553,506</u>	<u>237,050</u>	<u>9,413,531</u>
1,545,844	-	-	-	975	-	212,214	1,848,885
-	-	-	-	-	-	-	193,912
-	-	-	-	-	-	-	50,238
-	11,076	36,829	-	-	-	-	953,410
537,339	-	-	82,142	35,569	-	-	1,217,028
-	-	-	-	-	-	-	86,432
-	-	-	-	11,361	-	-	11,361
-	-	-	-	24,719	-	-	325,054
434	-	-	-	-	-	-	109,525
793	-	-	-	-	-	1,301	148,648
8,453	1,590	-	28,201	233,189	-	-	1,621,607
-	-	-	-	-	2,426,138	-	2,426,138
-	-	-	-	-	-	-	1,001,305
<u>2,092,863</u>	<u>12,666</u>	<u>36,829</u>	<u>110,343</u>	<u>305,813</u>	<u>2,426,138</u>	<u>213,515</u>	<u>9,993,543</u>
372,714	4,258	4,160	49,469	(305,813)	127,368	23,535	(580,012)
-	-	-	-	-	-	-	1,153,984
-	-	-	-	-	-	-	1,153,984
372,714	4,258	4,160	49,469	(305,813)	127,368	23,535	573,972
<u>(480,835)</u>	<u>349</u>	<u>(7,329)</u>	<u>(14,286)</u>	<u>(24,143)</u>	<u>832,962</u>	<u>(21,564)</u>	<u>296,473</u>
<u>(108,121)</u>	<u>4,607</u>	<u>(3,169)</u>	<u>35,183</u>	<u>(329,956)</u>	<u>960,330</u>	<u>1,971</u>	<u>870,445</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Net Assets

Internal Service Funds

June 30, 2011

	<u>Employee Benefits Self-Insurance</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total</u>
Assets:			
Current assets:			
Equity in pooled cash and investments \$	2,469,000	168,476	2,637,476
Receivables:			
Accounts	<u>513</u>	<u>-</u>	<u>513</u>
Total assets	<u>2,469,513</u>	<u>168,476</u>	<u>2,637,989</u>
Liabilities:			
Current liabilities:			
Claims payable	<u>500,222</u>	<u>34,995</u>	<u>535,217</u>
Total liabilities	<u>500,222</u>	<u>34,995</u>	<u>535,217</u>
Net Assets:			
Unrestricted	<u>1,969,291</u>	<u>133,481</u>	<u>2,102,772</u>
Total net assets	\$ <u>1,969,291</u>	<u>133,481</u>	<u>2,102,772</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenses and Changes in Net Assets

Internal Service Funds

Year Ended June 30, 2011

	<u>Employee Benefits Self-Insurance</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 5,227,414	344,000	5,571,414
Total operating revenues	<u>5,227,414</u>	<u>344,000</u>	<u>5,571,414</u>
Operating expenses:			
Claims	3,007,989	210,519	3,218,508
Contract services	<u>306,608</u>	<u>-</u>	<u>306,608</u>
Total operating expenses	<u>3,314,597</u>	<u>210,519</u>	<u>3,525,116</u>
Operating income	<u>1,912,817</u>	<u>133,481</u>	<u>2,046,298</u>
Nonoperating revenues:			
Interest income	<u>1,195</u>	<u>-</u>	<u>1,195</u>
Total nonoperating revenues	<u>1,195</u>	<u>-</u>	<u>1,195</u>
Net income	1,914,012	133,481	2,047,493
Net assets, beginning of year	<u>55,279</u>	<u>-</u>	<u>55,279</u>
Net assets, end of year	\$ <u>1,969,291</u>	<u>133,481</u>	<u>2,102,772</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2011

	Employee Benefits <u>Self-Insurance</u>	Workers' Compensation <u>Self-Insurance</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from customers	\$ 5,226,901	344,000	5,570,901
Cash payments for claims	(2,605,832)	(175,524)	(2,781,356)
Cash payments for contract services	<u>(306,608)</u>	-	<u>(306,608)</u>
Net cash provided by operating activities	<u>2,314,461</u>	<u>168,476</u>	<u>2,482,937</u>
Cash flows from investing activities:			
Interest received	<u>1,195</u>	-	<u>1,195</u>
Net cash provided by investing activities	<u>1,195</u>	-	<u>1,195</u>
Net increase in cash and investments	2,315,656	168,476	2,484,132
Cash and investments at beginning of year	<u>153,344</u>	-	<u>153,344</u>
Cash and investments at end of year	\$ <u><u>2,469,000</u></u>	<u><u>168,476</u></u>	<u><u>2,637,476</u></u>
<u>Reconciliation of operating income to net cash provided by operating activities:</u>			
Operating income	\$ 1,912,817	133,481	2,046,298
Adjustment to reconcile operating income to net cash provided by operating activities:			
Changes in assets and liabilities:			
Increase in accounts receivable	(513)	-	(513)
Increase in claims payable	<u>402,157</u>	<u>34,995</u>	<u>437,152</u>
Net cash provided by operating activities	\$ <u><u>2,314,461</u></u>	<u><u>168,476</u></u>	<u><u>2,482,937</u></u>

PRINCETON CITY SCHOOL DISTRICT, OHIO

Statement of Changes in Assets and Liabilities

Agency Fund

Year Ended June 30, 2011

	<u>Student Activities Fund</u>			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Assets:				
Equity in pooled cash and investments	\$ 135,744	129,564	135,744	129,564
Total assets	<u>135,744</u>	<u>129,564</u>	<u>135,744</u>	<u>129,564</u>
Liabilities:				
Accounts payable	-	7,292	-	7,292
Due to student groups	135,744	122,272	135,744	122,272
Total liabilities	\$ <u>135,744</u>	<u>122,272</u>	<u>135,744</u>	<u>122,272</u>

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Other Grants Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Other local revenues	\$ 80,249	80,249	-
Expenditures:			
Current:			
Instruction:			
Regular	63,198	43,700	19,498
Support Services:			
Instructional Staff	500	500	-
Central	20,000	20,000	-
Non-instructional services:			
Community services	3,000	3,000	-
Total expenditures	<u>86,698</u>	<u>67,200</u>	<u>19,498</u>
Excess revenues over (under) expenditures	(6,449)	13,049	(19,498)
Other financing sources (uses):			
Transfer - in	1,038	1,038	
Refund of prior year receipts	(2,238)	(2,238)	-
Total other financing source (uses)	<u>(1,200)</u>	<u>(1,200)</u>	
Net change in fund balance	(7,649)	11,849	19,498
Fund balance, beginning of year	42,305	42,305	
Prior year encumbrances appropriated	3,935	3,935	
Fund balance, end of year	<u>\$ 38,591</u>	<u>58,089</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Athletic Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Charges for services	\$ 133,544	133,544	-
Expenditures:			
Extracurricular activities	1,227,797	1,071,415	156,382
Total expenditures	1,227,797	1,071,415	156,382
Excess revenues over (under) expenditures	(1,094,253)	(937,871)	(156,382)
Other financing sources (uses):			
Advance - in	1,050,000	1,050,000	-
Transfer - in	1,041,700	1,041,700	-
Advance - out	(1,050,000)	(1,050,000)	-
Total other financing sources (uses)	1,041,700	1,041,700	-
Net change in fund balance	(52,553)	103,829	156,382
Fund balance, beginning of year	19,708	19,708	
Prior year encumbrances appropriated	33,595	33,595	
Fund balance, end of year	\$ 750	157,132	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Auxiliary Service Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Interest	\$ 321	321	-
Intergovernmental	1,096,401	1,096,401	-
Total revenues	<u>1,096,722</u>	<u>1,096,722</u>	<u>-</u>
Expenditures:			
Non-instructional services:			
Community services	1,356,724	1,339,468	17,256
Total expenditures	<u>1,356,724</u>	<u>1,339,468</u>	<u>17,256</u>
Excess revenues over (under) expenditures	(260,002)	(242,746)	(17,256)
Other financing sources (uses):			
Advance - in	1,366	1,366	-
Advance - out	(13,188)	(13,188)	-
Total other financing sources (uses)	<u>(11,822)</u>	<u>(11,822)</u>	<u>-</u>
Net change in fund balance	(271,824)	(254,568)	17,256
Fund balance, beginning of year	168,361	168,361	
Prior year encumbrances appropriated	105,330	105,330	
Fund balance, end of year	<u>\$ 1,867</u>	<u>19,123</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Education Management Information Systems Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 5,000	5,000	-
Expenditures:			
Current:			
Support services:			
Central	114,478	114,478	-
Total expenditures	114,478	114,478	-
Excess revenues over (under) expenditures	(109,478)	(109,478)	-
Other financing sources:			
Transfer - in	111,247	111,247	-
Net change in fund balance	1,769	1,769	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	231	231	
Fund balance, end of year	\$ 2,000	2,000	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Data Communications Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 25,025	25,025	-
Expenditures:			
Current:			
Support services:			
Instructional staff	37,244	37,244	-
Total expenditures	37,244	37,244	-
Net change in fund balance	(12,219)	(12,219)	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	12,219	12,219	
Fund balance, end of year	\$ -	-	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Ohio Reads Special Revenue Fund

Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Expenditures:			
Current:			
Instruction:			
Regular	\$ 1,943	1,943	-
Total expenditures	<u>1,943</u>	<u>1,943</u>	<u>-</u>
Net change in fund balance	(1,943)	(1,943)	-
Fund balance, beginning of year	<u>5,062</u>	<u>5,062</u>	
Fund balance, end of year	<u><u>\$ 3,119</u></u>	<u><u>3,119</u></u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Alternative Schools Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 22,651	22,651	-
Expenditures:			
Current:			
Instruction:			
Regular	6,414	6,414	-
Support services:			
Pupils	23,125	23,125	-
Instructional staff	18,572	18,572	-
Operation and maintenance of plant	-	-	-
Total expenditures	48,111	48,111	-
Excess revenues over (under) expenditures	(25,460)	(25,460)	-
Other financing sources (uses):			
Transfer - in	97,862	97,862	-
Transfer - out	(97,862)	(97,862)	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	(25,460)	(25,460)	-
Fund balance, beginning of year	99,173	99,173	
Prior year encumbrances appropriated	800	800	
Fund balance, end of year	\$ 74,513	74,513	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Miscellaneous State Grants Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 38,081	38,081	-
Expenditures:			
Current:			
Support services:			
Pupils	57,822	57,822	-
Total expenditures	57,822	57,822	-
Excess revenues over (under) expenditures	(19,741)	(19,741)	-
Other financing sources (uses):			
Advance - in	58,257	58,257	-
Advance - out	(5,606)	(5,606)	-
Total other financing source (uses)	52,651	52,651	-
Net change in fund balance	32,910	32,910	-
Fund balance, beginning of year	13,664	13,664	
Fund balance, end of year	\$ 46,574	46,574	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Race-to-the-Top Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 10,639	10,639	-
Expenditures:			
Current:			
Instruction:			
Regular	4,750	4,750	-
Support services:			
Instructional staff	5,277	5,277	-
Total expenditures	10,027	10,027	-
Net change in fund balance	612	612	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	\$ 612	612	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Title VI-B Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 1,901,604	1,901,604	-
Expenditures:			
Current:			
Instruction:			
Special education	178,652	178,652	-
Other	10,783	10,783	-
Support services:			
Pupil	813,461	813,461	-
Instructional staff	536,026	536,026	-
School administration	96,611	96,611	-
Pupil transportation	15,000	15,000	-
Central	94,091	94,091	-
Operation of non-instructional services:			
Community services	154,274	154,274	-
Total expenditures	<u>1,898,898</u>	<u>1,898,898</u>	<u>-</u>
Excess of revenues over (under) expenditures	2,706	2,706	-
Other financing sources (uses):			
Advances - in	103,229	103,229	-
Advances - out	<u>(149,692)</u>	<u>(149,692)</u>	<u>-</u>
Total other financing sources (uses)	<u>(46,463)</u>	<u>(46,463)</u>	<u>-</u>
Net change in fund balance	(43,757)	(43,757)	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>43,757</u>	<u>43,757</u>	
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Vocational Education Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 15,320	15,320	-
Expenditures:			
Current:			
Support services:			
Pupil	4,185	4,185	-
Total expenditures	4,185	4,185	-
Excess of revenues over (under) expenditures	11,135	11,135	-
Other financing sources (uses):			
Transfer - in	13,230	13,230	-
Transfer - out	(13,230)	(13,230)	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	11,135	11,135	-
Fund balance, beginning of year	10,739	10,739	
Prior year encumbrances appropriated	4,496	4,496	
Fund balance, end of year	\$ 26,370	26,370	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

State Fiscal Stabilization Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 350,573	350,573	-
Expenditures:			
Current:			
Instruction:			
Other	50,238	50,238	-
Support services:			
Operation and maintenance of plant	300,335	300,335	-
Total expenditures	<u>350,573</u>	<u>350,573</u>	-
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Title II-D Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 17,124	17,124	-
Expenditures:			
Current:			
Instruction:			
Regular instruction	9,851	9,851	
Support services:			
Instructional staff	6,132	6,132	-
Non-instructional services:			
Community services	1,634	1,634	-
Total expenditures	<u>17,617</u>	<u>17,617</u>	-
Excess of revenues over (under) expenditures	(493)	(493)	-
Other financing sources:			
Advance - in	2,410	2,410	-
Advance - out	(1,917)	(1,917)	
Total other financing sources	<u>493</u>	<u>493</u>	-
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Title I Sub G Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 1,747	1,747	-
Expenditures:			
Current:			
Support services:			
Instructional staff	1,747	1,747	-
Total expenditures	1,747	1,747	-
Excess of revenues over (under) expenditures	-	-	-
Other financing sources:			
Advance - out	(2,489)	(2,489)	
Total other financing sources	(2,489)	(2,489)	-
Net change in fund balance	(2,489)	(2,489)	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	2,489	2,489	
Fund balance, end of year	\$ -	-	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Nutrition Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 2,000	2,000	-
Expenditures:			
Current:			
Instruction:			
Regular	1,041	1,041	-
Special education	573	573	-
Total expenditures	<u>1,614</u>	<u>1,614</u>	<u>-</u>
Excess of revenues over (under) expenditures	386	386	-
Other financing sources (uses):			
Refund of prior years receipts	<u>(386)</u>	<u>(386)</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>-</u></u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Title III Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 100,440	100,440	-
Expenditures:			
Current:			
Instruction:			
Regular	263	263	-
Special education	95,594	95,594	-
Support services:			
Pupil	16,985	16,985	-
Instructional staff	32,462	32,462	-
Total expenditures	<u>145,304</u>	<u>145,304</u>	-
Excess of revenues over (under) expenditures	(44,864)	(44,864)	-
Other financing sources (uses):			
Advances - in	44,884	44,884	-
Advances - out	<u>(54,472)</u>	<u>(54,472)</u>	-
Total other financing sources (uses)	<u>(9,588)</u>	<u>(9,588)</u>	-
Net change in fund balance	(54,452)	(54,452)	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	54,520	54,520	
Fund balance, end of year	<u>\$ 68</u>	<u>68</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Title I Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Intergovernmental	\$ 2,263,367	2,263,367	-
Expenditures:			
Current:			
Instruction:			
Regular	1,570,946	1,570,946	-
Special education	252,822	252,822	-
Other	144	144	-
Support services:			
Instructional staff	550,460	550,460	-
Pupil transportation	434	434	-
Central	793	793	-
Non-instructional services:			
Community services	9,463	9,463	-
Total expenditures	<u>2,385,062</u>	<u>2,385,062</u>	<u>-</u>
Excess of revenues over (under) expenditures	(121,695)	(121,695)	-
Other financing sources (uses):			
Advances - in	270,036	270,036	-
Advances - out	<u>(156,423)</u>	<u>(156,423)</u>	<u>-</u>
Total other financing sources (uses)	<u>113,613</u>	<u>113,613</u>	<u>-</u>
Net change in fund balance	(8,082)	(8,082)	
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	8,082	8,082	
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Drug Free School Grant Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 16,924	16,924	-
Expenditures:			
Current:			
Support services:			
Pupil	14,044	14,044	-
Non-instructional services:			
Community services	1,590	1,590	-
Total expenditures	<u>15,634</u>	<u>15,634</u>	-
Net change in fund balance	1,290	1,290	-
Fund balance, beginning of year	1,740	1,740	
Prior year encumbrances appropriated	201	201	
Fund balance, end of year	<u>\$ 3,231</u>	<u>3,231</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Preschool Development Grant Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 37,984	37,984	-
Expenditures:			
Current:			
Support services:			
Pupils	42,383	42,383	-
Total expenditures	42,383	42,383	-
Excess of revenues over (under) expenditures	(4,399)	(4,399)	-
Other financing sources (uses):			
Advance - in	5,361	5,361	-
Advance - out	(962)	(962)	-
Total other financing sources (uses)	4,399	4,399	-
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	
Fund balance, end of year	\$ -	-	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and
 Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Reducing Class Size Special Revenue Fund
 Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 144,812	144,812	-
Expenditures:			
Current:			
Support services:			
Instructional staff	157,857	157,857	-
Non-instructional services:			
Community services	40,642	40,642	-
Total expenditures	198,499	198,499	-
Excess revenues over (under) expenditures	(53,687)	(53,687)	-
Other financing sources (uses):			
Refund of prior year expenditure	3,150	3,150	-
Advance - in	42,681	42,681	-
Advance - out	(11,888)	(11,888)	-
Total other financing sources (uses)	33,943	33,943	-
Net change in fund balance	(19,744)	(19,744)	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	22,894	22,894	
Fund balance, end of year	\$ 3,150	3,150	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Miscellaneous Federal Grants Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ -	-	-
Expenditures:			
Current:			
Instruction:			
Regular	975	975	-
Support services:			
Instructional staff	35,569	35,569	-
Fiscal	11,361	11,361	
Operation and maintenance of plant	34,540	34,540	
Non-instructional services:			
Community services	538,205	538,205	-
Total expenditures	<u>620,650</u>	<u>620,650</u>	-
Excess of revenues over (under) expenditures	(620,650)	(620,650)	-
Other financing sources (uses):			
Advance - in	620,650	620,650	-
Advance - out	(47,127)	(47,127)	-
Total other financing sources (uses)	<u>573,523</u>	<u>573,523</u>	-
Net change in fund balance	(47,127)	(47,127)	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	47,127	47,127	
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Food Service Special Revenue Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Charges for services	\$ 687,910	698,279	10,369
Intergovernmental	1,675,656	1,675,656	-
Total revenues	<u>2,363,566</u>	<u>2,373,935</u>	<u>10,369</u>
Expenditures:			
Non-instructional services:			
Food services	2,371,828	2,371,828	-
Total expenditures	<u>2,371,828</u>	<u>2,371,828</u>	<u>-</u>
Excess of revenues over (under) expenditures	(8,262)	2,107	10,369
Other financing sources (uses):			
Advance - in	500,000	500,000	-
Advance - out	(500,000)	(500,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(8,262)	2,107	-
Fund balance, beginning of year	730,669	730,669	
Prior year encumbrances appropriated	118,809	118,809	
Fund balance, end of year	<u>\$ 841,216</u>	<u>851,585</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and
 Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 Public Preschool Subsidy Special Revenue Fund
 Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 243,050	243,050	-
Expenditures:			
Current:			
Instruction:			
Regular	242,079	242,079	-
Support services:			
Central	1,301	1,301	-
Total expenditures	243,380	243,380	-
Excess of revenues over (under) expenditures	(330)	(330)	-
Other financing sources (uses):			
Advances in	8,854	8,854	-
Advances out	(7,885)	(7,885)	-
Total other financing sources (uses)	969	969	-
Net change in fund balance	639	639	
Fund balance, beginning of year	-	-	
Fund balance, end of year	\$ 639	639	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Uniform School Supplies (1)

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Charges for services	\$ 5,763	5,763	-
Expenditures:			
Current:			
Instruction:			
Regular	13,461	13,461	-
Total expenditures	13,461	13,461	-
Net change in fund balance	(7,698)	(7,698)	-
Fund balance, beginning of year	123,228	123,228	
Fund balance, end of year	\$ 115,530	115,530	

(1) For GAAP reporting this fund is combined with the General Fund.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Public School Support (1)

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Charges for services	\$ 95,152	95,152	-
Expenditures:			
Current:			
Instruction:			
Regular	56,636	56,413	223
Support Services:			
Instructional staff	9,173	9,173	-
Administration	27,155	16,378	10,777
Pupil transportation	2,256	2,256	-
Central	2,020	2,020	-
Non-instructional services:			
Community services	200	200	-
Extracurricular activities	8,956	8,956	-
Total expenditures	<u>106,396</u>	<u>95,396</u>	<u>10,777</u>
Net change in fund balance	(11,244)	(244)	10,777
Fund balance, beginning of year	180,266	180,266	
Prior year encumbrances appropriated	6,396	6,396	
Fund balance, end of year	<u>\$ 175,418</u>	<u>186,418</u>	

(1) For GAAP reporting this fund is combined with the General Fund.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Early Childhood Programs (1)
Year Ended June 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Tuition and fees	\$ 468,680	468,887	207
Expenditures:			
Current:			
Instruction:			
Regular	561,776	561,776	-
Support services:			
Instructional staff	105,285	105,285	-
Administration	62,200	62,200	-
Non-instructional services:			
Community services	667,921	667,921	-
Total expenditures	<u>1,397,182</u>	<u>1,397,182</u>	-
Excess of revenues over (under) expenditures	(928,502)	(928,295)	207
Other financing sources (uses):			
Transfer - in	1,262,052	1,262,052	-
Advance - in	95,000	95,000	-
Transfer - out	(862,052)	(862,052)	-
Advance - out	(95,000)	(95,000)	-
Total other financing sources (uses)	<u>400,000</u>	<u>400,000</u>	-
Net change in fund balance	(528,502)	(528,295)	-
Fund balance, beginning of year	588,343	588,343	
Prior year encumbrances appropriated	12,668	12,668	
Fund balance, end of year	<u>\$ 72,509</u>	<u>72,716</u>	

(1) For GAAP reporting this fund is combined with the General Fund.

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Debt Service Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Property taxes	\$ 4,029,977	4,029,977	-
Intergovernmental	762,071	762,071	-
Total revenues	<u>4,792,048</u>	<u>4,792,048</u>	-
Expenditures:			
Current:			
Support Services:			
Fiscal	64,915	64,915	-
Debt Service:			
Principal retirement	110,100,000	110,100,000	-
Interest and fiscal charges	7,236,178	7,236,178	-
Issuance costs	10,238	10,238	-
Total expenditures	<u>117,411,331</u>	<u>117,411,331</u>	-
Excess revenues over (under) expenditures	(112,619,283)	(112,619,283)	-
Other financing sources (uses):			
Proceeds from sale of bonds	107,702,941	107,702,941	-
Premium on sale of bonds	10,939,336	10,939,336	-
Total Other financing source (uses)	<u>118,642,277</u>	<u>118,642,277</u>	-
Net change in fund balance	6,022,994	6,022,994	-
Fund balance, beginning of year	2,983,861	2,983,861	
Fund balance, end of year	<u>\$ 9,006,855</u>	<u>9,006,855</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Permanent Improvement Capital Project Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Property taxes	\$ 1,088,746	1,088,746	-
Intergovernmental	83,052	83,052	-
Interest	4	4	-
Total revenues	<u>1,171,802</u>	<u>1,171,802</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Regular	302,323	302,323	-
Support services:			
Instructional staff	44,270	44,270	-
Administration	30,030	30,030	-
Fiscal	18,629	18,629	-
Business	41,084	41,084	-
Operation and maintenance of plant	120,078	120,078	-
Central	98,563	98,563	-
Non-instructional services:			
Extracurricular activities	15,831	15,831	-
Capital outlay	34,490	34,490	-
Debt service			
Principal retirement	1,456,517	1,456,517	-
Interest and fiscal charges	186,950	186,950	-
Issuance costs	5,350	5,350	-
Total expenditures	<u>2,354,115</u>	<u>2,354,115</u>	<u>-</u>
Excess revenues over (under) expenditures	(1,182,313)	(1,182,313)	-
Other financing sources (uses):			
Advance - in	2,500,000	2,500,000	-
Transfer - in	26,465	26,465	-
Advance - out	(2,500,000)	(2,500,000)	-
Transfer - out	(26,465)	(26,465)	-
Proceeds from sale of notes	1,250,000	1,250,000	-
Premium on sale of notes	422	422	-
Total Other financing source (uses)	<u>1,250,422</u>	<u>1,250,422</u>	<u>-</u>
Net change in fund balance	68,109	68,109	-
Fund balance, beginning of year	8,187	8,187	-
Fund balance, end of year	<u>\$ 76,296</u>	<u>76,296</u>	-

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Permanent Fund

Year Ended June 30, 2011

	Final Budget	Actual	Variance From Final Budget
Revenues:			
Interest	\$ 334	343	9
Total revenues	<u>334</u>	<u>343</u>	<u>9</u>
Expenditures:			
Current:			
Operation of non-instructional services	<u>4,600</u>	<u>4,600</u>	-
Total expenditures	<u>4,600</u>	<u>4,600</u>	-
Net change in fund balance	(4,266)	(4,257)	9
Fund balance, beginning of year	279,775	279,775	
Prior year encumbrances appropriated	-	-	
Fund balance, end of year	<u>\$ 275,509</u>	<u>275,518</u>	

PRINCETON CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures, and

Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Building Capital Project Fund

Year Ended June 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Interest	1,000,608	1,136,520	135,912
Total revenues	<u>1,000,608</u>	<u>1,136,520</u>	<u>135,912</u>
Expenditures:			
Capital outlay	19,485,052	19,485,052	-
Total expenditures	<u>19,485,052</u>	<u>19,485,052</u>	<u>-</u>
Excess revenues over (under) expenditures	(18,484,444)	(18,348,532)	(135,912)
Other financing sources (uses):			
Proceeds from sale of bonds	120,000,000	120,000,000	-
Total Other financing source (uses)	<u>120,000,000</u>	<u>120,000,000</u>	<u>-</u>
Net change in fund balance	101,515,556	101,651,468	(135,912)
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	15,051	15,051	
Fund balance, end of year	<u>\$ 101,530,607</u>	<u>101,666,519</u>	

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STATISTICAL SECTION

Core Values and Beliefs

The Princeton City School District values. . .

Learning and Thinking Centered Communities
Individual Accountability and Collective Responsibility
Fairness and Equity
Ethics and Integrity
Diversity
Mutual Care and Respect of Others
Opportunities for All

We believe. . .

Relationships:

in the dignity and worth of each child. The relationship built on mutual trust and respect between the teacher and student is the foundation for all learning.

Safety/Security:

a safe, secure, and orderly environment is essential to learning and achieving.

Achievement:

all of our students will learn and achieve.

Thinking:

in actively engaging all learners by developing skills in critical thinking, creativity, and problem solving.

Diversity:

our diversity empowers our students to thrive locally and globally - today and tomorrow.

Equity:

in providing learning opportunities with equitable resources and services.

Integrity:

in developing personal integrity and the commitment to serve our community.

Accountability and responsibility (Efficacy):

student achievement and success are the collective responsibility of our administrators, staff, parents and students.

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	104-110
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.	111-115
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.	116-118
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.	119-124
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	125-128

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

Princeton City School District, Ohio
Net Assets by Component
Last Nine Fiscal Years (1)
(accrual basis of accounting)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$ 6,625,976	\$ 4,510,135	\$ 6,505,305	\$ 11,365,292	\$ 12,177,021	\$ 18,917,661	\$ 16,185,254	\$ 11,939,134	\$ 1,602,100	\$
Restricted	1,181,331	3,927,410	5,722,643	8,181,478	9,790,620	8,748,433	6,347,424	7,958,748	15,208,137	
Unrestricted	30,869,065	28,453,533	34,758,011	35,398,152	42,188,268	33,560,467	32,529,521	26,567,919	24,350,261	
Total Net Assets	\$ 38,676,372	\$ 36,891,078	\$ 46,985,959	\$ 54,944,922	\$ 64,155,909	\$ 61,226,561	\$ 55,062,199	\$ 46,465,801	\$ 41,160,498	

Source: School District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

Princeton City School District, Ohio
Expenses, Program Revenues and Net (Expense)/Revenue
Last Nine Fiscal Years (1)
(accrual basis of accounting)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental Activities:									
Instruction	\$ 37,739,356	\$ 40,341,818	\$ 36,756,354	\$ 40,212,240	\$ 39,868,642	\$ 41,092,546	\$ 43,259,277	\$ 45,105,572	\$ 43,949,741
Pupil	4,855,476	5,235,034	5,255,056	4,742,701	4,853,378	4,362,878	4,973,405	5,176,839	4,838,552
Instructional Staff	5,438,025	5,115,420	5,167,170	5,991,323	6,104,382	5,860,843	6,930,120	7,268,709	7,408,565
General Administration	346,989	390,937	392,114	382,312	356,891	271,234	288,917	417,868	358,720
School Administration	5,013,395	5,409,443	5,131,871	5,961,291	6,148,062	6,515,014	8,292,485	7,747,880	3,666,881
Fiscal	1,702,433	1,946,483	1,739,623	2,266,379	2,582,803	2,945,291	2,455,576	2,433,305	2,616,425
Business	488,820	514,215	458,015	551,136	739,910	554,545	526,099	363,532	214,352
Operation and Maintenance	8,604,249	7,539,647	7,556,075	7,698,335	7,940,072	7,864,438	7,931,346	8,100,618	8,022,850
Pupil Transportation	3,782,287	4,035,873	4,831,948	3,795,527	4,996,401	5,159,594	4,839,807	4,943,041	5,133,648
Central	1,316,573	1,957,176	1,856,891	1,551,154	1,751,752	1,711,621	1,552,170	934,365	1,485,580
Operation of Non-Instructional Services	6,173,744	6,221,950	6,375,627	6,575,065	5,908,064	4,063,597	5,341,611	5,331,918	5,406,734
Extracurricular Activities	-	-	-	-	-	1,461,925	1,697,938	1,650,476	1,508,941
Interest and Fiscal Charges	138,719	3,499,610	4,070,873	4,021,596	3,412,151	3,727,692	3,557,493	3,592,012	8,209,455
Total Government Expenses	75,600,066	82,207,606	79,591,617	83,749,059	84,662,508	85,591,218	91,646,244	93,066,135	92,820,444
Program Revenues									
Governmental Activities:									
Charges for Services									
Instruction	1,346,780	1,775,113	1,663,279	1,740,329	716,783	554,079	1,632,505	1,534,119	1,556,734
Pupil	-	-	-	-	-	878	-	-	-
School Administration	-	-	-	-	-	8,618	-	-	-
Operation and Maintenance	-	-	-	-	-	33,063	-	-	-
Pupil Transportation	-	-	-	-	-	20,862	-	-	-
Central	-	-	-	-	-	113	-	-	-
Operation of Non-Instructional Services	1,113,085	1,083,576	1,070,691	1,374,455	1,525,353	2,263,580	700,415	534,270	467,866
Extracurricular Activities	135,875	108,621	136,202	128,062	132,597	132,535	141,034	121,412	131,184
Food Service	1,122,096	1,052,424	960,987	998,984	994,316	-	822,040	823,267	682,191
Operating Grants and Contributions	4,979,714	6,369,149	6,079,032	5,669,450	5,798,481	6,008,920	7,246,048	8,356,788	8,859,056
Capital Grants and Contributions	102,848	-	51,345	1,634	45,197	26,979	50,165	-	-
Total Government Revenues	8,800,398	10,388,883	9,961,536	9,912,914	9,212,727	9,049,627	10,592,207	11,369,856	11,697,031
Net (Expense)/Revenue	\$ (66,799,668)	\$ (71,818,723)	\$ (69,630,081)	\$ (73,836,145)	\$ (75,449,781)	\$ (76,541,591)	\$ (81,054,037)	\$ (81,696,279)	\$ (81,123,413)

Source: School District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

Princeton City School District, Ohio
General Revenues and Total Change in Net Assets
Last Nine Fiscal Years (1)
(accrual basis of accounting)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (Expense)/Revenue	\$ (66,799,668)	\$ (71,818,723)	\$ (69,630,081)	\$ (73,836,145)	\$ (75,449,781)	\$ (76,541,591)	\$ (81,054,037)	\$ (81,696,279)	\$ (81,123,413)
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Taxes									
Property Taxes Levied for General, Debt Service and Capital Purposes	56,692,006	57,156,993	65,629,652	65,600,762	66,930,812	50,230,088	51,717,675	45,314,998	45,487,235
Grants and Entitlements Not Restricted to Specific Programs	9,283,088	10,257,768	10,233,936	10,566,991	14,367,565	18,864,593	23,242,456	26,779,285	27,489,047
Unrestricted Payment in Lieu of Taxes	-	-	-	-	-	556,594	-	-	-
Unrestricted Contributions	-	-	-	-	-	16,050	-	-	-
Investment Earnings	729,971	1,275,157	2,209,135	3,321,120	2,846,626	1,996,557	1,021,262	116,100	1,603,978
Gain on Sale of Capital Assets	39,830	10,240	-	7,667	-	-	-	-	-
Other Revenues	430,894	1,218,775	1,333,139	1,478,996	1,202,956	522,171	1,399,776	889,498	1,237,850
Total Governmental Activities	67,175,789	69,918,933	79,405,862	80,975,536	85,347,959	72,186,053	77,381,169	73,099,881	75,818,110
Change in Net Assets	\$ 376,121	\$ (1,899,790)	\$ 9,775,781	\$ 7,139,391	\$ 9,898,178	\$ (4,355,538)	\$ (3,672,868)	\$ (8,596,398)	\$ (5,305,303)

Source: School District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,088
Restricted	-	-	-	-	-	-	-	-	-	212,907
Committed	-	-	-	-	-	-	-	-	-	11,000
Assigned	-	-	-	-	-	-	-	-	-	1,762,134
Unassigned	-	-	-	-	-	-	-	-	-	17,279,293
Reserved	18,575,155	16,308,334	14,228,324	18,062,506	20,329,900	22,608,842	15,660,766	16,733,995	15,232,447	-
Unreserved	14,567,456	17,135,200	13,841,444	16,935,494	12,294,817	17,131,871	20,297,623	17,804,570	7,223,096	-
Total General Fund	33,142,611	33,443,534	28,069,768	34,998,000	32,624,717	39,740,713	35,958,389	34,538,565	22,455,543	19,335,422
All Other Governmental Funds										
Nonspendable	-	-	-	-	-	-	-	-	-	305,097
Restricted	-	-	-	-	-	-	-	-	-	125,923,822
Unassigned	-	-	-	-	-	-	-	-	-	(845,338)
Reserved	71,046	977,991	11,412,461	29,556,294	21,325,576	10,052,289	3,264,264	2,831,215	2,041,047	-
Unreserved, Reported in:										
Capital Project Funds	147,591	(894,207)	72,749,842	46,873,525	12,899,423	(4,162,519)	(4,532,481)	(3,603,579)	6,429	-
Debt Service Funds	-	-	227,271	1,103,769	1,506,864	2,642,748	2,674,898	2,746,506	2,983,861	-
Special Revenue Funds	278,998	248,469	747,708	369,958	1,092,426	249,319	2,396,335	749,842	770,823	-
Permanent Funds	-	-	-	-	-	19,490	27,805	20,420	19,386	-
Total all Other Governmental Funds	\$ 1,929,579	\$ 332,253	\$ 85,137,282	\$ 77,903,546	\$ 36,824,289	\$ 8,801,327	\$ 3,830,821	\$ 2,744,404	\$ 5,821,546	\$ 125,383,581

Source: School District Records
 Note: The School District implemented GASB 54 in FY2011

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Taxes	\$ 57,668,854	\$ 56,692,006	\$ 54,034,496	\$ 65,740,919	\$ 62,512,646	\$ 67,624,833	\$ 52,786,846	\$ 50,200,683	\$ 44,164,544	\$ 45,225,898
Tuition and Fees	436,392	1,346,780	1,775,113	1,663,279	1,774,304	751,060	1,018,668	1,639,115	1,539,478	1,570,137
Investment Earnings	1,006,393	709,777	1,187,812	2,211,600	3,448,933	2,862,617	2,020,746	1,028,715	116,602	1,603,104
Intergovernmental	12,603,097	12,755,984	15,539,902	14,907,680	14,864,188	18,646,683	24,846,527	30,314,195	34,438,786	36,176,192
Charges for Services	262,691	-	-	-	-	-	1,947,885	1,772,493	1,598,430	1,382,156
Other Revenues	1,073,962	639,654	1,321,006	1,464,236	1,573,083	1,437,376	1,062,672	1,276,150	788,858	1,121,294
Total Revenues	\$ 73,051,389	\$ 72,144,201	\$ 73,858,329	\$ 85,987,714	\$ 84,173,154	\$ 91,322,569	\$ 83,683,344	\$ 86,231,351	\$ 82,646,698	\$ 87,078,781

Source: School District Records

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Instruction	\$ 35,869,602	\$ 37,028,254	\$ 39,702,168	\$ 36,158,006	\$ 39,927,716	\$ 40,348,425	\$ 40,455,868	\$ 40,898,687	\$ 43,216,250	\$ 41,325,970
Pupil	4,711,618	4,842,955	5,226,609	5,253,048	4,883,938	4,913,808	4,451,245	4,933,419	5,146,093	4,879,958
Instructional Staff	5,176,201	5,380,575	5,057,224	5,138,665	6,172,017	6,068,675	5,797,624	6,777,010	7,200,116	7,288,612
Board of Education	267,505	333,915	382,610	388,534	382,312	356,891	271,234	288,917	417,868	358,720
School Administration	5,068,237	5,077,614	5,366,310	5,127,096	6,007,403	5,990,165	6,217,725	6,009,337	6,669,776	5,999,568
Fiscal	1,684,824	1,693,653	2,176,777	1,836,629	2,335,416	2,581,376	2,945,291	2,395,328	2,436,579	2,342,938
Business	392,707	493,025	510,215	458,015	537,136	968,888	564,917	501,599	381,051	249,815
Operation and Maintenance	8,450,757	8,103,191	7,332,923	7,307,221	8,004,633	7,970,663	7,951,463	7,916,363	8,552,724	7,934,426
Pupil Transportation	3,630,849	3,874,063	3,844,915	4,712,953	4,297,383	4,237,681	4,466,487	4,522,788	5,829,450	4,756,146
Central	984,384	1,305,628	2,165,784	1,791,364	1,593,224	1,689,775	1,646,156	1,479,786	907,802	1,153,797
Operation of Non-Instructional Services	1,141,817	1,223,164	1,250,924	1,258,022	1,281,840	1,576,233	4,056,406	5,282,104	5,377,052	5,408,244
Extracurricular Activities	1,554,611	1,493,467	1,492,133	1,735,206	1,461,272	1,356,518	1,402,027	1,575,728	1,596,892	1,491,800
Capital Outlay	870,224	532,973	3,866,575	9,705,033	44,564,267	28,784,849	7,296,149	243,766	151,663	8,200,649
Debt Service:										
Principal Retirement	1,195,809	1,276,773	682,532	1,275,616	2,113,811	1,963,000	2,359,000	1,821,000	1,285,000	1,566,517
Interest and Fiscal Charges	213,811	149,004	3,178,622	4,137,441	4,070,993	3,640,237	3,737,224	3,668,790	3,681,776	7,713,515
Issuance Costs	-	-	918,140	-	-	788,041	-	-	-	1,223,069
Total Expenditures	\$ 71,212,956	\$ 72,808,254	\$ 83,154,461	\$ 86,282,849	\$ 127,633,361	\$ 113,235,225	\$ 93,618,816	\$ 88,314,622	\$ 92,850,092	\$ 101,893,744
Debt Service as a Percentage of Noncapital Expenditures	2.06%	1.98%	6.09%	7.12%	7.84%	7.71%	7.11%	6.23%	5.51%	11.22%

Source: School District Records

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Other Financing Sources (Uses)										
Payments to Refunded										
Bond Escrow Agent										
Issuance of Refunding Bonds			85,000,000			\$ (75,458,718)	\$			
Refunding Bond Premium			2,114,155			5,406,759				
Issuance of Loans									3,628,000	
Inception of Capital Leases	841,739	145,951	1,603,000	558,000						509,975
Sale of Capital Assets			10,240		7,667		54,486	77,030	69,514	
Premium on bonds										10,746,972
Issuance of bonds										119,999,930
Transfers In	1,422,200	1,887,970	85,622,582	1,009,680	1,775,110	2,644,918	2,080,616	1,402,458	1,839,536	11,493,131
Transfers (Out)	(1,422,200)	(1,887,970)	(85,622,582)	(1,009,680)	(1,775,110)	(2,699,794)	(2,080,616)	(1,902,458)	(4,339,536)	(11,493,131)
Total Other Financing Sources (Uses)	841,739	145,951	88,727,395	558,000	7,667	733,165	54,486	(422,970)	1,197,514	131,256,877
Net Change in Fund Balances	\$ 2,680,172	\$ (518,102)	\$ 79,431,263	\$ 262,865	\$ (43,452,540)	\$ (21,179,491)	\$ (9,880,986)	\$ (2,506,241)	\$ (9,005,880)	\$ 116,441,914

Source: School District Records

Princeton City School District, Ohio

Assessed Value and Actual Value of Taxable Property

Last Ten Calendar Years (1)

Calendar Year	<u>Real Property</u>	<u>Tangible Personal Property</u>	<u>Public Utilities Personal</u>	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
	Assessed Value (2)	Assessed Value (2)	Assessed Value (2)			
2001	1,182,629,890	442,634,670	64,083,860	1,689,348,420	4,826,709,771	46.19
2002	1,369,415,290	466,102,466	65,570,470	1,901,088,226	5,431,680,646	45.79
2003	1,358,732,160	404,687,148	66,068,790	1,829,488,098	5,227,108,851	49.03
2004	1,367,594,010	421,066,962	68,900,980	1,857,561,952	5,307,319,863	49.03
2005	1,560,927,220	384,837,640	68,330,650	2,014,095,510	5,754,558,600	49.03
2006	1,565,323,230	208,144,506	59,406,820	1,832,874,556	5,236,784,446	49.03
2007 (3)	1,462,254,440	101,686,690	40,902,420	1,604,843,550	4,585,267,286	49.03
2008	1,633,409,420	114,507,988	43,420,600	1,791,338,008	5,118,108,594	48.89
2009	1,620,811,910	17,853,270	48,392,540	1,687,057,720	4,820,164,914	48.89
2010	1,554,771,440	5,517,290	58,044,658	1,618,333,388	4,623,809,680	50.48

Source: Hamilton County, Bulter County and Warren County Auditor

(1) - 1999 through 2002 does not include information for Bulter County and 1999 through 2005 does not include information for Warren County.

(2) - Assessed values shown in this schedule will 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

(3) - Information for Warren County not available

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
Property Tax Rates (per \$1,000 of assessed value)
Last Ten Calendar Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Unvoted Millage										
Operating	4.63	4.63	4.63	4.63	4.63	4.63	4.63	4.63	4.63	4.63
Total unvoted millage by type of property	4.63	4.63	4.63	4.63	4.63	4.63	4.63	4.63	4.63	4.63
Voted Millage - by levy										
1976 Operating (1) - continuing										
Residential/Agricultural Real	2.93	2.72	2.70	2.70	2.33	2.33	2.33	2.35	2.37	2.38
Commercial/Industrial and Public Utility Real	4.21	4.02	4.07	4.13	3.83	3.87	3.80	3.67	3.77	4.09
General Business and Public Utility Personal	8.61	8.61	8.61	8.61	8.61	8.61	8.61	8.61	8.61	8.61
1976 Operating (2) - continuing										
Residential/Agricultural Real	2.81	2.61	2.59	2.59	2.24	2.23	2.23	2.25	2.27	2.28
Commercial/Industrial and Public Utility Real	4.04	3.85	3.89	3.96	3.67	3.71	3.64	3.52	3.62	3.92
General Business and Public Utility Personal	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25
1976 Operating (3) - continuing										
Residential/Agricultural Real	1.85	1.72	1.71	1.71	1.48	1.47	1.47	1.49	1.50	1.50
Commercial/Industrial and Public Utility Real	2.67	2.54	2.57	2.62	2.43	2.45	2.40	2.32	2.39	2.59
General Business and Public Utility Personal	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45
1976 Operating (4) - continuing										
Residential/Agricultural Real	0.95	0.88	0.88	0.88	0.76	0.76	0.76	0.76	0.77	0.77
Commercial/Industrial and Public Utility Real	1.37	1.31	1.32	1.34	1.25	1.26	1.23	1.19	1.23	1.33
General Business and Public Utility Personal	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80
1985 Operating - continuing										
Residential/Agricultural Real	2.73	2.53	2.52	2.52	2.18	2.17	2.17	2.19	2.21	2.21
Commercial/Industrial and Public Utility Real	3.05	2.91	2.94	2.99	2.77	2.80	2.75	2.65	2.73	2.96
General Business and Public Utility Personal	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
1992 Operating - continuing										
Residential/Agricultural Real	5.38	4.99	4.96	4.96	4.29	4.28	4.28	4.32	4.35	4.36
Commercial/Industrial and Public Utility Real	6.02	5.74	5.81	5.91	5.48	5.54	5.43	5.25	5.40	5.85
General Business and Public Utility Personal	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
1999 Operating - continuing										
Residential/Agricultural Real	3.41	2.85	3.15	3.15	2.72	2.71	2.71	2.74	2.76	2.77
Commercial/Industrial and Public Utility Real	3.55	3.05	3.43	3.48	3.23	3.27	3.20	3.10	3.18	3.45
General Business and Public Utility Personal	3.95	3.55	3.95	3.95	3.95	3.95	3.95	3.95	3.95	3.95
2003 Bond Issue - 27 Years										
Residential/Agricultural Real	0.00	0.00	2.84	2.84	2.84	2.84	2.84	2.80	2.80	2.80
Commercial/Industrial and Public Utility Real	0.00	0.00	2.84	2.84	2.84	2.84	2.84	2.80	2.80	2.80
General Business and Public Utility Personal	0.00	0.00	2.84	2.84	2.84	2.84	2.84	2.80	2.80	2.80
2010 Permanent Improvement										
Residential/Agricultural Real	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.49
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.49
General Business and Public Utility Personal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.49
Total voted millage by type of property										
Residential/Agricultural Real	20.06	18.30	21.35	21.35	18.84	18.79	18.79	18.90	19.03	20.56
Commercial/Industrial and Public Utility Real	24.91	23.42	26.87	27.27	25.50	25.74	25.29	24.50	25.12	28.48
General Business and Public Utility Personal	46.19	45.79	49.03	49.03	49.03	49.03	49.03	48.99	48.99	50.48

Princeton City School District, Ohio
Property Tax Rates (per \$1,000 of assessed value)
Last Ten Calendar Years
(Continued)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Overlapping Rates by Taxing District										
Hamilton County	21.47	21.87	21.51	21.06	20.81	20.18	20.18	20.56	20.48	19.45
City of Blue Ash	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
City of Springdale	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Village of Glendale	21.55	22.61	22.23	21.83	21.39	21.18	21.18	21.03	20.08	20.08
Village of Lincoln Heights	24.58	26.33	26.33	26.33	28.33	28.33	28.33	35.33	35.33	39.33
Village of Woodlawn	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
Springfield Township	20.30	20.30	20.30	20.30	20.30	20.30	20.30	20.30	22.80	22.80
Sycamore Township	7.75	7.75	7.75	7.75	7.75	8.75	8.75	8.75	8.75	8.75
Great Oaks Institute of Technology & Career Develop	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70

Notes:

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

Residential/Agricultural & Commercial/Industrial & Public Utility Real are expressed at their effective rate.
 General Business and Public Utility Personal are expressed at the full voted rate.

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

Source: Hamilton County Auditor/Treasurer

Princeton City School District, Ohio

Principal Property Taxpayers

Current Calendar Year and Seven Years Ago (1)

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	0.42%
Procter & Gamble Co.	6,391,580	0.39%
	<u>\$137,692,010</u>	<u>8.51%</u>
Total Assessed Value	<u>\$1,618,333,888</u>	

2003		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Ford Motor Company	\$71,857,470	3.93%
Concordia Properties, LLC	57,028,880	3.12%
Procter & Gamble	36,777,450	2.01%
General Electric	33,844,710	1.85%
Cinergy	29,832,270	1.63%
Cincinnati Bell	24,392,660	1.33%
G&I Executive Center	17,503,800	0.96%
Duke Realty	16,982,500	0.93%
Dugan Financing	14,093,890	0.77%
Formica Corporation	13,801,480	0.75%
	<u>\$316,115,110</u>	<u>17.28%</u>
Total Assessed Value	<u>\$ 1,829,488,098</u>	

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

(1) - Current year taxpayers and taxpayers from seven years ago available only.

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

Calendar Year (1)	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
2001	\$ 36,676,496	\$ 34,248,633	93.38%	\$ 812,848	\$ 35,061,481	95.60%
2002	40,338,209	36,906,936	91.49%	931,035	37,837,971	93.80%
2003	42,955,981	41,456,291	96.51%	1,260,498	42,716,789	99.44%
2004	43,363,212	41,689,007	96.14%	1,335,719	43,024,726	99.22%
2005	45,038,152	42,953,593	95.37%	1,249,715	44,203,308	98.15%
2006	45,856,077	43,492,919	94.85%	2,055,694	45,548,613	99.33%
2007	52,390,155	49,642,615	94.76%	393,460	50,036,075	95.51%
2008	54,042,097	48,370,357	89.50%	2,925,215	51,295,572	94.92%
2009	42,285,210	40,015,262	94.63%	1,337,248	41,352,510	97.79%
2010	45,148,878	42,920,852	95.07%	1,647,379	44,568,231	98.71%

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

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

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income (1)(2)	Per Capita (1)(2)	Debt to Estimated Actual Value of Taxable Property
	General Obligation Bonds	OASBO Loan	Capital Leases				
2002	\$ 1,228,775	-	\$ 1,351,519	\$ 2,580,294	0.01%	\$ 1.92	0.05%
2003	303,353	-	1,085,606	1,388,959	0.00%	1.03	0.03%
2004	87,217,833	-	708,073	87,925,906	0.18%	65.18	1.68%
2005	86,745,177	-	348,811	87,093,988	0.17%	64.41	1.64%
2006	85,341,875	-	-	85,341,875	0.16%	61.94	1.48%
2007	86,467,155	-	-	86,467,155	0.17%	61.56	1.65%
2008	84,321,439	-	126,000	84,447,439	0.17%	60.00	1.84%
2009	82,370,723	-	-	82,370,723	0.22%	96.33	1.61%
2010	80,830,007	3,628,000	-	84,458,007	0.23%	98.77	1.75%
2011	210,247,769	3,506,000	425,458	214,179,227	N/A	N/A	4.63%

Source: District Records

N/A - Information not available

(1) - On the calendar year basis

(2) - Personal income and population data for Hamilton County was used in determining the outstanding debt per capita.
 No population or personal income data for 2011 is available.

Princeton City School District, Ohio
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Butler County	\$62,095,237	1.37%	\$850,705
Hamilton County	95,945,000	7.42%	7,119,119
Warren County	51,510	0.42%	216
City of Sharonville	2,730,000	99.97%	2,729,181
City of Springdale	2,700,000	99.99%	2,699,730
Village of Evendale	440,000	100.00%	440,000
Village of Woodlawn	5,360,885	100.00%	5,360,885
Deerfield Township	17,690,000	2.45%	433,405
Springfield Township	11,740,000	1.18%	138,532
Sycamore Township	20,360,000	25.44%	5,179,584
West Chester Township	64,495,000	3.24%	2,089,638
Great Oaks Institute of Technology & Career Development	18,450,000	8.41%	1,551,645
Subtotal, Overlapping Debt	302,057,632		28,592,640
District Direct Debt	210,247,769	100.00%	210,247,769
Total Direct and Overlapping Debt	\$512,305,401		\$238,840,409

Source: Ohio Municipal Advisory Council

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

Princeton City School District, Ohio
Legal Debt Margin Information
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Debt Limit (1)										
Debt Limit (9.0%)	\$ 152,041,358	\$ 171,097,940	\$ 164,653,929	\$ 167,180,576	\$ 181,268,596	\$ 164,958,710	\$ 144,435,920	\$ 161,220,421	\$ 151,835,195	\$ 145,650,005
Total Net Debt Applicable to Limit	1,228,775	303,353	87,445,104	87,848,946	86,848,739	89,109,903	81,644,141	82,370,723	80,830,007	210,247,769
Legal Debt Margin	\$ 150,812,583	\$ 170,794,587	\$ 77,208,825	\$ 79,331,630	\$ 94,419,857	\$ 75,848,807	\$ 62,791,779	\$ 62,791,779	\$ 71,005,188	\$ (64,597,764)
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.81%	0.18%	53.11%	52.55%	47.91%	54.02%	56.53%	56.53%	53.24%	144.35% (2)
Total Unvoted Debt Limit (1)										
Debt Limit (.1%)	\$ 1,689,348	\$ 1,901,088	\$ 1,829,488	\$ 1,857,562	\$ 2,014,096	\$ 1,832,875	\$ 1,604,843	\$ 1,791,338	\$ 1,687,058	\$ 1,687,058
Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	-	-	1,250,000
Legal Debt Margin	\$ 1,689,348	\$ 1,901,088	\$ 1,829,488	\$ 1,857,562	\$ 2,014,096	\$ 1,832,875	\$ 1,604,843	\$ 1,791,338	\$ 1,687,058	\$ 437,058
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	25.91%

Source: District Records

- (1) Ohio Bond Law Sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.
- (2) Note: During FY 11 the School District received special needs approval from the Ohio Department of Taxation and the Ohio Department of Education to exceed its nine percent total direct debt limitation.

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

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (Thousands of Dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2001	838,887	\$ 29,144,612	\$ 34,742	4.0%
2002	830,349	30,022,098	36,156	5.5%
2003	822,610	30,647,158	37,256	5.6%
2004	814,611	32,150,252	39,467	5.7%
2005	806,652	32,215,261	39,937	5.7%
2006	822,596	34,118,814	41,477	5.0%
2007	842,369	36,488,898	43,317	5.0%
2008	845,303	34,626,992	40,964	5.6%
2009	855,062	37,552,613	43,918	8.9%
2010	802,374	37,317,612	46,509	9.4%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau for all of 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 -- Butler County
Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (Thousands of Dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2001	336,629	\$ 9,729,127	\$ 28,881	3.2%
2002	339,071	9,938,473	29,273	4.5%
2003	341,909	10,285,549	30,014	4.5%
2004	345,119	10,844,563	31,332	4.3%
2005	348,655	11,080,584	31,662	5.2%
2006	353,386	11,707,628	33,130	5.6%
2007	357,888	8,877,054	24,804	5.1%
2008	353,895	8,576,645	24,235	6.5%
2009	363,184	13,045,932	35,921	9.4%
2010	368,130	9,381,425	25,484	9.6%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau for all of 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

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

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (Thousands of Dollars) (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2001	167,507	\$ 5,286,564	\$ 31,512	3.6%
2002	175,041	5,521,565	31,522	4.5%
2003	182,330	5,786,295	31,699	4.7%
2004	189,276	6,213,055	32,745	4.5%
2005	196,793	6,597,227	33,524	4.4%
2006	201,871	7,211,608	36,134	4.9%
2007	204,390	5,997,172	37,865	4.6%
2008	204,390	5,997,172	37,865	5.5%
2009	210,712	8,250,639	39,156	8.8%
2010	212,693	6,701,106	31,506	8.9%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau for all of 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

Princeton City School District, Ohio
Major Employers --- Hamilton County
Current Fiscal Year and Nine Years Ago

2010	
Major Employers (1)	Type (2)
American Financial Group Inc.	Insurance
Chiquita Brands International Inc.	Trade
Cincinnati Children's Hospital	Service
Fifth Third Bancorp	Financial
Ford Motor Co.	Manufacturing
General Electric Co.	Manufacturing
Johnson & Johnson/Ethicon	Manufacturing
Kroger Co	Trade
Macy's Inc	Trade
Mercy Health Partners	Trade
Procter & Gamble Co	Manufacturing
TriHealth Inc	Service
University of Cincinnati	Government

2001	
Major Employers (1)	Type (2)
Avon	Manufacturing
Ford Motor Company	Manufacturing
Formica Corporation	Manufacturing
GE Client Business	Manufacturing
General Electric Company	Manufacturing
John Morrell & Company	Manufacturing
Princeton City School District	Government
U.S. Bulk Mail Center	Delivery services
United Parcel Service	Delivery services
Was-Mart Associates	Retail

Source: Ohio Department of Development

(1) - In alphabetical order only.

(2) - Number of employees per employer and total employees for Hamilton County were not available.

Princeton City School District, Ohio

Major Employers --- Butler County

Current Calendar Year and Three Years Ago (1)

2010	
Major Employers (2)	Type (3)
AK Steel Holding Corp	Manufacturing
BAE Systems	Manufacturing
Butler County Government	Government
Cincinnati Financial Corp	Finance
Cornerstone Brands Inc	Trade
Fairfield City Board of Education	Government
Ft Hamilton Memorial Hospital	Service
GE Aviation	Manufacturing
Hamilton City Board of Education	Government
Lakota Local Board of Education	Government
Medco Health Solutions	Service
Mercy Regional Hospital	Service
Miami University	Government
Ohio Casualty Insurance	Insurance
Pierre Foods	Manufacturing

2007	
Major Employers (2)	Type (3)
AK Steel Holding Corp	Manufacturing
Amylin Pharmaceuticals Inc	Manufacturing
Armor Holdings Inc	Manufacturing
Butler County Government	Government
Cincinnati Financial Corp	Finance
Cornerstone Brands Inc	Trade
Fairfield City Board of Education	Government
Ft Hamilton Memorial Hospital	Service
Hamilton City Board of Education	Government
Lakota Local Board of Education	Government
Liberty Mutual/Ohio Casualty Corp	Insurance
Mercy Regional Hospital	Service
Miami University	Government
Middletown Regional Health System	Service

Source: Ohio Department of Development

(1) - Only current calendar year data and data from three years ago is available for Butler County.

(2) - In alphabetical order only.

(3) - Number of employees per employer and total employees for Butler County were not available.

Princeton City School District, Ohio
Major Employers --- Warren County
Current Calendar Year and Three Years Ago (1)

2010	
<u>Major Employers (2)</u>	<u>Type (3)</u>
Macy's Credity & Customer Service	Financial
Proctor & Gamble Co	Research & Develop
Atrium Medical Center	Health
WellPoint Inc/Anthem	Service
Luxottica Retail	Retail
Cintas	Manufacturing
Cincinnati Premium Outlets	Retail
L-3 Cincinnati Electronics	Trade
Cenage Learning, Inc.	Service
Advics Manufacturing, Inc.	Manufacturing
Portion Pac, Inc.	Manufacturing
Mitsubishi	Manufacturing
The Home Depot	Retail

2007	
<u>Major Employers (2)</u>	<u>Type (3)</u>
Aisin Seiki/ADVICS Co Ltd	Manufacturing
Blackhawk Automotive Platics Inc	Manufacturing
Cedar Fair/Kings Island	Service
Cintas Corp	Manufacturing
HJ Heinz/Portion Pac Inc	Manufacturing
Luxottica Group SpA	Manufacturing
Macy's Inc	Retail
Mason Local Board of Education	Government
Proctor & Gamble Co	Research & Develop
State of Ohio	Government
Sumco Phoenix	Manufacturing
WellPoint Inc/Anthem	Service

Source: Ohio Department of Development

- (1) - Only current fiscal year data and data from three years ago is available for Warren County.
- (2) - In alphabetical order only.
- (3) - Number of employees per employer and total employees for Warren County were not available.

Princeton City School District, Ohio
Full-Time - Equivalent District Employees by Type
Last Seven Fiscal Years (1)

Function/Program	2005	2006	2007	2008	2009	2010	2011
Regular Instruction	300.40	316.53	305.23	303.98	332.60	325.44	306.96
REGULAR TEACHING	297.4	314.53	299.23	301.98	0.00	0.00	0.00
PERMANENT SUBSTITUTE	1.00	0.00	0.00	2.00	1.00	0.00	0.00
TEACHER/MENTOR/EVALUATOR	2.00	2.00	6.00	0.00	0.00	0.00	0.00
GENERAL EDUCATION	0.00	0.00	0.00	0.00	288.60	293.00	277.30
ART EDUCATION K-8	0.00	0.00	0.00	0.00	13.00	9.00	8.00
MUSIC EDUCATION K-8	0.00	0.00	0.00	0.00	21.00	14.00	13.00
PHYSICAL EDUCATION K-8	0.00	0.00	0.00	0.00	9.00	9.44	8.66
Special Instruction	43.75	42.04	39.04	37.02	15.00	16.00	6.80
AUDIO-VISUAL STAFF	3.00	3.00	2.00	2.00	3.00	4.00	4.00
EDUC SERVICE PERSONNEL TEACHER	40.75	39.04	37.04	35.02	0.00	0.00	0.00
GIFTED & TALENTED	0.00	0.00	0.00	0.00	10.00	10.00	0.80
PRESCHOOL SPECIAL EDUCATION	0.00	0.00	0.00	0.00	2.00	2.00	2.00
Vocational Instruction	3.00	1.00	1.00	1.00	3.00	3.00	0.86
VACATIONAL EDUCATION TEACHING	3.00	1.00	1.00	1.00	0.00	0.00	0.00
CAREER-TECHNICAL PROGRAMS/PATHWAYS	0.00	0.00	0.00	0.00	3.00	3.00	0.86
Other Instruction	93.33	25.00	7.88	8.32	11.90	6.40	8.00
OTHER PROFESSIONAL	1.00	22.00	5.00	5.00	10.50	5.00	7.00
TEACHING AIDE	91.33	2.00	1.88	2.32	0.40	0.40	0.00
PARENT MENTOR	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Pupil Support Services	83.80	113.99	131.40	125.81	119.80	123.00	116.28
COUNSELING	12.00	12.00	12.00	11.00	13.00	14.00	10.00
REMEDIAL SPECIALIST	6.00	6.00	21.62	7.00	9.00	9.50	9.50
SPECIAL EDUCATION TEACHING	49.00	47.19	38.30	36.08	0.00	0.00	0.00
SUPPL SERVICE TEACHER (SPEC ED)	0.00	25.00	33.50	40.62	47.00	42.72	46.74
SPECIAL EDUCATION	0.00	0.00	0.00	0.00	22.00	27.00	20.26
DIETITIAN/NUTRITIONIST	0.00	0.00	1.00	1.00	0.00	0.00	0.00
PSYCHOLOGIST	6.00	7.00	8.60	11.00	10.00	10.00	11.00
REGISTERED NURSING	3.00	3.00	3.00	3.00	3.00	4.00	4.00
SOCIAL WORK	2.00	2.00	1.00	1.00	1.00	1.00	1.00
SPEECH & LANGUAGE THERAPIST	4.80	4.80	4.80	4.80	5.80	6.80	6.80
OCCUPATIONAL THERAPIST	0.00	0.00	0.00	2.00	2.00	2.00	2.00
EDUCATIONAL INTERPRETER	0.00	1.00	2.82	1.94	1.00	0.00	0.00
OTHER PROFESSIONAL - OTHER	0.00	0.00	0.00	1.50	1.00	1.00	0.00
PRACTICAL NURSING	0.00	5.00	3.76	2.87	3.00	2.00	2.00
ATTENDANCE OFFICER	1.00	1.00	1.00	2.00	2.00	2.98	2.98
Instructional Staff Support Services	52.50	111.00	118.36	111.72	125.52	128.89	120.18
CURRICULUM SPECIALIST	2.00	2.00	2.00	7.00	6.00	6.50	6.50
LIBRARIAN/MEDIA	8.50	5.00	5.00	8.00	7.50	5.50	3.00
TUTOR/SMALL GROUP INSTRUCTOR	31.00	7.00	16.00	4.50	7.00	11.50	11.50
LIBRARY TECHNICIAN	0.00	0.00	3.00	0.00	0.00	0.00	0.00
LIBRARY AIDE	6.00	0.00	0.00	5.00	2.00	1.95	0.53
INSTRUCTIONAL PARAPROFESSIONAL	0.00	91.00	85.61	81.47	96.02	98.44	95.65
OTHER TECHNICAL	5.00	6.00	6.75	5.75	7.00	5.00	3.00

Source: State Department of Education

(1) - Only information for last seven fiscal years available

Princeton City School District, Ohio

Full-Time - Equivalent District Employees by Type

Last Seven Fiscal Years (1)

(Continued)

Function/Program	2005	2006	2007	2008	2009	2010	2011
Administration Support Services	118.00	113.88	107.64	98.54	94.30	100.01	92.45
ADMIN. ASSISTANT	2.00	1.00	1.00	0.00	0.00	0.00	0.00
ASSIST DEPUTY/ASSOC SUPERINTENDENT	3.00	4.00	3.00	2.00	1.00	1.00	0.8
ASSIST PRINCIPAL	9.00	5.00	7.00	7.00	11.00	8.00	6.00
PRINCIPAL	8.00	11.00	12.00	13.00	10.00	11.00	9.00
SUPERINTENDENT	2.00	1.00	1.00	1.00	1.00	1.00	1.00
SUPERVISING/MANAGING/DIRECTING	5.00	9.00	3.00	1.00	1.00	1.00	0.00
COORDINATOR	11.00	12.00	9.00	6.00	5.20	6.00	5.00
EDUCATION ADMINISTRATIVE SPECIALIST	0.00	0.00	0.00	0.00	0.00	3.00	3.00
DIRECTOR	0.00	0.00	0.00	0.00	3.00	5.00	5.00
OTHER OFFICIAL/ADMINISTRATIVE	2.00	1.00	1.00	0.00	1.00	2.00	1.00
PERSONNEL	0.00	0.00	0.00	2.00	0.00	0.00	0.00
CLERICAL	76.00	69.88	70.64	66.54	61.10	62.01	61.65
Fiscal Services	1.00	1.00	3.00	6.00	4.00	5.00	4.00
TREASURER	1.00	1.00	1.00	1.00	1.00	1.00	1.00
ACCOUNTING	0.00	0.00	2.00	3.00	1.00	2.00	2.00
RECORDS MANAGING	0.00	0.00	0.00	2.00	2.00	2.00	1.00
Business Support Services	3.00	4.00	1.76	1.00	1.00	1.00	1.00
PRINTER	1.00	1.00	0.00	0.00	0.00	0.00	0.00
MESSENGER	2.00	3.00	1.76	1.00	1.00	1.00	1.00
Operation of Plant	74.50	80.00	75.75	80.00	77.50	80.25	81.25
GENERAL MAINTENANCE	13.00	13.00	12.00	11.00	11.00	12.00	12.00
MECHANIC	2.00	4.00	4.00	4.00	4.00	4.00	4.00
FOREMAN	1.00	1.00	5.00	4.00	4.00	4.00	4.00
CUSTODIAN	47.50	48.00	45.75	47.00	44.50	47.25	47.25
ELEVATOR OPERATING	0.00	1.00	1.00	0.00	0.00	0.00	0.00
GUARD/WATCHMAN	9.00	12.00	5.00	13.00	13.00	7.00	7.00
MONITORING	1.00	0.00	0.00	0.00	0.00	6.00	7.00
ATTENDANT	1.00	1.00	3.00	1.00	1.00	0.00	0.00
Pupil Transportation	69.58	72.62	62.77	53.88	53.11	55.22	56.53
DISPATCHING	1.00	1.00	1.86	0.86	1.00	1.00	1.00
VEHICLE OPERATOR (BUSES)	62.58	66.62	55.62	49.36	47.11	50.22	51.53
EQUIPMENT OPERATING ASSIGNMENT	0.00	0.00	1.00	0.00	0.00	0.00	0.00
OTHER OPERATIVE	6.00	5.00	4.29	3.66	5.00	4.00	4.00
Central Support Services	9.00	4.00	4.00	5.00	4.00	5.00	4.00
PUBLICITY RELATIONS	1.00	1.00	1.00	1.00	1.00	1.00	1.00
COMPUTER OPERATING	2.00	3.00	3.00	3.00	3.00	4.00	3.00
INSPECTOR	6.00	0.00	0.00	1.00	0.00	0.00	0.00
Food Service Program	40.42	39.50	28.51	26.15	30.21	26.87	28.02
FOOD SERVICE	40.42	39.50	28.51	26.15	30.21	26.87	28.02
GRAND TOTAL	892.28	924.56	886.34	858.42	871.94	876.08	826.33

Source: State Department of Education

(1) - Only information for last seven fiscal years available

Princeton City School District, Ohio
Operating Statistics
Last Nine Fiscal Years (1)

Fiscal Year	Expenditures (2)	Enrollment	Cost Per Pupil (3)	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2003	\$68,442,262	6,318	\$10,833	N/A	485	13.0	37.00%
2004	70,959,959	6,104	11,625	7.31%	497	12.3	31.19%
2005	67,662,885	5,934	11,403	(1.91%)	457	13.0	30.00%
2006	72,099,035	5,714	12,618	10.66%	486	11.8	45.93%
2007	76,201,338	5,645	13,499	6.98%	479	11.8	45.22%
2008	85,591,218	5,485	15,605	15.60%	461	11.9	51.00%
2009	77,181,975	5,133	15,038	(3.63%)	473	10.9	52.50%
2010	82,652,452	5,525	14,960	(0.52%)	466	11.9	54.50%
2011	80,246,996	5,612	14,299	(4.42%)	429	13.1	58.60%

Source: District Records

(1) - Only information for last nine fiscal years available

(2) - Expenditures is total cash expenditures in the General Fund

(3) - Expenditures by Enrollment

N/A - Information not available

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>School</u>										
Elementary:										
Evendale (PK-6 / PK-5)										
Square feet	45,254	45,254	45,254	45,254	45,254	45,254	55,040	55,040	55,040	55,040
Capacity	625	625	625	625	625	625	364	364	364	364
Enrollment	274	259	281	297	273	244	250	238	261	250
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	575	575	575	575	575	575	364	364	364	364
Enrollment	205	218	203	292	264	164	219	203	245	261
Heritage Hill (PK-6 / PK-5)										
Square feet	64,895	64,895	64,895	64,895	64,895	Demo'd	63,093	63,093	63,093	63,093
Capacity	950	950	950	950	950	-	546	546	546	546
Enrollment	477	521	529	421	447	-	290	367	320	346
Sharonville (PK-6 / PK-5)										
Square feet	54,437	54,437	54,437	Demo'd	Demo'd	65,526	65,526	65,526	65,526	65,526
Capacity	875	875	875	-	-	546	546	546	546	546
Enrollment	333	364	329	-	-	395	375	417	436	469
Springdale (K-6)										
Square feet	57,124	57,124	57,124	57,124	57,124	63,131	65,526	65,526	65,526	65,526
Capacity	523	523	523	523	523	546	546	546	546	546
Enrollment	490	488	459	409	415	484	476	441	438	469
Stewart (PK-3 / PK-4)										
Square feet	34,150	34,150	34,150	34,150	34,150	62,420	62,240	62,240	62,240	62,240
Capacity	500	500	500	500	500	546	546	546	546	546
Enrollment	301	350	355	403	412	434	450	427	472	492
Woodlawn (Grades K-3)										
Square feet	23,051	23,051	23,051	Demo'd	Demo'd	52,711	52,711	52,711	52,711	52,711
Capacity	375	375	375	-	-	364	364	364	364	364
Enrollment	156	182	185	-	-	255	219	205	210	202
Lincoln Heights (PK-6 / PK-5)										
Square feet	50,908	50,908	50,908	50,908	50,908	63,301	63,301	63,301	63,301	63,301
Capacity	950	950	950	950	950	546	546	546	546	546
Enrollment	464	474	440	399	398	353	324	281	296	287
RELIS										
Square feet	74,632	74,632	74,632	74,632	74,632	74,632	*	*	12,500	12,500
Capacity	1,000	1,000	1,000	1,000	1,000	1,000	*	*	1,000	1,000
Enrollment	532	534	458	424	370	300	*	*	36	46
Middle School										
Princeton Community (Grades 7-8 / 6-8)										
Square feet	154,952	154,952	154,952	154,952	154,952	154,952	176,195	176,195	176,195	176,195
Capacity	2,650	2,650	2,650	2,650	2,650	2,650	1,500	1,500	1,500	1,500
Enrollment	999	961	971	1,349	1,277	1,182	1,114	1,114	1,098	1,147
High School										
Princeton HS (Grades 9-12)										
Square feet	347,217	347,217	347,217	347,217	347,217	347,217	347,217	347,217	347,217	347,217
Capacity	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Enrollment	1,906	1,967	1,894	1,941	1,883	1,834	1,768	1,768	1,749	1,689

Source: School District Records and Ohio Department of Education

* - Building was not used in fiscal year 2008 through 2009. Princeton Virtual Academy was created in 2010.

Note:

- Starting in 2004-2005 6th grade moved to the Princeton Community Middle School
- Starting in 2004-2005 Stewart Elementary added 4th grade
- Starting in 2007-08 Evendale the existing building was demo'd and a new building was opened

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Dave Yost • Auditor of State

PRINCETON CITY SCHOOL DISTRICT

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 20, 2011**