

Portsmouth City School District
Scioto County
Single Audit
For the Fiscal Year Ended June 30, 2012



Millhuff-Stang, CPA, Inc.
1428 Gallia Street, Suite 2
Portsmouth, Ohio 45662
Phone: 740.876.8548 ■ Fax: 888.876.8549
Website: www.milhuffstangcpa.com ■ Email: natalie@milhuffstangcpa.com



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Portsmouth City School District, Scioto County, prepared by Millhuff-Stang, CPA, Inc., for the audit period July 1, 2011 through June 30, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

January 17, 2013

This page intentionally left blank.

Portsmouth City School District
Scioto County
Table of Contents
For the Fiscal Year Ended June 30, 2012

Title	Page
Schedule of Federal Awards Expenditures.....	1
Notes to the Schedule of Federal Awards Expenditures	2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	3 – 4
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	5 – 6
Schedule of Findings and Questioned Costs OMB Circular A-133 Section .505	7
Independent Accountant’s Report on Applying Agreed-Upon Procedures.....	8

Portsmouth City School District
Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2012

Federal Grantor/Pass Through Grantor/Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>United States Department of Agriculture</u>						
<i>Passed through the Ohio Department of Education</i>						
Child Nutrition Cluster:						
School Breakfast Program	3L70	10.553	\$226,977	\$0	\$226,977	\$0
National School Lunch Program	3L60	10.555	688,465	99,028	688,465	99,028
Total Child Nutrition Cluster			915,442	99,028	915,442	99,028
Fresh Fruit and Vegetable Program	3L60	10.582	59,468	0	59,468	0
Total United States Department of Agriculture			974,910	99,028	974,910	99,028
<u>United States Department of Education</u>						
<i>Direct from Department of Education</i>						
Impact Aid	N/A	84.041	22,395	0	22,395	0
<i>Passed through the Ohio Department of Education</i>						
Special Education Cluster:						
Special Education-Grants to States	3M20	84.027	580,731	0	599,694	0
Special Education-Grants to States, Recovery Act	3DJ0	84.391	30,467	0	40,518	0
Special Education - Preschool Grants	3C50	84.173	9,625	0	9,793	0
Total Special Education Cluster			620,823	0	650,005	0
Title I Cluster:						
Title I Grants to Local Educational Agencies	3M00	84.010	1,722,001	0	1,858,706	0
Title I Grants to Local Educational Agencies, Recovery Act	3DK0	84.389	28,172	0	30,715	0
Total Title I Cluster			1,750,173	0	1,889,421	0
Education Jobs Fund	3ET0	84.410	629,137	0	620,362	0
Education for Homeless Children and Youth	3EJ0	84.196	40,499	0	42,797	0
Educational Technology State Grants	3S20	84.318	0	0	3,683	0
Reading First State Grants	3Y40	84.357	36,695	0	43,418	0
Rural Education	3Y80	84.358	48,162	0	52,412	0
Improving Teacher Quality State Grants	3Y60	84.367	278,188	0	292,741	0
Total United States Department of Education			3,426,072	0	3,617,234	0
Total Federal Financial Assistance			\$4,400,982	\$99,028	\$4,592,144	\$99,028

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

Portsmouth City School District
Scioto County

Notes to the Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2012

Note 1 – Significant Accounting Policies

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

Note 2 – Child Nutrition Cluster

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

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

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

We have audited the financial statements the governmental activities, each major fund, and the aggregate remaining fund information of Portsmouth City School District, Scioto County, (the School District) as of and for the year ended June 30, 2012, which collectively comprise the School District’s basic financial statements and have issued our report thereon dated December 12, 2012, wherein we noted the School District implemented Governmental Accounting Standards Board Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53*. 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

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

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School District’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 previously.

Portsmouth City School District
Scioto County

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

Page 2

Compliance and Other Matters

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

We noted certain matters that we reported to management of the School District in a separate letter dated December 12, 2012.

This report is intended solely for the information and use of management, the Board of Education, others within the School District, 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.



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

December 12, 2012

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
Portsmouth City School District
724 Findlay Street
Portsmouth, Ohio 45662

Compliance

We have audited Portsmouth City School District's, Scioto County, (the School District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2012. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

In our opinion, the School District complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

Management of the School 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 School 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 School District's internal control over compliance.

Internal Control Over Compliance (Continued)

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, 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 Federal Awards Expenditures

We have audited the financial statements the governmental activities, each major fund, and the aggregate remaining fund information of the School District as of and for the year ended June 30, 2012, and have issued our report thereon dated December 12, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of federal awards expenditures is fairly stated in all material respects in relation to the basic financial statements as a whole.

This report is intended solely for the information and use of management, the Board of Education, others within the School District, 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.



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

December 12, 2012

Portsmouth City School District
Scioto County
Schedule of Findings and Questioned Costs
OMB Circular A-133 Section .505
For the Fiscal Year Ended June 30, 2012

Section I – Summary of Auditor’s Results

<i>Financial Statements</i>		
Type of financial statement opinion:		Unqualified
Internal control over financial reporting:		
	Material weakness(es) identified?	No
	Significant deficiency(ies) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?		No
<i>Federal Awards</i>		
Internal control over major program(s):		
	Material weakness(es) identified?	No
	Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor’s report issued on compliance for major programs:		Unqualified
Any auditing findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?		No
Identification of major program(s):		Child Nutrition Cluster (CFDA #10.553, #10.555) Education Jobs Fund (CFDA #84.410)
Dollar threshold used to distinguish between type A and type B programs:		Type A: >\$300,000 Type B: All Others
Auditee qualified as low-risk auditee?		Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Independent Accountant's Report on Applying Agreed-Upon Procedures

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

Ohio Revised 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, solely to assist the Board in evaluating whether Portsmouth City School District (the School District) has updated its anti-harassment policy in accordance with Ohio Revised 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 at its meeting on December 15, 2011 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 the Board and is not intended to be and should not be used by anyone other than this specified party.



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

December 12, 2012

This page intentionally left blank.

PORTSMOUTH CITY SCHOOL DISTRICT

724 Findlay Street, Portsmouth, Ohio 45662



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012

This page intentionally left blank.

PORTSMOUTH CITY SCHOOL DISTRICT

PORTSMOUTH, OHIO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Issued by:

Treasurer's Office

Kyle F. Smith, Treasurer

This page intentionally left blank.

INTRODUCTORY SECTION

*Portsmouth City School District
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2012*

TABLE OF CONTENTS

INTRODUCTORY SECTION

Table of Contents	i
Letter of Transmittal	v
GFOA Certificate of Achievement	xiii
ASBO Certificate of Excellence	xiv
List of Principal Officials.....	xv
Organization Chart.....	xvi

FINANCIAL SECTION

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	10
Statement of Activities.....	11
Fund Financial Statements:	
Balance Sheet – Governmental Funds	12
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	13
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	16

TABLE OF CONTENTS
(Continued)

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis) – General Fund.....	18
Statement of Fiduciary Net Assets – Fiduciary Funds.....	20
Statement of Changes in Fiduciary Net Assets – Fiduciary Fund	21
Notes to the Basic Financial Statements.....	22
Combining Statements – Nonmajor Funds:	
Nonmajor Governmental Fund Descriptions.....	58
Combining Balance Sheet – Nonmajor Governmental Funds.....	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	63
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	68
Agency Fund Statement:	
Fiduciary Fund Description	72
Statement of Changes in Assets and Liabilities – Agency Fund.....	73
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis):	
Major Funds:	
General Fund.....	75
Bond Retirement Fund.....	79

TABLE OF CONTENTS
(Continued)

Nonmajor Funds:

Food Service Fund	80
Special Donations Fund	81
School Facilities Maintenance Fund	82
District Managed Student Activities Fund	83
Auxiliary Services Non Public Fund	84
Education Management Information System Fund	85
Early Childhood Preschool Fund	86
SchoolNet Praise Fund	87
Education Jobs Fund	88
IDEA-B Fund	89
Title II-D Technology Fund	91
Title I School Improvement, Sub A Fund	92
Title I Fund	93
Early Childhood Special Education Fund	95
Title II-A Fund	96
Miscellaneous Federal Grants Fund	97
Permanent Improvement Fund	98

STATISTICAL SECTION

Statistical Tables Descriptions	101
Net Assets by Component – Governmental Activities – Last Ten Fiscal Years	102
Changes in Net Assets – Governmental Activities – Last Ten Fiscal Years	104
Program Revenues by Function / Program – Governmental Activities – Last Ten Fiscal Years	108
Fund Balances – Governmental Funds – Last Ten Fiscal Years	110
Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	112

TABLE OF CONTENTS
(Continued)

Assessed Valuation and Estimated Actual Value of Taxable Property – Last Ten Collection (Calendar) Years	116
Principal Property Taxpayers – Real Property Tax – 2012 and 2003.....	118
Principal Property Taxpayers – Public Utility Personal Property Tax – 2012 and 2003.....	120
Property Tax Rates (Per \$1,000 of Assessed Valuation) – Direct and Overlapping Governments – Last Ten Collection (Calendar) Years.....	122
Property Tax Levies and Collections – Real, Public Utility Personal and General Business Personal Property – Last Ten Collection (Calendar) Years.....	126
Ratio of Debt to Estimated Actual Value, Personal Income and Debt Per Capita – Last Ten Fiscal Years	128
Ratio of General Obligation Bonded Debt to Estimated Actual Value and General Obligation Bonded Debt Per Capita – Last Ten Fiscal Years.....	130
Computation of Direct and Overlapping Debt.....	131
Computation of Legal Debt Margin – Last Ten Fiscal Years.....	132
Demographic and Economic Statistics – Last Ten Fiscal Years	134
Principal Employers – Fiscal Years 2012 and 2003	136
Building Statistics – Last Ten Fiscal Years	138
Employees by Function – Last Ten Fiscal Years.....	144
Per Pupil Cost – Last Ten Fiscal Years	148
Full-Time Equivalent Teachers by Education – Last Ten Fiscal Years	150
Full-Time Equivalent Teachers by Years of Experience – Last Ten Fiscal Years	152
Enrollment – Last Ten Fiscal Years.....	154
Percentage of Students who Receive Free and Reduced Lunches – Last Ten Fiscal Years	156



724 Findlay Street
 Portsmouth, OH 45662
 Phone 740.354.4810
 Fax 740.355.4406
www.portsmouthtrojans.org

Office of the Treasurer

December 12, 2012

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Portsmouth City School District for the fiscal year ended June 30, 2012. This CAFR, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to governmental entities. The intent of this report is to provide the taxpayers of the Portsmouth City School District with comprehensive financial data in a format that enables them to gain a true understanding of the School District's financial affairs as well as provide management with better financial information for future decision-making.

State law requires that every general-purpose local government file with the Auditor of State and publish the availability of its financial statements within five months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2012.

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

Millhuff-Stang, CPA, Inc. has issued an unqualified ("clean") opinion on the Portsmouth City School District's financial statements for the fiscal year ended June 30, 2012. The independent auditors' report is located at the front of the Financial Section of this report.

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

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

FORM OF GOVERNMENT AND REPORTING ENTITY

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

The Current Board members, their terms and years on the Board as of June 30, 2012, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mr. Clarence M. Parker	Jan. 2011 – Dec. 2014	12 - 1/2
Dr. George P. Pettit	Jan. 2010 - Dec. 2013	11 - 3/4
Mr. Thomas E. Smith	Jan. 2011 – Dec. 2014	1 1/4
Mrs. Barbara Borden-Gibson	Jan. 2010 - Dec. 2013	6 - 1/2
Mrs. Mary L. Sommer	Jan. 2011 - Dec. 2014	6

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations of the School District. The Board hired G. Scott Dutey for a three year term beginning August 1, 2010. Mr. Dutey started with the district in July 2009 as Curriculum Director but before that he served as Assistant Superintendent at the Dawson Bryant School District in Lawrence County.

The Treasurer is the chief financial officer of the School District and is directly responsible to the Board for all financial operations, investments, and custody of all School District funds and assets, and also serves as Secretary to the Board. The Board appointed Mr. Kyle F. Smith as Treasurer beginning April 1, 2009 and his current contract will expire July 31, 2014. Mr. Smith was the Assistant Treasurer before the appointment.

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the

programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the organization's budget, the issuance of its debt, or the levying of its taxes. The School District has no component units.

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

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

ECONOMIC CONDITION AND OUTLOOK

The Portsmouth City School District is located in Scioto County, on the beautiful Ohio River. The Portsmouth City School District is the gateway to three states, seven counties, and within 90 miles of major metropolitan markets. The City of Portsmouth, the county seat, is just 89 miles south of Columbus, OH on U.S. 23; 112 miles east of Cincinnati, OH, via U.S. 52 (a scenic route) or State Route 32; and 54 miles west of Huntington, WV on U.S. 52. Portsmouth is ideally located on the Ohio and Scioto Rivers, to provide for all types of water related activities. The annual River Days is held over Labor Day weekend and draws many visitors.

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

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

Unemployment Rates

Data obtained from the U.S. Bureau of Labor Statistics indicates that the percentage of unemployment for Scioto County for June 2012 was 11.1 percent, which is above the State rate of 7.2 percent and the national rate of 8.3 percent. While the unemployment number is high in comparison to the State and national average, local initiatives are serving to promote a renewed spirit of pride in the community.

THE SCHOOL DISTRICT AND ITS FACILITIES

The School District served 2,066 students during the 2012 fiscal year. Facilities include one high/junior high school and two elementary schools. Preschool is offered at both elementary schools. The enrollment per school is as follows:

<u>School</u>	<u>Date Established</u>	<u>Grades</u>	<u>Enrollment</u>
East Portsmouth Elementary	2006	K – 8	258
Portsmouth Elementary	2006	K – 6	1,061
Portsmouth High/Junior High	2006	7 – 12	747

EMPLOYEE RELATIONS

The School District currently employs 256 full-time and part-time employees.

The teachers, educational specialists, and counselors of the School District are represented by the Portsmouth City Teacher’s Association (PCTA), which is one of two organizations representing School District employees. In October 2010, the Board adopted a three-year contract with PCTA beginning July, 2010 and extending through June 30, 2013. This included a one time bonus for the 2010-2011 school year and a 2% raise on the base for the 2011-2012 year. The final year will include a 0.50% increase in salary and a 1% one-time bonus. The beginning teacher’s salary for the 2012 fiscal year was \$32,644.

Classified employees are represented by the Ohio Council 8 AFSCME Local 2684. The Board and Local 2684 have agreed on a “me too” clause for the negotiated contract for Fiscal Years 2008, 2009 and 2010. The “me too” clause stipulates that if any bargaining group of employees of the Portsmouth City School District receives an increase in wages or benefits, Local 2684 bargaining unit employees shall receive the same percentage. The Local 2684 settled negotiations in August 2010 to last for one year. After the teachers negotiations, the Local 2684 contract was amended and extended to August 2012 to follow the same bonus, salary and benefit package changes per the “me too” clause.

The School District’s administrators are not organized.

MAJOR INITIATIVES

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

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

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

FOR THE YEAR

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

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

The District has seen substantial academic improvement over the last couple of years. The 2010-2011 School District Report cards shows the District achieving Continuous Improvement Status and meeting 13 of the 26 State indicators. It is projected the District will meet 13 of the 26 indicators for the 2011-2012 school year. Prior to these two years the District was meeting 3-6 indicators per year.

FOR THE FUTURE

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

Also, with donations from the Clyde and Maycel Clark Foundation, Inc. and the Scioto Foundation a new Athletic/Administrative Complex was completed adjacent to the new Portsmouth High/Junior High School. The fiscal agent for the project is the Clark Education Foundation, LLC. Phase I was completed in the fall of 2009 and the first home football game was held September 5, 2009. The completion date for the “Complex” (Phase II) is projected to be sometime during 2012-2013. The “Complex” is being leased to the School District during the financing period, approximately 28 years, for \$10,000 per year. This lease payment will be deposited into a supplemental account, along with a \$10,000 donation each year from both the Scioto Foundation and the Clyde and Maycell Clark Foundation, by the LLC in the event of a short fall in making the debt payment. No “short fall” is anticipated, and the balance of this supplemental account is to be given back to the School District at the end of the financing period. After the Clark Education Foundation, LLC debt is paid via donations as mentioned above, the entire complex is to be deeded to the School District.

FINANCIAL TRENDS

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

At the conclusion of the 2011 fiscal year, the Governor and State legislature passed House Bill 153 for fiscal years 2012 and 2013. Many of the requirements and funding formula were wiped out from the previous administration. Ohio was facing an 8 billion dollar shortfall due to the expiration of ARRA. Throughout the 2011 and 2012 fiscal years, the School District was preparing for major cuts.

In HB 153 the School District lost all of the Tangible Personal Property Reimbursement from the State. This was not due to be completely phased out until 2018 but instead was expedited for budget purposes. This will amount to about \$375,000 per year. HB 153 did, however, restore dollars (for the most part) that were going to be lost due the expiration of ARRA. When creating the formula for school districts, it was shared that total state dollars (tangible personal property, basic aid, special education, ARRA) were all totaled together along with per student property values. Using this approach, the School District will lose approximately \$679,000 per year.

Governor Kasich is also planning to create a new funding formula for K-12 education and this will have an impact on the finances of the School District. This model is expected to be utilized during the 2014-2015 fiscal years.

FINANCIAL PLANNING AND POLICIES

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

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

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

Using the Performance Audit recommendations from 2002 and 2011, the School District considered the series of ideas and suggestions when making the important decisions necessary to establish financial stability, to meet the needs of students and to improve educational standards. Certain recommendations are dependent on labor negotiations and the School District having a strong working relationship with each bargaining unit. This relationship has been instrumental in strengthening the School District's finances.

OTHER INFORMATION

INDEPENDENT AUDIT

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Millhuff-Stang, CPA, Inc. conducted the School District's audit for fiscal year 2012. The Auditor's report on the School District's basic financial statements, combining statements and individual fund schedules are included in the financial section of this comprehensive annual financial report.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certification of Achievement for Excellence in Financial Reporting to Portsmouth City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. (This was the thirteenth consecutive year that the School District has achieved this prestigious award.) In order to be awarded a Certificate of Achievement, the School District must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program

standards. This report is required to satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

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

ASBO CERTIFICATE

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Portsmouth City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011.

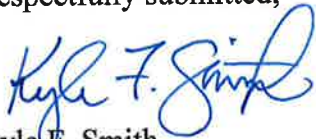
A Certificate of Excellence is awarded to those school districts that have voluntarily submitted a Comprehensive Annual Financial Report for review by an ASBO Panel of Review. Upon completion of a vigorous technical review, the panel members conclude whether the school system's financial report has met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

ACKNOWLEDGMENTS

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

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

Respectfully submitted,



Kyle F. Smith
Treasurer



Scott Dutey
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Portsmouth City School District
Ohio

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

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



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

Portsmouth City School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2011*

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



A handwritten signature in cursive script, reading 'Brian L. Mee', positioned above a horizontal line.

Brian L. Mee, SFO, RSBA
President

A handwritten signature in cursive script, reading 'John D. Musso', positioned above a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

Portsmouth City School District

*List of Principal Officials
June 30, 2012*

ELECTED OFFICIALS

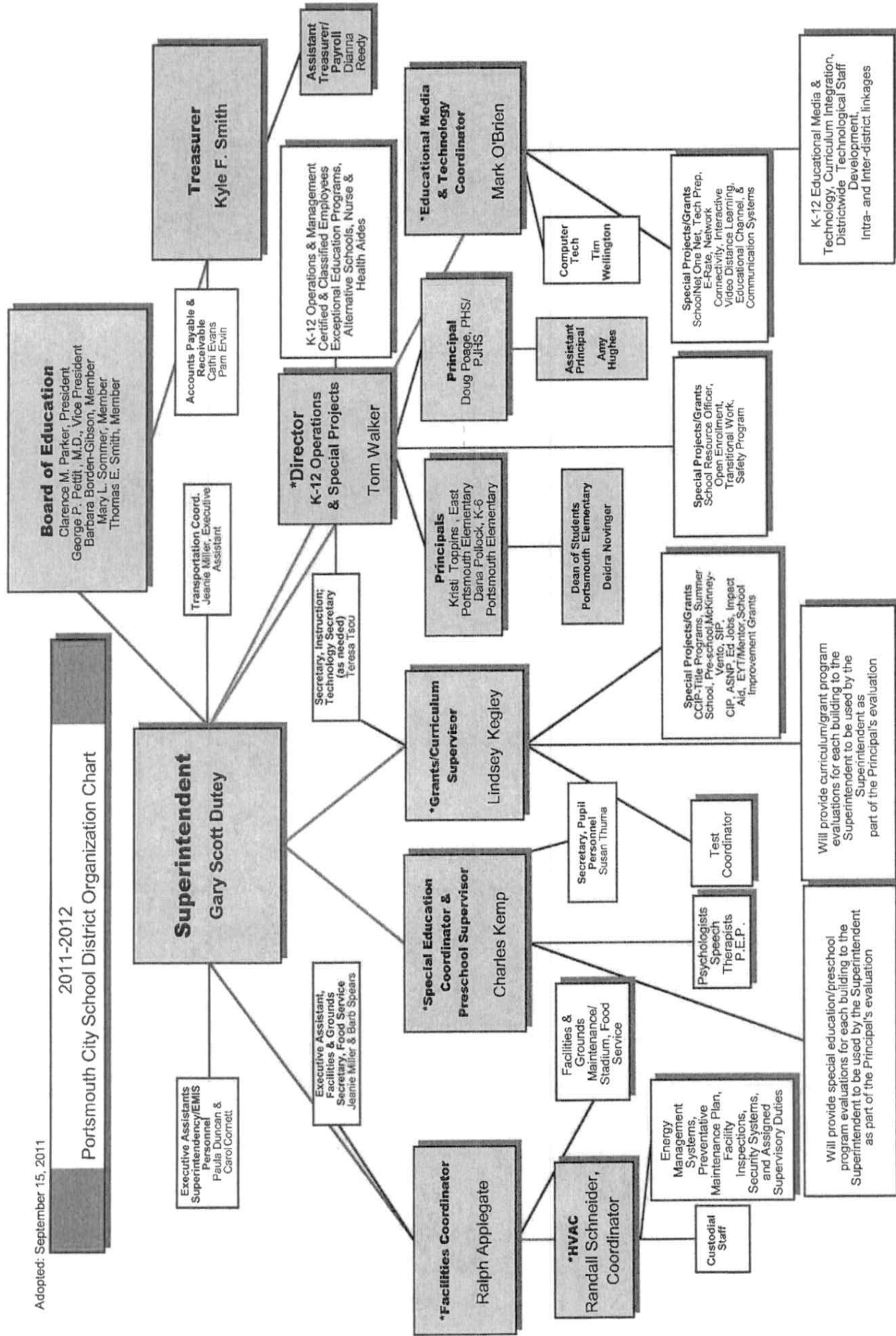
President, Board of Education Mr. Clarence M. Parker
Vice President, Board of Education..... Dr. George P. Pettit
Board Member Mr. Thomas E. Smith
Board Member Mrs. Barbara Borden-Gibson
Board Member Mrs. Mary L. Sommer

ADMINISTRATIVE OFFICIALS

Superintendent.....Gary (Scott) Dutey
Treasurer..... Kyle F. Smith
Facility Coordinator Ralph Applegate
Coordinator of State and Federal FundsLindsey Kegley
Director of Curriculum/Instruction.Lindsey Kegley
Director of Operations Thomas Walker
Coordinator of Educational Media/Technology Mark O'Brien
Assistant Treasurer.....Cathi Evans
Facilitator of Special NeedsCharles Kemp
Gifted Coordinator / CurriculumElizabeth Mounts
Safe Drug Free Coordinator..... Heather Johnson

2011-2012

Portsmouth City School District Organization Chart



*The individuals filling these positions will have other job duties & responsibilities as outlined in their job descriptions.

FINANCIAL SECTION

Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Portsmouth City School District, Scioto County, (the School District) as of and for the year ended June 30, 2012, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Portsmouth City School District, Scioto County, as of June 30, 2012, and the respective changes in financial position thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2012 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* 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 on pages 3 through 9 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 School District's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are 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 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section and statistical tables are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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.

As described in Note 20, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53*.



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

December 12, 2012

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

The discussion and analysis of the Portsmouth City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, financial statements, and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

- In total, net assets of governmental activities decreased \$894,466 from the prior fiscal year. This is primarily due to the discontinuation of the American Reinvestment and Recovery Act grants and current fiscal year depreciation of capital assets.
- General revenues accounted for \$22,281,677. Program specific revenues in the form of charges for services and sales, grants, contributions, and interest accounted for \$8,961,718. Total revenues for the School District were \$31,243,395.
- The School District had \$32,137,861 in expenses related to governmental activities; only \$8,961,718 of these expenses were offset by program specific charges for services and sales, grants, contributions, and interest. General revenues (primarily grants and entitlements and property taxes) of \$22,281,677 were not adequate to provide for these programs.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Reporting the School District as a Whole

One of the most important questions asked about the School District is “How did we do financially during fiscal year 2012?” The Statement of Net Assets and the Statement of Activities, which appear first in the School District’s financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year’s revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the School District’s Most Significant Funds

Fund Financial Statements

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

Governmental Funds – Most of the School District’s activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end available for spending in future periods. These funds are reported using the accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District’s general government operations and the basic

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

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

The School District as a Whole

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

Table 1 provides a summary of the School District's net assets for fiscal year 2012 and fiscal year 2011:

Table 1 Net Assets			
	2012	2011	Change
<u>Assets:</u>			
Current and Other Assets	\$14,833,222	\$15,255,685	(\$422,463)
Capital Assets, Net	57,124,851	58,434,686	(1,309,835)
<i>Total Assets</i>	71,958,073	73,690,371	(1,732,298)
<u>Liabilities:</u>			
Other Liabilities	7,520,664	7,679,356	(158,692)
Long-Term Liabilities	14,835,834	15,514,974	(679,140)
<i>Total Liabilities</i>	22,356,498	23,194,330	(837,832)
<u>Net Assets:</u>			
Invested in Capital Assets, Net of Related Debt	44,161,654	44,790,154	(628,500)
Restricted	4,747,385	4,874,569	(127,184)
Unrestricted	692,536	831,318	(138,782)
<i>Total Net Assets</i>	\$49,601,575	\$50,496,041	(\$894,466)

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Current and Other Assets decreased \$422,463 primarily due to a significant decrease in cash and cash equivalents. This decrease was primarily due to a decrease in Grants and Entitlements not Restricted to Specific Programs due to the discontinuation of the State Stabilization program which provided monies through the American Reinvestment and Recovery Act. Capital Assets, Net decreased \$1,309,835 which was due to current year depreciation exceeding current year additions.

Total Liabilities of the School District decreased \$837,832 from the prior fiscal year. The largest decrease was in Long-Term Liabilities which decreased due to annual debt payments made by the School District and the refunding of the majority of the 2002 Classroom Facilities Bonds.

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

Restricted Net Assets of the School District decreased \$127,184 when compared to the prior fiscal year. This decrease was primarily the result of monies that were restricted for capital projects being used to fund the new athletic field project.

Unrestricted Net Assets of the School District decreased \$138,782 when compared to the prior fiscal year. This is related to the discontinuation of the State Stabilization program which provided monies through the American Reinvestment and Recovery Act.

Table 2 shows the changes in net assets for fiscal years 2012 and 2011.

Table 2
Change in Net Assets

	2012	2011	Increase/ (Decrease)
<u>Revenues:</u>			
Program Revenues:			
Charges for Services and Sales	\$1,512,808	\$1,195,250	\$317,558
Operating Grants, Contributions, and Interest	7,440,064	7,220,511	219,553
Capital Grants and Contributions	8,846	0	8,846
<i>Total Program Revenues</i>	<u>8,961,718</u>	<u>8,415,761</u>	<u>545,957</u>
General Revenues:			
Property Taxes	5,532,654	5,594,788	(62,134)
Grants and Entitlements not Restricted to Specific Programs	16,668,432	18,375,417	(1,706,985)
Contributions and Donations	16,055	33,469	(17,414)
Investment Earnings	17,287	18,364	(1,077)
Miscellaneous	47,249	73,796	(26,547)
<i>Total General Revenues</i>	<u>22,281,677</u>	<u>24,095,834</u>	<u>(1,814,157)</u>
<i>Total Revenues</i>	<u>\$31,243,395</u>	<u>\$32,511,595</u>	<u>(\$1,268,200)</u>

(continued)

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Table 2
Change in Net Assets
(continued)

	2012	2011	Increase/ (Decrease)
<u>Program Expenses:</u>			
Instruction:			
Regular	\$13,977,856	\$13,689,351	\$288,505
Special	5,955,417	6,090,527	(135,110)
Vocational	441,078	441,427	(349)
Student Intervention Services	403,813	883,606	(479,793)
Intergovernmental	0	37,500	(37,500)
Support Services:			
Pupils	1,213,131	1,237,058	(23,927)
Instructional Staff	1,935,458	2,200,333	(264,875)
Board of Education	19,937	20,334	(397)
Administration	1,709,868	1,762,928	(53,060)
Fiscal	645,375	590,995	54,380
Business	98,227	96,868	1,359
Operation and Maintenance of Plant	2,672,950	2,886,014	(213,064)
Pupil Transportation	606,198	633,169	(26,971)
Central	23,704	96,569	(72,865)
Operation of Non-Instructional Services	1,558,422	1,492,981	65,441
Extracurricular Activities	352,078	250,238	101,840
Interest and Fiscal Charges	524,349	621,052	(96,703)
<i>Total Expenses</i>	<u>32,137,861</u>	<u>33,030,950</u>	<u>(893,089)</u>
Change in Net Assets	(894,466)	(519,355)	(375,111)
<i>Net Assets at Beginning of Year</i>	<u>50,496,041</u>	<u>51,015,396</u>	<u>(519,355)</u>
<i>Net Assets at End of Year</i>	<u>\$49,601,575</u>	<u>\$50,496,041</u>	<u>(\$894,466)</u>

Program revenues, which are primarily represented by charges for tuition, fees, sales, and extracurricular activities, as well as restricted intergovernmental revenue were \$8,961,718 for fiscal year 2012. The most significant increase in program revenues was in the form of Charges for Services which increased from the prior fiscal year primarily due to an increase in State funding for open enrollment and an increase in students in the open enrollment program from other school districts.

As previously mentioned, general revenues were \$22,281,677 for fiscal year 2012. The majority of these revenues are in the form of Grants and Entitlements not Restricted to Specific Programs and Property Taxes. General revenues decreased \$1,814,157 primarily due to the discontinuation of the State Stabilization program which provided monies through the American Reinvestment and Recovery.

As should be expected, Instruction costs represent the largest of the School District's expenses for fiscal year 2012. Expenses decreased significantly in fiscal year 2012 from fiscal year 2011. There were significant decreases in Student Intervention Services and Instructional Staff due to

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

decreases in expenses related to the American Reinvestment and Recovery Act grants. There was also a decrease in student population which contributed to a decrease in instructional staffing levels.

Operations and Maintenance of Plant decreased significantly primarily due to lower utility costs resulting from the mild winter.

The Statement of Activities shows the cost of program services and the charges for services and sales and grants and contributions, including interest, offsetting those services. The dependence upon tax revenues and unrestricted State entitlements for governmental activities was slightly less in fiscal year 2012 as program revenues provided more towards program costs. Only a few of the School District's programs receive a significant amount of program revenues to offset their costs. Regular Instruction, which represents expenses for general classroom instruction, receives a large amount of revenues to offset its costs. Another of these programs is Special Instruction which provides for its costs primarily in the form of operating grants restricted for special instruction. Student Intervention is a program that provides for its costs primarily in the form of operating grants restricted to provide aid to students who require additional academic assistance. Another program which receives a large amount of revenues to offset costs is Operation of Non-Instructional Services. This is primarily due to cafeteria sales and State and federal subsidies and donated commodities for food service.

The School District's Funds

Information about the School District's major funds starts on page 12. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$31,122,573 and expenditures of \$31,513,536. The net change in fund balance for the fiscal year in the General Fund was a decrease of \$175,401 which was due to an increase in Special Instruction expenditures related to a new special education model implemented by the School District. Also, utility costs which were supported by the State Fiscal Stabilization Fund in fiscal year 2011 were supported by the General Fund in fiscal year 2012. The State Fiscal Stabilization Fund was discontinued.

The Bond Retirement Debt Service Fund balance decreased \$131,438. This was the result of revenues for the fiscal year, consisting of property taxes, homestead and rollback reimbursements, and interest, being less than the School District's annual debt payments and costs associated with the refunding of a portion of the 2002 Classroom Facilities General Obligation Bonds.

General Fund - Budget Highlights

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

Portsmouth City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

During the course of fiscal year 2012, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures.

A review of the budgetary comparison statement for the General Fund reflects an increase of \$150,248 in revenues from the original budget to the final budget which is not significant. There was no difference in actual receipts from the final budget because the final amended certificate of estimated resources reflected actual revenue for the fiscal year-end in all funds.

The total decrease in expenditures from the original to the final budget was \$2,209,846. The most significant change was a decrease of \$896,021 in Student Intervention Services, which was primarily due to a decrease in the student intervention program. There was no difference in actual expenditures made from the final budget because, prior to fiscal year-end, the School District passed a supplemental appropriation that reflected actual expenditures plus encumbrances for the fiscal year.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2012, the School District had \$57,124,851 invested in capital assets (net of accumulated depreciation). Additions to capital assets included various parcels of land related to the Athletic Complex project, educational equipment, and textbooks. Disposals for the fiscal year included classroom equipment, classroom instructional materials and two buses. For further information regarding the School District's capital assets, refer to Note 8 in the Notes to the Basic Financial Statements.

Debt

At June 30, 2012, the School District had \$13,297,879 in bonds outstanding, \$710,000 of which is due within one year. At fiscal year-end, \$50,999 of the capital lease remained outstanding. During fiscal year 2012, the School District issued \$2,864,457 in refunding bonds for the purpose of retiring most of the outstanding 2002 Classroom Facilities Bonds. For further information regarding the School District's long-term obligations, refer to Note 14 in the Notes to the Basic Financial Statements.

Contacting the School District's Financial Management

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

Portsmouth City School District

Statement of Net Assets

June 30, 2012

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$7,052,760
Accounts Receivable	197
Accrued Interest Receivable	2,899
Intergovernmental Receivable	864,686
Prepaid Items	38,079
Inventory Held for Resale	48,046
Materials and Supplies Inventory	17,380
Property Taxes Receivable	6,648,858
Deferred Charges	160,317
Capital Assets:	
Land, Paintings, and Construction in Progress	7,930,056
Depreciable Capital Assets, Net	<u>49,194,795</u>
<i>Total Assets</i>	<u>71,958,073</u>
<u>Liabilities:</u>	
Accounts Payable	182,763
Accrued Wages and Benefits Payable	1,879,501
Intergovernmental Payable	475,497
Accrued Interest Payable	37,532
Matured Compensated Absences Payable	21,478
Retainage Payable	2,099
Unearned Revenue	4,921,794
Long-Term Liabilities:	
Due Within One Year	960,063
Due in More Than One Year	<u>13,875,771</u>
<i>Total Liabilities</i>	<u>22,356,498</u>
<u>Net Assets:</u>	
Invested in Capital Assets, Net of Related Debt	44,161,654
Restricted for:	
Debt Service	3,144,133
Capital Projects	115,915
School Facilities Maintenance	712,781
Food Service	123,330
Title I	221,605
Other Purposes	429,621
Unrestricted	<u>692,536</u>
<i>Total Net Assets</i>	<u><u>\$49,601,575</u></u>

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2012

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Operating Grants, Contributions, and Interest	Capital Grants and Contributions	Governmental Activities
<u>Governmental Activities:</u>					
Instruction:					
Regular	\$13,977,856	\$903,769	\$662,853	\$0	(\$12,411,234)
Special	5,955,417	103,938	4,511,425	0	(1,340,054)
Vocational	441,078	0	82,642	0	(358,436)
Student Intervention Services	403,813	0	233,939	0	(169,874)
Support Services:					
Pupils	1,213,131	0	136,581	0	(1,076,550)
Instructional Staff	1,935,458	0	456,523	0	(1,478,935)
Board of Education	19,937	0	0	0	(19,937)
Administration	1,709,868	3,211	116,852	0	(1,589,805)
Fiscal	645,375	0	0	0	(645,375)
Business	98,227	0	0	0	(98,227)
Operation and Maintenance of Plant	2,672,950	44,611	0	0	(2,628,339)
Pupil Transportation	606,198	40,978	881	8,846	(555,493)
Central	23,704	129,323	0	0	105,619
Operation of Non-Instructional Services:					
Food Service Operations	1,280,076	159,477	985,459	0	(135,140)
Other	278,346	0	252,519	0	(25,827)
Extracurricular Activities	352,078	127,501	390	0	(224,187)
Interest and Fiscal Charges	524,349	0	0	0	(524,349)
Total Governmental Activities	\$32,137,861	\$1,512,808	\$7,440,064	\$8,846	(23,176,143)

General Revenues:

Property Taxes Levied for:	
General Purposes	4,238,222
Debt Service	835,829
Capital Outlay	458,603
Grants and Entitlements not Restricted to	
Specific Programs	16,668,432
Contributions and Donations	16,055
Investment Earnings	17,287
Miscellaneous	47,249
Total General Revenues	22,281,677
Change in Net Assets	(894,466)
Net Assets at Beginning of Year	50,496,041
Net Assets at End of Year	\$49,601,575

See accompanying notes to the basic financial statements

Portsmouth City School District

Balance Sheet

Governmental Funds

June 30, 2012

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,809,001	\$2,921,941	\$1,291,946	\$7,022,888
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	29,872	0	0	29,872
Receivables:				
Property Taxes	5,017,860	1,071,635	559,363	6,648,858
Accounts	21	0	176	197
Intergovernmental	27,323	0	837,363	864,686
Accrued Interest	2,899	0	0	2,899
Interfund	142,833	0	0	142,833
Prepaid Items	19,234	0	18,845	38,079
Materials and Supplies Inventory	13,977	0	3,403	17,380
Inventory Held for Resale	0	0	48,046	48,046
<i>Total Assets</i>	<u>\$8,063,020</u>	<u>\$3,993,576</u>	<u>\$2,759,142</u>	<u>\$14,815,738</u>
<u>Liabilities:</u>				
Accounts Payable	\$84,915	\$0	\$97,848	\$182,763
Accrued Wages and Benefits Payable	1,433,017	0	446,484	1,879,501
Intergovernmental Payable	380,395	0	95,102	475,497
Interfund Payable	0	0	142,833	142,833
Retainage Payable	0	0	2,099	2,099
Matured Compensated Absences Payable	17,043	0	4,435	21,478
Deferred Revenue	4,696,367	1,006,606	1,109,001	6,811,974
<i>Total Liabilities</i>	<u>6,611,737</u>	<u>1,006,606</u>	<u>1,897,802</u>	<u>9,516,145</u>
<u>Fund Balances:</u>				
Nonspendable	33,211	0	22,248	55,459
Restricted	29,872	2,986,970	968,999	3,985,841
Committed	705,447	0	107,349	812,796
Assigned	682,753	0	1,301	684,054
Unassigned (Deficit)	0	0	(238,557)	(238,557)
<i>Total Fund Balances</i>	<u>1,451,283</u>	<u>2,986,970</u>	<u>861,340</u>	<u>5,299,593</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$8,063,020</u>	<u>\$3,993,576</u>	<u>\$2,759,142</u>	<u>\$14,815,738</u>

See accompanying notes to the basic financial statements

Portsmouth City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2012*

Total Governmental Fund Balances \$5,299,593

***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. These assets consist of:

Land	7,547,801	
Paintings	53,043	
Construction in progress	329,212	
Depreciable capital assets	64,150,735	
Accumulated depreciation	<u>(14,955,940)</u>	
Total capital assets		57,124,851

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

Delinquent property taxes	1,298,104	
Intergovernmental	588,423	
Investment Earnings	2,656	
Accounts	<u>997</u>	
		1,890,180

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (37,532)

Bond issuance costs reported as an expenditure in governmental funds are recognized as an asset and allocated as an expense over the life of the bonds on a full accrual basis. 160,317

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

General Obligation Bonds	(13,199,821)	
Bond Premiums	(589,604)	
Loss on Refunding	491,546	
Capital leases	(50,999)	
Compensated absences	<u>(1,486,956)</u>	
Total liabilities		<u>(14,835,834)</u>

Net Assets of Governmental Activities \$49,601,575

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$4,140,482	\$862,505	\$403,678	\$5,406,665
Intergovernmental	18,752,186	157,202	5,175,461	24,084,849
Investment Earnings	15,556	0	114	15,670
Tuition and Fees	1,000,018	0	6,055	1,006,073
Extracurricular Activities	65,759	0	105,881	171,640
Rentals	25,027	0	0	25,027
Charges for Services	162,223	0	153,422	315,645
Contributions and Donations	7,760	0	10,660	18,420
Miscellaneous	77,872	0	712	78,584
Total Revenues	24,246,883	1,019,707	5,855,983	31,122,573
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	12,520,754	0	654,869	13,175,623
Special	3,626,368	0	2,104,967	5,731,335
Vocational	422,490	0	0	422,490
Student Intervention Services	154,840	0	205,101	359,941
Support Services:				
Pupils	978,020	0	141,534	1,119,554
Instructional Staff	1,369,924	0	411,076	1,781,000
Board of Education	19,937	0	0	19,937
Administration	1,427,785	0	138,101	1,565,886
Fiscal	542,096	25,772	52,386	620,254
Business	85,285	0	0	85,285
Operation and Maintenance of Plant	2,387,074	0	127,732	2,514,806
Pupil Transportation	535,935	0	0	535,935
Central	20,284	0	3,420	23,704
Operation of Non-Instructional Services:				
Food Service Operations	0	0	1,107,063	1,107,063
Other	328	0	296,107	296,435
Extracurricular Activities	272,265	0	76,143	348,408
Capital Outlay	0	0	620,168	620,168
Debt Service:				
Principal Retirement	57,945	615,000	0	672,945
Interest and Fiscal Charges	4,944	447,485	0	452,429
Issuance Costs	0	60,338	0	60,338
Total Expenditures	24,426,274	1,148,595	5,938,667	31,513,536
Excess of Revenues Under Expenditures	(\$179,391)	(\$128,888)	(\$82,684)	(\$390,963)

(continued)

Portsmouth City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012
(continued)

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<u>Other Financing Sources (Uses):</u>				
General Obligation Refunding Bonds Issued	\$0	\$2,864,457	\$0	\$2,864,457
Premium on Refunding Bonds Issued	0	190,695	0	190,695
Payment to Refunded Bond Escrow Agent	0	(3,057,702)	0	(3,057,702)
Proceeds from Sale of Capital Assets	7,410	0	0	7,410
Transfers In	0	0	3,420	3,420
Transfers Out	(3,420)	0	0	(3,420)
<i>Total Other Financing Sources (Uses)</i>	<u>3,990</u>	<u>(2,550)</u>	<u>3,420</u>	<u>4,860</u>
Net Change in Fund Balances	(175,401)	(131,438)	(79,264)	(386,103)
Fund Balances at Beginning of Year	<u>1,626,684</u>	<u>3,118,408</u>	<u>940,604</u>	<u>5,685,696</u>
Fund Balances at End of Year	<u><u>\$1,451,283</u></u>	<u><u>\$2,986,970</u></u>	<u><u>\$861,340</u></u>	<u><u>\$5,299,593</u></u>

See accompanying notes to the basic financial statements

Portsmouth City School District
*Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2012*

Net Change in Fund Balances - Total Governmental Funds (\$386,103)

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

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

Capital assets additions	693,014	
Depreciation expense	(1,991,619)	
Excess of depreciation over capital outlay expense		(1,298,605)

Governmental funds report only the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each sale.

Proceeds from sale of capital assets	(7,410)	
Loss on disposal of capital assets	(3,820)	
		(11,230)

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

Delinquent property taxes	125,989	
Intergovernmental	30,105	
Investment Earnings	1,640	
Charges for Services	(5,577)	
Miscellaneous	(31,335)	
		120,822

The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Assets, the debt is reported as a liability.

Proceeds of general obligation refunding bonds	(2,864,457)	
Premium on bonds	(190,695)	
		(3,055,152)

Governmental funds report bond issuance costs as expenditures, whereas these amounts are deferred and amortized in the Statement of Activities.

60,338

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

Payment to Refunded Bonds Escrow Agent	3,057,702	
Bond payments	615,000	
Capital lease payments	57,945	
		3,730,647

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

Decrease in accrued interest	9,002	
Amortization of bond issuance costs	(17,923)	
Amortization of bond premiums	63,396	
Amortization of loss on refunding	(50,057)	
Accretion on bonds	(76,338)	
		(71,920)

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

Decrease in compensated absences payable		16,737

Change in Net Assets of Governmental Activities (\$894,466)

See accompanying notes to the basic financial statements

This Page Has Been Intentionally Left Blank

Portsmouth City School District
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$4,180,419	\$4,083,778	\$4,083,778	\$0
Intergovernmental	18,562,926	18,752,186	18,752,186	0
Investment Earnings	21,317	22,280	22,280	0
Tuition and Fees	922,369	964,022	964,022	0
Extracurricular Activities	62,918	65,759	65,759	0
Rentals	23,946	25,027	25,027	0
Charges for Services	157,472	164,583	164,583	0
Contributions and Donations	7,425	7,760	7,760	0
Miscellaneous	80,726	84,371	84,371	0
<i>Total Revenues</i>	24,019,518	24,169,766	24,169,766	0
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	13,014,243	12,557,973	12,557,973	0
Special	3,344,419	3,636,556	3,636,556	0
Vocational	405,501	419,185	419,185	0
Student Intervention Services	1,060,177	164,156	164,156	0
Support Services:				
Pupils	1,064,755	1,062,800	1,062,800	0
Instructional Staff	1,359,387	1,375,135	1,375,135	0
Board of Education	21,956	21,136	21,136	0
Administration	1,622,935	1,427,618	1,427,618	0
Fiscal	867,943	527,731	527,731	0
Business	80,611	80,662	80,662	0
Operation and Maintenance of Plant	2,847,852	2,413,407	2,413,407	0
Pupil Transportation	579,000	538,022	538,022	0
Central	167,507	17,525	17,525	0
Operation of Non-Instructional Services:				
Other	1,425	328	328	0
Extracurricular Activities	274,068	259,699	259,699	0
<i>Total Expenditures</i>	26,711,779	24,501,933	24,501,933	0
Excess of Revenues Under Expenditures	(\$2,692,261)	(\$332,167)	(\$332,167)	\$0

(continued)

Portsmouth City School District
*Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
General Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Capital Assets	\$7,410	\$7,410	\$7,410	\$0
Refund of Prior Year Expenditures	35,996	35,996	35,996	0
Transfers Out	(121,943)	(3,420)	(3,420)	0
Advances In	44,080	44,080	44,080	0
Advances Out	(110,020)	(142,833)	(142,833)	0
Refund of Prior Year Receipts	(15,000)	(15)	(15)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(159,477)</u>	<u>(58,782)</u>	<u>(58,782)</u>	<u>0</u>
Net Change in Fund Balance	(2,851,738)	(390,949)	(390,949)	0
Fund Balance at Beginning of Year	3,135,835	3,135,835	3,135,835	0
Prior Year Encumbrances Appropriated	<u>6,611</u>	<u>6,611</u>	<u>6,611</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$290,708</u></u>	<u><u>\$2,751,497</u></u>	<u><u>\$2,751,497</u></u>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Private Purpose Trust	Agency
<u>Assets:</u>		
Equity in Pooled Cash and Cash Equivalents	\$1,848	\$3,305
<u>Liabilities:</u>		
Undistributed Monies	\$0	\$3,305
Net Assets		
Held in Trust for Scholarships	\$1,848	

See accompanying notes to the basic financial statements

Portsmouth City School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2012

	Private Purpose Trust
	Scholarships
<u>Additions:</u>	
Gifts and Donations	\$1,137
<u>Deductions:</u>	
Scholarships	1,500
<i>Change in Net Assets</i>	(363)
<i>Net Assets at Beginning of Year</i>	2,211
<i>Net Assets at End of Year</i>	\$1,848

See accompanying notes to the basic financial statements

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

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

The School District serves an area of approximately 16 square miles. It is located in Scioto County and includes portions of Porter and Vernon Townships. It is staffed by 84 non-certificated employees, 159 certificated full-time personnel and 13 administrative employees who provide services to 2,066 students and other community members. The School District currently operates three instructional buildings and one administration building.

Reporting Entity

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

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

The following activities are included within the reporting entity:

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

(continued)

The School District participates in four jointly governed organizations and one insurance purchasing pool. These organizations are presented in Note 17 to the basic financial statements. These organizations are:

Jointly Governed Organizations:

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

Insurance Purchasing Pool:

Ohio SchoolComp Group Retrospective Rating Program

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Portsmouth City School District have been prepared in conformity with generally accepted account principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

Basis of Presentation

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

Government-wide Financial Statements

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Fiduciary Funds

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

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

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

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

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

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

Unearned/Deferred Revenue

Unearned/deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations, have been recorded as unearned/deferred revenue. Grants and entitlements received before the eligibility requirements are met are recorded as unearned/deferred revenue.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

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

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

Cash and Cash Equivalents

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

During fiscal year 2012, the School District's investments were limited to Federal Farm Credit Bank Corporation Bonds, Federal Home Loan Bank Bonds, Federal National Mortgage Association Bonds, US Treasury Notes, US Treasury Bills, Federal Farm Credit Discount Notes, and negotiable certificates of deposit. Investments are reported at fair value which is based on quoted market prices.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of investment earnings. Interest credited to the General Fund during fiscal year 2012 amounted to \$15,556, which includes \$8,040 assigned from other School District funds.

For presentation on the financial statements, 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.

Restricted Assets

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “Interfund Receivable” and “Interfund Payable”. These amounts are eliminated in the governmental activities column of the Statement of Net Assets.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2012, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

Inventory

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

Capital Assets

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

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

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Compensated Absences

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

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

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees will be paid.

Accrued Liabilities and Long-Term Obligations

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance

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

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by 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 amounts assigned by the Treasurer for the employees’ self insurance program and encumbered amounts for outstanding obligations and amounts assigned by the School District principals for certain curricular and extracurricular activities. These individuals have been given authority to assign amounts for these purposes 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for food service operations, music and athletic programs, and federal and State grants restricted to expenditures for specified purposes.

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

Internal Activity

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

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

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

Budgetary Process

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Bond Premiums/Issuance Costs/Compounded Interest on Capital Appreciation Bonds/Loss on Refunding

For governmental activities, bond premiums and issuance costs are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Capital appreciation bonds are accreted each fiscal year for the compounded interest accrued during the fiscal year. Bond premiums and the compounded interest on the capital appreciation bonds are presented as an addition to the face amount of the bonds payable whereas issuance costs are recorded as deferred charges. The accounting loss on refunded bonds (difference between the reacquisition price and the net carrying amount of the old debt) is amortized over the remaining life of the old debt.

As permitted by State statute, the School District paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

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

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.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 3 – ACCOUNTABILITY

At June 30, 2012, the following funds had a deficit fund balance:

<u>Funds</u>	<u>Amounts</u>
Special Revenue:	
District Managed Student Activities	\$3,706
Early Childhood Preschool	7,515
Education Jobs	41,137
IDEA-B	36,297
Title I	106,899
Early Childhood Special Education	969
Title II-A	21,363
Capital Projects:	
Permanent Improvement Fund	11,304

The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed, or assigned fund balance (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING (continued)

5. Investments are recorded at fair value (GAAP basis) rather than cost (budget basis).

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

Net Change in Fund Balance	
GAAP Basis	(\$175,401)
Adjustments:	
Revenue Accruals	(38,418)
Expenditure Accruals	9,090
Encumbrances	(84,764)
Advances (Net)	(98,753)
Increase in Fair Value of Investments - 2011	(5,315)
Increase in Fair Value of Investments - 2012	2,612
Budget Basis	(\$390,949)

NOTE 5 – DEPOSITS AND INVESTMENTS

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

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

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

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

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

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

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

Investments: As of June 30, 2012, the School District had the following investments:

	Fair Value	Investment Maturities (in Years)		S&P Rating	Percent of Total Investments
		Less than 1	1 - 4		
Federal Farm Credit Bank Corporation Bonds	\$99,918	\$0	\$99,918	AA+	
Federal Home Loan Bank Bonds	625,042	374,988	250,054	AA+	26.75%
Federal National Mortgage Association Bonds	450,420	0	450,420	AA+	19.27%
US Treasury Notes	74,874	0	74,874	AA+	
US Treasury Bills	149,763	149,763	0	A-1+	6.41%
Federal Farm Credit Discount Notes	94,959	94,959	0	A-1+	
Negotiable Certificates of Deposits	841,867	99,685	742,182	N/A	36.03%
Totals	<u>\$2,336,843</u>	<u>\$719,395</u>	<u>\$1,617,448</u>		

Interest Rate Risk

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

Credit Risk

The School District's investment policy limits investments to those authorized by State statute which restricts investments to those that are highly rated or issued by United States Government sponsored enterprises.

Concentration of Credit Risk

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

NOTE 6 – PROPERTY TAXES

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 6 – PROPERTY TAXES (continued)

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2012 represents collections of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed value listed as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2012 represents collections of calendar year 2011 taxes. Public utility real and tangible personal property taxes received in calendar year 2012 became a lien December 31, 2010, were levied after April 1, 2011, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Scioto County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2012, are available to finance fiscal year 2012 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which were measurable as of June 30, 2012 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2012, was \$428,960 and is recognized as revenue: \$325,146 in the General Fund, \$65,029 in the Bond Retirement Debt Service Fund and \$38,785 in the Other Governmental Funds. The amount available as an advance at June 30, 2011, was \$354,065 and is recognized as revenue: \$268,442 in the General Fund, \$67,116 in the Bond Retirement Debt Service Fund and \$18,507 in the Other Governmental Funds.

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 6 – PROPERTY TAXES (continued)

The assessed values upon which fiscal year 2012 taxes were collected are:

	2011 Second- Half Collections		2012 First- Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$221,128,420	94.31%	\$219,363,180	94.15%
Public Utility Personal	13,344,030	5.69%	13,634,070	5.85%
Total Assessed Value	\$234,472,450	100.00%	\$232,997,250	100.00%
Tax rate per \$1,000 of assessed valuation	\$40.03		\$39.03	

NOTE 7 – RECEIVABLES

Receivables at June 30, 2012, consisted of property taxes, accounts, intergovernmental grants, accrued interest, and interfund. All receivables are considered collectible in full and will be received within one year, with the exception of the property taxes. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amount
<u>Governmental Activities:</u>	
Title I	\$410,087
McKinney-Vento Homeless Assistance Program	13,323
Early Childhood Preschool	10,977
IDEA-B	93,463
Title II-D Technology	30,715
Title I School Improvement, Sub A	131,681
Early Childhood Special Education	1,349
Title II-A	55,492
Education Jobs	90,276
Charges for Services Related to Athletic Activities	1,167
Reimbursement from School Employees	
Retirement System and other governments	26,156
Total Intergovernmental Receivable	\$864,686

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 8 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2012, was as follows:

	Balance at 6/30/11	Additions	Deductions	Balance at 6/30/12
<u>Governmental Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$7,254,737	\$293,064	\$0	\$7,547,801
Paintings	53,043	0	0	53,043
Construction in Progress	0	329,212	0	329,212
Total Capital Assets Not Being Depreciated	<u>7,307,780</u>	<u>622,276</u>	<u>0</u>	<u>7,930,056</u>
Capital Assets Being Depreciated:				
Land Improvements	4,656,096	0	0	4,656,096
Buildings and Improvements	52,001,901	0	0	52,001,901
Furniture, Fixtures, and Equipment	3,767,984	31,897	(101,936)	3,697,945
Vehicles	896,976	0	(95,824)	801,152
Textbooks	2,978,900	38,841	(24,100)	2,993,641
Total Capital Assets Being Depreciated	<u>64,301,857</u>	<u>70,738</u>	<u>(221,860)</u>	<u>64,150,735</u>
Less Accumulated Depreciation:				
Land Improvements	(1,055,954)	(232,805)	0	(1,288,759)
Buildings and Improvements	(6,626,071)	(1,395,601)	0	(8,021,672)
Furniture, Fixtures, and Equipment	(2,536,489)	(208,410)	90,706	(2,654,193)
Vehicles	(749,907)	(41,588)	95,824	(695,671)
Textbooks	(2,206,530)	(113,215)	24,100	(2,295,645)
Total Accumulated Depreciation	<u>(13,174,951)</u>	<u>(1,991,619) *</u>	<u>210,630</u>	<u>(14,955,940)</u>
Total Capital Assets Being Depreciated, Net	<u>51,126,906</u>	<u>(1,920,881)</u>	<u>(11,230)</u>	<u>49,194,795</u>
Governmental Activities Capital Assets, Net	<u>\$58,434,686</u>	<u>(\$1,298,605)</u>	<u>(\$11,230)</u>	<u>\$57,124,851</u>

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 8 – CAPITAL ASSETS (continued)

*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$772,894
Special	202,759
Vocational	34,306
Student Intervention Services	43,872
Support Services:	
Pupils	90,304
Instructional Staff	205,213
Administration	155,556
Fiscal	25,717
Business	13,057
Operation and Maintenance of Plant	189,165
Pupil Transportation	77,105
Operation of Non-Instructional Services:	
Food Service Operations	172,685
Other	5,316
Extracurricular Activities	3,670
Total Depreciation Expense	<u><u>\$1,991,619</u></u>

NOTE 9 – RISK MANAGEMENT

Property and Liability

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 9 – RISK MANAGEMENT (continued)

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

Building and Contents (including Boiler and Machinery and Inland Marine) - replacement cost (\$1,000 deductible)	\$67,271,625
Auto Liability:	
Liability - Any Auto	1,000,000
Medical Payments	5,000
Uninsured/Underinsured Motorists Coverage	1,000,000
Comprehensive - All (\$500 deductible)	Actual Cash Value
Collision - All (\$500 deductible)	Actual Cash Value
Hired Car Physical Damage	75,000
Comprehensive	Actual Cash Value
Collision	Actual Cash Value
General Liability:	
Each Occurrence Limit	1,000,000
Damage to Premises Rented - Limit	300,000
Medical Expense Limit (any one person)	15,000
Personal and Advertising Injury - Each Offense Limit	1,000,000
General Aggregate Limit	2,000,000
Products - Completed Operations Aggregate Limit	2,000,000
Excess Liability:	
Liability Limit - Each Accident	1,000,000
Liability Policy Aggregate	1,000,000

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There was no change in insurance coverage from last fiscal year.

NOTE 9 – RISK MANAGEMENT (continued)

Workers' Compensation

For fiscal year 2012, the School District participated in the Ohio SchoolComp Group Retrospective Rating Program (GRRP), an insurance purchasing pool (See Note 17). The intent of the GRRP is to reward participants that are able to keep their claims costs below a predetermined amount. As part of the GRRP, school districts join together as a group. Each school district continues to pay its own individual premium to the State. However, each school district has the opportunity to receive retrospective premium adjustments (refunds or assessments) at 12, 24, and 36 months after the end of the policy year. At the end of each policy year, the Bureau of Workers' Compensation (BWC) will take a snap-shot of the incurred claims losses (indemnity, medical, and reserves) for the entire group and calculate the group's retrospective premium. If the retrospective premium that is calculated is less than the group's total standard premium, the participants will receive a refund. However, if the retrospective premium is greater than the group's total standard premium, an assessment will be levied by BWC. Each group limits the maximum assessment by selecting a premium cap between five percent and 100 percent of merit rated premium. Participation in the GRRP is limited to school districts that can meet the GRRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control, and actuarial services to the GRRP.

NOTE 10 – DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2012, the allocation to pension and death benefits was 12.70 percent. The remaining 1.30 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2012, 2011, and 2010 were \$349,000, \$318,060 and \$379,053, respectively. For fiscal year 2012, 99.42 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

State Teachers Retirement System of Ohio

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

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

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

Funding Policy - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. For the fiscal year ended June 30, 2012, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2012, 2011, and 2010 were \$1,224,760, \$1,316,529, and \$1,323,659, respectively. For fiscal year 2012, 86.41 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

Contributions made to STRS Ohio for the defined contribution portion of the Combined Plan for fiscal year 2012 were \$25,804 made by the School District and \$18,431 made by the plan members.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2012, four members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

NOTE 11 – POSTEMPLOYMENT BENEFITS

School Employees Retirement System

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

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 11 – POSTEMPLOYMENT BENEFITS (continued)

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2012, 0.55 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for fiscal year 2012, this amount was \$35,800. During fiscal year 2012, the School District paid \$39,080 in surcharge.

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

The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$54,194, \$57,843, and \$53,361, respectively. For fiscal year 2012, 99.42 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For 2012, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010 were \$20,610, \$20,468, and \$22,541, respectively. For fiscal year 2012, 99.42 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

State Teachers Retirement System of Ohio

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

NOTE 11 – POSTEMPLOYMENT BENEFITS (continued)

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2012, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to post-employment health care. The School District’s contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$94,212, \$101,271, and \$101,820, respectively. For fiscal year 2012, 86.41 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

NOTE 12 – EMPLOYEE BENEFITS

Compensated Absences

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

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

Insurance

The School District provides medical insurance to all employees through Medical Mutual of Ohio. Certified employees are provided with life insurance through Metropolitan Educational Council (Note 17), dental insurance through Medical Mutual of Ohio, and vision insurance through Vision Service Plan (VSP). Classified employees are provided with life, dental, and vision insurance through the Health Care Plan of AFSCME Local 2684. All employees are provided prescription drug coverage through the Health Care Plan of AFSCME Local 2684. Certified employees pay eight percent of healthcare premiums. Classified employees pay four percent of healthcare premiums.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 12 – EMPLOYEE BENEFITS (continued)

Deferred Compensation

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

NOTE 13 – LEASES – LESSEE DISCLOSURE

During a prior fiscal year, the School District entered into a capitalized lease for copiers. The lease meets the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13, "Accounting for Leases,"* which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

The copiers acquired by lease were capitalized in the amount of \$223,240, which is equal to the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded on the Statement of Net Assets for governmental activities. Principal payments in fiscal year 2012 totaled \$57,945 and were paid from the General Fund.

The assets acquired through the capital lease as of June 30, 2012, are as follows:

	Asset Value	Accumulated Depreciation	Net Book Value
Asset:			
Furniture, Fixtures, and Equipment	\$223,240	(\$141,385)	\$81,855

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2012:

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 13 – LEASES – LESSEE DISCLOSURE (continued)

Fiscal Year Ending June 30,	Total Payments
2013	\$52,407
Less: Amount Representing Interest	(1,408)
Present Value of Net Minimum Lease Payments	\$50,999

In prior fiscal years, the School District entered into noncancelable operating leases for the use of a stadium and for a copier. Operating lease payments are reported as function expenditures in governmental funds and on budgetary statements. Total operating lease payments in fiscal year 2012 totaled \$13,312 in the General Fund.

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

Fiscal Year Ending June 30,	Total Payments
2013	\$12,760
2014	10,000
2015	10,000
2016	10,000
2017	10,000
2018 - 2022	50,000
2023 - 2027	50,000
2028 - 2032	50,000
2033 - 2037	50,000
2038	7,500
Total	\$260,260

NOTE 14 – LONG-TERM OBLIGATIONS

The changes in the School District’s long-term obligations during fiscal year 2012 were as follows:

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 14 – LONG-TERM OBLIGATIONS (continued)

	Principal Outstanding 6/30/11	Additions	Deductions	Principal Outstanding 6/30/12	Due Wthin One Year
Governmental Activities:					
General Obligation Bonds:					
2002 Classroom Facilities:					
Serial Bonds 3.0 to 5.0%	\$4,000,000	\$0	\$3,410,000	\$590,000	\$590,000
Premium on Debt Issue	49,914	0	49,914	0	0
2007 School Improvement					
Refunding Bonds:					
Serial Bonds 3.6 to 4.0%	9,190,000	0	70,000	9,120,000	75,000
Term Bonds 3.73%	325,000	0	0	325,000	0
Capital Appreciation					
Bonds 24.46%	75,000	0	0	75,000	0
Accretion on Capital					
Appreciation Bonds	149,026	57,382	0	206,408	0
Premium on Debt Issue	462,305	0	34,792	427,513	0
Loss on Refunding	(348,908)	0	(24,922)	(323,986)	0
2012 Various Purpose School					
Improvement Refunding Bonds:					
Serial Bonds 1.5 to 2.0%	0	2,750,000	0	2,750,000	45,000
Capital Appreciation					
Bonds 20.65%	0	114,457	0	114,457	0
Accretion on Capital					
Appreciation Bonds	0	18,956	0	18,956	0
Premium on Debt Issue	0	190,695	28,604	162,091	0
Loss on Refunding	0	(192,695)	(25,135)	(167,560)	0
Total General Obligation Bonds	13,902,337	2,938,795	3,543,253	13,297,879	710,000
Capital Leases	108,944	0	57,945	50,999	50,999
Compensated Absences	1,503,693	216,190	232,927	1,486,956	199,064
Total Governmental Activities					
Long-Term Obligations	<u>\$15,514,974</u>	<u>\$3,154,985</u>	<u>\$3,834,125</u>	<u>\$14,835,834</u>	<u>\$960,063</u>

2002 Classroom Facilities General Obligation Bonds - On April 30, 2002, the School District issued \$17,070,000 in voted general obligation bonds for the purpose of constructing new classroom facilities. The bonds were issued for a 23 year period with final maturity in December 2024. The bonds will be retired from the Bond Retirement Fund. During fiscal year 2007, \$9,800,000 of these serial bonds were refunded. During fiscal year 2012, \$2,865,000 of these serial bonds were refunded. At June 30, 2012, \$12,665,000 of the refunded bonds were outstanding. Assets are being held in escrow to retire these bonds at maturity.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 14 – LONG-TERM OBLIGATIONS (continued)

The serial bonds of the 2002 Classroom Facilities General Obligation Bonds outstanding at June 30, 2012, have maturity dates of December 1, 2011, to December 1, 2016. The bonds are subject to optional redemption, in whole or in part on any date in inverse order of maturity and by lot within a maturity at the option of the issuer on or after December 1, 2016, at the redemption price of 100 percent.

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

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

The capital appreciation bonds of the 2007 School Improvement General Obligation Refunding Bonds, issued at \$75,000, are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2018 in the amount of \$980,000. Accretion on the capital appreciation bonds for fiscal year 2012 was \$57,382.

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

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

The difference between the amount of the refunding bond issue and the total of the outstanding principal of the debt issue refunded was used to pay for issuance costs, interest due at the time of refunding, and the amount paid to the escrow agent above the principal outstanding. The refunding resulted in a difference of \$192,695 between the net carrying amount of the old bonded debt and the acquisition price. This difference, reported in the accompanying financial statements as a decrease to bonds payable, is being amortized to interest expense over the life of the bonds using the straight-line method. The unamortized amount of the loss at June 30, 2012, was \$167,560. Total debt service payments decreased by \$147,745 as a result of the refunding. The School District also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$142,893.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 14 – LONG-TERM OBLIGATIONS (continued)

An analysis of the refunding issue follows:

	2002 Classroom Facilities Bonds
Outstanding Principal at June 30, 2011	\$4,000,000
Amount Refunded	(2,865,000)
Principal Payment	(545,000)
Outstanding Principal at June 30, 2012	\$590,000

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

The capital appreciation bonds of the 2012 Various Purpose School Improvement General Obligation Refunding Bonds, issued at \$114,457, are not subject to redemption prior to maturity. The capital appreciation bonds will mature in fiscal year 2016 in the amount of \$260,000. Accretion on the capital appreciation bonds for fiscal year 2012 was \$18,956.

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

Compensated absences will be paid from the General Fund.

The School District's overall legal debt margin was \$10,982,266 with an unvoted debt margin of \$232,997 at June 30, 2012.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2012, are as follows:

Fiscal Year Ending June 30,	Serial/Term Bonds Principal	Serial/Term Bonds Interest	Capital Appreciation Principal	Capital Appreciation Interest	Total
2013	\$710,000	\$436,153	\$0	\$0	\$1,146,153
2014	685,000	415,288	0	0	1,100,288
2015	710,000	401,725	0	0	1,111,725
2016	500,000	388,100	114,457	145,543	1,148,100
2017	810,000	371,600	0	0	1,181,600
2018-2022	5,060,000	1,449,700	75,000	905,000	7,489,700
2023-2025	4,310,000	263,200	0	0	4,573,200
Total	\$12,785,000	\$3,725,766	\$189,457	\$1,050,543	\$17,750,766

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 15 – 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 as follows:

Fund Balances	General	Bond Retirement	Other Governmental Funds	Total
<i>Nonspendable</i>				
Prepays	\$19,234	\$0	\$18,845	\$38,079
Inventory	13,977	0	3,403	17,380
<i>Total Nonspendable</i>	33,211	0	22,248	55,459
<i>Restricted for</i>				
Bus Purchases	29,872	0	0	29,872
Debt Payment	0	2,986,970	0	2,986,970
Food Service Operations	0	0	119,927	119,927
Autism Grant	0	0	595	595
Special Donations	0	0	28,459	28,459
Facilities Maintenance	0	0	694,220	694,220
Auxillary Service Non Public	0	0	75,899	75,899
SchoolNet Praise	0	0	477	477
Title VI-B	0	0	1,797	1,797
Vocational Education	0	0	714	714
Reading First Grant	0	0	43,158	43,158
Rural and Low-Income Title VI-B	0	0	3,753	3,753
<i>Total Restricted</i>	29,872	2,986,970	968,999	3,985,841
<i>Committed to</i>				
Future Severance Payments	705,447	0	0	705,447
Special Donations	0	0	107,349	107,349
<i>Total Committed</i>	705,447	0	107,349	812,796
<i>Assigned to</i>				
Health Insurance Premiums	198,777	0	0	198,777
Unpaid Obligations	450,632	0	0	450,632
Other Purposes	33,344	0	1,301	34,645
<i>Total Assigned</i>	682,753	0	1,301	684,054
<i>Unassigned (Deficit)</i>	0	0	(238,557)	(238,557)
<i>Total Fund Balances</i>	\$1,451,283	\$2,986,970	\$861,340	\$5,299,593

*Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

NOTE 16 – INTERFUND ACTIVITY

As of June 30, 2012, interfund receivables and payables that resulted from various interfund transactions were as follows:

		Receivable
		<u>General</u>
Payable	Other Governmental Funds	<u>\$142,833</u>

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

Transfers made during the fiscal year ended June 30, 2012, were as follows:

		Transfers From
		<u>General</u>
Transfers To	Other Governmental Funds	<u>\$3,420</u>

Transfers from the General Fund are made to move unrestricted balances to support programs and projects accounted for in other funds.

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS AND INSURANCE PURCHASING POOL

Jointly Governed Organizations

South Central Ohio Computer Association

The School District is a participant in the South Central Ohio Computer Association (SCOCA), which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Pickaway, Gallia, Highland, Adams, Pike, Scioto, Brown, Ross, Jackson, Vinton, and Lawrence Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCA consists

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS AND INSURANCE PURCHASING POOL (continued)

of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, plus a representative of the fiscal agent. The School District paid SCOCA \$6,327 for services provided during the fiscal year. Financial information can be obtained from their fiscal agent, the Pike County Joint Vocational School District, Tonya Cooper who serves as Treasurer, at P. O. Box 577, 175 Beaver Creek Road, Piketon, Ohio 45661.

Scioto County Career Technical Center

The Scioto County Career Technical Center is a distinct political subdivision of the State of Ohio operated under the direction of a five member Board of Education, consisting of two representatives from the Portsmouth City School District and three representatives from the South Central Ohio Educational Service Center, which possesses its own budgeting and taxing authority. To obtain financial information write to the Scioto County Career Technical Center at P.O. Box 766, Lucasville, Ohio 45648.

Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (the “Coalition”) is a jointly governed organization of over 100 school districts in southeastern Ohio. The Coalition is operated by a Board which is composed of 14 members. The Board members are composed of one superintendent from each county elected by the school districts within that county. The Coalition provides various services for School District administrative personnel; gathers data regarding education conditions in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for School District personnel. The Coalition is not dependent upon the continued participation of the School District and the School District does not maintain an equity interest in or a financial responsibility for the Coalition. The School District paid \$650 to the Coalition for services provided during the fiscal year.

Metropolitan Educational Council

The School District participates in the Metropolitan Educational Council (MEC), a jointly governed organization. The organization is composed of over 100 members, which includes school districts, joint vocational schools, educational service centers, and libraries covering 24 counties in Central Ohio. MEC helps its members purchase services, insurances, supplies, and other items at a discounted rate. The governing board of MEC is composed of either the superintendent, a designated representative or a member of the board of education for each participating school district in Franklin County (18 school districts) and one representative from each county outside Franklin County. In particular, the School District participates in an insurance purchasing pool, which is managed by MEC, to obtain lower costs for life insurance coverage for their employees.

Portsmouth City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS AND INSURANCE PURCHASING POOL (continued)

The School District pays premiums to MEC based on the number of employees who participate, the amount of coverage provided, and what MEC estimates will cover the costs to provide that coverage. Financial information may be obtained from the Metropolitan Educational Council, Sue Ward, who serves as fiscal officer, at 2100 Citygate Drive, Columbus, OH 43219.

Insurance Purchasing Pool

Ohio SchoolComp Group Retrospective Rating Program

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

NOTE 18 – SET-ASIDE CALCULATIONS

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

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

	<u>Capital Acquisitions</u>
Set-aside Balance as of June 30, 2011	\$0
Current Fiscal Year Set-aside Requirement	359,102
Current Fiscal Year Offsets	(546,531)
Qualifying Disbursements	<u>(106,320)</u>
Set-aside Balance as of June 30, 2012	<u>(\$293,749)</u>
Required Set-aside Balances	<u><u>\$0</u></u>

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

In previous fiscal years, the School District was required to have a textbook reserve. Effective July 1, 2011, House Bill 30 of the 129th General Assembly repealed the textbook reserve requirement.

NOTE 19 – CONTINGENCIES

Grants

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the affect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

Litigation

The School District is party to legal proceedings. However, no liability has been accrued since the ultimate disposition of these claims and legal proceedings has yet to be determined and the amount of liability, if any, is not measurable.

NOTE 20 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2012, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53". GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the School District's financial statements.

NOTE 21 – SUBSEQUENT EVENT

Effective July 1, 2012, the School District is a participant in the South Central Ohio Computer Association Council of Governments (SCOCACoG) which is a computer consortium formerly known as South Central Ohio Computer Association. SCOCACoG is a council of governments providing computer services to its members of public school districts within the boundaries of Highland, Adams, Pickaway, Gallia, Pike, Scioto, Brown, Ross, Jackson, Vinton, and Lawrence Counties. SCOCACoG was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts.

PORTSMOUTH CITY SCHOOL DISTRICT
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Portsmouth City School District

Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

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

Nonmajor Special Revenue Funds

Food Service

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

Other Local Programs

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

Special Donations

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

School Facilities Maintenance

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

District Managed Student Activities

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

(continued)

Portsmouth City School District

Nonmajor Governmental Fund Descriptions - (continued)

Nonmajor Special Revenue Funds - (continued)

Auxiliary Services Non Public

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

Education Management Information System

This fund accounts for and reports restricted State grants which are used for hardware and software development, utilities, materials and supplies, or other costs associated with the requirements of the management information system.

Early Childhood Preschool

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

SchoolNet Praise

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

Vocational Education Enhancement

This fund accounts for and reports restricted State grants used to fund vocational enhancements such as expanding enrollment in vocational programs, to enable students to develop career plans and goals, and to replace or update equipment used in the instruction of educational programs. (No budgetary schedule is presented for this fund due to no activity.)

Miscellaneous State Grants

This fund accounts for and reports restricted grants received from various State agencies which are not classified elsewhere. (No budgetary schedule is presented for this fund due to no activity.)

Education Jobs

To account for and report restricted federal grants used to provide compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary or secondary educational and related services.

IDEA-B

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

(continued)

Portsmouth City School District

Nonmajor Governmental Fund Descriptions - (continued)

Nonmajor Special Revenue Funds - (continued)

Title II-D Technology

This fund accounts for and reports restricted federal grants allocated from the American Recovery and Reinvestment Act to Ohio for professional development and student learning.

Title I – School Improvement, Sub A

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

Title I

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

Early Childhood Special Education

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

Title II-A

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

Miscellaneous Federal Grants

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

CAPITAL PROJECTS FUNDS

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

(continued)

Portsmouth City School District

Nonmajor Governmental Fund Descriptions - (continued)

Nonmajor Capital Projects Fund

Permanent Improvement

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

Portsmouth City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$1,212,839	\$79,107	\$1,291,946
Receivables:			
Property Taxes	97,824	461,539	559,363
Accounts	176	0	176
Intergovernmental	837,363	0	837,363
Prepaid Items	18,845	0	18,845
Materials and Supplies Inventory	3,403	0	3,403
Inventory Held for Resale	48,046	0	48,046
Total Assets	\$2,218,496	\$540,646	\$2,759,142
<u>Liabilities:</u>			
Accounts Payable	\$14,664	\$83,184	\$97,848
Accrued Wages and Benefits Payable	446,484	0	446,484
Intergovernmental Payable	95,102	0	95,102
Interfund Payable	105,190	37,643	142,833
Retainage Payable	0	2,099	2,099
Matured Compensated Absences Payable	4,435	0	4,435
Deferred Revenue	679,977	429,024	1,109,001
Total Liabilities	1,345,852	551,950	1,897,802
<u>Fund Balances:</u>			
Nonspendable	22,248	0	22,248
Restricted	968,999	0	968,999
Committed	107,349	0	107,349
Assigned	1,301	0	1,301
Unassigned (Deficit)	(227,253)	(11,304)	(238,557)
Total Fund Balances (Deficit)	872,644	(11,304)	861,340
Total Liabilities and Fund Balances	\$2,218,496	\$540,646	\$2,759,142

Portsmouth City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
<u>Revenues:</u>			
Property Taxes	\$77,697	\$325,981	\$403,678
Intergovernmental	5,114,009	61,452	5,175,461
Investment Earnings	114	0	114
Tuition and Fees	6,055	0	6,055
Extracurricular Activities	105,881	0	105,881
Charges for Services	153,422	0	153,422
Contributions and Donations	10,660	0	10,660
Miscellaneous	712	0	712
	<u>5,468,550</u>	<u>387,433</u>	<u>5,855,983</u>
<i>Total Revenues</i>			
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	654,869	0	654,869
Special	2,104,967	0	2,104,967
Student Intervention Services	205,101	0	205,101
Support Services:			
Pupils	141,534	0	141,534
Instructional Staff	411,076	0	411,076
Administration	138,101	0	138,101
Fiscal	39,412	12,974	52,386
Operation and Maintenance of Plant	127,732	0	127,732
Central	3,420	0	3,420
Operation of Non-Instructional Services:			
Food Service Operations	1,107,063	0	1,107,063
Other	296,107	0	296,107
Extracurricular Activities	76,143	0	76,143
Capital Outlay	0	620,168	620,168
	<u>5,305,525</u>	<u>633,142</u>	<u>5,938,667</u>
<i>Total Expenditures</i>			
Excess of Revenues Over (Under) Expenditures	163,025	(245,709)	(82,684)
<u>Other Financing Sources:</u>			
Transfers In	3,420	0	3,420
	<u>166,445</u>	<u>(245,709)</u>	<u>(79,264)</u>
Net Change in Fund Balances			
Fund Balances at Beginning of Year	706,199	234,405	940,604
	<u>872,644</u>	<u>(\$11,304)</u>	<u>\$861,340</u>
Fund Balances (Deficit) at End of Year			

Portsmouth City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Food Service	Other Local Programs	Special Donations	School Facilities Maintenance
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$163,251	\$1,896	\$136,115	\$688,755
Receivables:				
Property Taxes	0	0	0	97,824
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
Prepaid Items	0	0	0	0
Materials and Supplies Inventory	3,403	0	0	0
Inventory Held for Resale	48,046	0	0	0
<i>Total Assets</i>	\$214,700	\$1,896	\$136,115	\$786,579
 <u>Liabilities:</u>				
Accounts Payable	\$636	\$0	\$307	\$805
Accrued Wages and Benefits Payable	55,750	0	0	0
Intergovernmental Payable	30,549	0	0	0
Interfund Payable	0	0	0	0
Matured Compensated Absences Payable	4,435	0	0	0
Deferred Revenue	0	0	0	91,554
<i>Total Liabilities</i>	91,370	0	307	92,359
 <u>Fund Balances:</u>				
Nonspendable	3,403	0	0	0
Restricted	119,927	595	28,459	694,220
Committed	0	0	107,349	0
Assigned	0	1,301	0	0
Unassigned (Deficits)	0	0	0	0
<i>Total Fund Balances (Deficits)</i>	123,330	1,896	135,808	694,220
<i>Total Liabilities and Fund Balances</i>	\$214,700	\$1,896	\$136,115	\$786,579

<u>District Managed Student Activities</u>	<u>Auxiliary Services Non Public</u>	<u>Early Childhood Preschool</u>	<u>SchoolNet Praise</u>	<u>Vocational Education Enhancement</u>	<u>Miscellaneous State Grants</u>
\$6,402	\$91,899	\$1,842	\$477	\$714	\$46,911
0	0	0	0	0	0
124	0	0	0	0	0
0	0	10,977	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$6,526</u>	<u>\$91,899</u>	<u>\$12,819</u>	<u>\$477</u>	<u>\$714</u>	<u>\$46,911</u>
\$780	\$4,533	\$0	\$0	\$0	\$0
0	10,374	14,439	0	0	0
417	1,093	2,383	0	0	0
9,035	0	0	0	0	0
0	0	0	0	0	0
0	0	3,512	0	0	0
<u>10,232</u>	<u>16,000</u>	<u>20,334</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	75,899	0	477	714	46,911
0	0	0	0	0	0
0	0	0	0	0	0
<u>(3,706)</u>	<u>0</u>	<u>(7,515)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(3,706)</u>	<u>75,899</u>	<u>(7,515)</u>	<u>477</u>	<u>714</u>	<u>46,911</u>
<u>\$6,526</u>	<u>\$91,899</u>	<u>\$12,819</u>	<u>\$477</u>	<u>\$714</u>	<u>\$46,911</u>

(continued)

Portsmouth City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012
(continued)

	Education Jobs	IDEA-B	Title II-D Technology	Title I School Improvement, Sub A
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$8,773	\$4,108	\$24,000	\$4,255
Receivables:				
Property Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	90,276	93,463	30,715	131,681
Prepaid Items	0	274	0	17,378
Materials and Supplies Inventory	0	0	0	0
Inventory Held for Resale	0	0	0	0
Total Assets	\$99,049	\$97,845	\$54,715	\$153,314
<u>Liabilities:</u>				
Accounts Payable	\$0	\$0	\$0	\$771
Accrued Wages and Benefits Payable	84,301	57,712	0	5,700
Intergovernmental Payable	14,327	9,663	0	1,428
Interfund Payable	0	5,913	27,683	46,782
Matured Compensated Absences Payable	0	0	0	0
Deferred Revenue	41,558	60,854	27,032	89,155
Total Liabilities	140,186	134,142	54,715	143,836
<u>Fund Balances:</u>				
Nonspendable	0	274	0	17,378
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned (Deficits)	(41,137)	(36,571)	0	(7,900)
Total Fund Balances (Deficits)	(41,137)	(36,297)	0	9,478
Total Liabilities and Fund Balances	\$99,049	\$97,845	\$54,715	\$153,314

<u>Title I</u>	<u>Early Childhood Special Education</u>	<u>Title II-A</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$31,480	\$164	\$0	\$1,797	\$1,212,839
0	0	0	0	97,824
52	0	0	0	176
423,410	1,349	55,492	0	837,363
1,193	0	0	0	18,845
0	0	0	0	3,403
0	0	0	0	48,046
<u>\$456,135</u>	<u>\$1,513</u>	<u>\$55,492</u>	<u>\$1,797</u>	<u>\$2,218,496</u>
\$6,832	\$0	\$0	\$0	\$14,664
183,278	614	34,316	0	446,484
29,109	519	5,614	0	95,102
15,311	0	466	0	105,190
0	0	0	0	4,435
328,504	1,349	36,459	0	679,977
<u>563,034</u>	<u>2,482</u>	<u>76,855</u>	<u>0</u>	<u>1,345,852</u>
1,193	0	0	0	22,248
0	0	0	1,797	968,999
0	0	0	0	107,349
0	0	0	0	1,301
(108,092)	(969)	(21,363)	0	(227,253)
<u>(106,899)</u>	<u>(969)</u>	<u>(21,363)</u>	<u>1,797</u>	<u>872,644</u>
<u>\$456,135</u>	<u>\$1,513</u>	<u>\$55,492</u>	<u>\$1,797</u>	<u>\$2,218,496</u>

Portsmouth City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2012

	Food Service	Other Local Programs	Special Donations	School Facilities Maintenance
<u>Revenues:</u>				
Property Taxes	\$0	\$0	\$0	\$77,697
Intergovernmental	985,436	0	0	101,716
Investment Earnings	23	0	51	0
Tuition and Fees	6,055	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	153,422	0	0	0
Contributions and Donations	0	0	10,270	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>1,144,936</u>	<u>0</u>	<u>10,321</u>	<u>179,413</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	0	0	9,888	0
Special	0	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	0	0	18,000	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Fiscal	192	0	0	2,255
Operation and Maintenance of Plant	11,185	0	0	116,547
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	1,107,063	0	0	0
Other	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>1,118,440</u>	<u>0</u>	<u>27,888</u>	<u>118,802</u>
Excess of Revenues Over (Under) Expenditures	26,496	0	(17,567)	60,611
<u>Other Financing Sources:</u>				
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	26,496	0	(17,567)	60,611
Fund Balances (Deficits) at Beginning of Year	<u>96,834</u>	<u>1,896</u>	<u>153,375</u>	<u>633,609</u>
Fund Balances (Deficits) at End of Year	<u>\$123,330</u>	<u>\$1,896</u>	<u>\$135,808</u>	<u>\$694,220</u>

District Managed Student Activities	Auxiliary Services Non Public	Education Management Information System	Early Childhood Preschool	SchoolNet Praise	Vocational Education Enhancement
\$0	\$0	\$0	\$0	\$0	\$0
0	248,148	0	128,157	5,400	0
0	40	0	0	0	0
0	0	0	0	0	0
105,881	0	0	0	0	0
0	0	0	0	0	0
390	0	0	0	0	0
124	11	0	475	0	0
<u>106,395</u>	<u>248,199</u>	<u>0</u>	<u>128,632</u>	<u>5,400</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	91,209	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	31,504	4,923	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	3,420	0	0	0
0	0	0	0	0	0
0	258,505	0	0	0	0
76,143	0	0	0	0	0
<u>76,143</u>	<u>258,505</u>	<u>3,420</u>	<u>122,713</u>	<u>4,923</u>	<u>0</u>
30,252	(10,306)	(3,420)	5,919	477	0
<u>0</u>	<u>0</u>	<u>3,420</u>	<u>0</u>	<u>0</u>	<u>0</u>
30,252	(10,306)	0	5,919	477	0
<u>(33,958)</u>	<u>86,205</u>	<u>0</u>	<u>(13,434)</u>	<u>0</u>	<u>714</u>
<u>(\$3,706)</u>	<u>\$75,899</u>	<u>\$0</u>	<u>(\$7,515)</u>	<u>\$477</u>	<u>\$714</u>

(continued)

Portsmouth City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2012
(continued)

	Miscellaneous State Grants	Education Jobs	IDEA-B	Title II-D Technology
<u>Revenues:</u>				
Property Taxes	\$0	\$0	\$0	\$0
Intergovernmental	0	677,855	643,807	3,683
Investment Earnings	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	50	0
<i>Total Revenues</i>	<u>0</u>	<u>677,855</u>	<u>643,857</u>	<u>3,683</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	0	569,525	0	0
Special	0	149,467	270,432	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	0	0	98,852	0
Instructional Staff	0	0	90,837	3,683
Administration	0	0	138,101	0
Fiscal	0	0	7,362	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Other	0	0	214	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>718,992</u>	<u>605,798</u>	<u>3,683</u>
Excess of Revenues Over (Under) Expenditures	0	(41,137)	38,059	0
<u>Other Financing Sources:</u>				
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	0	(41,137)	38,059	0
Fund Balances (Deficits) at Beginning of Year	<u>46,911</u>	<u>0</u>	<u>(74,356)</u>	<u>0</u>
Fund Balances (Deficits) at End of Year	<u><u>\$46,911</u></u>	<u><u>(\$41,137)</u></u>	<u><u>(\$36,297)</u></u>	<u><u>\$0</u></u>

Title I School Improvement, Sub A	Title I	Early Childhood Special Education	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$77,697
103,045	1,825,059	9,625	297,221	84,857	5,114,009
0	0	0	0	0	114
0	0	0	0	0	6,055
0	0	0	0	0	105,881
0	0	0	0	0	153,422
0	0	0	0	0	10,660
0	52	0	0	0	712
<u>103,045</u>	<u>1,825,111</u>	<u>9,625</u>	<u>297,221</u>	<u>84,857</u>	<u>5,468,550</u>
75,456	0	0	0	0	654,869
0	1,308,381	0	285,478	0	2,104,967
0	194,981	0	0	10,120	205,101
0	0	0	0	24,682	141,534
19,765	247,736	9,203	0	3,425	411,076
0	0	0	0	0	138,101
1,386	24,510	120	3,587	0	39,412
0	0	0	0	0	127,732
0	0	0	0	0	3,420
0	0	0	0	0	1,107,063
0	37,388	0	0	0	296,107
0	0	0	0	0	76,143
<u>96,607</u>	<u>1,812,996</u>	<u>9,323</u>	<u>289,065</u>	<u>38,227</u>	<u>5,305,525</u>
6,438	12,115	302	8,156	46,630	163,025
0	0	0	0	0	3,420
6,438	12,115	302	8,156	46,630	166,445
3,040	(119,014)	(1,271)	(29,519)	(44,833)	706,199
<u>\$9,478</u>	<u>(\$106,899)</u>	<u>(\$969)</u>	<u>(\$21,363)</u>	<u>\$1,797</u>	<u>\$872,644</u>

Portsmouth City School District

Fiduciary Fund Description

AGENCY FUND

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

Student Managed Activity

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

Portsmouth City School District
Statement of Changes in Assets and Liabilities
 Agency Fund
 June 30, 2012

	Balance at 6/30/2011	Additions	Deletions	Balance at 6/30/2012
STUDENT MANAGED ACTIVITY				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$5,237	\$9,481	\$11,413	\$3,305
<u>Liabilities:</u>				
Undistributed Monies	\$5,237	\$9,481	\$11,413	\$3,305

PORTSMOUTH CITY SCHOOL DISTRICT

**INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGET BASIS)**

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$4,083,778	\$4,083,778	\$0
Intergovernmental	18,752,186	18,752,186	0
Investment Earnings	22,280	22,280	0
Tuition and Fees	964,022	964,022	0
Extracurricular Activities	65,759	65,759	0
Rentals	25,027	25,027	0
Charges for Services	164,583	164,583	0
Contributions and Donations	7,760	7,760	0
Miscellaneous	84,371	84,371	0
<i>Total Revenues</i>	<u>24,169,766</u>	<u>24,169,766</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries	3,755,534	3,755,534	0
Fringe Benefits	1,772,742	1,772,742	0
Purchased Services	6,965,193	6,965,193	0
Materials and Supplies	60,303	60,303	0
Capital Outlay	2,715	2,715	0
Other	1,486	1,486	0
Total Regular	<u>12,557,973</u>	<u>12,557,973</u>	<u>0</u>
Special:			
Salaries	2,232,086	2,232,086	0
Fringe Benefits	1,129,649	1,129,649	0
Purchased Services	262,965	262,965	0
Materials and Supplies	9,703	9,703	0
Capital Outlay	2,153	2,153	0
Total Special	<u>3,636,556</u>	<u>3,636,556</u>	<u>0</u>
Vocational:			
Salaries	252,768	252,768	0
Fringe Benefits	135,190	135,190	0
Materials and Supplies	5,899	5,899	0
Capital Outlay	25,328	25,328	0
Total Vocational	<u>419,185</u>	<u>419,185</u>	<u>0</u>
Student Intervention Services:			
Salaries	123,205	123,205	0
Fringe Benefits	32,089	32,089	0
Purchased Services	8,862	8,862	0
Total Student Intervention Services	<u>164,156</u>	<u>164,156</u>	<u>0</u>
Total Instruction	<u>\$16,777,870</u>	<u>\$16,777,870</u>	<u>\$0</u>

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
Support Services:			
Pupils:			
Salaries	\$681,637	\$681,637	\$0
Fringe Benefits	245,998	245,998	0
Purchased Services	129,482	129,482	0
Materials and Supplies	4,583	4,583	0
Other	1,100	1,100	0
Total Pupils	<u>1,062,800</u>	<u>1,062,800</u>	<u>0</u>
Instructional Staff:			
Salaries	782,793	782,793	0
Fringe Benefits	463,795	463,795	0
Purchased Services	56,487	56,487	0
Materials and Supplies	33,809	33,809	0
Capital Outlay	37,996	37,996	0
Other	255	255	0
Total Instructional Staff	<u>1,375,135</u>	<u>1,375,135</u>	<u>0</u>
Board of Education:			
Salaries	7,000	7,000	0
Fringe Benefits	1,862	1,862	0
Purchased Services	3,457	3,457	0
Materials and Supplies	310	310	0
Other	8,507	8,507	0
Total Board of Education	<u>21,136</u>	<u>21,136</u>	<u>0</u>
Administration:			
Salaries	733,808	733,808	0
Fringe Benefits	466,107	466,107	0
Purchased Services	196,243	196,243	0
Materials and Supplies	20,903	20,903	0
Capital Outlay	190	190	0
Other	10,367	10,367	0
Total Administration	<u>1,427,618</u>	<u>1,427,618</u>	<u>0</u>
Fiscal:			
Salaries	146,925	146,925	0
Fringe Benefits	100,584	100,584	0
Purchased Services	126,282	126,282	0
Materials and Supplies	1,894	1,894	0
Other	152,046	152,046	0
Total Fiscal	<u>\$527,731</u>	<u>\$527,731</u>	<u>\$0</u>

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
Business:			
Salaries	\$39,335	\$39,335	\$0
Fringe Benefits	7,019	7,019	0
Purchased Services	4,417	4,417	0
Materials and Supplies	29,634	29,634	0
Capital Outlay	257	257	0
Total Business	80,662	80,662	0
Operation and Maintenance of Plant:			
Salaries	885,624	885,624	0
Fringe Benefits	617,224	617,224	0
Purchased Services	745,113	745,113	0
Materials and Supplies	154,708	154,708	0
Capital Outlay	10,738	10,738	0
Total Operation and Maintenance of Plant	2,413,407	2,413,407	0
Pupil Transportation:			
Salaries	194,140	194,140	0
Fringe Benefits	208,648	208,648	0
Purchased Services	69,425	69,425	0
Materials and Supplies	65,739	65,739	0
Other	70	70	0
Total Pupil Transportation	538,022	538,022	0
Central:			
Salaries	13,740	13,740	0
Fringe Benefits	2,148	2,148	0
Purchased Services	1,637	1,637	0
Total Central	17,525	17,525	0
Total Support Services	7,464,036	7,464,036	0
Operation of Non-Instructional Services:			
Other:			
Salaries	10	10	0
Purchased Services	268	268	0
Materials and Supplies	50	50	0
Total Operation of Non-Instructional Services	\$328	\$328	\$0

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
Extracurricular Activities:			
Academic Oriented Activities:			
Salaries	\$17,234	\$17,234	\$0
Fringe Benefits	3,330	3,330	0
Purchased Services	6,309	6,309	0
Materials and Supplies	5,407	5,407	0
Capital Outlay	5,983	5,983	0
Total Academic Oriented Activities	38,263	38,263	0
Sports Oriented Activities:			
Salaries	127,776	127,776	0
Fringe Benefits	23,591	23,591	0
Purchased Services	27,643	27,643	0
Total Sports Oriented Activities	179,010	179,010	0
School and Public Service Co-Curricular Activities:			
Salaries	6,421	6,421	0
Fringe Benefits	840	840	0
Purchased Services	14,700	14,700	0
Materials and Supplies	20,465	20,465	0
Total School and Public Service Co-Curricular Activities	42,426	42,426	0
Total Extracurricular Activities	259,699	259,699	0
<i>Total Expenditures</i>	24,501,933	24,501,933	0
Excess of Revenues Under Expenditures	(332,167)	(332,167)	0
<u>Other Financing Sources (Uses):</u>			
Proceeds from Sale of Capital Assets	7,410	7,410	0
Refund of Prior Year Expenditures	35,996	35,996	0
Transfers Out	(3,420)	(3,420)	0
Advances In	44,080	44,080	0
Advances Out	(142,833)	(142,833)	0
Refund of Prior Year Receipts	(15)	(15)	0
<i>Total Other Financing Sources (Uses)</i>	(58,782)	(58,782)	0
Net Change in Fund Balance	(390,949)	(390,949)	0
Fund Balance at Beginning of Year	3,135,835	3,135,835	0
Prior Year Encumbrances Appropriated	6,611	6,611	0
Fund Balance at End of Year	\$2,751,497	\$2,751,497	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
Bond Retirement Debt Service Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$864,592	\$864,592	\$0
Intergovernmental	157,202	157,202	0
<i>Total Revenues</i>	<u>1,021,794</u>	<u>1,021,794</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Fiscal:			
Other	25,772	25,772	0
Debt Service:			
Principal Retirement	615,000	615,000	0
Interest and Fiscal Charges	447,485	447,485	0
Issuance Costs	60,338	60,338	0
Total Debt Service	<u>1,122,823</u>	<u>1,122,823</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,148,595</u>	<u>1,148,595</u>	<u>0</u>
Excess of Revenues Under Expenditures	<u>(126,801)</u>	<u>(126,801)</u>	<u>0</u>
<u>Other Financing Sources (Uses):</u>			
Refunding Bonds Issued	2,864,457	2,864,457	0
Premium on Debt Issuance	190,695	190,695	0
Payment to Refunded Bond Escrow Agent	(3,057,702)	(3,057,702)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,550)</u>	<u>(2,550)</u>	<u>0</u>
Net Change in Fund Balance	(129,351)	(129,351)	0
Fund Balance at Beginning of Year	<u>3,051,292</u>	<u>3,051,292</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,921,941</u></u>	<u><u>\$2,921,941</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Food Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$997,391	\$997,391	\$0
Investment Earnings	23	23	0
Tuition and Fees	6,055	6,055	0
Charges for Services	153,422	153,422	0
<i>Total Revenues</i>	<u>1,156,891</u>	<u>1,156,891</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Fiscal:			
Purchased Services	192	192	0
Operation and Maintenance of Plant:			
Purchased Services	7,821	7,821	0
Materials and Supplies	3,767	3,767	0
Total Operation and Maintenance of Plant	11,588	11,588	0
Total Support Services	11,780	11,780	0
Operation of Non-Instructional Services:			
Food Service Operations:			
Salaries	398,197	398,197	0
Fringe Benefits	228,676	228,676	0
Purchased Services	3,322	3,322	0
Materials and Supplies	490,748	490,748	0
Capital Outlay	235	235	0
Total Operation of Non-Instructional Services	1,121,178	1,121,178	0
<i>Total Expenditures</i>	<u>1,132,958</u>	<u>1,132,958</u>	<u>0</u>
Net Change in Fund Balance	23,933	23,933	0
Fund Balance at Beginning of Year	136,992	136,992	0
Prior Year Encumbrances Appropriated	1,770	1,770	0
Fund Balance at End of Year	<u>\$162,695</u>	<u>\$162,695</u>	<u>\$0</u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Special Donations Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Investment Earnings	\$51	\$51	\$0
Contributions and Donations	10,270	10,270	0
<i>Total Revenues</i>	<u>10,321</u>	<u>10,321</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Other	9,888	9,888	0
Support Services:			
Pupils:			
Other	18,000	18,000	0
<i>Total Expenditures</i>	<u>27,888</u>	<u>27,888</u>	<u>0</u>
Net Change in Fund Balance	(17,567)	(17,567)	0
Fund Balance at Beginning of Year	153,375	153,375	0
Fund Balance at End of Year	<u><u>\$135,808</u></u>	<u><u>\$135,808</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
School Facilities Maintenance Special Revenue Fund
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$76,511	\$76,511	\$0
Intergovernmental	101,716	101,716	0
<i>Total Revenues</i>	<u>178,227</u>	<u>178,227</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Fiscal:			
Other	2,255	2,255	0
Operation and Maintenance of Plant:			
Purchased Services	94,715	94,715	0
Materials and Supplies	22,875	22,875	0
Capital Outlay	1,891	1,891	0
Total Operation and Maintenance of Plant	<u>119,481</u>	<u>119,481</u>	<u>0</u>
<i>Total Expenditures</i>	<u>121,736</u>	<u>121,736</u>	<u>0</u>
Net Change in Fund Balance	56,491	56,491	0
Fund Balance at Beginning of Year	629,784	629,784	0
Prior Year Encumbrances Appropriated	<u>2,480</u>	<u>2,480</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$688,755</u></u>	<u><u>\$688,755</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
District Managed Student Activities Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Extracurricular Activities	\$105,881	\$105,881	\$0
Contributions and Donations	390	390	0
<i>Total Revenues</i>	<u>106,271</u>	<u>106,271</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Extracurricular Activities:			
Sports Oriented Activities:			
Salaries	928	928	0
Purchased Services	36,346	36,346	0
Materials and Supplies	24,297	24,297	0
Capital Outlay	15,521	15,521	0
Total Sports Oriented Activities	<u>77,092</u>	<u>77,092</u>	<u>0</u>
School and Public Service Co-Curricular Activities:			
Purchased Services	333	333	0
Materials and Supplies	175	175	0
Total School and Public Service Co-Curricular Activities	<u>508</u>	<u>508</u>	<u>0</u>
<i>Total Expenditures</i>	<u>77,600</u>	<u>77,600</u>	<u>0</u>
Excess of Revenues Over Expenditures	<u>28,671</u>	<u>28,671</u>	<u>0</u>
<u>Other Financing Sources (Uses):</u>			
Advances In	9,035	9,035	0
Advances Out	(35,570)	(35,570)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(26,535)</u>	<u>(26,535)</u>	<u>0</u>
Net Change in Fund Balance	2,136	2,136	0
Fund Balance at Beginning of Year	2,292	2,292	0
Prior Year Encumbrances Appropriated	<u>1,224</u>	<u>1,224</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$5,652</u></u>	<u><u>\$5,652</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Auxiliary Services Non Public Special Revenue Fund
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$248,148	\$248,148	\$0
Investment Earnings	40	40	0
Miscellaneous	11	11	0
<i>Total Revenues</i>	<u>248,199</u>	<u>248,199</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries	51,843	51,843	0
Fringe Benefits	14,022	14,022	0
Purchased Services	75,616	75,616	0
Materials and Supplies	32,651	32,651	0
<i>Total Expenditures</i>	<u>174,132</u>	<u>174,132</u>	<u>0</u>
Excess of Revenues Over Expenditures	74,067	74,067	0
<u>Other Financing Uses:</u>			
Refund of Prior Year Receipts	(85,625)	(85,625)	0
Net Change in Fund Balance	(11,558)	(11,558)	0
Fund Balance at Beginning of Year	93,663	93,663	0
Prior Year Encumbrances Appropriated	5,312	5,312	0
Fund Balance at End of Year	<u><u>\$87,417</u></u>	<u><u>\$87,417</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Education Management Information System Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Central:			
Salaries	3,000	3,000	0
Fringe Benefits	420	420	0
<i>Total Expenditures</i>	<u>3,420</u>	<u>3,420</u>	<u>0</u>
Excess of Revenues Under Expenditures	(3,420)	(3,420)	0
<u>Other Financing Sources:</u>			
Transfers In	<u>3,420</u>	<u>3,420</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Early Childhood Preschool Special Revenue Fund
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$120,692	\$120,692	\$0
Miscellaneous	475	475	0
<i>Total Revenues</i>	<u>121,167</u>	<u>121,167</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries	52,050	52,050	0
Fringe Benefits	39,083	39,083	0
Total Instruction	<u>91,133</u>	<u>91,133</u>	<u>0</u>
Support Services:			
Instructional Staff:			
Salaries	17,611	17,611	0
Fringe Benefits	13,788	13,788	0
Total Support Services	<u>31,399</u>	<u>31,399</u>	<u>0</u>
<i>Total Expenditures</i>	<u>122,532</u>	<u>122,532</u>	<u>0</u>
Net Change in Fund Balance	(1,365)	(1,365)	0
Fund Balance at Beginning of Year	<u>3,207</u>	<u>3,207</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,842</u></u>	<u><u>\$1,842</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
SchoolNet Praise Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$5,400	\$5,400	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	4,923	4,923	0
Net Change in Fund Balance	477	477	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$477</u>	<u>\$477</u>	<u>\$0</u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Education Jobs Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$629,137	\$629,137	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	315,280	315,280	0
Fringe Benefits	176,972	176,972	0
Total Regular	492,252	492,252	0
Special:			
Salaries	74,331	74,331	0
Fringe Benefits	53,781	53,781	0
<i>Total Expenditures</i>	620,364	620,364	0
Net Change in Fund Balance	8,773	8,773	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$8,773	\$8,773	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
IDEA-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$611,198	\$611,198	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries	210,365	210,365	0
Fringe Benefits	81,022	81,022	0
Capital Outlay	4,612	4,612	0
Total Instruction	295,999	295,999	0
Support Services:			
Pupils:			
Purchased Services	110,776	110,776	0
Instructional Staff:			
Salaries	62,295	62,295	0
Fringe Benefits	46,325	46,325	0
Purchased Services	2,063	2,063	0
Materials and Supplies	979	979	0
Total Instructional Staff	111,662	111,662	0
Administration:			
Salaries	92,829	92,829	0
Fringe Benefits	25,485	25,485	0
Total Administration	118,314	118,314	0
Fiscal:			
Other	7,362	7,362	0
Total Support Services	348,114	348,114	0
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	214	214	0
Total Expenditures	644,327	644,327	0
Excess of Revenues Under Expenditures	(33,129)	(33,129)	0

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
IDEA-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Other Financing Sources:</u>			
Refund of Prior Year Expenditures	\$50	\$50	\$0
Advances In	5,913	5,913	0
<i>Total Other Financing Sources</i>	<u>5,963</u>	<u>5,963</u>	<u>0</u>
Net Change in Fund Balance	(27,166)	(27,166)	0
Fund Balance at Beginning of Year	17,059	17,059	0
Prior Year Encumbrances Appropriated	<u>10,107</u>	<u>10,107</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title II-D Technology Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>	\$0	\$0	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Capital Outlay	24,000	24,000	0
Support Services:			
Instructional Staff:			
Salaries	3,200	3,200	0
Fringe Benefits	483	483	0
Total Instructional Staff	3,683	3,683	0
<i>Total Expenditures</i>	27,683	27,683	0
Excess of Revenues Under Expenditures	(27,683)	(27,683)	0
<u>Other Financing Sources:</u>			
Advances In	27,683	27,683	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title I School Improvement, Sub A Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$60,519	\$60,519	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular:			
Purchased Services	87,048	87,048	0
Materials and Supplies	9,220	9,220	0
Total Regular	96,268	96,268	0
Support Services:			
Instructional Staff:			
Salaries	1,200	1,200	0
Fringe Benefits	185	185	0
Purchased Services	11,302	11,302	0
Total Instructional Staff	12,687	12,687	0
Fiscal:			
Other	1,386	1,386	0
Total Support Services	14,073	14,073	0
<i>Total Expenditures</i>	110,341	110,341	0
Excess of Revenues Under Expenditures	(49,822)	(49,822)	0
<u>Other Financing Sources:</u>			
Advances In	46,782	46,782	0
Net Change in Fund Balance	(3,040)	(3,040)	0
Fund Balance at Beginning of Year	3,040	3,040	0
Fund Balance at End of Year	\$0	\$0	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$1,730,153	\$1,730,153	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries	835,956	835,956	0
Fringe Benefits	458,843	458,843	0
Purchased Services	27,122	27,122	0
Materials and Supplies	4,614	4,614	0
Total Special	1,326,535	1,326,535	0
Student Intervention Services:			
Salaries	90,564	90,564	0
Fringe Benefits	43,191	43,191	0
Purchased Services	74,950	74,950	0
Total Student Intervention Services	208,705	208,705	0
Total Instruction	1,535,240	1,535,240	0
Support Services:			
Instructional Staff:			
Salaries	150,306	150,306	0
Fringe Benefits	66,936	66,936	0
Purchased Services	31,744	31,744	0
Materials and Supplies	10,231	10,231	0
Total Instructional Staff	259,217	259,217	0
Fiscal:			
Other	24,510	24,510	0
Total Support Services	\$283,727	\$283,727	\$0

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
Operation of Non-Instructional Services:			
Community Recreation Services:			
Salaries	\$13,870	\$13,870	\$0
Fringe Benefits	2,312	2,312	0
Purchased Services	17,976	17,976	0
Materials and Supplies	4,485	4,485	0
	<u>0</u>	<u>0</u>	<u>0</u>
Total Operation of Non-Instructional Services	<u>38,643</u>	<u>38,643</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,857,610</u>	<u>1,857,610</u>	<u>0</u>
Excess of Revenues Under Expenditures	<u>(127,457)</u>	<u>(127,457)</u>	<u>0</u>
<u>Other Financing Sources (Uses):</u>			
Advances In	15,311	15,311	0
Advances Out	(269)	(269)	0
	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>15,042</u>	<u>15,042</u>	<u>0</u>
Net Change in Fund Balance	(112,415)	(112,415)	0
Fund Balance at Beginning of Year	110,527	110,527	0
Prior Year Encumbrances Appropriated	<u>1,888</u>	<u>1,888</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Early Childhood Special Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$9,625	\$9,625	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Instructional Staff:			
Salaries	3,881	3,881	0
Fringe Benefits	5,621	5,621	0
Purchased Services	172	172	0
Total Instructional Staff	9,674	9,674	0
Fiscal:			
Other	120	120	0
<i>Total Expenditures</i>	9,794	9,794	0
Net Change in Fund Balance	(169)	(169)	0
Fund Balance at Beginning of Year	333	333	0
Fund Balance at End of Year	\$164	\$164	\$0

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title II-A Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$278,188	\$278,188	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Special:			
Salaries	198,197	198,197	0
Fringe Benefits	90,957	90,957	0
Total Instruction	289,154	289,154	0
Support Services:			
Fiscal			
Other	3,586	3,586	0
<i>Total Expenditures</i>	292,740	292,740	0
Excess of Revenues Under Expenditures	(14,552)	(14,552)	0
<u>Other Financing Sources:</u>			
Advances In	466	466	0
Net Change in Fund Balance	(14,086)	(14,086)	0
Fund Balance at Beginning of Year	14,086	14,086	0
Fund Balance at End of Year	\$0	\$0	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$84,857	\$84,857	\$0
<u>Expenditures:</u>			
Current:			
Instruction:			
Student Intervention Services:			
Salaries	23,698	23,698	0
Fringe Benefits	12,217	12,217	0
Purchased Services	12,491	12,491	0
Total Instruction	48,406	48,406	0
Support Services:			
Pupils:			
Salaries	2,264	2,264	0
Fringe Benefits	1,267	1,267	0
Purchased Services	39,921	39,921	0
Total Pupils	43,452	43,452	0
Instructional Staff:			
Salaries	2,627	2,627	0
Fringe Benefits	1,344	1,344	0
Total Instructional Staff	3,971	3,971	0
Total Support Services	47,423	47,423	0
<i>Total Expenditures</i>	95,829	95,829	0
Excess of Revenues Under Expenditures	(10,972)	(10,972)	0
<u>Other Financing Uses:</u>			
Advances Out	(8,241)	(8,241)	0
Net Change in Fund Balance	(19,213)	(19,213)	0
Fund Balance at Beginning of Year	8,519	8,519	0
Prior Year Encumbrances Appropriated	12,491	12,491	0
Fund Balance at End of Year	\$1,797	\$1,797	\$0

Portsmouth City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$306,889	\$306,889	\$0
Intergovernmental	61,414	61,414	0
<i>Total Revenues</i>	<u>368,303</u>	<u>368,303</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Fiscal:			
Other	12,974	12,974	0
Capital Outlay:			
Site Acquisition Services:			
Purchased Services	21,137	21,137	0
Capital Outlay	301,508	301,508	0
Total Site Acquisition Services	<u>322,645</u>	<u>322,645</u>	<u>0</u>
Site Improvement Services:			
Purchased Services	99,776	99,776	0
Materials and Supplies	62,260	62,260	0
Capital Outlay	76,161	76,161	0
Total Site Improvement Services	<u>238,197</u>	<u>238,197</u>	<u>0</u>
Architecture and Engineering Services:			
Purchased Services	56,060	56,060	0
Total Capital Outlay	<u>616,902</u>	<u>616,902</u>	<u>0</u>
<i>Total Expenditures</i>	<u>629,876</u>	<u>629,876</u>	<u>0</u>
Excess of Revenues Under Expenditures	<u>(\$261,573)</u>	<u>(\$261,573)</u>	<u>\$0</u>

(continued)

Portsmouth City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2012
(continued)

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Other Financing Sources:</u>			
Refund of Prior Year Expenditures	\$38	\$38	\$0
Advances In	37,643	37,643	0
<i>Total Other Financing Sources</i>	37,681	37,681	0
Net Change in Fund Balance	(223,892)	(223,892)	0
Fund Balance at Beginning of Year	223,892	223,892	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

This Page Intentionally Left Blank

STATISTICAL SECTION

STATISTICAL TABLES

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

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

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

This page intentionally left blank.

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

Fiscal Year	2003	2004	2005
Invested in Capital Assets, Net of Related Debt	\$7,242,383	\$19,628,944	\$47,821,407
Restricted	53,348,214	41,319,641	13,801,697
Unrestricted (Deficit)	582,503	(395,286)	443,079
<i>Total Net Assets</i>	<u>\$61,173,100</u>	<u>\$60,553,299</u>	<u>\$62,066,183</u>

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$53,930,015	\$49,868,043	\$47,745,755	\$46,147,550	\$44,092,020	\$44,790,154	\$44,161,654
5,658,264	4,578,776	5,294,118	5,667,882	5,972,961	4,874,569	4,747,385
(24,392)	275,794	(589,170)	(298,058)	950,415	831,318	692,536
<u>\$59,563,887</u>	<u>\$54,722,613</u>	<u>\$52,450,703</u>	<u>\$51,517,374</u>	<u>\$51,015,396</u>	<u>\$50,496,041</u>	<u>\$49,601,575</u>

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

Fiscal Year	2003	2004	2005
Expenses:			
Current:			
Instruction:			
Regular	\$9,260,456	\$10,475,429	\$10,608,667
Special	5,461,916	5,685,775	5,436,258
Vocational	426,379	436,071	431,277
Student Intervention Services	0	0	0
Intergovernmental	39,500	38,500	35,000
Support Services:			
Pupils	1,395,374	1,249,081	1,121,140
Instructional Staff	2,067,428	2,170,104	1,987,011
Board of Education	17,640	14,780	16,589
Administration	1,452,144	1,491,750	1,367,234
Fiscal	634,352	618,945	642,889
Business	96,448	117,910	109,044
Operation and Maintenance of Plant	1,622,828	2,241,541	1,795,612
Pupil Transportation	456,547	449,424	375,360
Central	23,119	58,711	22,133
Operation of Non-Instructional Services:			
Food Service Operations	1,024,118	993,307	1,003,493
Other	265,024	250,077	203,699
Extracurricular Activities	270,667	241,093	252,910
Interest and Fiscal Charges	861,638	892,098	860,111
<i>Total Expenses</i>	<u>25,375,578</u>	<u>27,424,596</u>	<u>26,268,427</u>
Program Revenues:			
Charges for Services and Sales:			
Instruction:			
Regular	0	682,970	601,777
Special	135,408	251,524	37,294
Support Services:			
Pupils	0	0	35,426
Instructional Staff	32,365	40,228	41,114
Administration	0	0	0
Business	0	5,698	6,913
Operation and Maintenance of Plant	526	148,712	145,301
Pupil Transportation	18,068	1,501	0
Central	0	0	0
Operation of Non-Instructional Services:			
Food Service Operations	214,639	211,138	206,136
Extracurricular Activities	94,187	66,276	78,653
Interest and Fiscal Charges	0	0	0
Total Charges for Services	<u>495,193</u>	<u>1,408,047</u>	<u>1,152,614</u>
Operating Grants, Contributions, and Interest	6,715,845	4,923,390	4,749,113
Capital Grants and Contributions	84,596	53,438	0
<i>Total Program Revenues</i>	<u>7,295,634</u>	<u>6,384,875</u>	<u>5,901,727</u>
<i>Net Expense</i>	<u>(\$18,079,944)</u>	<u>(\$21,039,721)</u>	<u>(\$20,366,700)</u>

2006	2007 (1)	2008	2009	2010 (2)	2011	2012
\$12,169,231	\$12,640,485	\$13,103,606	\$13,573,992	\$13,753,627	\$13,689,351	\$13,977,856
6,622,247	5,788,924	5,396,013	4,950,325	5,879,260	6,090,527	5,955,417
380,329	410,481	452,153	507,713	480,887	441,427	441,078
445,405	1,174,211	1,422,054	1,541,524	1,164,825	883,606	403,813
43,500	38,500	43,500	35,600	29,000	37,500	0
1,760,834	1,704,291	1,736,450	1,610,831	1,430,317	1,237,058	1,213,131
2,352,092	2,044,780	1,900,014	2,244,651	2,372,062	2,200,333	1,935,458
17,703	19,611	22,717	24,501	30,589	20,334	19,937
1,566,110	1,814,350	1,957,080	1,838,174	1,776,063	1,762,928	1,709,868
655,226	678,032	798,597	750,674	669,614	590,995	645,375
117,299	91,249	76,236	76,787	82,268	96,868	98,227
2,053,486	2,761,532	2,640,319	2,867,303	3,114,874	2,886,014	2,672,950
633,970	751,522	696,035	592,894	595,484	633,169	606,198
30,025	90,398	77,150	344,578	62,866	96,569	23,704
1,195,821	1,270,836	1,192,836	1,134,696	1,241,298	1,260,493	1,280,076
227,513	224,685	239,402	227,667	220,403	232,488	278,346
290,208	301,445	321,079	338,911	477,581	250,238	352,078
825,820	763,791	641,868	640,624	637,143	621,052	524,349
<u>31,386,819</u>	<u>32,569,123</u>	<u>32,717,109</u>	<u>33,301,445</u>	<u>34,018,161</u>	<u>33,030,950</u>	<u>32,137,861</u>
546,511	722,722	833,866	702,476	813,908	771,521	903,769
0	21,557	8,057	9,661	12,305	69,056	103,938
384	0	0	0	0	0	0
0	0	0	0	0	0	0
1,529	10,031	13,836	7,975	7,235	4,697	3,211
4,703	0	0	0	0	0	0
34,135	38,401	23,101	41,926	19,038	54,594	44,611
1,000	42,650	2,106	8,045	1,638	25,800	40,978
0	0	0	0	129,892	0	129,323
191,444	231,560	142,910	172,450	177,183	159,151	159,477
93,600	69,494	115,273	86,911	144,916	110,431	127,501
0	0	0	0	0	0	0
<u>873,306</u>	<u>1,136,415</u>	<u>1,139,149</u>	<u>1,029,444</u>	<u>1,306,115</u>	<u>1,195,250</u>	<u>1,512,808</u>
5,849,948	5,929,213	6,290,703	7,105,527	8,124,682	7,220,511	7,440,064
0	226,000	81,352	37,777	30,123	0	8,846
<u>6,723,254</u>	<u>7,291,628</u>	<u>7,511,204</u>	<u>8,172,748</u>	<u>9,460,920</u>	<u>8,415,761</u>	<u>8,961,718</u>
<u>(\$24,663,565)</u>	<u>(\$25,277,495)</u>	<u>(\$25,205,905)</u>	<u>(\$25,128,697)</u>	<u>(\$24,557,241)</u>	<u>(\$24,615,189)</u>	<u>(\$23,176,143)</u>

(continued)

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

Fiscal Year	2003	2004	2005
General Revenues:			
Property Taxes Levied for:			
General Purposes	\$4,107,524	\$4,395,841	\$4,644,731
Debt Service	1,076,457	1,049,924	1,228,724
Capital Outlay	81,311	79,690	88,356
Grants and Entitlements not Restricted to Specific Programs			
Operating	11,441,919	14,682,918	15,183,620
Capital	0	0	0
Contributions and Donations	3,783	17,724	10,270
Investment Earnings	423,898	116,557	516,895
Miscellaneous	155,134	74,774	206,988
Gain on Sale of Capital Assets	0	0	0
Gain on Early Retirement of Capital Lease	0	2,492	0
<i>Total General Revenues</i>	<u>17,290,026</u>	<u>20,419,920</u>	<u>21,879,584</u>
<i>Change in Net Assets</i>	<u>(\$789,918)</u>	<u>(\$619,801)</u>	<u>\$1,512,884</u>

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

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

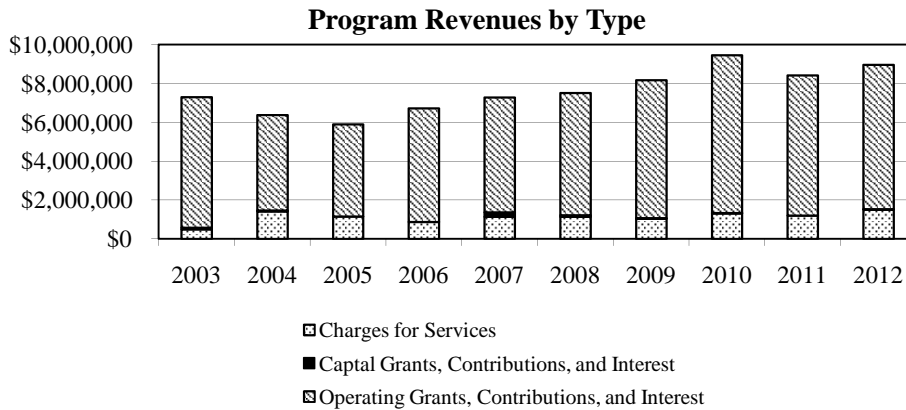
Expenses in Operation and Maintenance of Plant increased significantly from fiscal year 2006 to fiscal year 2007 due to increases in purchases of supplies and maintenance costs related to the new buildings.

(2) Restated

2006	2007	2008	2009	2010 (2)	2011	2012
\$4,776,914	\$4,643,256	\$4,614,506	\$4,541,034	\$4,319,587	\$4,288,395	\$4,238,222
1,267,834	1,236,071	1,270,249	1,277,487	1,227,943	1,054,789	835,829
89,670	87,507	84,971	83,405	80,238	251,604	458,603
15,174,137	15,979,356	16,535,835	17,914,549	18,319,840	18,375,417	16,668,432
0	(2,476,078) *	0	0	0	0	0
96,988	21,861	7,276	122,502	6,566	33,469	16,055
659,852	495,355	228,426	93,194	27,280	18,364	17,287
95,874	448,893	140,770	163,197	74,005	73,796	47,249
0	0	51,962	0	0	0	0
0	0	0	0	0	0	0
22,161,269	20,436,221	22,933,995	24,195,368	24,055,459	24,095,834	22,281,677
(\$2,502,296)	(\$4,841,274)	(\$2,271,910)	(\$933,329)	(\$501,782)	(\$519,355)	(\$894,466)

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

Fiscal Year	2003	2004	2005
Function / Program:			
Instruction:			
Regular	\$118,414	\$2,042,953	\$776,829
Special	4,229,140	2,108,342	2,525,523
Vocational	99,366	132,085	133,713
Student Intervention Services	0	0	0
Intergovernmental	39,500	38,500	35,000
Support Services:			
Pupils	362,025	229,734	334,395
Instructional Staff	686,230	293,214	748,177
Administration	160,916	0	0
Fiscal	0	1,000	0
Business	0	5,698	6,913
Operation and Maintenance of Plant	526	249,966	145,301
Pupil Transportation	374,783	12,039	11,266
Central	8,284	8,097	6,557
Operation of Non-Instructional Services:			
Food Service Operations	865,811	968,424	896,858
Other	225,735	204,488	202,317
Extracurricular Activities	124,904	90,335	78,878
Total Program Revenues	\$7,295,634	\$6,384,875	\$5,901,727



(1) Restated

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010 (1)</u>	<u>2011</u>	<u>2012</u>
\$655,376	\$780,193	\$835,334	\$706,481	\$827,825	\$916,517	\$1,566,622
2,961,157	2,862,385	3,009,488	3,773,426	4,257,939	4,227,133	4,615,363
123,342	108,519	108,312	80,633	81,164	85,817	82,642
0	594,453	637,011	824,849	822,038	697,931	233,939
43,500	38,500	43,500	35,600	29,000	37,500	0
903,686	695,466	687,936	518,201	438,918	275,148	136,581
740,038	626,664	727,823	748,494	1,080,460	634,328	456,523
1,529	10,431	13,836	7,975	7,235	4,697	120,063
22,066	18,789	0	0	0	0	0
4,703	0	0	0	0	0	0
34,135	264,401	101,443	41,926	49,161	54,594	44,611
20,486	55,794	16,034	39,699	36,657	29,106	50,705
6,799	7,190	7,436	6,196	134,892	5,000	129,323
863,570	947,947	989,939	1,013,715	1,175,655	1,096,700	1,144,936
234,370	200,688	213,690	277,667	293,680	240,759	252,519
108,497	80,208	119,422	97,886	226,296	110,531	127,891
<u>\$6,723,254</u>	<u>\$7,291,628</u>	<u>\$7,511,204</u>	<u>\$8,172,748</u>	<u>\$9,460,920</u>	<u>\$8,415,761</u>	<u>\$8,961,718</u>

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

	2003	2004	2005
General Fund:			
Nonspendable	\$0	\$0	\$0
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned	0	0	0
Reserved	1,272,715	853,449	853,035
Unreserved, Designated for:			
Future Severance Payments	0	0	0
Employee Health Benefits	0	0	0
Unreserved (Deficit)	(165,221)	213,041	970,227
<i>Total General Fund</i>	1,107,494	1,066,490	1,823,262
All Other Governmental Funds:			
Nonspendable	0	0	0
Restricted	0	0	0
Committed	0	0	0
Assigned	0	0	0
Unassigned (Deficit)	0	0	0
Reserved	332,974	227,587	210,291
Unreserved, Undesignated Reported in:			
Special Revenue Funds	492,049	549,751	655,987
Debt Service Fund	806,254	925,963	1,198,864
Capital Projects Funds	16,448,189	21,837,486	15,763,438
<i>Total All Other Governmental Funds</i>	18,079,466	23,540,787	17,828,580
<i>Total Governmental Funds</i>	\$19,186,960	\$24,607,277	\$19,651,842

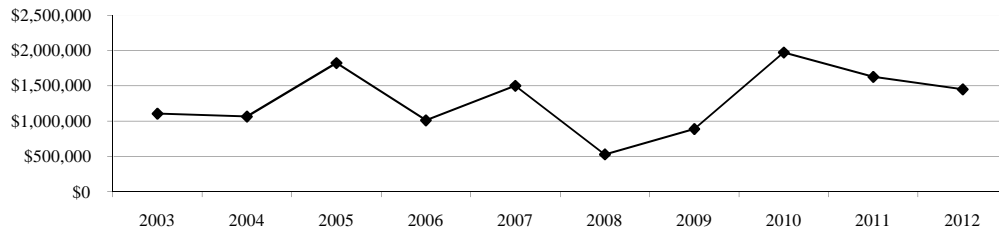
* The School District received \$1,500,000 from the sale of Anthem stock that was a result of the demutualization of Anthem.

** The School District was awarded a grant in the amount of \$52,617,286 on December 14, 2001, from the Ohio School Facilities Commission for the construction of new facilities.

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

2006	2007	2008	2009	2010 (1)	2011	2012
\$0	\$0	\$0	\$0	\$36,693	\$38,557	\$33,211
0	0	0	0	182,690	35,610	29,872
0	0	0	0	393,349	617,396	705,447
0	0	0	0	145,220	73,334	682,753
0	0	0	0	1,215,268	861,787	0
570,286	386,658	318,879	493,013	0	0	0
144,916	39,497	0	0	0	0	0
0	260,012	115,237	17,994	0	0	0
297,480	816,255	95,854	379,036	0	0	0
<u>1,012,682</u>	<u>1,502,422</u>	<u>529,970</u>	<u>890,043</u>	<u>1,973,220</u>	<u>1,626,684</u>	<u>1,451,283</u>
0	0	0	0	43,465	2,453	22,248
0	0	0	0	5,349,820	4,113,660	3,955,969
0	0	0	0	113,090	260,436	107,349
0	0	0	0	941	1,301	1,301
0	0	0	0	(315,471)	(318,838)	(238,557)
2,600,479	314,250	153,620	248,389	0	0	0
823,534	422,042	829,331	659,756	0	0	0
1,526,591	1,572,878	1,884,722	2,160,713	0	0	0
3,042,442	2,632,126	2,603,996	2,414,136	0	0	0
<u>7,993,046</u>	<u>4,941,296</u>	<u>5,471,669</u>	<u>5,482,994</u>	<u>5,191,845</u>	<u>4,059,012</u>	<u>3,848,310</u>
<u>\$9,005,728</u>	<u>\$6,443,718</u>	<u>\$6,001,639</u>	<u>\$6,373,037</u>	<u>\$7,165,065</u>	<u>\$5,685,696</u>	<u>\$5,299,593</u>

Fund Balance of the General Fund



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

	2003	2004	2005	2006
<u>Revenues:</u>				
Property Taxes	\$5,374,990	\$5,540,481	\$5,843,336	\$6,113,783
Intergovernmental	23,914,235	37,997,577	42,090,396	24,873,719
Investment Earnings	466,997	143,042	513,626	663,175
Tuition and Fees	185,829	878,400	708,727	581,230
Extracurricular Activities	94,187	97,985	86,933	100,858
Rentals	5,462	148,712	145,301	3,407
Charges for Services	214,639	276,341	202,898	186,765
Contributions and Donations	38,400	17,457	47,420	220,770
Miscellaneous	121,507	108,472	206,457	96,895
Total Revenues	30,416,246	45,208,467	49,845,094	32,840,602
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	9,307,594	10,370,515	10,452,972	11,449,775
Special	5,442,891	5,638,357	5,466,596	5,685,519
Vocational	363,008	357,922	364,702	282,628
Student Intervention Services	0	0	0	445,405
Intergovernmental	39,500	38,500	35,000	43,500
Support Services:				
Pupils	1,420,847	1,172,511	1,133,842	1,551,356
Instructional Staff	2,020,626	2,118,813	1,952,423	1,948,181
Board of Education	17,640	14,914	16,589	17,703
Administration	1,364,087	1,389,199	1,372,555	1,373,106
Fiscal	607,672	580,902	636,210	618,325
Business	72,086	159,315	75,031	119,389
Operation and Maintenance of Plant	1,557,969	1,713,799	1,595,541	1,864,911
Pupil Transportation	444,353	569,236	396,939	423,496
Central	20,117	55,389	22,133	30,025
Operation of Non-Instructional Services	1,216,765	1,272,591	1,239,057	1,168,103
Extracurricular Activities	269,825	248,846	257,171	286,170
Capital Outlay	6,266,203	12,799,738	28,587,294	14,932,204
Debt Service:				
Principal Retirement	384,696	521,813	461,304	520,604
Interest and Fiscal Charges	827,138	765,790	744,136	729,816
Capital Appreciation Bonds Interest	0	0	0	0
Issuance Costs	0	0	0	0
Total Expenditures	31,643,017	39,788,150	54,809,495	43,490,216
Excess of Revenues Over (Under) Expenditures	(\$1,226,771)	\$5,420,317	(\$4,964,401)	(\$10,649,614)

2007	2008	2009	2010	2011	2012
\$5,950,227	\$5,846,283	\$5,815,069	\$5,490,584	\$5,384,638	\$5,406,665
22,285,912	22,889,706	24,755,768	26,442,427	25,502,504	24,084,849
500,962	220,765	104,549	27,295	18,407	15,670
769,582	853,102	731,539	835,597	845,385	1,006,073
85,294	140,440	107,503	170,000	152,657	171,640
19,175	5,001	25,454	4,580	42,241	25,027
226,760	138,500	166,934	295,598	185,422	315,645
299,081	91,535	25,002	103,294	53,832	18,420
612,970	140,770	162,797	74,004	42,943	78,584
30,749,963	30,326,102	31,894,615	33,443,379	32,228,029	31,122,573
11,198,436	11,922,586	12,541,748	12,888,840	13,229,670	13,175,623
5,283,592	5,082,517	4,710,824	5,599,597	5,915,073	5,731,335
372,088	414,553	468,224	442,357	411,459	422,490
1,033,777	1,422,054	1,506,816	1,223,490	948,950	359,941
71,834	43,500	35,600	29,000	37,500	0
1,580,635	1,581,368	1,499,536	1,313,347	1,133,381	1,119,554
1,867,975	1,672,959	1,962,474	2,276,496	2,033,051	1,781,000
19,341	22,717	24,501	30,589	20,334	19,937
1,497,568	1,579,663	1,571,955	1,549,841	1,545,930	1,565,886
637,334	765,319	724,687	646,529	661,337	620,254
61,244	61,376	61,611	67,125	84,098	85,285
2,411,030	2,540,184	2,692,751	2,957,556	2,740,942	2,514,806
628,841	584,863	477,755	488,643	532,207	535,935
69,681	77,150	344,578	62,866	96,569	23,704
1,273,249	1,244,908	1,207,375	1,307,829	1,295,735	1,403,498
270,860	318,507	336,435	478,267	353,297	348,408
3,708,759	462,503	437,044	412,407	1,454,974	620,168
243,579	216,638	528,277	596,429	634,590	672,945
721,991	621,758	614,266	603,516	578,301	452,429
207,456	237,558	0	0	0	0
159,703	0	0	0	0	60,338
33,318,973	30,872,681	31,746,457	32,974,724	33,707,398	31,513,536
(\$2,569,010)	(\$546,579)	\$148,158	\$468,655	(\$1,479,369)	(\$390,963)

(continued)

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>Other Financing Sources (Uses):</u>				
Refunding General Obligation Bonds Issued	\$0	\$0	\$0	\$0
Premium on Debt Issuance	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	3,500
Inception of Capital Leases	256,746	0	8,966	0
Transfers In	36,731	73,100	315,710	220,267
Transfers Out	<u>(36,731)</u>	<u>(73,100)</u>	<u>(315,710)</u>	<u>(220,267)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>256,746</u>	<u>0</u>	<u>8,966</u>	<u>3,500</u>
Net Change in Fund Balances	<u>(\$970,025)</u>	<u>\$5,420,317</u>	<u>(\$4,955,435)</u>	<u>(\$10,646,114)</u>
Debt Service as a Percentage of Noncapital Expenditures	4.8%	4.8%	4.6%	4.0%

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$9,800,000	\$0	\$0	\$0	\$0	\$2,864,457
466,546	0	0	0	0	190,695
(10,266,546)	0	0	0	0	(3,057,702)
7,000	104,500	0	325,000	0	7,410
0	0	223,240	0	0	0
306,451	113,451	2,943	2,233,098	1,915	3,420
<u>(306,451)</u>	<u>(113,451)</u>	<u>(2,943)</u>	<u>(2,233,098)</u>	<u>(1,915)</u>	<u>(3,420)</u>
<u>7,000</u>	<u>104,500</u>	<u>223,240</u>	<u>325,000</u>	<u>0</u>	<u>4,860</u>
<u><u>(\$2,562,010)</u></u>	<u><u>(\$442,079)</u></u>	<u><u>\$371,398</u></u>	<u><u>\$793,655</u></u>	<u><u>(\$1,479,369)</u></u>	<u><u>(\$386,103)</u></u>
3.1%	3.5%	3.6%	3.7%	3.8%	3.8%

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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2003	\$127,041,000	\$52,918,540	\$514,170,114	\$15,199,070	\$60,796,280
2004	126,824,450	54,816,720	518,974,771	15,627,110	62,508,440
2005	138,236,930	59,627,020	565,325,571	15,406,410	61,625,640
2006	138,193,810	61,781,900	571,359,171	15,599,920	62,399,680
2007	137,372,790	64,103,370	575,646,171	15,387,970	61,551,880
2008	151,287,800	66,721,490	622,883,686	13,091,910	52,367,640
2009	151,433,790	66,832,190	623,617,086	13,210,120	52,840,480
2010	150,905,230	66,796,810	622,005,829	13,210,120	52,840,480
2011	154,845,580	66,282,840	631,795,486	13,344,030	53,376,120
2012	154,328,280	65,034,900	626,751,943	13,634,070	54,536,280

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

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

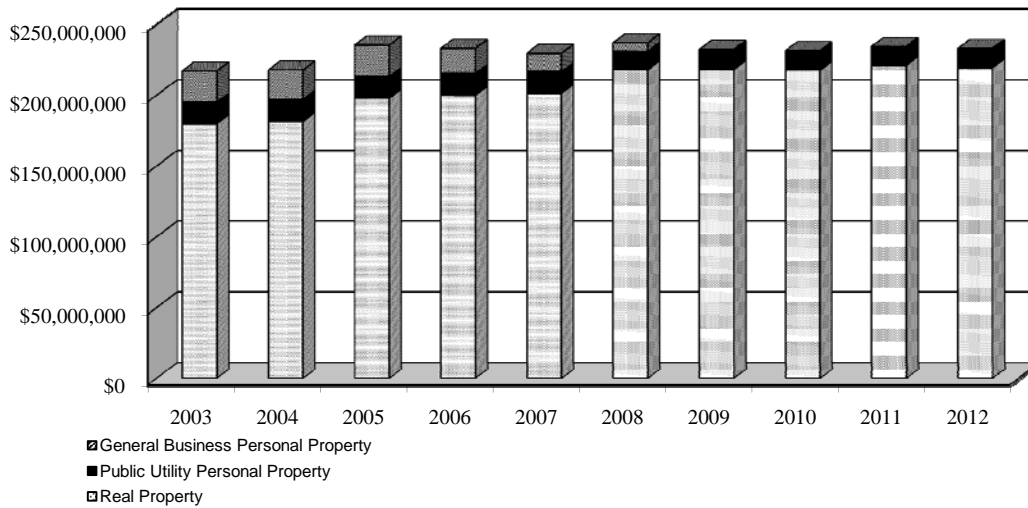
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by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

Source: Ohio Department of Taxation

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

Tangible Personal Property		Total			Weighted Average Tax Rate (per \$1,000 of assessed value)
General Business		Assessed Value	Estimated Actual Value	Ratio (1)	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio (1)	
\$21,992,344	\$87,969,376	\$217,150,954	\$662,935,770	32.76%	\$25.34
20,558,371	82,233,484	217,826,651	663,716,695	32.82%	25.28
22,180,082	88,720,328	235,450,442	715,671,539	32.90%	25.08
17,455,515	93,096,080	233,031,145	726,854,931	32.06%	24.84
12,786,263	102,290,104	229,650,393	739,488,155	31.06%	24.61
5,951,460	95,223,360	237,052,660	770,474,686	30.77%	23.90
828,540	8,285,400	232,304,640	684,742,966	33.93%	23.65
435,460	8,709,200	231,347,620	683,555,509	33.84%	23.63
0	0	234,472,450	685,171,606	34.22%	23.50
0	0	232,997,250	681,288,223	34.20%	24.09

Assessed Value of Taxable Property



Portsmouth City School District
Principal Property Taxpayers
Real Property Tax
2012 and 2003

Tax Payer	2012		Percentage of Real Property Assessed Valuation
	Assessed Value	Rank	
Neal and Vicky Hatcher	\$3,243,960	1	1.48%
Southern Ohio Medical Center Title Holding	2,782,470	2	1.27%
Hillview Retirement Center	2,730,780	3	1.24%
OSCO Industries, Inc.	1,431,570	4	0.65%
Norfolk Southern Railway Company	944,000	5	0.43%
Ashland Hospital (DBA King's Daughters)	938,870	6	0.43%
OHI Asset III PA Trust	851,060	7	0.39%
Trustees Portsmouth, Inc.	849,260	8	0.39%
Scioto Memorial Hospital C/O Olde Market Square	842,180	9	0.38%
Forest Heights	837,180	10	0.38%
Fifth Third Bank	-		-
City of Portsmouth	-		-
Total	15,451,330		7.04%
All Others	203,911,850		92.96%
Total Assessed Valuation	<u>\$219,363,180</u>		<u>100.00%</u>

Source: Scioto County Auditor

2003		
Assessed Value	Rank	Percentage of Real Property Assessed Valuation
\$1,966,520	2	1.09%
4,190,500	1	2.33%
1,813,110	3	1.01%
-		-
-		-
-		-
-		-
912,420	5	0.51%
-		-
-		-
1,029,840	4	0.57%
<u>797,520</u>	6	<u>0.44%</u>
10,709,910		5.95%
<u>169,249,630</u>		<u>94.05%</u>
<u>\$179,959,540</u>		<u>100.00%</u>

Portsmouth City School District
Principal Property Taxpayers
Public Utility Personal Property Tax
2012 and 2003

Tax Payer	2012		Percentage of Public Utility Property Assessed Valuation
	Assessed Value	Rank	
Ohio Power	\$11,325,610	1	83.07%
Columbia Gas	1,834,360	2	13.46%
Columbus and Southern Ohio Electric	379,360	3	2.78%
Tennessee Gas Pipeline Company	67,460	4	0.49%
General Electric Capital Co.	13,440	5	0.10%
BLX 13 Inc.	11,160	6	0.08%
Columbia Gas Transmission Corporation	2,680	7	0.02%
Verizon North	-		-
N & W Railway	-		-
Total	13,634,070		100.00%
All Others	0		0.00%
Total Assessed Valuation	<u>\$13,634,070</u>		<u>100.00%</u>

Source: Scioto County Auditor

2003		
Assessed Value	Rank	Percentage of Public Utility Property Assessed Valuation
\$7,983,690	1	52.52%
1,412,370	4	9.29%
-		-
-		-
-		-
-		-
-		-
2,820,200	2	18.56%
2,149,930	3	14.15%
14,366,190		94.52%
832,880		5.48%
<u>\$15,199,070</u>		<u>100.00%</u>

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

	2003	2004
UNVOTED MILLAGE:		
Operating	\$3.66	\$3.66
Permanent Improvement	0.00	0.00
Debt	0.00	0.00
VOTED MILLAGE - BY LEVY:		
1976 Current Expense		
Residential/Agricultural Real	\$8.49	\$8.50
Commercial/Industrial and Public Utility Real	8.66	8.67
General Business and Public Utility Personal	18.07	18.07
1979 Current Expense		
Residential/Agricultural Real	3.29	3.29
Commercial/Industrial and Public Utility Real	3.16	3.17
General Business and Public Utility Personal	6.40	6.40
1988 Current Expense		
Residential/Agricultural Real	4.58	4.58
Commercial/Industrial and Public Utility Real	4.71	4.71
General Business and Public Utility Personal	6.40	6.40
2001 Bond Levy (\$11,550,000)		
Residential/Agricultural Real	4.00	4.00
Commercial/Industrial and Public Utility Real	4.00	4.00
General Business and Public Utility Personal	4.00	4.00
2001 Site Acquisition (\$5,520,000)		
Residential/Agricultural Real	2.00	2.00
Commercial/Industrial and Public Utility Real	2.00	2.00
General Business and Public Utility Personal	2.00	2.00
2001 Classroom Facilities		
Residential/Agricultural Real	0.44	0.44
Commercial/Industrial and Public Utility Real	0.46	0.46
General Business and Public Utility Personal	0.50	0.50
2005 Permanent Improvement - Recurring		
Residential/Agricultural Real	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00
General Business and Public Utility Personal	0.00	0.00

2005	2006	2007	2008	2009	2010	2011	2012
\$3.66	\$3.66	\$3.66	\$3.66	\$3.66	\$3.66	\$3.66	\$3.66
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
\$8.66	\$8.67	\$8.68	\$8.81	\$8.83	\$8.83	\$9.48	\$10.11
8.69	8.70	8.78	8.75	8.80	8.80	9.28	9.92
18.07	18.07	18.07	18.07	18.07	18.07	18.07	18.07
3.30	3.30	3.31	3.32	3.32	3.32	3.53	3.74
3.16	3.16	3.19	3.18	3.19	3.19	3.37	3.59
6.40	6.40	6.40	6.40	6.40	6.40	6.40	6.40
4.38	4.39	4.39	4.21	4.22	4.22	4.33	4.59
4.49	4.50	4.54	4.42	4.44	4.44	4.68	4.83
6.40	6.40	6.40	6.40	6.40	6.40	6.40	6.40
4.00	4.00	4.00	4.00	4.00	4.00	3.25	2.50
4.00	4.00	4.00	4.00	4.00	4.00	3.25	2.50
4.00	4.00	4.00	4.00	4.00	4.00	3.25	2.50
2.00	2.00	2.00	2.00	2.00	2.00	1.75	1.50
2.00	2.00	2.00	2.00	2.00	2.00	1.75	1.50
2.00	2.00	2.00	2.00	2.00	2.00	1.75	1.50
0.40	0.40	0.40	0.36	0.36	0.36	0.36	0.36
0.43	0.43	0.43	0.41	0.41	0.41	0.44	0.44
0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(continued)

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

	2003	2004
TOTAL VOTED MILLAGE BY TYPE OF PROPERTY		
Residential/Agricultural Real	\$22.80	\$22.81
Commercial/Industrial and Public Utility Real	22.99	23.01
General Business and Public Utility Personal	37.37	37.37
TOTAL MILLAGE BY TYPE OF PROPERTY		
Residential/Agricultural Real	\$26.46	\$26.47
Commercial/Industrial and Public Utility Real	26.65	26.67
General Business and Public Utility Personal	41.03	41.03
OVERLAPPING RATES BY TAXING DISTRICT		
TOWNSHIPS:		
Residential/Agricultural Real	0.30 - 2.92	0.30 - 2.92
Commercial/Industrial and Public Utility Real	0.37 - 2.92	0.36 - 2.92
General Business and Public Utility Personal	0.50 - 2.92	0.50 - 2.92
CORPORATIONS:		
Residential/Agricultural Real	0.30 - 4.29	0.30 - 4.29
Commercial/Industrial and Public Utility Real	0.30 - 4.29	0.30 - 4.29
General Business and Public Utility Personal	0.30 - 4.29	0.30 - 4.29
SCIOTO COUNTY JOINT VOCATIONAL SCHOOL DISTRICT:		
Residential/Agricultural Real	0.61 - 0.73	0.61 - 0.73
Commercial/Industrial and Public Utility Real	0.66 - 0.86	0.46 - 0.86
General Business and Public Utility Personal	1.37 - 1.50	0.50 - 1.50
COUNTY AND OTHER UNITS:		
Residential/Agricultural Real	0.10 - 2.08	0.10 - 2.08
Commercial/Industrial and Public Utility Real	0.15 - 2.08	0.15 - 2.08
General Business and Public Utility Personal	0.20 - 2.08	0.20 - 2.08
LIBRARY		
Residential/Agricultural Real	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00
General Business and Public Utility Personal	0.00	0.00

Source: Ohio Department of Taxation

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

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

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

2005	2006	2007	2008	2009	2010	2011	2012
\$22.74	\$22.76	\$22.78	\$22.70	\$22.73	\$22.73	\$22.70	\$22.80
22.77	22.79	22.94	22.76	22.84	22.84	22.77	22.78
37.37	37.37	37.37	37.37	37.37	37.37	36.37	35.37
\$26.40	\$26.42	\$26.44	\$26.36	\$26.39	\$26.39	\$26.36	\$26.46
26.43	26.45	26.60	26.42	26.50	26.50	26.43	26.44
41.03	41.03	41.03	41.03	41.03	41.03	40.03	39.03
0.27 - 2.92	0.27 - 2.92	0.27 - 2.92	0.24 - 2.92	0.24 - 2.92	0.24 - 2.92	0.23 - 2.92	0.23 - 2.92
0.35 - 2.92	0.35 - 2.92	0.35 - 2.92	0.34 - 2.92	0.34 - 2.92	0.35 - 2.92	0.37 - 2.92	0.36 - 2.92
0.50 - 2.92	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00	0.50 - 3.00
0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29	0.30 - 4.29
0.61 - 0.72	0.61 - 0.73	0.61 - 0.72	0.59 - 0.71	0.59 - 0.72	0.59 - 0.72	0.56 - 0.72	0.56 - 0.72
0.43 - 0.81	0.43 - 0.74	0.64 - 0.83	0.61 - 0.80	0.67 - 0.80	0.63 - 0.74	0.64 - 0.83	0.66 - 0.85
1.37 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50	1.00 - 1.50
0.09 - 2.08	0.09 - 3.30	0.09 - 3.30	0.09 - 3.01	0.09 - 3.02	0.08 - 3.03	0.08 - 2.85	0.08 - 2.86
0.14 - 2.08	0.14 - 3.30	0.14 - 3.30	0.13 - 3.17	0.13 - 3.18	0.14 - 3.25	0.14 - 3.29	0.14 - 3.30
0.20 - 2.08	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30	0.20 - 3.30
0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00	0.94	0.95

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

Collection Year (1)	Total Tax Levied (2)	Current Tax Collection (3)	Percent of Current Levy Collected	Delinquent Tax Collection (4)	Total Tax Collections
2002	\$5,978,480	\$5,130,633	85.82%	\$219,892	\$5,350,525
2003	6,152,078	4,275,122	69.49%	251,084	4,526,206
2004	6,390,997	4,471,383	69.96%	224,048	4,695,431
2005	6,155,199	5,475,920	88.96%	294,474	5,770,394
2006	7,176,401	5,498,085	76.61%	334,023	5,832,108
2007	6,453,333	5,540,706	85.86%	277,855	5,818,561
2008	6,538,915	5,317,607	81.32%	291,377	5,608,984
2009	6,331,636	5,087,391	80.35%	331,404	5,418,795
2010	6,378,276	5,122,326	80.31%	291,367	5,413,693
2011	6,367,959	5,122,410	80.44%	331,016	5,453,426

Source: Scioto County Auditor

- (1) The 2012 information cannot be presented because all collections have not been made by June 30, 2012.
- (2) Taxes levied and collected are presented on a cash basis because that is the manner that information is maintained by the County Auditor.
- (3) State reimbursements of rollback and homestead exemptions are not included.
- (4) Penalties and interest are included since, by Ohio law, they become part of the tax obligation as assessment occurs.

<u>Percent Of Total Collections To Total Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Percent of Outstanding Delinquent Taxes To Total Tax Levied</u>
89.50%	\$756,705	12.66%
73.57%	529,657	8.61%
73.47%	744,845	11.65%
93.75%	832,330	13.52%
81.27%	836,619	11.66%
90.16%	567,644	8.80%
85.78%	687,143	10.51%
85.58%	782,672	12.36%
84.88%	911,979	14.30%
85.64%	1,133,570	17.80%

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

Fiscal Year	General Obligation Bonds (1)	EPA Asbestos Loan (1)	Capital Leases (1)	Total Outstanding Debt	Estimated Actual Value (2)
2003	\$17,109,764	\$64,274	\$444,038	\$17,618,076	\$662,935,770
2004	16,848,207	49,990	173,169	17,071,366	663,716,695
2005	16,595,089	35,707	95,114	16,725,910	715,671,539
2006	16,267,255	21,423	3,794	16,292,472	726,854,931
2007	15,911,027	7,139	2,043	15,920,209	739,488,155
2008	15,476,755	0	0	15,476,755	770,474,686
2009	14,972,234	0	214,963	15,187,197	684,742,966
2010	14,450,128	0	163,534	14,613,662	683,555,509
2011	13,902,337	0	108,944	14,011,281	685,171,606
2012	13,297,879	0	50,999	13,348,878	681,288,223

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

<u>Population (3)</u>	<u>Personal Income (4)</u>	<u>Ratio of Debt to Estimated Actual Value</u>	<u>Ratio of Debt to Personal Income</u>	<u>Debt Per Capita</u>
20,909	\$315,265,902	2.66%	5.59%	\$842.61
20,909	315,265,902	2.57%	5.41%	816.46
20,909	315,265,902	2.34%	5.31%	799.94
20,909	315,265,902	2.24%	5.17%	779.21
20,909	315,265,902	2.15%	5.05%	761.40
20,909	315,265,902	2.01%	4.91%	740.20
20,909	315,265,902	2.22%	4.82%	726.35
20,909	315,265,902	2.14%	4.64%	698.92
20,226	321,836,112	2.04%	4.35%	692.74
20,226	321,836,112	1.96%	4.15%	659.99

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

Fiscal Year	General Obligation Bonded Debt (1)	Estimated Actual Value (2)	Population (3)	Ratio of General Obligation Debt to Estimated Actual Value	General Obligation Debt Per Capita
2003	\$17,109,764	\$662,935,770	20,909	2.58%	\$818.30
2004	16,848,207	663,716,695	20,909	2.54%	805.79
2005	16,595,089	715,671,539	20,909	2.32%	793.68
2006	16,267,255	726,854,931	20,909	2.24%	778.00
2007	15,911,027	739,488,155	20,909	2.15%	760.97
2008	15,476,755	770,474,686	20,909	2.01%	740.20
2009	14,972,234	684,742,966	20,909	2.19%	716.07
2010	14,450,128	683,555,509	20,909	2.11%	691.10
2011	13,902,337	685,171,606	20,226	2.03%	687.35
2012	13,297,879	681,288,223	20,226	1.95%	657.46

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

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

Portsmouth City School District
Computation of Direct and Overlapping Debt
 June 30, 2012

Jurisdiction	Debt Attributable to Governmental Activities (1)	Percentage Applicable to District (2)	Amount Applicable to District
Direct:			
Portsmouth City School District:			
General Obligation Bonds	\$13,297,879	100.00%	\$13,297,879
Capital Lease Obligation	50,999	100.00	50,999
Total Direct Debt	13,348,878		13,348,878
Overlapping:			
Scioto County:			
General Obligation Bonds	9,506,197	24.41	2,320,463
Loan Obligation	29,032	24.41	7,087
Bond Anticipation Notes	537,000	24.41	131,082
Capital Lease Obligation	2,060,029	24.41	502,853
Scioto County Career Technical Center:			
Loan Obligation	102,200	24.64	25,182
Capital Lease Obligation	3,150,000	24.64	776,160
City of Portsmouth:			
General Obligation Bonds	1,585,000	100.00	1,585,000
Capital Lease Obligation	673,204	100.00	673,204
Total Overlapping Debt	17,642,662		6,021,031
Total Direct and Overlapping Debt	\$30,991,540		\$19,369,909

Source: Ohio Municipal Advisory Council

(1) Represents General Obligation Bonded Debt Only

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

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

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>
Total Assessed Valuation	\$217,150,954	\$217,826,651	\$235,450,442
Less Railroad and Telephone Property Valuation	0	0	0
Less General Business Tangible Personal Property Valuation	<u>0</u>	<u>0</u>	<u>0</u>
Total Assessed Valuation used to Calculate Legal Debt Margin (1)	217,150,954	217,826,651	235,450,442
Overall debt limitation - 9.0% of assessed valuation (2)	19,543,586	19,604,399	21,190,540
Gross indebtedness authorized by the School District	16,859,274	16,494,990	16,120,707
Less exempt debt:			
EPA Asbestos Loan	<u>(64,274)</u>	<u>(49,990)</u>	<u>(35,707)</u>
Debt within 9.0% limitation	16,795,000	16,445,000	16,085,000
Less amount available in the debt service fund	<u>(875,363)</u>	<u>(981,047)</u>	<u>(1,270,369)</u>
Net debt within 9.0% limitation	<u>15,919,637</u>	<u>15,463,953</u>	<u>14,814,631</u>
Legal debt margin within 9.0% limitation	<u>\$3,623,949</u>	<u>\$4,140,446</u>	<u>\$6,375,909</u>
Legal Debt Margin as a Percentage of the Debt Limit	18.5%	21.1%	30.1%
<hr/>			
Unvoted debt limitation .10% of assessed valuation (2)	\$217,151	\$217,827	\$235,450
Gross indebtedness authorized by the School District	64,274	49,990	35,707
Less exempt debt:			
EPA Asbestos Loan	<u>(64,274)</u>	<u>(49,990)</u>	<u>(35,707)</u>
Legal debt margin within .10% limitation	<u>\$217,151</u>	<u>\$217,827</u>	<u>\$235,450</u>
Unvoted Legal Debt Margin as a Percentage of the Excess of Revenues Over (Under) Expenditures	100.0%	100.0%	100.0%

Source: Scioto County Auditor and School District Records

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

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

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$233,031,145	\$229,650,393	\$237,052,660	\$232,304,640	\$231,347,620	\$234,472,450	\$232,997,250
(4,636,680)	(3,882,440)	(2,663,890)	(1,832,410)	(828,540)	0	0
<u>(17,455,515)</u>	<u>(12,786,263)</u>	<u>(5,951,460)</u>	<u>(828,540)</u>	<u>(435,460)</u>	<u>0</u>	<u>0</u>
210,938,950	212,981,690	228,437,310	229,643,690	230,083,620	234,472,450	232,997,250
18,984,506	19,168,352	20,559,358	20,667,932	20,707,526	21,102,521	20,969,753
15,691,423	15,449,595	15,235,000	14,715,000	14,170,000	13,590,000	12,974,457
<u>(21,423)</u>	<u>(7,139)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
15,670,000	15,442,456	15,235,000	14,715,000	14,170,000	13,590,000	12,974,457
<u>(1,593,664)</u>	<u>(1,636,739)</u>	<u>(1,951,714)</u>	<u>(2,243,808)</u>	<u>(3,060,637)</u>	<u>(3,118,408)</u>	<u>(2,986,970)</u>
<u>14,076,336</u>	<u>13,805,717</u>	<u>13,283,286</u>	<u>12,471,192</u>	<u>11,109,363</u>	<u>10,471,592</u>	<u>9,987,487</u>
<u>\$4,908,170</u>	<u>\$5,362,635</u>	<u>\$7,276,072</u>	<u>\$8,196,740</u>	<u>\$9,598,163</u>	<u>\$10,630,929</u>	<u>\$10,982,266</u>
25.9%	28.0%	35.4%	39.7%	46.4%	50.4%	52.4%
<u>\$210,939</u>	<u>\$212,982</u>	<u>\$228,437</u>	<u>\$229,644</u>	<u>\$230,084</u>	<u>\$234,472</u>	<u>\$232,997</u>
21,423	7,139	0	0	0	0	0
<u>(21,423)</u>	<u>(7,139)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$210,939</u>	<u>\$212,982</u>	<u>\$228,437</u>	<u>\$229,644</u>	<u>\$230,084</u>	<u>\$234,472</u>	<u>\$232,997</u>
100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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

Year	Population (1)	Total Personal Income (2)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age (1)
2003	20,909	\$315,265,902	\$15,078	\$23,004	38
2004	20,909	315,265,902	15,078	23,004	38
2005	20,909	315,265,902	15,078	23,004	38
2006	20,909	315,265,902	15,078	23,004	38
2007	20,909	315,265,902	15,078	23,004	38
2008	20,909	315,265,902	15,078	23,004	38
2009	20,909	315,265,902	15,078	23,004	38
2010	20,909	315,265,902	15,078	23,004	38
2011	20,226	321,836,112	15,912	24,562	38
2012	20,226	321,836,112	15,912	24,562	38

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

<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>	<u>School Enrollment (3)</u>	<u>Scioto County Unemployment Rate (4)</u>	<u>State of Ohio Unemployment Rate (4)</u>	<u>U.S.A. Unemployment Rate (4)</u>	<u>Total Assessed Property Value (5)</u>
12.50%	2,188	8.10%	5.50%	5.80%	\$217,150,954
12.50	2,172	8.10	6.00	5.50	217,826,651
12.50	2,079	8.40	5.70	5.00	235,450,442
12.50	1,982	7.40	5.20	4.80	233,031,145
12.50	2,119	7.80	6.10	4.70	229,650,393
12.50	2,132	8.30	6.70	5.50	237,052,660
12.50	2,101	12.90	11.20	9.70	232,304,640
12.50	2,163	13.50	10.50	9.50	231,347,620
11.30	2,120	12.50	8.80	9.20	234,472,450
11.30	2,066	11.10	7.20	8.30	232,997,250

Portsmouth City School District
Principal Employers
Fiscal Years 2012 and 2003

Employer	2012		
	Total Employees	Rank	Percentage of Total Employees
Southern Ohio Medical Center	2,425	1	38.09%
Shawnee State University	1,500	2	23.57
Scioto County	709	3	11.14
Community Action Organization	350	4	5.50
State of Ohio	312	5	4.90
City of Portsmouth	266	6	4.18
Portsmouth City School District	256	7	4.02
Norfolk and Southern Railway	250	8	3.93
OSCO Industries, Inc.	222	9	3.49
Southern Ohio Medical Care Foundation	75	10	1.18
Kroger	-		-
United States Enrichment Corporation	-		-
Total Employees	<u>6,365</u>		<u>100.00%</u>

Source: City of Portsmouth

2003

<u>Total Employees</u>	<u>Rank</u>	<u>Percentage of Total Employees</u>
2,367	1	38.15%
1,371	2	22.10
754	3	12.15
235	7	3.79
353	4	5.69
290	5	4.67
277	6	4.46
-		-
220	8	3.55
-		-
220	9	3.55
117	10	1.89
<u>6,204</u>		<u>100.00%</u>

Portsmouth City School District

Building Statistics

Last Ten Fiscal Years

	2003	2004	2005
Portsmouth Middle/High School (1)			
Constructed in 1906			
Total Building Square Footage	177,653	177,653	177,653
Acreage	4.00	4.00	4.00
Enrollment Grades 9-12 (Fiscal Years 1997 - 2005)	529	486	732
Enrollment Grades 7-12 (Beginning in Fiscal Year 2006)	N/A	N/A	N/A
Student Capacity	1,064	1,064	1,064
Regular Instructional Classrooms	33	33	37
Regular Instructional Teachers	30	29	40
Special Instructional Classrooms	4	4	4
Special Instructional Teachers	6	5	5
Extracurricular Space - Gymnasium Square Footage	18,992	18,992	18,992
Cafeteria Facilities Square Footage	3,500	3,500	3,500
Library/Media Center Square Footage	2,924	2,924	2,924
Portsmouth High/Junior High School (2)			
Constructed in 2007			
Total Building Square Footage	N/A	N/A	N/A
Acreage	N/A	N/A	N/A
Enrollment Grades 7-12	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Regular Instructional Classrooms	N/A	N/A	N/A
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	N/A	N/A	N/A
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	N/A	N/A	N/A
Cafeteria Facilities Square Footage	N/A	N/A	N/A
Library/Media Center Square Footage	N/A	N/A	N/A
U.S. Grant Middle School (3)			
Constructed in 1930 with additions in 1958			
Total Building Square Footage	60,930	60,930	N/A
Acreage	1.38	1.38	N/A
Enrollment Grades 7-8	300	305	N/A
Student Capacity	403	403	N/A
Regular Instructional Classrooms	20	20	N/A
Regular Instructional Teachers	12	12	N/A
Special Instructional Classrooms	5	5	N/A
Special Instructional Teachers	6	1	N/A
Extracurricular Space - Gymnasium Square Footage	11,163	11,163	N/A
Cafeteria Facilities Square Footage	1,618	1,618	N/A
Library/Media Center Square Footage	1,253	1,253	N/A

2006	2007	2008	2009	2010	2011	2012
177,653	N/A	N/A	N/A	N/A	N/A	N/A
4.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
761	N/A	N/A	N/A	N/A	N/A	N/A
1,064	N/A	N/A	N/A	N/A	N/A	N/A
37	N/A	N/A	N/A	N/A	N/A	N/A
37	N/A	N/A	N/A	N/A	N/A	N/A
4	N/A	N/A	N/A	N/A	N/A	N/A
4	N/A	N/A	N/A	N/A	N/A	N/A
18,992	N/A	N/A	N/A	N/A	N/A	N/A
3,500	N/A	N/A	N/A	N/A	N/A	N/A
2,924	N/A	N/A	N/A	N/A	N/A	N/A
N/A	182,540	182,540	182,540	182,540	182,540	182,540
N/A	8.26	8.26	8.26	8.26	8.26	8.26
N/A	815	755	759	795	777	747
N/A	1,150	1,150	1,150	1,150	1,150	1,150
N/A	52	52	52	52	51	51
N/A	47	40	40	43	42	43
N/A	11	11	11	11	12	13
N/A	11	11	11	11	12	13
N/A	17,847	17,847	17,847	17,847	17,847	17,847
N/A	16,021	16,021	16,021	16,021	16,021	16,021
N/A	4,098	4,098	4,098	4,098	4,098	4,098
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A

(continued)

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

	2003	2004	2005
East Portsmouth Elementary School (4)			
Constructed in 2005			
Total Building Square Footage	N/A	N/A	N/A
Acreage	N/A	N/A	N/A
Enrollment Grades K-8	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Regular Instructional Classrooms	N/A	N/A	N/A
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	N/A	N/A	N/A
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	N/A	N/A	N/A
Cafeteria Facilities Square Footage	N/A	N/A	N/A
Library/Media Center Square Footage	N/A	N/A	N/A
McKinley Elementary School (1)			
Constructed in 1916 with additions in 1955			
Total Building Square Footage	64,450	64,450	64,450
Acreage	2.02	2.02	2.02
Enrollment Grades 6-8 (Fiscal Years 1997 - 2000)	N/A	N/A	N/A
Enrollment Grades 4-6 (Beginning in Fiscal Year 2001)	315	448	298
Student Capacity	427	427	427
Regular Instructional Classrooms	22	22	22
Regular Instructional Teachers	19	19	18
Special Instructional Classrooms	6	6	6
Special Instructional Teachers	9	7	7
Extracurricular Space - Gymnasium Square Footage	6,148	6,148	6,148
Cafeteria Facilities Square Footage	1,904	1,904	1,904
Library/Media Center Square Footage	2,160	2,160	2,160
Wilson Elementary School (1)			
Constructed in 1926 with additions in 1957			
Total Building Square Footage	61,790	61,790	61,790
Acreage	2.00	2.00	2.00
Enrollment Grades K-5 (Fiscal Years 1997 - 2000)	N/A	N/A	N/A
Enrollment Grades K-3 (Beginning in Fiscal Year 2001)	446	305	402
Student Capacity	522	522	522
Regular Instructional Classrooms	20	20	20
Regular Instructional Teachers	17	17	16
Special Instructional Classrooms	8	8	8
Special Instructional Teachers	5	3	2
Extracurricular Space - Gymnasium Square Footage	3,990	3,990	3,990
Cafeteria Facilities Square Footage	3,990	3,990	3,990
Library/Media Center Square Footage	828	828	828

2006	2007	2008	2009	2010	2011	2012
45,779	45,779	45,779	45,779	45,779	45,779	45,779
23.29	23.29	23.29	23.29	23.29	23.29	23.29
231	247	255	204	247	246	258
390	390	390	390	390	390	390
14	14	14	14	14	14	14
14	14	14	14	14	14	14
5	5	5	5	5	5	5
2	4	4	4	5	5	5
3,769	3,769	3,769	3,769	3,769	3,769	3,769
3,857	3,857	3,857	3,857	3,857	3,857	3,857
1,106	1,106	1,106	1,106	1,106	1,106	1,106
64,450	N/A	N/A	N/A	N/A	N/A	N/A
2.02	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
350	N/A	N/A	N/A	N/A	N/A	N/A
427	N/A	N/A	N/A	N/A	N/A	N/A
22	N/A	N/A	N/A	N/A	N/A	N/A
13	N/A	N/A	N/A	N/A	N/A	N/A
6	N/A	N/A	N/A	N/A	N/A	N/A
4	N/A	N/A	N/A	N/A	N/A	N/A
6,148	N/A	N/A	N/A	N/A	N/A	N/A
1,904	N/A	N/A	N/A	N/A	N/A	N/A
2,160	N/A	N/A	N/A	N/A	N/A	N/A
61,790	N/A	N/A	N/A	N/A	N/A	N/A
2.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
320	N/A	N/A	N/A	N/A	N/A	N/A
522	N/A	N/A	N/A	N/A	N/A	N/A
20	N/A	N/A	N/A	N/A	N/A	N/A
14	N/A	N/A	N/A	N/A	N/A	N/A
8	N/A	N/A	N/A	N/A	N/A	N/A
3	N/A	N/A	N/A	N/A	N/A	N/A
3,990	N/A	N/A	N/A	N/A	N/A	N/A
3,990	N/A	N/A	N/A	N/A	N/A	N/A
828	N/A	N/A	N/A	N/A	N/A	N/A

(continued)

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

	2003	2004	2005
Roosevelt Elementary School (1)			
Constructed in 1929 with additions in 1956 and 1958			
Total Building Square Footage	32,224	32,224	32,224
Acreage	3.79	3.79	3.79
Enrollment Grades K-5 (Fiscal Years 1997 - 2000)	N/A	N/A	N/A
Enrollment Grades K-3 (Beginning in Fiscal Year 2001)	269	317	329
Student Capacity	258	258	258
Regular Instructional Classrooms	11	11	11
Regular Instructional Teachers	15	15	15
Special Instructional Classrooms	1	1	1
Special Instructional Teachers	3	3	3
Extracurricular Space - Gymnasium Square Footage	4,230	4,230	4,230
Cafeteria Facilities Square Footage	4,230	4,230	4,230
Library/Media Center Square Footage	1,280	1,280	1,280
Harding Elementary School (5)			
Constructed in 1929 with additions in 1959			
Total Building Square Footage	41,455	41,455	41,455
Acreage	2.00	2.00	2.00
Enrollment Grades K-6	329	311	318
Student Capacity	332	332	332
Regular Instructional Classrooms	19	17	17
Regular Instructional Teachers	19	16	17
Special Instructional Classrooms	1	3	3
Special Instructional Teachers	2	3	2
Extracurricular Space - Gymnasium Square Footage	4,600	4,600	4,600
Cafeteria Facilities Square Footage	4,600	4,600	4,600
Library/Media Center Square Footage	1,012	1,012	1,012
Portsmouth Elementary School (2)			
Constructed in 2007			
Total Building Square Footage	N/A	N/A	N/A
Acreage	N/A	N/A	N/A
Enrollment Grades K-6	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Regular Instructional Classrooms	N/A	N/A	N/A
Regular Instructional Teachers	N/A	N/A	N/A
Special Instructional Classrooms	N/A	N/A	N/A
Special Instructional Teachers	N/A	N/A	N/A
Extracurricular Space - Gymnasium Square Footage	N/A	N/A	N/A
Cafeteria Facilities Square Footage	N/A	N/A	N/A
Library/Media Center Square Footage	N/A	N/A	N/A

Source: School District Records

N/A - Not Available

- (1) Portsmouth Middle/High School, McKinley Elementary School, Wilson Elementary School, and Roosevelt Elementary School were demolished in fiscal year 2007.
- (2) Portsmouth High/Junior High School and Portsmouth Elementary School were constructed in fiscal year 2007.
- (3) U.S. Grant Middle School was demolished in fiscal year 2005.
- (4) East Portsmouth Elementary School was constructed in fiscal year 2006.
- (5) Harding Elementary School was demolished in fiscal year 2006.

2006	2007	2008	2009	2010	2011	2012
32,224	N/A	N/A	N/A	N/A	N/A	N/A
3.79	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
320	N/A	N/A	N/A	N/A	N/A	N/A
258	N/A	N/A	N/A	N/A	N/A	N/A
11	N/A	N/A	N/A	N/A	N/A	N/A
14	N/A	N/A	N/A	N/A	N/A	N/A
1	N/A	N/A	N/A	N/A	N/A	N/A
3	N/A	N/A	N/A	N/A	N/A	N/A
4,230	N/A	N/A	N/A	N/A	N/A	N/A
4,230	N/A	N/A	N/A	N/A	N/A	N/A
1,280	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	161,580	161,580	161,580	161,580	161,580	161,580
N/A	6.82	6.82	6.82	6.82	6.82	6.82
N/A	1,057	1,122	1,138	1,121	1,097	1,061
N/A	1,077	1,077	1,077	1,077	1,077	1,077
N/A	51	51	51	50	50	50
N/A	50	51	51	50	50	50
N/A	14	14	14	15	15	15
N/A	14	14	14	15	15	17
N/A	10,150	10,150	10,150	10,150	10,150	10,150
N/A	13,852	13,852	13,852	13,852	13,852	13,852
N/A	4,002	4,002	4,002	4,002	4,002	4,002

Portsmouth City School District
Employees by Function
Last Ten Fiscal Years

	2003	2004	2005	2006
<i>Governmental Activities</i>				
Instruction:				
Regular	116.00	111.00	107.00	102.00
Special	34.00	40.00	40.00	39.50
Vocational	3.00	5.00	5.00	4.00
Support Services:				
Pupils				
Student Facilitator	1.00	1.00	1.00	1.00
Pupil Personnel Facilitator	0.50	0.50	1.00	1.00
Secretary	1.00	1.00	1.00	1.00
Guidance Counselors	5.00	6.00	6.00	5.00
Psychologists	3.50	3.50	2.00	3.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00
Data Facilitators	1.00	1.00	2.00	10.50
Test Coordinator	1.00	1.00	1.00	0.00
Nurse	1.00	1.00	1.00	1.00
Nurse Aides	2.00	2.00	2.00	2.00
Attendance Officer	1.00	1.00	1.00	1.00
Instructional Staff				
Directors	2.00	2.00	2.00	2.00
Coordinator	1.00	1.00	1.00	0.00
Secretary	1.00	1.00	1.00	2.00
Aides/Paraprofessionals	24.00	23.00	26.00	26.00
Librarians	2.00	2.00	2.00	2.00
Supervisor Technical Support	1.00	1.00	1.00	1.00
Administration				
Superintendent	1.00	1.00	1.00	1.00
Coordinator	0.00	0.00	0.00	0.00
Executive Assistants	2.00	2.00	2.00	2.00
Principals/Assistant Principals	6.00	5.00	5.00	4.00
Dean	1.00	1.00	1.00	1.00
Secretaries	11.00	10.00	9.00	8.00
Fiscal				
Treasurer	1.00	1.00	1.00	1.00
Assistant Treasurer	0.00	0.00	0.00	0.00
Secretaries	3.00	3.00	3.00	3.00

2007	2008	2009	2010	2011	2012
103.00	105.00	114.50	114.00	113.00	110.25
36.00	32.00	31.25	34.00	34.00	32.25
4.00	4.00	4.25	4.00	4.00	3.50
1.00	1.00	0.00	0.00	0.00	0.00
1.00	1.00	0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00	1.00
5.00	5.00	5.00	5.00	5.00	5.00
3.00	3.00	3.00	2.00	2.00	2.00
2.00	3.00	3.00	3.00	3.00	3.00
4.00	4.00	4.00	4.00	1.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	0.00
2.00	2.00	2.00	1.00	1.00	1.00
2.00	4.00	1.00	2.00	2.00	2.00
2.00	1.00	1.00	1.00	1.00	1.00
20.00	22.00	19.00	21.00	21.00	20.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
0.00	4.00	0.00	0.00	0.00	0.00
2.00	2.00	2.00	2.00	2.00	2.00
5.00	5.00	5.00	4.00	4.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
18.00	16.00	8.00	8.00	8.00	8.00
1.00	1.00	1.00	1.00	1.00	1.00
0.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	2.00	2.00	2.00	2.00

(continued)

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Business				
Director	0.50	0.50	0.50	0.50
Executive Assistant	0.50	0.50	0.50	0.50
Operation and Maintenance of Plant				
Executive Assistant	0.50	0.50	0.50	0.50
Custodians	18.50	16.50	16.50	16.50
Maintenance	2.00	2.00	2.00	2.00
Pupil Transportation				
Bus Drivers	7.00	7.00	7.00	7.00
Operation of Non-Instructional Services:				
Food Service Opoerations				
Director	0.50	0.50	0.50	0.50
Manager	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	1.00	1.00
Cooks	17.00	15.00	16.00	14.00
Courier	0.50	0.50	0.50	0.50
<i>Total Number of Employees</i>	<u>277.00</u>	<u>274.00</u>	<u>273.00</u>	<u>270.00</u>

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

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

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1.50	1.50	1.50	1.50	1.50	1.50
0.50	0.50	0.50	0.50	0.50	0.50
0.50	0.50	0.50	0.50	0.50	0.50
18.00	17.00	18.00	18.00	18.00	18.00
2.00	2.00	2.00	2.00	2.00	2.00
7.00	8.00	7.00	7.00	7.00	6.00
0.50	0.50	0.50	0.50	0.50	0.50
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
14.00	15.00	17.00	18.00	18.00	19.00
0.00	0.00	0.00	0.00	0.00	0.00
<u>270.00</u>	<u>276.00</u>	<u>266.00</u>	<u>269.00</u>	<u>265.00</u>	<u>256.00</u>

Portsmouth City School District
Per Pupil Cost
Last Ten Fiscal Years

Year	General Government Expenditures (1)	Average Daily Membership	Per Pupil Cost	Teaching Staff	Pupil/ Teacher Ratio
2003	\$31,643,017	2,188	\$14,462	167	13.10
2004	39,788,150	2,172	18,319	166	13.08
2005	54,809,495	2,079	26,363	166	12.52
2006	43,490,216	1,982	21,943	167	11.87
2007	33,318,973	2,119	15,724	172	12.32
2008	30,872,681	2,132	14,481	175	12.18
2009	31,746,457	2,101	15,110	169	12.43
2010	32,974,724	2,163	15,245	170	12.72
2011	33,707,398	2,120	15,900	165	12.85
2012	31,513,536	2,066	15,253	159	12.99

Source: School District Records

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

This Page Intentionally Left Blank

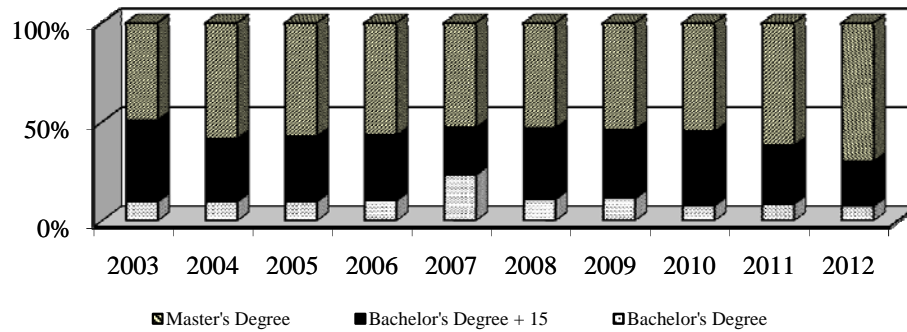
Portsmouth City School District
Full-Time Equivalent Teachers by Education
Last Ten Fiscal Years

Degree	2003	2004	2005
Bachelor's Degree	16	16	16
Bachelor + 15 Years Experience	69	53	55
Master's Degree	82	97	95
Total	<u>167</u>	<u>166</u>	<u>166</u>

Source: School District Records

2006	2007	2008	2009	2010	2011	2012
17	40	19	19	13	14	12
55	41	63	59	64	49	36
95	91	93	91	93	102	111
167	172	175	169	170	165	159

Full-Time Equivalent Teachers by Education



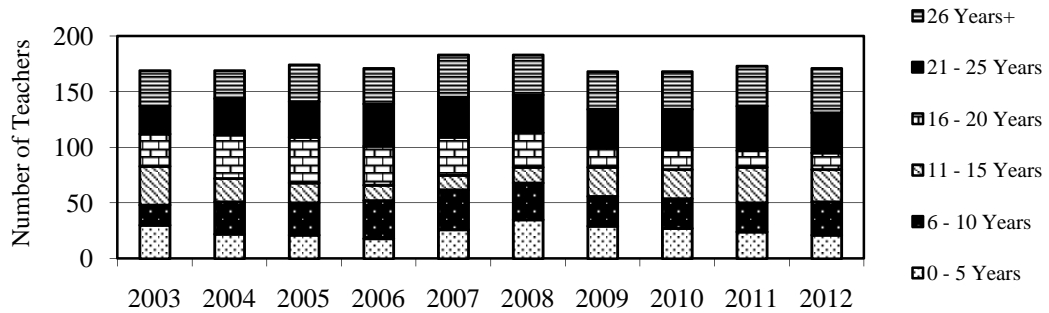
Portsmouth City School District
Full-Time Equivalent Teachers by Years of Experience
Last Ten Fiscal Years

<u>Years of Experience</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
0 - 5	30	22	21
6 - 10	18	29	29
11 - 15	35	21	18
16 - 20	29	39	41
21 - 25	30	22	25
26 and over	<u>25</u>	<u>33</u>	<u>32</u>
Total	<u><u>167</u></u>	<u><u>166</u></u>	<u><u>166</u></u>

Source: School District Records

2006	2007	2008	2009	2010	2011	2012
18	26	35	29	27	24	21
34	36	33	27	27	26	30
14	13	14	26	26	32	29
35	34	31	18	18	15	15
28	27	28	35	36	28	28
38	36	34	34	36	40	36
167	172	175	169	170	165	159

Full-Time Equivalent Teachers by Years of Experience



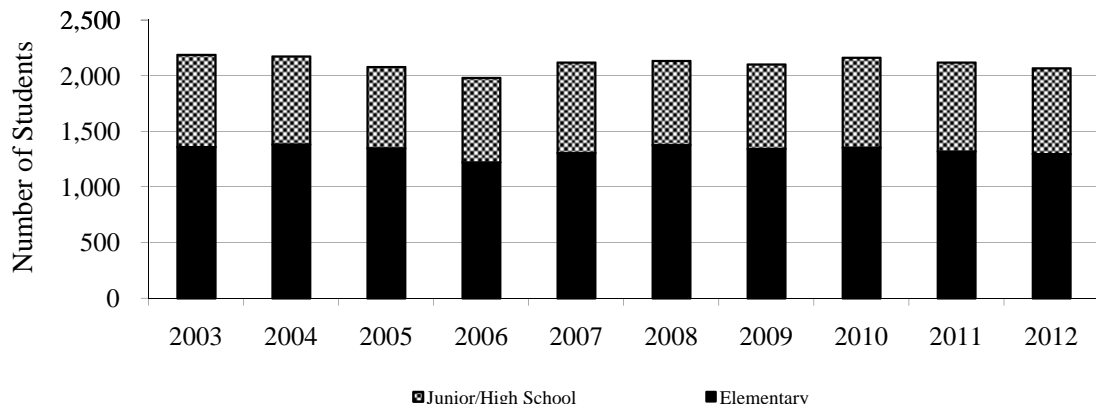
*Portsmouth City School District
Enrollment
Last Ten Fiscal Years*

<u>Year</u>	<u>Preschool</u>	<u>K</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
2003	11	213	200	165	158	233	172
2004	27	209	223	167	166	172	240
2005	37	209	218	183	158	144	158
2006	34	196	201	193	168	158	149
2007	40	212	220	188	200	180	143
2008	37	200	223	211	201	208	159
2009	87	195	206	182	187	159	160
2010	106	208	191	182	170	177	157
2011	99	219	202	157	163	147	166
2012	101	186	199	180	154	174	143

Source: School District Records

6	7	8	9	10	11	12	Total
207	156	144	134	135	132	128	2,188
177	142	163	129	142	116	99	2,172
240	145	119	121	126	114	107	2,079
122	166	139	104	118	127	107	1,982
121	136	170	147	118	127	117	2,119
138	122	128	156	126	110	113	2,132
166	114	130	136	145	122	112	2,101
162	164	109	141	110	161	125	2,163
165	164	156	124	112	106	140	2,120
159	147	151	164	96	111	101	2,066

Enrollment



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

District Buildings	2003	2004	2005	2006
Portsmouth Middle/High School (1)	34.59%	40.95%	51.64%	55.85%
Portsmouth High/Junior High School (2)	N/A	N/A	N/A	N/A
U.S. Grant Middle School (3)	66.33%	65.25%	N/A	N/A
East Portsmouth Elementary School (4)	N/A	N/A	N/A	84.85%
McKinley Elementary School (1)	100.00%	76.12%	100.00%	78.86%
Wilson Elementary School (1)	87.00%	98.03%	72.89%	100.00%
Roosevelt Elementary School (1)	51.67%	53.31%	54.41%	58.44%
Harding Elementary School (5)	75.08%	73.63%	75.16%	N/A
Portsmouth Elementary School (2)	N/A	N/A	N/A	N/A
District-Wide	66.45%	66.99%	67.87%	73.66%

Source: Food Service Director Records

N/A - Not Available

(1) Portsmouth Middle/High School, McKinley Elementary School, Wilson Elementary School, and Roosevelt Elementary School were demolished in fiscal year 2007.

(2) Portsmouth High/Junior High School and Portsmouth Elementary School were constructed in fiscal year 2007.

(3) U.S. Grant Middle School was demolished in fiscal year 2005.

(4) East Portsmouth Elementary School was constructed in fiscal year 2006.

(5) Harding Elementary School was demolished in fiscal year 2006.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
N/A	N/A	N/A	N/A	N/A	N/A
64.04%	63.31%	63.37%	55.60%	65.64%	66.40%
N/A	N/A	N/A	N/A	N/A	N/A
85.43%	81.96%	89.71%	92.30%	92.28%	92.25%
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
82.21%	82.17%	80.58%	81.20%	83.77%	80.87%
75.60%	75.47%	75.47%	73.00%	78.11%	77.06%

This Page Intentionally Left Blank



Dave Yost • Auditor of State

PORTSMOUTH CITY SCHOOL DISTRICT

SCIOTO COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JANUARY 29, 2013