



Hamilton County, OH

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2014





CINCINNATI CITY SCHOOL DISTRICT, OHIO

Hamilton County, Ohio

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2014**

Prepared by:
Diana C. Whitt
Treasurer/CFO



CINCINNATI CITY SCHOOL DISTRICT, OHIO

TABLE OF CONTENTS

CINCINNATI CITY SCHOOL DISTRICT HAMILTON COUNTY, OHIO

I

INTRODUCTORY SECTION

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

II

FINANCIAL SECTION

A	Independent Auditor's Report.....	1
B	Management's Discussion and Analysis	5
C	Basic Financial Statements:	
	Government-wide Financial Statements:	
	Statement of Net Position	16
	Statement of Activities	17
	Fund Financial Statements:	
	<i>Governmental Funds:</i>	
	Balance Sheet	18
	Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	19
	Statement of Revenues, Expenditures and Changes in Fund Balances	20
	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities.....	22
	Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual:	
	General Fund.....	24
	<i>Proprietary Fund:</i>	
	Statement of Net Position	26
	Statement of Revenues, Expenses and Changes in Fund Net Position.....	27
	Statement of Cash Flows	28
	<i>Fiduciary Funds:</i>	
	Statement of Net Position	29
	Statement of Changes in Net Position....	30
	Notes to the Basic Financial Statements.....	31

CINCINNATI CITY SCHOOL DISTRICT, OHIO

D Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	70
Combining Balance Sheet – Nonmajor Special Revenue Funds	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	74
Combining Balance Sheet – Nonmajor Capital Projects Funds	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	77

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

Major Governmental Funds:

<i>General Fund</i>	78
<i>Debt Service Fund:</i>	
Debt Service Fund	79

Nonmajor Governmental Funds:

Special Revenue Funds:

Food Service Fund	80
Other Grants Fund	81
Classroom Facilities Maintenance Fund	82
Auxiliary Services Fund.....	83
Title VI B – Special Education Assistance Fund	84
American Recovery and Reinvestment Act (ARRA) Fund	85
Chapter I Fund – Education Consolidation and Improvement Act Fund ...	86
Schoolwide Building Program Fund	87
Miscellaneous Federal Grants Fund	88
Other Special Revenue Funds	89

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Capital Projects Funds:

Permanent Improvement Fund	90
Building Fund.....	91
Replacement Fund.....	92
Classroom Facilities Fund.....	93

Permanent Fund:

Permanent Fund.....	94
---------------------	----

E Fiduciary Funds – Agency Fund:

Schedule of Changes in Assets and Liabilities	97
---	----



CINCINNATI CITY SCHOOL DISTRICT, OHIO

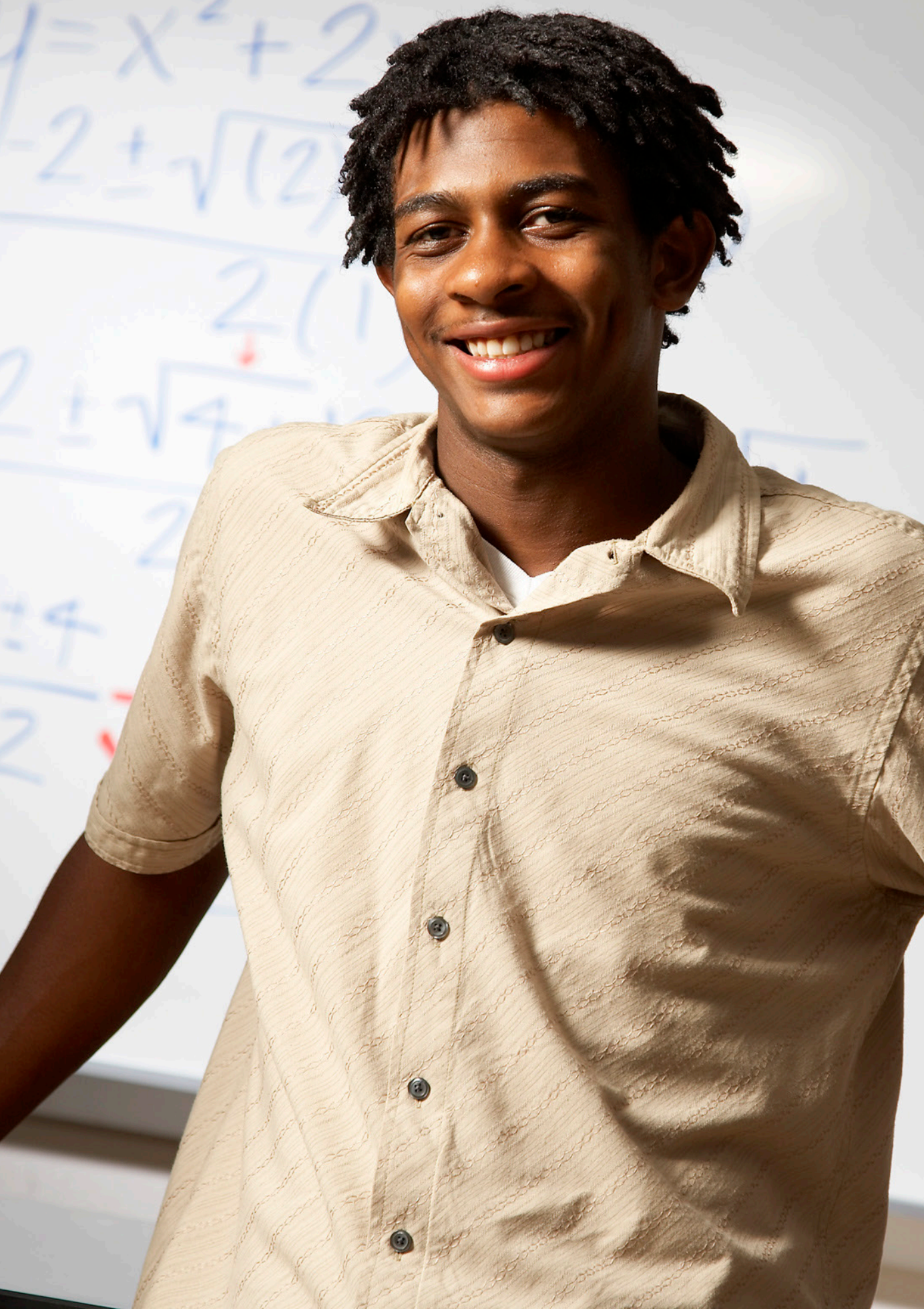
III

STATISTICAL SECTION

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



Introductory Section







**Board of Education ★ City School District of the City of Cincinnati ★ Office of the Treasurer
PO Box 5384 ★ Cincinnati, OH 45201-5384 ★ Phone: 1-513-363-0425 ★ FAX: 1-513-363-0415**

January 29, 2015

To the Honorable Board of Education and
Citizens of the Cincinnati City School District

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Board of Education of the Cincinnati City School District (the “District”) for the fiscal year ended June 30, 2014. This report was prepared by the Office of the Treasurer/CFO and includes the report of the independent auditor, Ohio Auditor of State. The independent auditor’s report concludes that the District’s financial statements for the year ended June 30, 2014 are prepared in conformity with generally accepted accounting principles. The independent auditor’s report is included as the first component of the financial section of this report.

This report also contains the financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the District. The responsibility for the accuracy of all data presented and its completeness and fairness of presentation rests with the office of the Treasurer/CFO. All disclosures necessary to enable the reader to gain an understanding of the District’s activities have been included herein.

The District uses the State of Ohio Uniform School Accounting System (USAS), an automated, on-line general ledger accounting system used by the majority of Ohio School Districts. USAS is the basis for the District’s accounting and budgetary. The District also complements and enhances the General Ledger USAS system with EprOhio, an automated e-procurement software. The District uses the State of Ohio Equipment Inventory System (EIS) for capital assets controls. The financial statements contained in the CAFR have been prepared from the USAS system, implemented by the Treasurer’s Office in July 2013.

Internal accounting controls are an integral part of this system and are designed to achieve the fundamental objectives of safeguarding assets, providing reasonable assurance that financial transactions are properly recorded, and ensuring that adequate accounting data are compiled to allow for the preparation of financial statements in accordance with GAAP. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgment by management.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2014

The MD&A provides a narrative introduction, overview and analysis to accompany the basic financial statements. This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Auditors' Report. This Report can be found on the District's web site: <http://www.cps-k12.org>.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations (June, 2003 Revision)*. Information related to this single audit, including a schedule of federal financial assistance, the independent auditors' reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs, are included in a separately issued single audit report.

Profile of the District

The District includes all of the City of Cincinnati, Amberley Village, Cheviot, Golf Manor, most of the City of Silverton, a part of Fairfax, part of Wyoming and parts of Anderson, Columbia, Delhi, Green and Springfield Townships with a total area of approximately 90 square miles.

The District operates 43 elementary schools, 17 secondary schools, and 4 satellite schools. Through the use of a five-year building and maintenance plan, all facilities are kept in the best operating and physical condition possible. The District has implemented a \$56 million energy conservation program and has completed a \$1.1 billion, 10-year Facilities Master Plan program.

The District's average daily student enrollment (K-12) for the 2013-2014 year was 30,221 students. The District served 69% of the estimated 43,735 of school-aged children residing within its boundaries. The majority of enrolled students were members of ethnic minorities — in the 2013-2014 school year, 63.4 percent of students were African-American, 25.6 percent were Caucasian, 5.8 percent were other/multiracial, 3.8 percent were Hispanic, 1.3 percent were Asian or Pacific Islander.

A significant majority of students in the District — 73 percent — were on the federal free or reduced-price lunch plan during the 2013-2014 school year. Fifty-five percent of the District's elementary schools served students where 75 percent or more are economically disadvantaged. Nineteen percent of the students attending were served with Special Education needs.

Transportation was provided daily for 16,172 public students, 4,242 for charter students and 3,687 for non-public students. Buses traveled an average of 19,790 miles each day. A self-supporting Food Services Department served an average of 19,945 lunches and 15,372 breakfasts per day for the 2013-2014 school year.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2014

The District offers a comprehensive academic curriculum through the following programs: college preparatory classes, Advanced Placement courses, gifted education, vocational programs and a full range of services in special education. The District provides tutorial help, resource rooms, speech/language therapy, psychological services and counseling. In addition to academic and related services, the District offers students opportunities to participate in a wide range of extracurricular activities to extend learning and increase enjoyment of school.

The Board of Education of the Cincinnati City School District (Board) is a body both politic and corporate, charged with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by the general laws of the State of Ohio (Ohio Revised Code). The Board is comprised of seven (7) members who are elected for overlapping four-year terms. The Board members during the fiscal year ended June 30, 2014 were:

	<u>Current Term Commenced</u>	<u>Current Term Expires</u>
Eve Bolton, President	01/01/08	12/31/15
A. Chris Nelms, Vice President	01/01/08	12/31/15
Melanie Bates	01/01/10	12/31/17
Ericka Copeland-Dansby	01/01/14	12/31/17
Elisa Hoffman	01/01/14	12/31/17
Alexander Kuhns	01/01/12	12/31/15
Daniel Minera	01/01/14	12/31/17

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

The Cincinnati Board of Education named Mary A. Ronan as Superintendent effective April 16, 2009. She has a current 3-year contract ending July 31, 2015.

Ms. Ronan began her more than 38-year career with Cincinnati Public Schools as a math and science teacher at the former Merry Middle School — a building that now houses her office as Superintendent in the district's Education Center.

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

Superintendent Ronan's experiences in district administration include appointments as assistant superintendent and director of schools, roles in which she worked with principals to enhance leadership skills. At both the school and central administration levels, she has earned a reputation for building strong, supportive and open relationships with her staff as well as parents and community stakeholders.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2014

In 2005, she received the Excellence in Educational Leadership Award from The University Council for Educational Administration and in 2014 received the YWCA Woman of the Year Award.

Under Ms. Ronan's leadership, CPS raised student academic achievement and earned an Effective rating on the Ohio Report Card for two consecutive years (2009-10, 2010-11) to become Ohio's highest-rated urban school district. CPS' Performance Index of overall progress continues to top that of all Ohio urban school districts.

In the first year of Ohio's Third Grade Guarantee, CPS had a 97.1% promotion rate on the 2013 report card.

Ms. Ronan's priorities have been to enhance collaboration and transparency while accelerating academic achievement. She has introduced new strategies designed to increase student performance, including the *Elementary Initiative: Ready for High School*, which provided intensive support for the district's 16 lowest-performing elementary schools; their successful academic turnaround contributed to the district's overall progress. At the high school level, Ms. Ronan has focused on increasing the academic rigor of course offerings and expanding college access while transforming teaching and learning with innovative technology through the District's new My Tomorrow initiative.

She holds bachelor's degrees in biology, education and philosophy, and a master's degree in business administration. She serves on numerous boards of civic, cultural, educational and social-service organizations.

Ms. Ronan considers it a great privilege to lead Cincinnati Public Schools in preparing the next generation of Cincinnati's young people with the skills required by our fast-paced, technologically demanding global economy. With the assistance of record grants totaling \$25.3-million from the GE Foundation, the district has worked to improve math and science education and advance skills in STEM subjects (science, technology, engineering and mathematics) and to transition to new, rigorous Common Core academic standards in math and English/Language Arts.

She also led the successful completion – on time and on budget – of the district's decade-long \$1 billion Facilities Master Plan, which created 49 new or fully renovated schools while helping to revitalize neighborhoods. These schools also are Community Learning Centers, which operate as community hubs and assemble partnerships to expand academic and enrichment support for families beyond the traditional school day.

The Treasurer/CFO is appointed by the Board for a term not longer than five years and serves as the chief financial officer of the Board of Education and, with the president of the Board of Education, executes all conveyances made by the Board of Education. The Treasurer is responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets and investing idle funds as specified by Ohio Law.

During the 2013-2014 fiscal year, the Treasurer/CFO of the District was Mrs. Diana C. Whitt. The Board appointed Mrs. Whitt as Treasurer/CFO commencing September 1, 2012. She is currently in a 2-year contract ending July 31, 2016. Mrs. Whitt has extensive experience that includes being the District Treasurer and Chief Financial Officer at Trotwood Madison City Schools near Dayton, Ohio, September 2002 thru September 2012. Mrs. Whitt also has corporate experience in financial management,

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2014

consulting and sales. Mrs. Whitt received her B.A. Degree from Notre Dame College in South Euclid, Ohio and her Master's Degree from the University of Phoenix.

Local Economic Condition and Outlook

The economy of the District is based on a wide diversity of industry. The major sources of revenue to the District are local property taxes on real and personal property, along with State aid. Other funds, such as lunch and special classes are funded for their expenditures by designated State and Federal grants.

The City of Cincinnati, founded in 1788 and incorporated in 1819, is the hub of a metropolitan area ranking second in Ohio and sixteenth in the United States in value of manufacturing output. Located strategically on the Ohio River, it has developed into a major industrial and shipping center. As a major shipping route, the Ohio River handles as much tonnage as the St. Lawrence Seaway and the Panama Canal combined.

A transportation and industrial center since the early development of the territory west of the Appalachians, the Cincinnati Metropolitan Area has developed into a major center for insurance and finance companies; wholesaling and retailing; government installation, medical services, and service industries as well as manufacturing.

Metropolitan Cincinnati was expanded to include 15 counties: Hamilton, Warren, Clermont, Butler and Brown counties in Ohio; Dearborn, Franklin and Ohio counties in Indiana; and Kenton, Boone, Bracken, Campbell, Grant, Gallatin and Pendleton counties in Kentucky. There are approximately 11.9 million net square feet of office space in the downtown Cincinnati area and 25.1 million net square feet in suburban office buildings and parks. There are approximately 273 million square feet of industrial space. The retail market includes more than 50 million square feet regionally (3.8 million square feet downtown).

Among the Metropolitan Area's more prominent manufacturing groups are transportation equipment, which includes aircraft engines and motor vehicle parts; food and kindred products; metal working and general industrial machinery; chemicals; fabricated metal products; and printing and publishing. This diverse economic base continues to be a source of stability for the area, protecting it from severe peaks and valleys in the business cycle. The U.S. Bureau of Labor Statistics estimated total employment in Hamilton County at 408,539 at June 30, 2014. This 94.6% employment rate is slightly above the State of Ohio employment rate of 94.5% at June 30, 2014 and above the national rate of 93.9% at this date.

More than half of the nation's population, manufacturers, and purchasing power are located within 600 miles of Greater Cincinnati. The corporate headquarters of numerous firms are located in the Metropolitan Area, including nine Fortune 500 corporations: Kroger Company, Procter & Gamble, Macy's, Ashland Inc., Fifth Third Bancorp, Omnicare, General Cable Corp, AK Steel, Western & Southern Financial Group, and American Financial Group.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2014

The Metropolitan Area is a growing center for international business, with approximately 1,000 firms engaged in international trade. Metropolitan Area companies annually generate sales of more than \$6.7 billion to customers outside the U.S. Major export products include jet engines, plastics, machinery, computers and software technology and consumer goods. Nearly 300 Greater Cincinnati firms are owned by foreign firms from Japan, England, Western Europe and Canada, among other countries. Cincinnati exports more than any other city in Ohio and is ranked fifteenth (15th) in the United States.

Long-term Financial Planning

During FY 2007 the District fully implemented the Fiscal Responsibility Plan. The District continues to identify and execute further opportunities to reduce costs and right-size staffing levels.

The District continues to see the results of its long-term financial planning. The District met or exceeded its budget goal for the seventh straight year. We were again able to meet this goal because of our continuing effort to right-size the District, aggressively monitoring and evaluating spending and the District is making aggressive efforts to attract and retain students.

Facilities Master Plan (FMP) Surges Forward

The District's ten-year, \$1.1 billion Facilities Master Plan (FMP) officially launched with the passage of a \$480 million bond issue in May 2003. During the period from January 2005 thru August 2014, the District has renovated or constructed new a total of 49 schools. In August 2014, CPS moved into our final building project, a newly renovated Walnut Hills High School. Three demolition projects were added to the FMP and were completed in November 2014; thus completing our Facilities Master Plan project. The District's new schools are distinctive, eye-catching buildings, with technology-ready classrooms and energy efficient features. The buildings provide an abundance of natural light and include outdoor educational areas. As state-of-the-art, 21st century schoolhouses, these buildings have quickly become local landmarks and community anchors.

The District's 10-year rebuilding plan will generate an economic impact of \$2.35 billion for Greater Cincinnati, including creating 2,339 jobs and \$718 million in wages, according to a University of Cincinnati study. To help more businesses get a piece of that pie, the district has revamped its policies to generate more opportunities for Small Business Enterprises (SBE), Minority Business Enterprises (MBE) and Women Business Enterprises (WBE). The District's expanded Supplier Diversity Program is working to cultivate new relationships with a broader base of businesses. Beginning February 2010 a new initiative increased MBE participation to twenty-two percent (22%) for the last 13 projects bid. We are meeting the Board's goal of 20-25% for MBE participation. Our participation levels exceed the performance of other public capital projects in the area.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2014

Awards and Acknowledgments

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The June 30, 2013 CAFR was the fourteenth consecutive CAFR prepared by the District to receive this prestigious award.

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

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

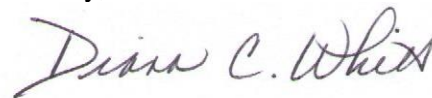
Independent Audit

State statute requires an annual audit be performed by the Auditor of State or by an independent certified public accountant approved by the Auditor of State. The Auditor of State has performed the District Audit for fiscal year ended June 30, 2014. In addition to meeting the requirements of state statutes, the audit was also designed to meet the requirements of the federal Single Audit Act of 1984, the 1996 amendments thereto, and the related U.S. Office of Management and Budget's Circular A-133. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Treasurer's Department. I would like to express my sincere appreciation to Mrs. Teresa A. Johnson, CPA, Assistant Treasurer/Controller and to all other members of the Department. I am also grateful for the professional services of Donald J. Schonhardt & Associates and Bastin & Company, LLC, for their assistance in preparing this report. Due credit should also be given to the Board of Education and the Superintendent for their leadership and support in planning and conducting the operations of the District in a responsible and progressive manner.

Sincerely,



Diana C. Whitt
Treasurer/CFO

CINCINNATI CITY SCHOOL DISTRICT, OHIO

List of Principal Officials June 30, 2014

Members of the Board of Education:

Name	Title	Term Expires
Eve Bolton	President	December 31, 2015
A. Chris Nelms	Vice President	December 31, 2015
Melanie Bates	Member	December 31, 2017
Erika Copeland-Dansby	Member	December 31, 2017
Elisa Hoffman	Member	December 31, 2017
Alexander P. Kuhns	Member	December 31, 2015
Daniel Minera	Member	December 31, 2017

District Administration:

Name	Title
Mary Ronan	Superintendent
Diana C. Whitt	Treasurer/CFO
C. Laura Mitchell	Deputy Superintendent
William M. Myles	Assistant Superintendent
Gabriel Lofton	Assistant Superintendent
Cynthia L. Dillon	General Counsel
Jennifer M. Wagner	Chief Information Officer
Dave Durkin	Director of Fiscal Services
Yenetta Harper	Director of Innovation and Grant Development
Janet Walsh	Director of Public Affairs
Teresa A. Johnson, CPA	Assistant Treasurer/Controller
Patricia Neal-Miller	Director of Human Resources
Chandra L. Brown, CFE, CIA, MBA	Internal Auditor



Government Finance Officers Association

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

Presented to

**Cincinnati City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO



Financial Section







Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Cincinnati School District
Hamilton County
2651 Burnet Avenue
Cincinnati, Ohio 45219

To the Board of Education:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Cincinnati City School District, Hamilton County, Ohio, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the District's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Dave Yost". The signature is written in a cursive, flowing style with a large initial "D" and a long, sweeping underline.

Dave Yost
Auditor of State

Columbus, Ohio

January 29, 2015



CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014

Unaudited

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

FINANCIAL HIGHLIGHTS

Key financial highlights for 2014 are as follows:

General revenues accounted for \$505,722,479 in revenue or 84.5% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$92,865,315 or 15.5% of total revenues of \$598,587,794.

The District had \$584,865,457 in expenses related to governmental activities; only \$92,865,315 of these expenses was offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$275,371,026, revenue in lieu of taxes totaling \$28,579,107, unrestricted state and federal revenues totaling \$200,504,547, investment earnings totaling \$822,672 plus prior year carry over revenues) were adequate to provide for these programs.

The assets of the District exceeded its liabilities at June 30, 2014 by \$632,302,720 (net position). Of this amount, \$176,319,017 is considered unrestricted and may be used to meet the District's on-going obligations.

The District's total net position increased \$13,722,337 in fiscal year 2014, which represents a 2.2% increase from the fiscal year 2013 balance. Revenues decreased by 1.8% and expenses decreased 2.9% from prior year amounts. Approximately 57% of the decrease in revenues came from taxes received while a decrease in charges for services amounted to approximately 37% of the decrease. Expense levels decreased primarily from lower interest and fiscal charges on the District's debt, lower maintenance costs as new schools came on line as part of the District's Facilities Master Plan and as a result of overall reduced labor costs.

Among major funds, the general fund had \$467,611,331 in revenue, \$448,482,097 in expenditures and (\$15,688,015) in net other financing uses, resulting in the general fund balance increasing by \$3,441,219 to \$161,694,833.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis, the basic financial statements, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014

Unaudited

These statements are as follows:

The Government-Wide Financial Statements – These statements provide both long-term and short-term information about the District's overall financial status.

The Fund Financial Statements – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting similar to those used by private-sector companies. The statement of net position includes all of the District's assets and deferred outflows of resources and all of its liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net position (the difference between the District's assets and liabilities) is one way to measure the District's financial health or position.

Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, and student enrollment growth and facility conditions.

The government-wide financial statements of the District fall into one category:

Governmental Activities – All of the district's programs and services are reported here including instruction, support services, non-instructional and extracurricular activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014

Unaudited

Proprietary Fund – The District utilizes an internal service fund to report activities that provide services for the District's other programs and activities. The Proprietary fund is reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

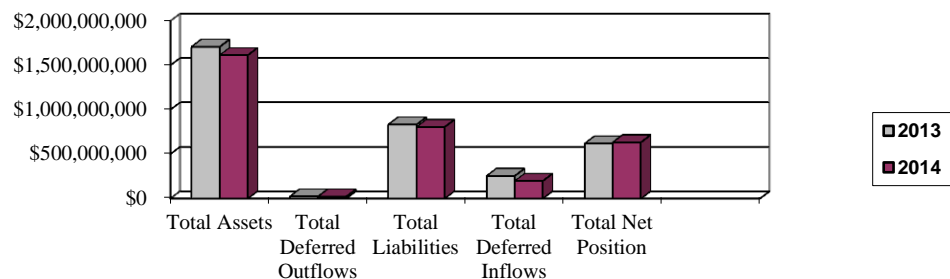
Fiduciary Funds – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District's net position for 2014 compared to 2013:

	Governmental Activities		Increase (Decrease)
	2014	2013	
Current and other assets	\$579,349,260	\$654,788,777	(\$75,439,517)
Capital assets, Net	1,034,053,065	1,027,950,249	6,102,816
Total assets	1,613,402,325	1,682,739,026	(69,336,701)
Deferred Outflows of Resources	20,672,235	22,084,137	(1,411,902)
Long-term debt outstanding	748,596,178	777,653,405	(29,057,227)
Other liabilities	56,034,820	54,700,025	1,334,795
Total liabilities	804,630,998	832,353,430	(27,722,432)
Deferred Inflows of Resources	197,140,842	253,889,350	(56,748,508)
Net position			
Net Investment in Capital Assets	378,833,045	371,260,025	7,573,020
Restricted	77,150,658	75,648,432	1,502,226
Unrestricted	176,319,017	171,671,926	4,647,091
Total net position	\$632,302,720	\$618,580,383	\$13,722,337

Cincinnati City Schools Governmental Activities



CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014

Unaudited

Changes in Net Position – The following table shows the net position for the fiscal year 2014 compared to 2013:

	Governmental Activities		Increase (Decrease)
	2014	2013	
Revenues			
Program revenues:			
Charges for Services	\$17,600,278	\$21,590,280	(\$3,990,002)
Operating Grants	74,439,049	85,983,762	(11,544,713)
Capital Grants	825,988	795,249	30,739
General revenues:			
Property Taxes	275,371,026	281,605,529	(6,234,503)
Revenue in Lieu of Taxes	28,579,107	26,729,545	1,849,562
Grants and Entitlements	200,504,547	189,651,837	10,852,710
Other	1,267,799	3,081,073	(1,813,274)
Total revenues	598,587,794	609,437,275	(10,849,481)
Program Expenses			
Instruction:			
Regular	227,470,011	216,412,633	11,057,378
Special	68,794,765	74,992,946	(6,198,181)
Vocational	3,367,142	3,789,648	(422,506)
Other	825,306	1,076,290	(250,984)
Support Services:			
Pupils	38,352,619	35,346,133	3,006,486
Instructional Staff	21,048,281	36,716,764	(15,668,483)
Board of Education	389,815	380,683	9,132
Administration	29,462,944	32,566,236	(3,103,292)
Fiscal Services	8,209,680	6,796,344	1,413,336
Business	1,300,440	1,122,066	178,374
Operation and Maintenance of Plant	43,099,032	48,446,538	(5,347,506)
Pupil Transportation	29,401,931	31,522,565	(2,120,634)
Central	18,914,522	19,827,610	(913,088)
Non-Instructional Services	55,719,694	51,851,575	3,868,119
Extracurricular Activities	5,406,211	3,810,106	1,596,105
Interest and Fiscal Charges	33,103,064	37,947,116	(4,844,052)
Total expenses	584,865,457	602,605,253	(17,739,796)
Total Change in Net Position	13,722,337	6,832,022	6,890,315
Beginning Net Position	618,580,383	611,748,361	6,832,022
Ending Net Position	<u>\$632,302,720</u>	<u>\$618,580,383</u>	<u>\$13,722,337</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014

Unaudited

The District's total net position increased \$13,722,337 in fiscal year 2014, representing a 2.2% increase from the ending fiscal year 2013 net position balance. In comparison, total net position increased in fiscal year 2013 by \$6,832,022.

The District's revenues came from mainly two sources. Property taxes levied for general purposes and grants and entitlements comprise over 92% of the District's revenues for governmental activities.

The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation.

Property taxes made up 46% of governmental activities for the District in fiscal year 2014 and saw a 2.2% decrease from 2013 levels.

Overall, 2014 grants and entitlements amounts remained relatively consistent with 2013 amounts. Operating grants decreased due to lower funding levels and the phase out of grants under the American Recovery and Reinvestment Act of 2009 (ARRA). General revenue type grants and entitlements increased primarily due to the implementation of the Ohio Department of Education's Straight A Fund program and increases in other grant funding sources.

Total expenses for 2014 decreased 2.9% from 2013 levels. Overall, expenses decreased primarily from lower interest and fiscal charges on the District's debt, lower maintenance costs due to older schools being replaced with new schools as part of the District's Facilities Master Plan and as a result of overall reduced labor costs. In addition, due to the changing nature of funding requirements during 2014, realignment of expense classifications between program expense types were required resulting in a significant increase in the regular instruction expenses category with an offsetting decrease to the support services instructional staff category.

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home value at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service.

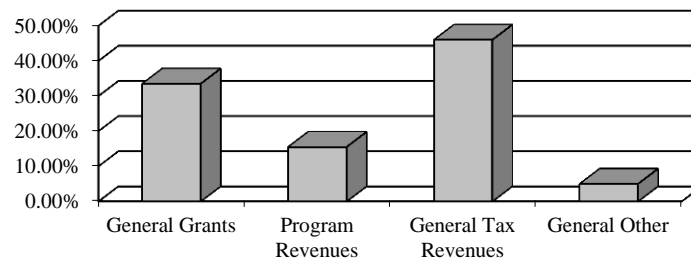
CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014

Unaudited

Property taxes made up 46% of revenues for governmental activities for the Cincinnati City School District in fiscal year 2014. The District's reliance upon tax revenues is demonstrated by the following table and graph:

Revenue Sources	2014	Percent of Total
General Grants	\$200,504,547	33.50%
Program Revenues	92,865,315	15.51%
General Tax Revenues	275,371,026	46.00%
General Other	29,846,906	4.99%
Total Revenue	<u>\$598,587,794</u>	<u>100.00%</u>



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$253,466,542, which is less than last year's total of \$267,513,533. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2014 and 2013.

	Fund Balance June 30, 2014	Fund Balance June 30, 2013	Increase (Decrease)
General	\$161,694,833	\$158,253,614	\$3,441,219
Debt Service	36,585,823	33,416,766	3,169,057
Other Governmental	55,185,886	75,843,153	(20,657,267)
Total	<u>\$253,466,542</u>	<u>\$267,513,533</u>	<u>(\$14,046,991)</u>

The District's General Fund's fund balance increased during Fiscal year 2014 by \$3.4 million as revenues exceeded the total of expenditures and transfers in/out from/to other funds. By comparison, fiscal year 2013 increased by \$26.7 million.

The increase in the Debt Service Fund is due tax revenues and transfers from the General Fund exceeded debt payment requirements on the District's debt.

The decrease in Other Governmental Funds is largely due to the use of assets restricted for specific uses such as capital asset additions as part of the District's Facility Master Plan.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014**

Unaudited

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

	2014 Revenues	2013 Revenues	Increase (Decrease)
Taxes	\$253,135,130	\$251,538,469	\$1,596,661
Tuition	2,807,829	1,662,320	1,145,509
In Lieu of Taxes	12,552,058	8,316,098	4,235,960
Investment Earnings	424,952	321,343	103,609
Intergovernmental - State	194,334,271	183,288,284	11,045,987
Intergovernmental - Federal	896,059	1,817,931	(921,872)
All Other Revenue	3,461,032	7,830,008	(4,368,976)
Total	<u>\$467,611,331</u>	<u>\$454,774,453</u>	<u>\$12,836,878</u>

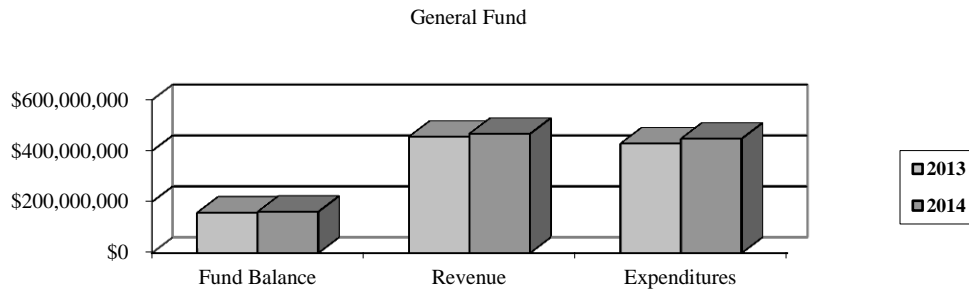
General Fund revenues in 2014 increased from 2013 amounts primarily due to increased funding from the Ohio Department of Education foundation amounts and receipts from entities making payments in lieu of taxes.

	2014 Expenditures	2013 Expenditures	Increase (Decrease)
Instruction:			
Regular	\$226,792,687	\$201,838,839	\$24,953,848
Special	49,665,262	49,397,603	267,659
Vocational	2,870,691	3,066,370	(195,679)
Other	64,270	76	64,194
Supporting Services:			
Pupils	36,176,770	28,510,779	7,665,991
Instructional Staff	9,529,810	19,829,699	(10,299,889)
Board of Education	401,626	364,567	37,059
Administration	25,872,851	25,308,306	564,545
Fiscal Services	7,332,451	5,339,639	1,992,812
Business	1,260,940	1,138,608	122,332
Operation and Maintenance of Plant	37,110,220	30,684,028	6,426,192
Pupil Transportation	29,362,331	29,973,387	(611,056)
Central	18,068,977	19,037,290	(968,313)
Non-Instructional Services	264,591	0	264,591
Extracurricular Activities	3,772,641	2,347,632	1,425,009
Capital Outlay	335,979	163,310	172,669
Total	<u>\$448,882,097</u>	<u>\$417,000,133</u>	<u>\$31,881,964</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014

Unaudited



The \$31.9 million increase in total operating expenditures is a result of several factors. The predominant factor in the large increase was the scaling back of the Schoolwide Building Program Fund which had accounted for a majority of the increased costs in prior years but returned as a General Fund expenditure for 2014. In addition, due to the changing nature of funding requirements during 2014, realignment of expense classifications between program expense types were required resulting in a significant increase in the regular instruction expenses category with an offsetting decrease to the support services instructional staff category.

During the course of fiscal year 2014 the District amended its General Fund budget for revenues and expenditures several times.

The General Fund's final budgeted revenues were increased 6.2% or \$29.6 million compared to the original budget estimates due to increasing estimated revenues primarily for taxes and intergovernmental revenues. Appropriations were increased by a minor amount due to specific identification of certain areas where budgeted line item amounts required additional appropriations throughout the year.

Actual final budget basis revenues were 12.4% below, or \$63.2 million, final budgeted amounts primarily as a result of lower than budgeted property tax receipts collected by Hamilton County and intergovernmental-state revenues. Actual final budget basis expenditures were lower than final appropriated amounts and varied by 1.2% or \$6.3 million.

This space left blank intentionally.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2014

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At the end of fiscal 2014 the District had \$1,034,053,065 net of accumulated depreciation invested in land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and construction in progress. The following table shows fiscal year 2014 balances:

	Governmental Activities		Increase (Decrease)
	2014	2013	
Land	\$36,332,287	\$36,339,597	(\$7,310)
Construction in Progress	103,295,611	149,861,374	(46,565,763)
Land Improvements	10,985,941	10,999,145	(13,204)
Buildings and Improvements	1,048,398,731	974,613,049	73,785,682
Furniture, Fixtures and Equipment	764,783	1,498,555	(733,772)
Vehicles	923,967	871,574	52,393
Less: Accumulated Depreciation	(166,648,255)	(146,233,045)	(20,415,210)
Totals	<u>\$1,034,053,065</u>	<u>\$1,027,950,249</u>	<u>\$6,102,816</u>

For financial reporting purposes the District capitalizes all assets in excess of \$25,000 unless they are purchased with Federal funding, in which case the threshold is \$5,000. The \$73,785,682 net increase in Buildings and Improvements during 2014 was a result of completing construction of several building projects as part of the District's ten year, \$985 million Facilities Master Plan and reclassified from construction in progress to other asset classifications. The \$46,565,763 net decrease in Construction in Progress is a result of those schools where construction was completed during 2014. The increase in capital asset balances, coupled with changes in debt balances, contributed to a net increase in Government Activities Net Investment in Capital Assets in the amount of \$7,573,020. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 10).

Debt - At June 30, 2014, the District had \$600,399,546 in General Obligation Bonds outstanding, \$31,665,493 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2014:

	2014	2013
Governmental Activities:		
General Obligation Bonds	\$600,399,546	\$630,873,616
Capital Leases	104,875,000	105,815,000
Compensated Absences	43,321,632	40,964,789
Totals	<u>\$748,596,178</u>	<u>\$777,653,405</u>

Detailed information regarding debt is included in the notes to the basic financial statements (Notes 13-14).

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014***

Unaudited

ECONOMIC FACTORS

The Board of Education and administration closely monitor revenue and expenditures in accordance with the financial forecast. The District has communicated to its community the reliance upon their support for its operations and that it will continue to work diligently to plan expenditures, carefully staying within the District's five-year financial plan.

The economy of the District is based on a wide diversity of industry. The major sources of revenue to the District are local property taxes on real and personal property, along with State aid. Other program expenditures, such as those for the free and reduced lunch program and special needs classes and those to meet the requirements of No Child Left Behind are funded by designated State and Federal grants.

The District's revenues decreased by 1.8% and expenses decreased 2.9% from prior year amounts. Approximately 57% of the decrease in revenues came in the form of taxes received. Overall expense levels decreased at modest levels in 2014.

The economy, changes in federal and state funding amounts and varying spending restrictions on funding received will challenge the District's budget while continuing current successful programs and implementing new initiatives like the District's My Tomorrow technology initiative. As a result of the challenges mentioned above, it is imperative that the School District's Management continue to carefully plan in order to provide the resources required to meet the student needs over the next several years. Strategies will need to be developed to be able to cope with the increasing needs of the School District's student population and matching costs with the financial structure that exists that combines the local revenue and the State foundation funding. The current varying economic conditions of the State along with the rising cost of materials and labor present funding challenges. The School district administration acknowledges that fact and knows that it must be creative in managing its budget. The diverse economic base in the industry will continue to be a source of stability for the area, protecting it from severe peaks and valleys in the business cycle.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Diane C. Whitt, Treasurer/CFO of the Cincinnati City School District, 2651 Burnet Avenue, P.O. Box 5384, Cincinnati, Ohio 45201-5384.



CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Net Position ***June 30, 2014***

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$ 208,437,899
Investments	337,509
Receivables:	
Taxes	312,675,231
Accounts	802,501
Intergovernmental - State and Local	12,303,654
Intergovernmental - Federal	16,356,900
Interest	86,584
Inventory of Supplies at Cost	130,691
Inventory Held for Resale	5,911
Restricted Assets:	
Pooled Cash and Investments	28,212,380
Non-Depreciable Capital Assets	139,627,898
Depreciable Capital Assets, Net	894,425,167
Total Assets	1,613,402,325
Deferred Outflows of Resources:	
Deferred Charge on Debt Refunding	20,672,235
Liabilities:	
Accounts Payable	7,489,081
Accrued Wages and Benefits	32,803,828
Intergovernmental Payable	9,532,579
Claims Payable	3,638,000
Accrued Interest Payable	2,571,332
Long Term Liabilities:	
Due Within One Year	38,293,846
Due in More Than One Year	710,302,332
Total Liabilities	804,630,998
Deferred Inflows of Resources:	
Property Tax Levy for Next Fiscal Year	197,140,842
Net Position:	
Net Investment in Capital Assets	378,833,045
Restricted For:	
Debt Service	37,985,018
Permanent Fund:	
Expendable	575,846
Nonexpendable	768,034
State and Federal Grants	37,821,760
Unrestricted	176,319,017
Total Net Position	\$ 632,302,720

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Activities For the Fiscal Year Ended June 30, 2014

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction:					
Instruction - Regular	\$ 227,470,011	\$ 8,133,465	\$ 3,911,020	\$ 0	\$ (215,425,526)
Instruction - Special	68,794,765	195,687	14,297,298	0	(54,301,780)
Instruction - Vocational	3,367,142	6,656	770,666	0	(2,589,820)
Instruction - Other	825,306	124,490	1,048,576	0	347,760
Support Services:					
Pupils	38,352,619	131,610	2,425,785	0	(35,795,224)
Instructional Staff	21,048,281	2,665,014	9,530,878	0	(8,852,389)
Board of Education	389,815	0	0	0	(389,815)
Administration	29,462,944	466,289	4,142,793	0	(24,853,862)
Fiscal Services	8,209,680	18,826	427,449	0	(7,763,405)
Business	1,300,440	0	0	0	(1,300,440)
Operation and Maintenance of Plant	43,099,032	758,967	378,771	825,988	(41,135,306)
Pupil Transportation	29,401,931	1,410	40,932	0	(29,359,589)
Central	18,914,522	264,865	902,556	0	(17,747,101)
Operation of Non-Instructional Services	55,719,694	1,994,311	33,899,101	0	(19,826,282)
Extracurricular Activities	5,406,211	2,838,688	2,663,224	0	95,701
Interest and Fiscal Charges	33,103,064	0	0	0	(33,103,064)
Total Governmental Activities	\$ 584,865,457	\$ 17,600,278	\$ 74,439,049	\$ 825,988	(492,000,142)
General Revenues					
Property Taxes Levied for:					
General Purposes					244,261,485
Debt Service					31,109,541
Revenue in Lieu of Taxes					28,579,107
Grants and Entitlements not Restricted to Specific Programs					200,504,547
Investment Earnings					822,672
Miscellaneous					445,127
Total General Revenues					505,722,479
Change in Net Position					13,722,337
Net Position Beginning of Year					618,580,383
Net Position End of Year					\$ 632,302,720

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Balance Sheet **Governmental Funds** **June 30, 2014**

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$ 105,093,039	\$ 5,427,795	\$ 74,805,120	\$ 185,325,954
Investments	0	0	337,509	337,509
Receivables:				
Taxes	279,197,658	33,477,573	0	312,675,231
Accounts	396,840	0	405,661	802,501
Intergovernmental - State and Local	0	0	12,303,654	12,303,654
Intergovernmental - Federal	0	0	16,356,900	16,356,900
Interest	48,234	32,812	5,538	86,584
Interfund Loans Receivable	23,820,284	0	0	23,820,284
Inventory of Supplies at Cost	0	0	130,691	130,691
Inventory Held for Resale	0	0	5,911	5,911
Restricted Assets:				
Pooled Cash and Investments	0	22,554,666	5,657,714	28,212,380
Total Assets	\$ 408,556,055	\$ 61,492,846	\$ 110,008,698	\$ 580,057,599
Liabilities:				
Accounts Payable	\$ 2,197,426	\$ 0	\$ 5,291,655	\$ 7,489,081
Accrued Wages and Benefits	28,373,501	0	4,430,327	32,803,828
Intergovernmental Payable	7,454,827	0	2,077,752	9,532,579
Interfund Loans Payable	70,823	0	23,749,461	23,820,284
Compensated Absences Payable	321,320	0	0	321,320
Total Liabilities	38,417,897	0	35,549,195	73,967,092
Deferred Inflows of Resources:				
Unavailable Amounts	32,238,979	3,970,527	19,273,617	55,483,123
Property Tax Levy for Next Fiscal Year	176,204,346	20,936,496	0	197,140,842
Total Deferred Inflows of Resources	208,443,325	24,907,023	19,273,617	252,623,965
Fund Balances:				
Nonspendable	557,803	0	904,636	1,462,439
Restricted	0	36,585,823	58,349,870	94,935,693
Assigned	19,161,684	0	0	19,161,684
Unassigned	141,975,346	0	(4,068,620)	137,906,726
Total Fund Balances	161,694,833	36,585,823	55,185,886	253,466,542
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 408,556,055	\$ 61,492,846	\$ 110,008,698	\$ 580,057,599

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities June 30, 2014

Total Governmental Fund Balances \$ 253,466,542

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

Capital Assets used in governmental activities are not resources and therefore are not reported in the funds. 1,034,053,065

Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the fund statements.

Accounts Receivable	158,204	
Taxes Receivable	36,103,633	
Interest Receivable	46,893	
Grants Receivable	19,174,393	
Deferred Charge on Debt Refunding	20,672,235	
Total		76,155,358

Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 19,473,945

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Amounts Due Within One Year	(38,293,846)	
Amounts Due in More Than One Year	(710,302,332)	
Compensated Absences - accrued on fund basis	321,320	
Accrued Interest on Long-Term Debt	(2,571,332)	
Total		(750,846,190)

Net Position of Governmental Activities \$ 632,302,720

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 253,135,130	\$ 32,123,589	\$ 0	\$ 285,258,719
Tuition	2,807,829	0	0	2,807,829
In Lieu of Taxes	12,552,058	16,025,978	0	28,578,036
Investment Earnings	424,952	218,616	153,999	797,567
Food Services	0	0	1,440,373	1,440,373
Intergovernmental - State	194,334,271	3,809,165	16,850,284	214,993,720
Intergovernmental - Federal	896,059	2,779,242	64,927,800	68,603,101
All Other Revenue	3,461,032	0	10,553,188	14,014,220
Total Revenue	467,611,331	54,956,590	93,925,644	616,493,565
Expenditures:				
Current:				
Instruction:				
Regular	226,792,687	0	4,670,413	231,463,100
Special	49,665,262	0	20,357,638	70,022,900
Vocational	2,870,691	0	599,607	3,470,298
Other	64,270	0	1,078,111	1,142,381
Supporting Services:				
Pupils	36,176,770	0	2,849,093	39,025,863
Instructional Staff	9,529,810	0	11,739,567	21,269,377
Board of Education	401,626	0	0	401,626
Administration	25,872,851	154,846	4,555,252	30,582,949
Fiscal Services	7,332,451	401,220	556,217	8,289,888
Business	1,260,940	0	71,894	1,332,834
Operation & Maintenance of Plant	37,110,220	0	6,229,265	43,339,485
Pupil Transportation	29,362,331	0	62,209	29,424,540
Central	18,068,977	0	958,240	19,027,217
Operation of Non-Instructional Services	264,591	0	34,470,552	34,735,143
Extracurricular Activities	3,372,641	0	2,049,621	5,422,262
Capital Outlay	335,979	0	28,039,845	28,375,824
Debt Service:				
Principal Retirement	0	28,575,000	0	28,575,000
Interest & Fiscal Charges	0	34,639,869	0	34,639,869
Total Expenditures	448,482,097	63,770,935	118,287,524	630,540,556
Excess (Deficiency) of Revenues Over Expenditures	19,129,234	(8,814,345)	(24,361,880)	(14,046,991)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Other Financing Sources (Uses):				
Transfers In	0	11,983,402	3,704,613	15,688,015
Transfers Out	(15,688,015)	0	0	(15,688,015)
Total Other Financing Sources (Uses)	<u>(15,688,015)</u>	<u>11,983,402</u>	<u>3,704,613</u>	<u>0</u>
Net Change in Fund Balance	3,441,219	3,169,057	(20,657,267)	(14,046,991)
Fund Balances at Beginning of Year	<u>158,253,614</u>	<u>33,416,766</u>	<u>75,843,153</u>	<u>267,513,533</u>
Fund Balances End of Year	<u><u>\$ 161,694,833</u></u>	<u><u>\$ 36,585,823</u></u>	<u><u>\$ 55,185,886</u></u>	<u><u>\$ 253,466,542</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds To the Statement of Activities For the Fiscal Year Ended June 30, 2014

Net Change in Fund Balances - Total Governmental Funds \$ (14,046,991)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 6,899,620

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received. (796,804)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (17,784,765)

Repayment of bond and lease principal is an expenditure in the governmental funds, but the transactions, however, have no effect on net position. 28,575,000

In the statement of activities, interest is accrued on outstanding bonds and long-term notes payable, whereas in governmental funds, an interest expenditure is reported when due. 1,536,805

Some expenses reported in the statement of activities, including the long-term portion of compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (2,293,016)

The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. 11,632,488

Change in Net Position of Governmental Activities \$ 13,722,337

See accompanying notes to the basic financial statements



CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 232,092,210	\$ 247,079,261	\$ 208,184,317	\$ (38,894,944)
Tuition	2,064,591	2,197,910	2,818,969	621,059
In Lieu of Taxes	13,793,471	14,684,166	12,927,033	(1,757,133)
Investment Earnings	382,208	406,889	358,200	(48,689)
Intergovernmental - State	207,359,581	220,749,555	194,334,271	(26,415,284)
Intergovernmental - Federal	956,118	1,017,858	896,059	(121,799)
All Other Revenues	1,364,881	1,453,016	2,707,466	1,254,450
Total Revenues	458,013,060	487,588,655	422,226,315	(65,362,340)
Expenditures:				
Current:				
Instruction:				
Regular	227,733,735	227,841,345	224,773,300	3,068,045
Special	49,751,899	49,775,408	49,105,147	670,261
Vocational	3,015,831	3,017,256	2,976,627	40,629
Other	59,012	59,040	58,245	795
Support Services:				
Pupils	37,705,399	37,723,216	37,215,246	507,970
Instructional Staff	9,855,601	9,860,258	9,727,483	132,775
Board of Education	406,784	406,976	401,496	5,480
Administration	26,235,107	26,247,504	25,894,063	353,441
Fiscal Services	7,919,038	7,922,780	7,816,094	106,686
Business	1,339,052	1,339,685	1,321,645	18,040
Operation and Maintenance of Plant	42,528,852	42,548,949	41,975,997	572,952
Pupil Transportation	37,386,576	37,404,243	36,900,568	503,675
Central	22,422,053	22,432,649	22,130,577	302,072
Operation of Non-Instructional Services	247,650	247,767	244,431	3,336
Extracurricular Activities	3,495,297	3,496,949	3,449,860	47,089
Capital Outlay	455,652	455,868	449,729	6,139
Total Expenditures	470,557,538	470,779,893	464,440,508	6,339,385
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,544,478)	16,808,762	(42,214,193)	(59,022,955)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers Out	(15,688,015)	(15,688,015)	(15,688,015)	0
Advances In	21,624,379	21,624,379	21,624,379	0
Advances Out	(25,372,589)	(25,372,589)	(25,372,589)	0
Refund of Prior Year's Expenditures	0	0	2,177,628	2,177,628
Refund of Prior Year's Receipts	(1,464,180)	(1,464,180)	(1,464,180)	0
Total Other Financing Sources (Uses):	(20,900,405)	(20,900,405)	(18,722,777)	2,177,628
Net Change in Fund Balance	(33,444,883)	(4,091,643)	(60,936,970)	(56,845,327)
Fund Balance at Beginning of Year	120,091,957	120,091,957	120,091,957	0
Prior Year Encumbrances	12,488,870	12,488,870	12,488,870	0
Fund Balance at End of Year	<u>\$ 99,135,944</u>	<u>\$ 128,489,184</u>	<u>\$ 71,643,857</u>	<u>\$ (56,845,327)</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Net Position Proprietary Fund June 30, 2014

	Governmental Activities - Internal Service Fund
Assets:	
<i>Current Assets:</i>	
Equity in Pooled Cash and Investments	\$ 23,111,945
Total Assets	<u>23,111,945</u>
Liabilities:	
<i>Current Liabilities:</i>	
Claims Payable	<u>3,638,000</u>
Total Liabilities	<u>3,638,000</u>
Net Position:	
Unrestricted	<u>19,473,945</u>
Total Net Position	<u><u>\$ 19,473,945</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Fund For the Fiscal Year Ended June 30, 2014

	Governmental Activities - Internal Service Fund
Operating Revenues:	
Interfund Charges	\$ 58,131,669
Total Operating Revenues	<u>58,131,669</u>
Operating Expenses:	
Claims	<u>46,499,181</u>
Total Operating Expenses	<u>46,499,181</u>
Change in Net Position	11,632,488
Net Position Beginning of Year	<u>7,841,457</u>
Net Position End of Year	<u>\$ 19,473,945</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Cash Flows

Proprietary Fund

For the Fiscal Year Ended June 30, 2014

	Governmental Activities - Internal Service Fund
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$58,131,669
Cash Payments for Claims	(46,004,281)
Net Cash Provided by Operating Activities	<u>12,127,388</u>
 Net Change in Cash and Cash Equivalents	 12,127,388
 Cash and Cash Equivalents at Beginning of Year	 <u>10,984,557</u>
Cash and Cash Equivalents at End of Year	<u><u>\$23,111,945</u></u>
 <u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income	\$11,632,488
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Accounts Payable	(33,100)
Increase in Claims Payable	<u>528,000</u>
Total Adjustments	<u>494,900</u>
Net Cash Provided by Operating Activities	<u><u>\$12,127,388</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Net Position
Fiduciary Funds
June 30, 2014

	Private Purpose Trust Special Trust Fund	Agency
Assets:		
Equity in Pooled Cash and Investments	\$ 1,165,038	\$ 80,530
Investments	550,558	0
Total Assets	<u>1,715,596</u>	<u>80,530</u>
Liabilities:		
Accounts Payable	37,385	0
Due to Students	0	80,530
Total Liabilities	<u>37,385</u>	<u>80,530</u>
Net Position:		
Unrestricted	<u>1,678,211</u>	<u>0</u>
Total Net Position	<u>\$ 1,678,211</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Statement of Changes in Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2014***

	Private Purpose Trust Special Trust Fund
Additions:	
Contributions:	
Private Donations	\$ 103,638
Total Contributions	<u>103,638</u>
Investment Earnings:	
Interest	20,200
Net Change in the Fair Value of Investments	<u>32,577</u>
Total Investment Earnings	<u>52,777</u>
Total Additions	<u>156,415</u>
Deductions:	
Administrative Expenses	225
Community Services	<u>72,048</u>
Total Deductions	<u>72,273</u>
Change in Net Position	84,142
Net Position at Beginning of Year	<u>1,594,069</u>
Net Position End of Year	<u><u>\$ 1,678,211</u></u>
See accompanying notes to the basic financial statements	

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Cincinnati City School District, Ohio (District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is a city school district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected seven member Board of Education and is responsible for the provision of public education to residents of the District. The District also provides both special education and career/technical education for residents of the District.

The District is the third largest in the State of Ohio and includes the cities of Cincinnati and Cheviot, and the villages of Amberley and Golf Manor, most of the city of Silverton, and part of each of the following: the city of Wyoming, the village of Fairfax and the townships of Anderson, Columbia, Delhi, Green and Springfield. The District's total area is approximately 90 square miles. As of June 30, 2014, the District employed 4,979 employees, including 2,822 certified by the Ohio Department of Education serving as classroom teachers, education specialists and administrators.

The accompanying basic financial statements comply with the provisions of GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39, *"Determining Whether Certain Organizations are Component Units"* in that the financial statements include all organizations, activities, and functions for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing board and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on the District. Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings.

The accounting policies and financial reporting practices of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

B. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation – Financial Statements (Continued)

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

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

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

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

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

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are grouped into the categories governmental, proprietary and fiduciary.

Governmental Funds - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities are accounted for through governmental funds. The measurement focus is upon determination of "current financial resources" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

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

Debt Service Fund - This fund is used to account for resources that are used for payment of principal, interest and fiscal charges on general obligation debt.

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

Proprietary Fund - The proprietary fund is accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis. The Self Insurance Fund accounts for the premiums and claims payments applicable to the employee health and dental plans.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds – Fiduciary fund reporting focuses on net position and changes in net position. The District has two types of fiduciary funds: a private-purpose trust fund and an agency fund. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust that accounts for scholarship programs for students. The private purpose trust fund is accounted for on an "economic resources" measurement focus. The District's agency fund accounts for various student-managed activity programs. The agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operations.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2014, and which are not intended to finance fiscal 2014 operations, have been recorded as deferred inflows of resources. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Revenues – Exchange and Non-exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. Funds that exist only on a modified accrual basis are not required to be budgeted and appropriated. The primary level of budgetary control is at the fund level. Supplemental budgetary modifications may only be made by resolution of the Board of Education.

1. Tax Budget

By January 15, the Superintendent and Treasurer submit an annual operating budget for the following fiscal year to the Board of Education for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by January 20 of each year for the period July 1 to June 30 of the following fiscal year.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement, as final budget, reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2014.

3. Appropriations

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by management.

During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. Amounts for advances between funds are not required to be and are not appropriated by the District. In addition, due to the nature of the District's procedures for the funding of payroll expenditures through a holding account, certain transfers are also not formally appropriated. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the final budget, modified for the aforementioned advances and transfers, including all amendments and modifications.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

4. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

5. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are also recorded as the equivalent of expenditures on the budgetary basis.

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

Net Change in Fund Balance	
	General Fund
GAAP Basis (as reported)	\$3,441,219
Increase (Decrease):	
Accrued Revenues at June 30, 2014, received during FY 2015	(83,289,479)
Accrued Revenues at June 30, 2013, received during FY 2014	43,189,516
Accrued Expenditures at June 30, 2014, paid during FY 2015	38,347,074
Accrued Expenditures at June 30, 2013, paid during FY 2014	(37,517,980)
Interfund Activity 2014	(3,748,210)
Encumbrances Outstanding	(21,359,110)
Budget Basis	<u>(\$60,936,970)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 5, "Cash, Cash Equivalents and Investments."

For purposes of the Statement of Cash Flows, the District considers all highly liquid investments with a maturity when purchased of three months or less to be cash equivalents. All cash and investments of the proprietary fund types are pooled with the District's pooled cash and investments.

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District records all its investments at fair value. See Note 5, "Cash, Cash Equivalents and Investments."

The District has invested funds in the STAR Ohio during 2014. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2014. See Note 5, "Cash, Cash Equivalents and Investments."

H. Inventory

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

I. Capital Assets and Depreciation

1. Property, Plant and Equipment - Governmental Activities

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation (Continued)

1. Property, Plant and Equipment - Governmental Activities (Continued)

Contributed capital assets are recorded at fair market value at the date received. The District capitalizes costs of capital assets exceeding \$25,000 (non-Federal Funds) and \$5,000 for assets purchased with Federal Funds. Capital asset values were initially determined by identifying historical costs where such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Depreciation

All capital assets, except land and construction in progress, are depreciated. Land improvements that deteriorate with use or the passage of time, such as parking lots and fences, are considered depreciable. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	10 - 20
Buildings and Improvements	30 - 50
Furniture, Fixtures and Equipment	3 - 15
Vehicles	5

J. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Debt Service Fund
Capital Leases	Debt Service Fund
Compensated Absences	General Fund, Food Services Fund

K. Compensated Absences

GASB Statement No. 16 specifies that compensated absences should be accrued as employees earn them if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to services already rendered.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences (Continued)

2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment. The District includes in its liabilities any employee who has at least 20 years of service or an employee who has five years of service and is at least 60 years of age.

The District's policies regarding compensated absences are determined by state laws and/or negotiated agreements. In summary, the policies are as follows:

	<u>Certificated</u>	<u>Administrators</u>	<u>Non-Certificated</u>
<u>Vacation:</u> How Earned	Not Eligible	2.7 days per month of employment (27 days per year)	.84 days to 1.67 days per month of employment (10 to 20 days per year) depending on length of service.
Maximum Accumulation	Not Applicable	54 days	2 times the yearly accrual plus current year's accumulation
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
<u>Sick Leave:</u> How Earned	1.25 days month of employment (15 days per year. If 96% attendance, then 1 additional day.	1.25 days month of employment (15 days per year.	1.25 days month of employment (15 days per year.
Maximum Accumulation	Unlimited	Unlimited	Unlimited
Vested	As Earned	As Earned	As Earned
Termination Entitlement	½ paid upon retirement or upon death with minimum service requirement. ¼ for all new hires after 6/30/04.	½ paid upon retirement or upon death with minimum service requirement. ¼ for all days earned after 9/1/01.	½ paid upon retirement or upon death with minimum service requirement. ¼ for all new hires after 6/30/04.
<u>Personal Leave:</u> How Earned	3 days granted as of August 1	3 days granted as of August 1	3 days granted as of August 1
Maximum Accumulation	Not Applicable Converted to sick leave on August 1	Not Applicable Converted to sick leave on August 1	Not Applicable Converted to sick leave on August 1
Vested	Not Applicable	Not Applicable	Not Applicable
Termination Entitlement	Not Applicable	Not Applicable	Not Applicable

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences (Continued)

Compensated absences accumulated by governmental fund type employees are retired as an expense when earned in the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported in the fund financial statements.

L. Net Position

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

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

M. Pensions

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

N. Interfund Activity

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

O. Restricted Assets

Restricted assets in the governmental funds represent cash and cash equivalents set aside to establish a budget stabilization reserve, amounts set aside for debt retirement purposes and amounts to be utilized for capital improvements. The budget stabilization reserve is required by State statute and can be used only after receiving approval from the Board of Education.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balance

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

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. The Board of Education may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year’s appropriated budget. Through the District’s purchasing policy the Board of Education has given the Treasurer the authority to constrain monies for intended purposes in the general fund, which are reported as assigned fund balance.

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The District has one item that qualifies for reporting in this category. The deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. The governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. The governmental funds report unavailable amounts for certain miscellaneous receivables, interest receivable and grant monies. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

R. Estimates

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

S. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are interfund charges for the internal service fund. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

T. Revenue in Lieu of Taxes

Revenue in Lieu of Taxes are monies received, via agreements with the City of Cincinnati, Hamilton County and certain townships that overlap the District, in an attempt to “make whole” tax revenues that were lost via abatements, enterprise zones or Tax Increment Financing plans created within their jurisdictions.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 2 – FUND BALANCES

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

<u>Fund Balances</u>	<u>General Fund</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Inventories	\$0	\$0	\$136,602	\$136,602
Unclaimed Monies	557,803	0	0	557,803
Endowment	0	0	768,034	768,034
Total Nonspendable	<u>557,803</u>	<u>0</u>	<u>904,636</u>	<u>1,462,439</u>
Restricted:				
Targeted Assistance	0	0	19,050,376	19,050,376
Non-Public School Assistance	0	0	1,222,609	1,222,609
Food Service	0	0	9,375,020	9,375,020
Construction and Maintenance	0	0	28,701,865	28,701,865
Debt Service	0	36,585,823	0	36,585,823
Total Restricted	<u>0</u>	<u>36,585,823</u>	<u>58,349,870</u>	<u>94,935,693</u>
Encumbered Amounts	19,161,684	0	0	19,161,684
Unassigned	141,975,346	0	(4,068,620)	137,906,726
Total Fund Balances	<u>\$161,694,833</u>	<u>\$36,585,823</u>	<u>\$55,185,886</u>	<u>\$253,466,542</u>

This space left blank intentionally.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which capital outlays exceeded depreciation in the current period:

Capital Asset Additions	\$28,414,917
Depreciation Expense	(21,515,297)
	<u>\$6,899,620</u>

Governmental revenues not reported in the funds:

Decrease in Delinquent Tax Revenue	(\$9,887,693)
Decrease in Accounts Receivable	(215,414)
Increase in Interest Receivable	25,105
Decrease in Grants Receivable	(7,706,763)
	<u>(\$17,784,765)</u>

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

Bond Principal Payment	\$27,635,000
Capital Lease Payment	940,000
	<u>\$28,575,000</u>

Interest expense not reported in the funds:

Decrease in accrued interest on long term debt	\$109,637
Amortization of Bond Premium	2,839,070
Amortization of Deferred Loss on Defeasance	(1,411,902)
	<u>\$1,536,805</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 4 – DEFICIT FUND EQUITIES

The fund deficits at June 30, 2014 of \$392,920 in the ARRA Fund, \$1,008,032 in the Miscellaneous Federal Grants Fund (special revenue funds) and of \$2,667,668 in the Building Fund (capital project fund) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides operating transfers when cash is required, not when accruals occur.

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by a number of individual funds.

Statutes require the classification of funds held by the District into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of District cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the District places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the District's deposits was \$176,051,020 and the bank balance was \$181,540,745. The Federal Deposit Insurance Corporation (FDIC) covered \$750,000 of the bank balance and \$180,790,745 was insured by collateralized securities held by the pledging institution's trust department in the District's name.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

The District's investments at June 30, 2014 were as follows:

	Fair Value	Credit Rating as of June 30, 2014	Investment Maturities (in Years)		
			less than 1	1-3	3+
STAR Ohio	\$4,088,176	AAAm ²	\$4,088,176	\$0	\$0
Mutual Funds	320,750	Aaa ¹ , AAA ²	320,750	0	0
Freddie Mac	5,501,985	Aaa ¹ , AA+ ²	0	5,501,985	0
FNMA	18,558,873	Aaa ¹ , AA+ ²	0	14,574,628	3,984,245
FFCB	9,374,415	Aaa ¹ , AA+ ²	5,003,427	995,910	3,375,078
FHLB	24,000,628	Aaa ¹ , AA+ ²	10,511,190	12,000,275	1,489,163
Sub-Total	61,844,827		\$19,923,543	\$33,072,798	\$8,848,486
Common Stock	888,067				
Total Investments	\$62,732,894				

¹ Moody's Investor Service

² Standard & Poor's

Interest Rate Risk – The District's formal policy relating to interest rate risk follows the Ohio Revised Code which generally limits security purchases to those that mature within five years of settlement date.

Concentration of Credit Risk – The District places no limit on the amount the District may invest in one issuer. Of the District's total investments, 6.5% are Star Ohio, .5% are Mutual Funds, 8.8% are Freddie Mac, 29.6% are FNMA, 14.9% are FFCB, 38.3% are FHLB and 1.4 % are common stock (all donated).

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

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	Pooled Cash and Investments *	Investments
Per Combined Balance Sheet	\$237,895,847	\$888,067
U.S. Government Securities	(57,435,901)	57,435,901
Mutual Funds	(320,750)	320,750
STAR Ohio	(4,088,176)	4,088,176
Per GASB Statement No. 3	<u>\$176,051,020</u>	<u>\$62,732,894</u>

* - Includes restricted pooled cash and investments

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real and public utility property located in the District. Real property tax revenue received in calendar 2014 represents collections of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed value listed as of January 1, 2013, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 6 - PROPERTY TAXES (Continued)

Public utility property tax revenue received in calendar 2014 represents collections of calendar year 2013 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien December 31, 2010, were levied after April 1, 2013 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2014, are available to finance fiscal year 2014 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2014 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

The amount available as an advance at June 30, 2014 was \$70,842,219 in the general fund and \$8,588,537 in the debt service fund. The amount available as an advance at June 30, 2013, was \$25,891,406 in the general fund and \$2,997,397 in the debt service fund.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been recorded as a deferred inflow of resources.

NOTE 7 - RECEIVABLES

Receivables at June 30, 2014 consisted of taxes, accounts receivable, interest receivable, interfund and intergovernmental receivables.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 8 - TRANSFERS

Following is a summary of transfers in and out for all funds at June 30, 2014:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$0	\$15,688,015
Debt Service Fund	11,983,402	0
Other Governmental Funds	3,704,613	0
Total All Funds	<u>\$15,688,015</u>	<u>\$15,688,015</u>

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

The General Fund provided transfers of \$11,983,402 to the Debt Service Fund for the retirement of various debt issues and \$3,704,613 to the Other Governmental Funds to provide operating funds.

NOTE 9 - INTERFUND RECEIVABLES/PAYABLES

Interfund loans receivable/payable and advances to/from other funds at June 30, 2014 from one individual fund to another are as follows:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$23,820,284	\$70,823
Other Governmental Funds	0	23,749,461
Total	<u>\$23,820,284</u>	<u>\$23,820,284</u>

The interfund balances represent amounts due between funds resulting from timing differences.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 10 - CAPITAL ASSETS

Summary by category of changes in governmental activities capital assets at June 30, 2014:

Historical Cost:

Class	June 30, 2013	Additions	Deletions	June 30, 2014
Capital Assets Not Being Depreciated:				
Land	\$36,339,597	\$0	(\$7,310)	\$36,332,287
Construction In Progress	149,861,374	17,794,758	(64,360,521)	103,295,611
Subtotal	<u>186,200,971</u>	<u>17,794,758</u>	<u>(64,367,831)</u>	<u>139,627,898</u>
Capital Assets Being Depreciated:				
Land Improvements	10,999,145	0	(13,204)	10,985,941
Buildings and Improvements	974,613,049	74,775,178	(989,496)	1,048,398,731
Furniture, Fixtures, and Equipment	1,498,555	153,109	(886,881)	764,783
Vehicles	871,574	52,393	0	923,967
Subtotal	<u>987,982,323</u>	<u>74,980,680</u>	<u>(1,889,581)</u>	<u>1,061,073,422</u>
Total Cost	<u>\$1,174,183,294</u>	<u>\$92,775,438</u>	<u>(\$66,257,412)</u>	<u>\$1,200,701,320</u>
Accumulated Depreciation:				
Class	June 30, 2013	Additions	Deletions	June 30, 2014
Land Improvements	(\$7,088,966)	(\$301,085)	\$3,301	(\$7,386,750)
Buildings and Improvements	(137,449,774)	(21,052,674)	215,927	(158,286,521)
Furniture, Fixtures, and Equipment	(898,716)	(118,493)	880,859	(136,350)
Vehicles	(795,589)	(43,045)	0	(838,634)
Total Depreciation	<u>(\$146,233,045)</u>	<u>(\$21,515,297) *</u>	<u>\$1,100,087</u>	<u>(\$166,648,255)</u>
Net Value:	<u>\$1,027,950,249</u>			<u>\$1,034,053,065</u>

* Depreciation expenses were charged to governmental functions as follows:

Instruction:	
Regular	\$80,121
Special	1,621
Support Services:	
Instructional Staff	34
Fiscal Services	1,779
Operation and Maintenance of Plant	333,275
Central	90,892
Other Noninstructional Services	21,007,575
Total Depreciation Expense	<u>\$21,515,297</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 11 - DEFINED BENEFIT PENSION PLANS

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

A. School Employee Retirement System

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2014, the allocation to pension and death benefits was 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The District's contributions for pension obligations to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$8,656,355, \$7,573,202 and \$9,341,956 respectively, which were equal to the required contributions for each year.

B. State Teachers Retirement System

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. State Teachers Retirement System (Continued)

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

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

Funding Policy - For the fiscal year ended June 30, 2014, plan members were required to contribute 11 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2013, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 14 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013, and 2012 were \$19,848,935, \$24,432,597, and \$24,160,847 respectively; which were equal to the required contributions for each year.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

C. Social Security System

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

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. School Employee Retirement System

Plan Description – The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, 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 obligations to contribute are established by the SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website, www.ohsers.org under Employers/Audit Resources.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2014, 0.14 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2014, this amount was \$20,525.

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

The District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$92,511, \$92,497, and \$404,573 respectively; which were equal to the required contributions for each year.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)

A. School Employee Retirement System (Continued)

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2014, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012 were \$502,201, \$427,799, and \$551,690 respectively; which were equal to the required contributions for each year.

B. State Teachers Retirement System

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

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 Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2014, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$1,526,841, \$1,879,431, and \$1,858,527 respectively; which were equal to the required contributions for each year.

This space intentionally left blank.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 13- LONG-TERM DEBT AND OTHER OBLIGATIONS

Detail of the changes in the long-term debt of the District for the year ended June 30, 2014 is as follows:

		Balance June 30, 2013	Additions	Deductions	Balance June 30, 2014	Amount Due Within One Year
School Improvement	0.970%	\$5,000,000	\$0	\$0	\$5,000,000	\$0
(Original Issue Amount = \$5,000,000)						
School Improvement	3.25-5.375%	12,730,000	0	(12,730,000)	0	0
(Original Issue Amount = \$480,000,000)						
School Improvement Refunding	3.0-5.0%	62,480,000	0	(6,595,000)	55,885,000	6,925,000
(Original Issue Amount = \$69,405,000)						
School Improvement Refunding	4.0-5.25%	355,975,000	0	(3,855,000)	352,120,000	17,520,000
(Original Issue Amount = \$380,945,000)						
School Improvement Refunding	2.5-5.25%	100,575,000	0	(4,455,000)	96,120,000	4,620,000
(Original Issue Amount = \$104,900,000)						
Energy Conservation	5.439%	21,715,000	0	0	21,715,000	0
(Original Issue Amount = \$21,715,000)						
Energy Conservation	4.991%	3,000,000	0	0	3,000,000	0
(Original Issue Amount = \$3,000,000)						
Energy Conservation	5.150%	26,250,000	0	0	26,250,000	0
(Original Issue Amount = \$26,250,000)						
Sub-Total General Obligation Bonds		587,725,000	0	(27,635,000)	560,090,000	29,065,000
Premium General Obligation Bond		43,148,616	0	(2,839,070)	40,309,546	2,600,493
Total General Obligation Bonds		630,873,616	0	(30,474,070)	600,399,546	31,665,493
Capital Leases Payable	4.0-5.0%	105,815,000	0	(940,000)	104,875,000	980,000
Total Capital Leases Payable		105,815,000	0	(940,000)	104,875,000	980,000
Compensated Absences		40,964,789	8,178,539	(5,821,696)	43,321,632	5,648,353
Total Governmental Long-Term Debt		\$777,653,405	\$8,178,539	(\$37,235,766)	\$748,596,178	\$38,293,846

The School Improvement and School Improvement Refunding Bonds were issued as part of the District's ten-year, \$1.1 billion Facilities Master Plan (FMP) launched in May 2003 in order to renovate or constructed new a total of 49 schools. As discussed below, proceeds from the School Improvement Refunding Bonds were used to advance refund previously bonds issued under the FMP.

The Energy Conservation Bonds were issued as part of the District's \$56 million project for the installation of equipment and other upgrades to the schools for energy conservation and efficiency measures.

The bonds are general obligation bonds of the District and mature in varying amounts through 2032 and carry interest rates between 0.97% and 5.439%.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 13- LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)

A. Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements including principal and interest payments as of June 30, 2014 follows:

Years	General Obligation Bonds		
	Principal	Interest	Total
2015	\$29,065,000	\$28,044,921	\$57,109,921
2016	24,840,000	26,735,746	51,575,746
2017	31,085,000	25,468,621	56,553,621
2018	27,395,000	24,089,496	51,484,496
2019	28,730,000	22,700,497	51,430,497
2020-2024	133,630,000	92,080,501	225,710,501
2025-2029	163,975,000	52,661,803	216,636,803
2030-2032	121,370,000	11,651,669	133,021,669
Totals	<u>\$560,090,000</u>	<u>\$283,433,254</u>	<u>\$843,523,254</u>

B. Defeased Debt

In September 2006, the District partially refunded \$397,305,000 of General Obligation Bonds for School Improvement, dated May 6, 2003, original issue amount \$480,000,000, through the issuance of \$380,945,000 of General Obligation Bonds. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$397,305,000 at June 30, 2014, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 13- LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)

B. Defeased Debt (Continued)

In July 2005, the District refunded \$70,095,000 of General Obligation Bonds for School Improvement Series 2001, through the issuance of \$69,405,000 of General Obligation Bonds. The net proceeds of the 2006 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$57,165,000, at June 30, 2014, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In May 2010, the District refunded \$93,495,000 of General Obligation Bonds for School Improvement Series 2002, original issue amount of \$120,000,000, through the issuance of \$104,900,000 of School Improvement Refunding Bonds, Series 2010. Proceeds in the amount of \$103,964,664 from the 2010 Refunding Bond have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$66,605,000, at June 30, 2014, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

NOTE 14 - CAPITAL LEASE COMMITMENT

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 14 - CAPITAL LEASE COMMITMENT (Continued)

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2014:

<u>Year Ending June 30,</u>	<u>Capital Leases</u>
2015	\$6,189,909
2016	6,184,788
2017	6,182,288
2018	6,182,162
2019	6,179,288
2020-2024	40,373,456
2025-2029	56,161,625
2030-2033	46,827,500
Minimum Lease Payments	174,281,016
Less: Amount representing interest at the District's incremental borrowing rate of interest	(69,406,016)
Present value of minimum lease payments	<u>\$104,875,000</u>

NOTE 15 - RISK MANAGEMENT

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

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

For fiscal year 2014 the District participated in the Ohio Bureau of Workers Compensation Retrospective Rating Program, which requires a minimum 31% annual premium payment plus actual claims from District employees for the prior 10 calendar years. The cost for Workers Compensation claims paid in fiscal year 2014 was \$1,028,732. The premium cost paid in fiscal year 2014 was \$877,099. Premium cost is for administrative charges for Ohio Bureau of Workers Compensation. In addition to the claims paid during fiscal year 2014, the Ohio Bureau of Workers Compensation established a reserve of \$1,982,066 for future claim payments.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 15 - RISK MANAGEMENT (Continued)

The District is self insured for employee health care. The District began accounting for the self-insurance in a separate Internal Service Fund in 2001. The Self Insurance Fund pays covered claims to service providers, and recovers these costs from charges to other funds based on a rate of 22.59% of gross payroll. Incurred but not reported liabilities (IBNR's) are determined by the Actuarial Firm of Timothy P. Berghoff, FSA, MAAA. For the fiscal year ending June 30, 2014, the IBNR's were determined to be \$3,638,000.

Changes in the fund's claims liability amount in 2014 and 2013 were:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year End</u>
2013	\$2,883,000	44,694,416	(44,467,416)	\$3,110,000
2014	3,110,000	46,499,181	(45,971,181)	3,638,000

Dental insurance is offered to employees through Dental Care Plus. Total Premiums paid to Dental Care Plus were \$2,344,936. Dental Care Plus does not require an employee payroll deduction.

The CPS Wellness Works Program began January 1, 2014 and is managed by TriHealth (3rd party administrator), with a CPS Wellness Coordinator running the program and scheduling the events, such as health screenings, flu shots, walking logs, etc. Qualifying wellness activities are promoted on CPS's StaffNet home page and on TriHealth's website.

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

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

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 16 – STATUTORY RESERVES

The 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 the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end and carried forward to be used for the same purposes in future years.

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

	Capital Acquisition Reserve
Set-aside Cash Balance as of June 30, 2013	\$0
Current Year Set-Aside Requirement	5,218,347
Current Year Offset Credits	(10,259,393)
Qualifying Disbursements	(31,437,613)
Total	<u>(\$36,478,659)</u>
Balance Carried Forward to FY 2015	<u>\$0</u>

While the qualifying disbursements during the fiscal year reduced the capital improvement set-aside amount to below zero, this amount may not be used to reduce the set-aside requirements of future fiscal years.

This space intentionally left blank.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2014

NOTE 17 - CONTINGENCIES

A. Grants

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2014.

B. Litigation

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

NOTE 18 - CONTRACTUAL COMMITMENTS

As of June 30, 2014, the District had entered into various construction contracts for renovations and improvements which it had a remaining unperformed and unpaid total commitment of approximately \$7.4 million.



*C*OMBINING AND *I*NDIVIDUAL *F*UND
*S*TATEMENTS AND *S*CHEDULES

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Nonmajor Governmental Funds

Special Revenue Funds

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

Food Service Fund

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

Other Grants Fund

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

Classroom Facilities Maintenance Fund

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

Auxiliary Services Fund

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

Title VI B – Special Education Assistance Fund

Used to account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels. Also to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

ARRA Fund

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

Chapter I – Education Consolidation and Improvement Act Fund

Used to account for federal funds for services provided to meet special education needs of educationally deprived children. This includes the following federal programs; Even Start, Capital Expense, Title One and Homeless Children Education.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Special Revenue Funds

Schoolwide Building Program Fund

Used to pool Federal, State and local funds in order to upgrade the overall instructional program of a school building where at least 40 percent of the children are from low-income families. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Miscellaneous Federal Grants Fund

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

Other Special Revenue Funds

The District maintains 29 special revenue funds. For reporting purposes, the District combines the 20 smallest funds into a fund titled "Other Special Revenue Funds". These combined funds account for less than 23% of expenditures for all special revenue funds.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Permanent Improvement Fund

Used to account for all transactions related to the acquiring, construction or improving of such permanent improvements as are authorized by Chapter 5705 of the Ohio Revised Code.

Building Fund

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

Replacement Fund

Used to account for monies used in the rebuilding, restoration or improvement of property, which has been totally or partially destroyed due to any cause.

Classroom Facilities Fund

Used to account for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Permanent Fund

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

Permanent Fund

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$ 50,855,768	\$ 22,935,324	\$ 1,014,028	\$ 74,805,120
Investments	7,545	0	329,964	337,509
Receivables:				
Accounts	357,519	48,142	0	405,661
Intergovernmental - State and Local	12,303,654	0	0	12,303,654
Intergovernmental - Federal	16,356,900	0	0	16,356,900
Interest	0	5,538	0	5,538
Inventory of Supplies at Cost	130,691	0	0	130,691
Inventory Held for Resale	5,911	0	0	5,911
Restricted Assets:				
Cash and Cash Equivalents	0	5,657,714	0	5,657,714
Total Assets	\$ 80,017,988	\$ 28,646,718	\$ 1,343,992	\$ 110,008,698
Liabilities:				
Accounts Payable	\$ 4,666,529	\$ 625,014	\$ 112	\$ 5,291,655
Accrued Wages and Benefits	4,413,203	17,124	0	4,430,327
Intergovernmental Payable	1,159,520	918,232	0	2,077,752
Interfund Loans Payable	17,934,196	5,815,265	0	23,749,461
Total Liabilities	28,173,448	7,375,635	112	35,549,195
Deferred Inflows of Resources:				
Unavailable Amounts	19,219,937	53,680	0	19,273,617
Total Deferred Inflows of Resources	19,219,937	53,680	0	19,273,617
Fund Balances:				
Nonspendable	136,602	0	768,034	904,636
Restricted	33,888,953	23,885,071	575,846	58,349,870
Unassigned	(1,400,952)	(2,667,668)	0	(4,068,620)
Total Fund Balances	32,624,603	21,217,403	1,343,880	55,185,886
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 80,017,988	\$ 28,646,718	\$ 1,343,992	\$ 110,008,698

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds For the Fiscal Year Ended June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
Revenues:				
Investment Earnings	\$ 169	\$ 113,142	\$ 40,688	\$ 153,999
Food Services	1,440,373	0	0	1,440,373
Intergovernmental - State	15,869,375	980,909	0	16,850,284
Intergovernmental - Federal	64,927,800	0	0	64,927,800
All Other Revenue	8,486,020	2,067,168	0	10,553,188
Total Revenue	90,723,737	3,161,219	40,688	93,925,644
Expenditures:				
Current:				
Instruction:				
Regular	4,670,195	0	218	4,670,413
Special	20,357,638	0	0	20,357,638
Vocational	599,292	315	0	599,607
Other	1,078,111	0	0	1,078,111
Supporting Services:				
Pupils	2,849,093	0	0	2,849,093
Instructional Staff	11,739,567	0	0	11,739,567
Administration	4,555,252	0	0	4,555,252
Fiscal Services	543,121	13,096	0	556,217
Business	67,497	4,397	0	71,894
Operation & Maintenance of Plant	2,403,189	3,826,076	0	6,229,265
Pupil Transportation	62,209	0	0	62,209
Central	890,503	67,737	0	958,240
Operation of Non-Instructional Services	34,454,648	0	15,904	34,470,552
Extracurricular Activities	2,049,621	0	0	2,049,621
Capital Outlay	1,065,581	26,974,264	0	28,039,845
Total Expenditures	87,385,517	30,885,885	16,122	118,287,524
Excess (Deficiency) of Revenues Over Expenditures	3,338,220	(27,724,666)	24,566	(24,361,880)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
Other Financing Sources (Uses):				
Transfers In	3,704,613	0	0	3,704,613
Total Other Financing Sources (Uses)	3,704,613	0	0	3,704,613
Net Change in Fund Balance	7,042,833	(27,724,666)	24,566	(20,657,267)
Fund Balances at Beginning of Year	25,581,770	48,942,069	1,319,314	75,843,153
Fund Balances End of Year	<u>\$ 32,624,603</u>	<u>\$ 21,217,403</u>	<u>\$ 1,343,880</u>	<u>\$ 55,185,886</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet Nonmajor Special Revenue Funds June 30, 2014

	Food Service	Other Grants	Classroom Facilities Maintenance	Auxiliary Services
Assets:				
Equity in Pooled Cash and Investments	\$ 10,048,527	\$ 7,556,461	\$ 4,849,206	\$ 2,020,672
Investments	0	0	0	0
Receivables:				
Accounts	3,785	343,445	6,405	3,122
Intergovernmental - State and Local	448,287	789,919	0	0
Intergovernmental - Federal	0	0	0	0
Inventory of Supplies at Cost	130,691	0	0	0
Inventory Held for Resale	5,911	0	0	0
Total Assets	<u>\$ 10,637,201</u>	<u>\$ 8,689,825</u>	<u>\$ 4,855,611</u>	<u>\$ 2,023,794</u>
Liabilities:				
Accounts Payable	\$ 153,742	\$ 262,352	\$ 38,817	\$ 281,895
Accrued Wages and Benefits	764,584	164,486	0	409,323
Intergovernmental Payable	200,886	43,217	0	107,545
Interfund Loans Payable	0	0	0	0
Total Liabilities	<u>1,119,212</u>	<u>470,055</u>	<u>38,817</u>	<u>798,763</u>
Deferred Inflows of Resources:				
Unavailable Amounts	6,367	42,666	0	2,422
Total Deferred Inflows of Resources	<u>6,367</u>	<u>42,666</u>	<u>0</u>	<u>2,422</u>
Fund Balances:				
Nonspendable	136,602	0	0	0
Restricted	9,375,020	8,177,104	4,816,794	1,222,609
Unassigned	0	0	0	0
Total Fund Balances	<u>9,511,622</u>	<u>8,177,104</u>	<u>4,816,794</u>	<u>1,222,609</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,637,201</u>	<u>\$ 8,689,825</u>	<u>\$ 4,855,611</u>	<u>\$ 2,023,794</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Title VI-B	ARRA	Chapter I	Miscellaneous Federal Grants	Other Special Revenue	Total Nonmajor Special Revenue Funds
\$ 1,724,472	\$ 434,336	\$ 6,106,115	\$ 268,292	\$ 17,847,687	\$ 50,855,768
0	0	0	0	7,545	7,545
0	0	505	0	257	357,519
0	0	0	0	11,065,448	12,303,654
1,896,938	371,037	6,691,070	153,739	7,244,116	16,356,900
0	0	0	0	0	130,691
0	0	0	0	0	5,911
<u>\$ 3,621,410</u>	<u>\$ 805,373</u>	<u>\$ 12,797,690</u>	<u>\$ 422,031</u>	<u>\$ 36,165,053</u>	<u>\$ 80,017,988</u>
\$ 556,637	\$ 253,414	\$ 1,824,616	\$ 35,424	\$ 1,259,632	\$ 4,666,529
834,085	4,839	1,250,082	16,196	969,608	4,413,203
219,146	1,271	328,444	4,255	254,756	1,159,520
853,115	600,241	3,167,696	1,279,841	12,033,303	17,934,196
<u>2,462,983</u>	<u>859,765</u>	<u>6,570,838</u>	<u>1,335,716</u>	<u>14,517,299</u>	<u>28,173,448</u>
510,768	338,528	2,655,639	94,347	15,569,200	19,219,937
<u>510,768</u>	<u>338,528</u>	<u>2,655,639</u>	<u>94,347</u>	<u>15,569,200</u>	<u>19,219,937</u>
0	0	0	0	0	136,602
647,659	0	3,571,213	0	6,078,554	33,888,953
0	(392,920)	0	(1,008,032)	0	(1,400,952)
<u>647,659</u>	<u>(392,920)</u>	<u>3,571,213</u>	<u>(1,008,032)</u>	<u>6,078,554</u>	<u>32,624,603</u>
<u>\$ 3,621,410</u>	<u>\$ 805,373</u>	<u>\$ 12,797,690</u>	<u>\$ 422,031</u>	<u>\$ 36,165,053</u>	<u>\$ 80,017,988</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2014

	Food Service	Other Grants	Classroom Facilities Maintenance	Auxiliary Services
Revenues:				
Investment Earnings	\$ 0	\$ 0	\$ 0	\$ 0
Food Services	1,440,373	0	0	0
Intergovernmental - State	1,402,283	799,685	0	9,698,858
Intergovernmental - Federal	14,681,430	75,000	0	0
All Other Revenue	0	5,742,873	1,547	6,770
Total Revenue	17,524,086	6,617,558	1,547	9,705,628
Expenditures:				
Current:				
Instruction:				
Regular	0	768,787	0	0
Special	0	158,901	0	0
Vocational	0	5,405	0	0
Other	0	101,088	0	0
Supporting Services:				
Pupils	0	106,869	0	0
Instructional Staff	0	2,164,031	0	0
Administration	0	378,634	0	0
Fiscal Services	0	15,287	0	355
Business	67,220	0	0	0
Operation & Maintenance of Plant	340,977	57,432	1,886,787	0
Pupil Transportation	0	1,145	0	0
Central	16,834	215,074	0	0
Operation of Non-Instructional Services	15,746,666	450,064	0	9,852,638
Extracurricular Activities	0	107,208	0	0
Capital Outlay	0	557,604	21,377	0
Total Expenditures	16,171,697	5,087,529	1,908,164	9,852,993
Excess (Deficiency) of Revenues Over Expenditures	1,352,389	1,530,029	(1,906,617)	(147,365)
Other Financing Sources (Uses):				
Transfers In	0	0	3,254,156	0
Total Other Financing Sources (Uses)	0	0	3,254,156	0
Net Change in Fund Balance	1,352,389	1,530,029	1,347,539	(147,365)
Fund Balances (Deficit) at Beginning of Year	8,159,233	6,647,075	3,469,255	1,369,974
Fund Balances (Deficit) End of Year	\$ 9,511,622	\$ 8,177,104	\$ 4,816,794	\$ 1,222,609

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Title VI-B	ARRA	Chapter I	Schoolwide Building Program	Miscellaneous Federal Grants	Other Special Revenue	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 169	\$ 169
0	0	0	0	0	0	1,440,373
0	0	0	0	0	3,968,549	15,869,375
10,258,643	1,444,522	22,286,755	0	1,007,709	15,173,741	64,927,800
25,279	0	0	1,217	1,672	2,706,662	8,486,020
10,283,922	1,444,522	22,286,755	1,217	1,009,381	21,849,121	90,723,737
118,991	550,971	12,355	0	162,193	3,056,898	4,670,195
5,514,378	1,154	14,312,974	0	30,294	339,937	20,357,638
0	0	0	0	48,019	545,868	599,292
172,316	0	255,901	0	0	548,806	1,078,111
1,162,076	0	616,355	0	116,706	847,087	2,849,093
155,525	854,697	1,246,312	0	884,971	6,434,031	11,739,567
1,167,949	17,872	946,413	0	103,643	1,940,741	4,555,252
125,385	3,551	301,741	0	0	96,802	543,121
0	0	277	0	0	0	67,497
402	0	4,676	0	5,407	107,508	2,403,189
3,900	0	48,242	0	8,922	0	62,209
0	0	660	0	0	657,935	890,503
1,370,848	0	3,623,295	0	35,945	3,375,192	34,454,648
0	0	0	0	0	1,942,413	2,049,621
0	0	0	0	486,600	0	1,065,581
9,791,770	1,428,245	21,369,201	0	1,882,700	19,893,218	87,385,517
492,152	16,277	917,554	1,217	(873,319)	1,955,903	3,338,220
0	0	0	0	0	450,457	3,704,613
0	0	0	0	0	450,457	3,704,613
492,152	16,277	917,554	1,217	(873,319)	2,406,360	7,042,833
155,507	(409,197)	2,653,659	(1,217)	(134,713)	3,672,194	25,581,770
\$ 647,659	\$ (392,920)	\$ 3,571,213	\$ 0	\$ (1,008,032)	\$ 6,078,554	\$ 32,624,603

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Combining Balance Sheet Nonmajor Capital Projects Funds June 30, 2014

	Permanent Improvement	Building	Replacement	Classroom Facilities	Total Nonmajor Capital Projects Funds
Assets:					
Equity in Pooled Cash and Investments	\$ 64,934	\$ 3,346,947	\$ 1,177	\$ 19,522,266	\$ 22,935,324
Receivables:					
Accounts	0	33,920	0	14,222	48,142
Interest	0	5,538	0	0	5,538
Restricted Assets:					
Cash and Cash Equivalents	4,807,854	0	0	849,860	5,657,714
Total Assets	<u>\$ 4,872,788</u>	<u>\$ 3,386,405</u>	<u>\$ 1,177</u>	<u>\$ 20,386,348</u>	<u>\$ 28,646,718</u>
Liabilities:					
Accounts Payable	\$ 378,922	\$ 177,727	\$ 0	\$ 68,365	\$ 625,014
Accrued Wages and Benefits	0	17,124	0	0	17,124
Intergovernmental Payable	0	4,499	0	913,733	918,232
Interfund Loans Payable	0	5,815,265	0	0	5,815,265
Total Liabilities	<u>378,922</u>	<u>6,014,615</u>	<u>0</u>	<u>982,098</u>	<u>7,375,635</u>
Deferred Inflows of Resources:					
Unavailable Amounts	0	39,458	0	14,222	53,680
Total Deferred Inflows of Resources	<u>0</u>	<u>39,458</u>	<u>0</u>	<u>14,222</u>	<u>53,680</u>
Fund Balances:					
Restricted	4,493,866	0	1,177	19,390,028	23,885,071
Unassigned	0	(2,667,668)	0	0	(2,667,668)
Total Fund Balances	<u>4,493,866</u>	<u>(2,667,668)</u>	<u>1,177</u>	<u>19,390,028</u>	<u>21,217,403</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,872,788</u>	<u>\$ 3,386,405</u>	<u>\$ 1,177</u>	<u>\$ 20,386,348</u>	<u>\$ 28,646,718</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Capital Projects Funds For the Fiscal Year Ended June 30, 2014

	Permanent Improvement	Building	Replacement	Classroom Facilities	Total Nonmajor Capital Projects Funds
Revenues:					
Investment Earnings	\$ 68,571	\$ 43,418	\$ 0	\$ 1,153	\$ 113,142
Intergovernmental - State	0	0	0	980,909	980,909
All Other Revenue	0	1,148,168	0	919,000	2,067,168
Total Revenue	<u>68,571</u>	<u>1,191,586</u>	<u>0</u>	<u>1,901,062</u>	<u>3,161,219</u>
Expenditures:					
Current:					
Instruction:					
Vocational	0	315	0	0	315
Supporting Services:					
Fiscal Services	0	12,979	0	117	13,096
Business	0	4,397	0	0	4,397
Operation & Maintenance of Plant	3,500,405	325,671	0	0	3,826,076
Central	0	67,737	0	0	67,737
Capital Outlay	9,209,196	0	0	17,765,068	26,974,264
Total Expenditures	<u>12,709,601</u>	<u>411,099</u>	<u>0</u>	<u>17,765,185</u>	<u>30,885,885</u>
Net Change in Fund Balance	(12,641,030)	780,487	0	(15,864,123)	(27,724,666)
Fund Balances (Deficit) at Beginning of Year	<u>17,134,896</u>	<u>(3,448,155)</u>	<u>1,177</u>	<u>35,254,151</u>	<u>48,942,069</u>
Fund Balances (Deficit) End of Year	<u>\$ 4,493,866</u>	<u>\$ (2,667,668)</u>	<u>\$ 1,177</u>	<u>\$ 19,390,028</u>	<u>\$ 21,217,403</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Governmental Funds – General Fund
For the Fiscal Year Ended June 30, 2014***

	<i>GENERAL FUND</i>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 479,637,439</u>	<u>\$ 509,213,034</u>	<u>\$ 446,028,322</u>	<u>\$ (63,184,712)</u>
Total Expenditures and Other Financing Uses	<u>513,082,322</u>	<u>513,304,677</u>	<u>506,965,292</u>	<u>6,339,385</u>
Net Change in Fund Balance	(33,444,883)	(4,091,643)	(60,936,970)	(56,845,327)
Fund Balances, Beginning of Year	120,091,957	120,091,957	120,091,957	0
Prior Year Encumbrances	<u>12,488,870</u>	<u>12,488,870</u>	<u>12,488,870</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 99,135,944</u>	<u>\$ 128,489,184</u>	<u>\$ 71,643,857</u>	<u>\$ (56,845,327)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Governmental Funds – Debt Service Fund
For the Fiscal Year Ended June 30, 2014***

	<i>DEBT SERVICE FUND</i>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 76,312,162</u>	<u>\$ 61,251,921</u>	<u>\$ (15,060,241)</u>
Total Expenditures and Other Financing Uses	<u>76,730,570</u>	<u>63,770,935</u>	<u>12,959,635</u>
Net Change in Fund Balance	(418,408)	(2,519,014)	(2,100,606)
Fund Balances, Beginning of Year	<u>30,651,712</u>	<u>30,651,712</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 30,233,304</u></u>	<u><u>\$ 28,132,698</u></u>	<u><u>\$ (2,100,606)</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	FOOD SERVICE FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	<u>\$ 16,521,411</u>	<u>\$ 16,540,930</u>	<u>\$ 19,519</u>
Total Expenditures			
and Other Financing Uses	<u>18,814,752</u>	<u>17,896,532</u>	<u>918,220</u>
Net Change in Fund Balance	(2,293,341)	(1,355,602)	937,739
Fund Balances, Beginning of Year	5,676,607	5,676,607	0
Prior Year Encumbrances	<u>2,914,452</u>	<u>2,914,452</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 6,297,718</u></u>	<u><u>\$ 7,235,457</u></u>	<u><u>\$ 937,739</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	OTHER GRANTS FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	\$ 5,319,520	\$ 5,677,886	\$ 358,366
Total Expenditures			
and Other Financing Uses	9,346,389	5,972,396	3,373,993
Net Change in Fund Balance	(4,026,869)	(294,510)	3,732,359
Fund Balances, Beginning of Year	5,351,224	5,351,224	0
Prior Year Encumbrances	1,410,229	1,410,229	0
Fund Balances, End of Year	<u>\$ 2,734,584</u>	<u>\$ 6,466,943</u>	<u>\$ 3,732,359</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	CLASSROOM FACILITIES MAINTENANCE FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,265,789</u>	<u>\$ 3,265,789</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>4,736,973</u>	<u>2,690,705</u>	<u>2,046,268</u>
Net Change in Fund Balance	(1,471,184)	575,084	2,046,268
Fund Balances, Beginning of Year	2,952,450	2,952,450	0
Prior Year Encumbrances	<u>646,494</u>	<u>646,494</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 2,127,760</u></u>	<u><u>\$ 4,174,028</u></u>	<u><u>\$ 2,046,268</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	AUXILIARY SERVICES FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	<u>\$ 10,225,698</u>	<u>\$ 9,947,874</u>	<u>\$ (277,824)</u>
Total Expenditures			
and Other Financing Uses	<u>11,929,916</u>	<u>10,472,656</u>	<u>1,457,260</u>
Net Change in Fund Balance	(1,704,218)	(524,782)	1,179,436
Fund Balances, Beginning of Year	202,748	202,748	0
Prior Year Encumbrances	<u>1,615,747</u>	<u>1,615,747</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 114,277</u>	<u>\$ 1,293,713</u>	<u>\$ 1,179,436</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	TITLE VI-B FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	<u>\$ 10,499,048</u>	<u>\$ 9,903,055</u>	<u>\$ (595,993)</u>
Total Expenditures			
and Other Financing Uses	<u>9,786,735</u>	<u>9,935,769</u>	<u>(149,034)</u>
Net Change in Fund Balance	712,313	(32,714)	(745,027)
Fund Balances, Beginning of Year	(68,537)	(68,537)	0
Prior Year Encumbrances	<u>524,087</u>	<u>524,087</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 1,167,863</u></u>	<u><u>\$ 422,836</u></u>	<u><u>\$ (745,027)</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	ARRA FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	<u>\$ 2,194,536</u>	<u>\$ 2,015,710</u>	<u>\$ (178,826)</u>
Total Expenditures			
and Other Financing Uses	<u>3,303,005</u>	<u>3,366,444</u>	<u>(63,439)</u>
Net Change in Fund Balance	(1,108,469)	(1,350,734)	(242,265)
Fund Balances, Beginning of Year	118	118	0
Prior Year Encumbrances	<u>1,302,782</u>	<u>1,302,782</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 194,431</u></u>	<u><u>\$ (47,834)</u></u>	<u><u>\$ (242,265)</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	CHAPTER I FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	<u>\$ 24,432,007</u>	<u>\$ 24,451,428</u>	<u>\$ 19,421</u>
Total Expenditures			
and Other Financing Uses	<u>26,589,312</u>	<u>26,419,596</u>	<u>169,716</u>
Net Change in Fund Balance	(2,157,305)	(1,968,168)	189,137
Fund Balances, Beginning of Year	(1)	(1)	0
Prior Year Encumbrances	<u>3,906,219</u>	<u>3,906,219</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 1,748,913</u></u>	<u><u>\$ 1,938,050</u></u>	<u><u>\$ 189,137</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	SCHOOLWIDE BUILDING PROGRAM FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	\$ 9,377,429	\$ 1,217	\$ (9,376,212)
Total Expenditures			
and Other Financing Uses	10,023,958	10,023,958	0
Net Change in Fund Balance	(646,529)	(10,022,741)	(9,376,212)
Fund Balances, Beginning of Year	10,022,741	10,022,741	0
Fund Balances, End of Year	<u>\$ 9,376,212</u>	<u>\$ 0</u>	<u>\$ (9,376,212)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	MISCELLANEOUS FEDERAL GRANTS FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	\$ 3,545,654	\$ 2,229,829	\$ (1,315,825)
Total Expenditures			
and Other Financing Uses	2,571,123	2,556,175	14,948
Net Change in Fund Balance	974,531	(326,346)	(1,300,877)
Fund Balances, Beginning of Year	68,538	68,538	0
Prior Year Encumbrances	324,505	324,505	0
Fund Balances, End of Year	<u>\$ 1,367,574</u>	<u>\$ 66,697</u>	<u>\$ (1,300,877)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014***

	<i>OTHER SPECIAL REVENUE FUNDS</i>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 43,542,628</u>	<u>\$ 31,966,101</u>	<u>\$ (11,576,527)</u>
Total Expenditures and Other Financing Uses	<u>35,665,932</u>	<u>34,273,863</u>	<u>1,392,069</u>
Net Change in Fund Balance	7,876,696	(2,307,762)	(10,184,458)
Fund Balances, Beginning of Year	3,496,738	3,496,738	0
Prior Year Encumbrances	<u>2,057,647</u>	<u>2,057,647</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 13,431,081</u></u>	<u><u>\$ 3,246,623</u></u>	<u><u>\$ (10,184,458)</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Capital Projects Funds For the Fiscal Year Ended June 30, 2014

	<i>PERMANENT IMPROVEMENT FUND</i>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 74,105</u>	<u>\$ 68,571</u>	<u>\$ (5,534)</u>
Total Expenditures and Other Financing Uses	<u>18,118,082</u>	<u>17,403,774</u>	<u>714,308</u>
Net Change in Fund Balance	(18,043,977)	(17,335,203)	708,774
Fund Balances, Beginning of Year	4,002,404	4,002,404	0
Prior Year Encumbrances	<u>14,078,212</u>	<u>14,078,212</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 36,639</u></u>	<u><u>\$ 745,413</u></u>	<u><u>\$ 708,774</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2014***

	BUILDING FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	<u>\$ 11,737,255</u>	<u>\$ 6,996,931</u>	<u>\$ (4,740,324)</u>
Total Expenditures			
and Other Financing Uses	<u>16,189,614</u>	<u>7,906,235</u>	<u>8,283,379</u>
Net Change in Fund Balance	(4,452,359)	(909,304)	3,543,055
Fund Balances, Beginning of Year	(4,905,707)	(4,905,707)	0
Prior Year Encumbrances	<u>6,861,896</u>	<u>6,861,896</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ (2,496,170)</u></u>	<u><u>\$ 1,046,885</u></u>	<u><u>\$ 3,543,055</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2014***

	REPLACEMENT FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures			
and Other Financing Uses	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balances, Beginning of Year	1,177	1,177	0
Fund Balances, End of Year	<u>\$ 1,177</u>	<u>\$ 1,177</u>	<u>\$ 0</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2014***

	CLASSROOM FACILITIES FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues			
and Other Financing Sources	<u>\$ 17,808,356</u>	<u>\$ 2,829,373</u>	<u>\$ (14,978,983)</u>
Total Expenditures			
and Other Financing Uses	<u>40,814,164</u>	<u>28,640,920</u>	<u>12,173,244</u>
Net Change in Fund Balance	(23,005,808)	(25,811,547)	(2,805,739)
Fund Balances, Beginning of Year	17,787,024	17,787,024	0
Prior Year Encumbrances	<u>19,816,548</u>	<u>19,816,548</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 14,597,764</u></u>	<u><u>\$ 11,792,025</u></u>	<u><u>\$ (2,805,739)</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Fund
For the Fiscal Year Ended June 30, 2014***

	<i>PERMANENT FUND</i>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 8,270</u>	<u>\$ 8,270</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>154,996</u>	<u>21,723</u>	<u>133,273</u>
Net Change in Fund Balance	<u>(146,726)</u>	<u>(13,453)</u>	<u>133,273</u>
Fund Balances, Beginning of Year	1,053,274	1,053,274	0
Prior Year Encumbrances	<u>2,576</u>	<u>2,576</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 909,124</u>	<u>\$ 1,042,397</u>	<u>\$ 133,273</u>



CINCINNATI CITY SCHOOL DISTRICT, OHIO

Fiduciary Funds

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

Agency Fund

Student Managed Activity Fund

Used to account for those student activity programs which have student participation in the activity and have students involved in the management of the program.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Schedule of Changes in Assets and Liabilities

Agency Fund

For the Fiscal Year Ended June 30, 2014

	Balance June 30, 2013	Additions	Deductions	Balance June 30, 2014
<u>Student Managed Activity Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$174,781	\$97,919	(\$192,170)	\$80,530
Total Assets	<u>\$174,781</u>	<u>\$97,919</u>	<u>(\$192,170)</u>	<u>\$80,530</u>
Liabilities:				
Due to Students	\$174,781	\$97,919	(\$192,170)	\$80,530
Total Liabilities	<u>\$174,781</u>	<u>\$97,919</u>	<u>(\$192,170)</u>	<u>\$80,530</u>





Statistical Section



STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
Revenue Capacity	S 14 – S 21
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue sources, the property tax and the sales tax.	
Debt Capacity	S 22 – S 29
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Economic and Demographic Information	S 30 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 34 – S 46
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

Sources Note:

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2005	2006	2007	2008
Governmental Activities				
Net Investment in Capital Assets	\$123,801,968	\$163,202,797	\$218,829,785	\$273,865,981
Restricted for:				
Capital Projects	59,677,761	47,111,594	113,428,438	73,551,262
Debt Service	13,412,818	22,755,122	27,315,500	16,959,885
Permanent Funds:				
Expendable	350,786	350,786	476,939	497,397
Nonexpendable	768,034	768,034	768,034	768,034
State and Federal Grants	20,193,869	16,034,254	9,754,569	0
Unrestricted	31,471,831	91,543,314	52,591,559	40,306,909
Total Governmental Activities Net Position	<u>\$249,677,067</u>	<u>\$341,765,901</u>	<u>\$423,164,824</u>	<u>\$405,949,468</u>

Source: District Treasurer's Office

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
\$326,129,887	\$353,689,363	\$407,388,120	\$389,607,776	\$371,260,025	\$378,833,045
31,994,427	707,188	2,109,383	3,952,865	0	0
5,484,225	14,483,686	1,898,503	30,104,898	35,475,962	37,985,018
457,573	465,598	498,731	487,719	551,280	575,846
768,034	768,034	768,034	768,034	768,034	768,034
0	15,968,403	14,088,445	19,478,500	38,853,156	37,821,760
90,286,275	148,052,663	189,176,164	167,348,569	171,671,926	176,319,017
<u>\$455,120,421</u>	<u>\$534,134,935</u>	<u>\$615,927,380</u>	<u>\$611,748,361</u>	<u>\$618,580,383</u>	<u>\$632,302,720</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2005	2006	2007	2008
Expenses				
Governmental Activities				
Instruction				
Regular	\$221,590,261	\$223,297,113	\$182,146,228	\$175,998,596
Special	78,163,915	80,390,504	69,266,976	72,421,383
Vocational	7,952,193	6,209,179	6,693,031	7,216,845
Other	1,743,840	4,703,448	32,417,953	40,553,924
Support Services				
Pupils	28,917,415	26,628,386	27,257,081	23,484,223
Instructional Staff	35,799,980	33,757,059	42,835,422	44,812,063
Board of Education	348,475	308,211	347,852	403,963
Administration	83,855,686	33,272,546	34,880,780	33,167,537
Fiscal Services	4,319,078	3,889,606	3,306,297	2,905,859
Business	1,161,363	1,372,454	1,071,616	1,217,184
Operation and Maintenance of Plant	39,950,347	41,446,421	41,057,796	40,791,667
Pupil Transportation	24,960,104	24,928,584	22,799,539	23,321,223
Central	17,193,132	14,031,779	15,159,365	19,888,633
Non-Instructional Services	29,840,292	26,527,842	30,191,515	32,584,206
Extracurricular Activities	5,731,005	5,080,509	5,323,580	5,066,751
Interest and Fiscal Charges	35,335,026	35,493,871	27,316,555	36,789,707
<i>Total Primary Government Expenses</i>	<u>\$616,862,112</u>	<u>\$561,337,512</u>	<u>\$542,071,586</u>	<u>\$560,623,764</u>
Program Revenues				
Governmental Activities				
Charges for Services				
Instruction	\$3,787,000	\$4,258,848	\$7,575,641	\$4,295,206
Support Services	2,609,254	2,518,277	4,481,719	7,278,344
Non-Instructional Services	2,728,504	3,361,377	2,483,338	2,262,012
Extracurricular Activities	945,664	713,347	851,103	750,852
Operating Grants and Contributions	126,815,341	108,096,560	109,768,466	127,168,655
Capital Grants and Contributions	63,167,849	243,573	81,068,698	719,912
<i>Total Primary Government Program Revenues</i>	<u>200,053,612</u>	<u>119,191,982</u>	<u>206,228,965</u>	<u>142,474,981</u>
Net (Expense)/Revenue				
Governmental Activities	(416,808,500)	(442,145,530)	(335,842,621)	(418,148,783)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$416,808,500)</u>	<u>(\$442,145,530)</u>	<u>(\$335,842,621)</u>	<u>(\$418,148,783)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
\$218,216,256	\$215,218,926	\$212,617,087	\$221,930,107	\$216,412,633	\$227,470,011
72,987,430	77,739,067	77,918,902	73,856,224	74,992,946	68,794,765
5,796,782	6,839,266	7,046,640	3,793,083	3,789,648	3,367,142
677,824	324,254	613,450	577,036	1,076,290	825,306
25,454,794	29,830,994	29,702,228	27,942,924	35,346,133	38,352,619
44,172,580	39,819,027	49,720,996	46,927,907	36,716,764	21,048,281
443,575	339,142	343,414	398,130	380,683	389,815
33,399,805	35,453,480	35,904,173	29,292,929	32,566,236	29,462,944
2,982,641	6,833,916	7,006,980	7,369,914	6,796,344	8,209,680
1,382,889	1,196,647	1,244,023	1,607,145	1,122,066	1,300,440
41,344,253	41,693,266	47,998,030	47,844,700	48,446,538	43,099,032
29,877,750	31,574,052	27,155,167	30,269,005	31,522,565	29,401,931
19,309,398	10,143,405	15,024,579	18,435,513	19,827,610	18,914,522
34,574,667	37,670,655	43,667,894	46,614,539	51,851,575	55,719,694
6,727,253	6,370,590	5,605,603	7,140,306	3,810,106	5,406,211
35,008,872	31,351,857	34,495,353	34,028,545	37,947,116	33,103,064
<u>\$572,356,769</u>	<u>\$572,398,544</u>	<u>\$596,064,519</u>	<u>\$598,028,007</u>	<u>\$602,605,253</u>	<u>\$584,865,457</u>
\$6,799,768	\$8,363,276	\$9,295,532	\$5,150,008	\$12,655,589	\$8,460,298
7,001,505	5,914,193	6,448,862	6,749,598	5,685,337	4,306,981
2,183,221	1,977,207	2,035,610	2,117,529	1,522,720	1,994,311
1,947,178	1,906,058	4,184,264	1,912,546	1,726,634	2,838,688
126,199,712	119,193,346	107,155,658	86,060,381	85,983,762	74,439,049
0	11,920,000	56,581,124	5,908,555	795,249	825,988
<u>144,131,384</u>	<u>149,274,080</u>	<u>185,701,050</u>	<u>107,898,617</u>	<u>108,369,291</u>	<u>92,865,315</u>
<u>(428,225,385)</u>	<u>(423,124,464)</u>	<u>(410,363,469)</u>	<u>(490,129,390)</u>	<u>(494,235,962)</u>	<u>(492,000,142)</u>
<u>(\$428,225,385)</u>	<u>(\$423,124,464)</u>	<u>(\$410,363,469)</u>	<u>(\$490,129,390)</u>	<u>(\$494,235,962)</u>	<u>(\$492,000,142)</u>

(Continued)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2005	2006	2007	2008
General Revenues and Other Changes in Net Position				
Governmental Activities				
Property Taxes Levied for				
General Purposes	\$230,848,360	\$315,532,788	\$189,107,096	\$200,054,022
Debt Service	26,870,805	34,823,550	25,823,528	33,356,387
Revenue in Lieu of Taxes	14,877,443	15,745,319	11,299,519	10,948,197
Grants and Entitlements not				
Restricted to Specific Programs	149,003,219	146,356,573	157,791,118	150,048,088
Investment Earnings	11,517,721	28,554,158	29,904,739	30,097,980
Miscellaneous	4,960,207	6,131,207	3,315,544	12,818,225
<i>Total Primary Government</i>	<u><u>\$438,077,755</u></u>	<u><u>\$547,143,595</u></u>	<u><u>\$417,241,544</u></u>	<u><u>\$437,322,899</u></u>
Change in Net Position				
<i>Total Primary Government</i>				
<i>Change in Net Position</i>	<u><u>\$21,269,255</u></u>	<u><u>\$104,998,065</u></u>	<u><u>\$81,398,923</u></u>	<u><u>\$19,174,116</u></u>

Source: District Treasurer's Office

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$265,885,389	\$255,859,268	\$250,219,075	\$225,246,490	\$249,843,745	\$244,261,485
23,498,488	30,695,071	15,071,352	47,063,326	31,761,784	31,109,541
10,919,337	17,497,711	23,453,928	21,431,724	26,729,545	28,579,107
165,610,526	192,804,062	197,164,514	185,176,443	189,651,837	200,504,547
10,097,650	2,452,857	1,298,188	608,212	445,696	822,672
1,384,948	2,830,009	4,948,857	6,424,176	2,635,377	445,127
<u>\$477,396,338</u>	<u>\$502,138,978</u>	<u>\$492,155,914</u>	<u>\$485,950,371</u>	<u>\$501,067,984</u>	<u>\$505,722,479</u>
<u>\$49,170,953</u>	<u>\$79,014,514</u>	<u>\$81,792,445</u>	<u>(\$4,179,019)</u>	<u>\$6,832,022</u>	<u>\$13,722,337</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2005	2006	2007	2008
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	\$77,117,030	77,952,939	(94,708,835)	44,175,345
Unreserved	6,933,639	10,401,021	(9,416,133)	(2,461,469)
<i>Total General Fund</i>	<u>84,050,669</u>	<u>88,353,960</u>	<u>(104,124,968)</u>	<u>41,713,876</u>
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Unassigned	0	0	0	0
Reserved	90,082,799	83,004,473	123,506,930	110,989,299
Unreserved, Undesignated in:				
Special Revenue Funds	8,996,661	12,122,469	5,072,611	(6,516,820)
Capital Projects Funds	542,525,627	489,401,006	452,438,137	371,811,911
Permanent Fund	350,786	397,465	476,939	497,397
<i>Total All Other Governmental Funds</i>	<u>641,955,873</u>	<u>584,925,413</u>	<u>581,494,617</u>	<u>476,781,787</u>
<i>Total Governmental Funds</i>	<u><u>\$726,006,542</u></u>	<u><u>\$673,279,373</u></u>	<u><u>\$477,369,649</u></u>	<u><u>\$518,495,663</u></u>

Source: District Treasurer's Office

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
\$0	\$0	\$0	\$190,019	\$974,486	\$557,803
0	0	11,987,019	5,338,695	8,521,334	19,161,684
0	0	136,044,132	125,977,166	148,757,794	141,975,346
(75,520,891)	(52,610,506)	0	0	0	0
10,296,495	45,882,306	0	0	0	0
(65,224,396)	(6,728,200)	148,031,151	131,505,880	158,253,614	161,694,833
0	0	1,276,452	892,636	920,196	904,636
0	0	265,207,563	185,566,497	112,333,005	94,935,693
0	0	(1,293,974)	(1,644,897)	(3,993,282)	(4,068,620)
149,613,198	171,293,861	0	0	0	0
(5,327,271)	5,435,099	0	0	0	0
246,422,216	246,788,752	0	0	0	0
457,573	461,968	0	0	0	0
391,165,716	423,979,680	265,190,041	184,814,236	109,259,919	91,771,709
\$325,941,320	\$417,251,480	\$413,221,192	\$316,320,116	\$267,513,533	\$253,466,542

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2005	2006	2007	2008
Revenues:				
Local Sources:				
Taxes	\$256,325,144	\$322,180,008	\$196,490,568	\$248,560,390
Tuition	1,734,775	2,474,762	2,513,899	2,436,623
In Lieu of Taxes	14,877,443	15,743,651	11,299,537	10,949,847
Investment Earnings	18,711,996	26,498,394	29,948,910	31,299,042
Food Services	2,557,890	2,509,797	2,344,784	2,183,555
Intermediate Sources	292,406	0	0	0
Intergovernmental - State	232,669,945	205,315,594	213,837,132	218,696,480
Intergovernmental - Federal	74,329,708	68,695,133	65,064,133	69,088,928
All Other Revenue	10,436,186	15,075,461	13,762,600	22,821,498
Total Revenue	611,935,493	658,492,800	535,261,563	606,036,363
Expenditures:				
Current:				
Instruction				
Regular	222,580,079	216,803,272	182,770,612	171,397,040
Special	78,066,020	78,112,990	70,735,576	71,042,866
Vocational	7,695,731	5,883,214	6,394,581	6,635,484
Other Instruction	1,759,044	1,192,485	31,921,738	38,748,252
Supporting Services:				
Pupils	28,779,045	25,877,478	27,326,156	23,025,194
Instructional Staff	35,844,378	33,425,507	42,360,630	44,151,479
Board of Education	349,910	300,309	348,361	398,416
Administration	42,846,546	73,453,592	35,301,777	32,704,791
Fiscal Services	4,311,076	3,747,809	3,294,436	2,853,139
Business	1,172,056	1,318,991	1,071,324	1,198,346
Operation and Maintenance of Plant	40,051,151	40,489,901	41,047,302	39,830,779
Pupil Transportation	24,597,832	24,710,901	23,234,772	23,043,622
Central	16,795,704	14,421,486	14,965,653	18,826,176
Non-Instructional Services	29,089,662	24,583,057	27,119,187	25,947,645
Extracurricular Activities	5,715,176	4,952,035	5,348,011	4,973,632
Capital Outlay	129,917,744	109,456,508	121,280,997	128,811,748
Debt Service:				
Principal Retirement	42,505,000	44,970,000	26,350,000	19,685,000
Interest and Fiscal Charges	35,675,089	38,910,773	35,072,745	39,759,435
Total Expenditures	747,751,243	742,610,308	695,943,858	693,033,044
Excess (Deficiency) of Revenues Over Expenditures	(135,815,750)	(84,117,508)	(160,682,295)	(86,996,681)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
\$277,728,502	\$281,808,058	\$265,214,494	\$283,821,219	\$283,096,196	\$285,258,719
1,750,008	2,460,003	1,897,589	2,302,247	2,491,311	2,807,829
10,919,337	17,497,711	23,453,928	21,430,669	26,730,600	28,578,036
10,996,692	3,037,728	1,358,433	644,610	443,349	797,567
2,116,608	1,909,984	1,875,863	1,707,174	1,446,185	1,440,373
0	16,270,249	0	0	495,048	0
252,144,552	239,861,668	258,430,367	201,246,287	206,336,075	214,993,720
68,590,338	98,229,824	99,735,718	76,002,666	76,749,168	68,603,101
15,545,489	13,513,339	23,474,337	18,648,335	17,902,623	14,014,220
<u>639,791,526</u>	<u>674,588,564</u>	<u>675,440,729</u>	<u>605,803,207</u>	<u>615,690,555</u>	<u>616,493,565</u>

208,745,852	213,567,573	211,093,487	214,253,633	206,573,541	231,463,100
71,892,127	77,417,798	78,530,889	74,082,237	72,651,360	70,022,900
5,474,802	6,390,238	6,851,832	4,113,849	3,760,557	3,470,298
673,707	369,633	609,796	558,733	763,453	1,142,381

24,873,130	29,369,730	30,236,201	27,954,618	33,566,049	39,025,863
43,556,762	39,776,483	49,750,441	46,617,867	38,211,520	21,269,377
432,078	341,454	346,538	393,684	364,567	401,626
33,010,049	35,249,350	36,399,488	29,336,439	31,326,700	30,582,949
2,924,642	6,790,917	7,049,604	7,189,097	6,637,044	8,289,888
1,338,302	1,198,780	1,280,016	1,558,587	1,139,823	1,332,834
40,587,586	41,379,393	48,264,749	47,192,721	46,630,433	43,339,485
29,623,267	31,456,572	27,202,285	29,814,983	30,094,029	29,424,540
18,714,730	10,105,563	14,474,208	18,885,526	19,533,495	19,027,217
25,494,720	27,092,882	30,506,964	27,961,981	29,992,148	34,735,143
6,616,085	6,347,799	5,764,915	7,139,576	3,930,296	5,422,262
121,159,988	122,738,738	125,449,441	136,262,738	80,883,297	28,375,824

19,900,000	17,035,000	24,605,000	19,715,000	27,250,000	28,575,000
38,011,339	35,394,959	36,665,669	35,923,014	35,883,608	34,639,869
<u>693,029,166</u>	<u>702,022,862</u>	<u>735,081,523</u>	<u>728,954,283</u>	<u>669,191,920</u>	<u>630,540,556</u>

(53,237,640)	(27,434,298)	(59,640,794)	(123,151,076)	(53,501,365)	(14,046,991)
--------------	--------------	--------------	---------------	--------------	--------------

(Continued)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

	2005	2006	2007	2008
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
General Obligation Notes Issued	29,600,000	0	0	0
General Obligation Bonds Issued	0	26,800,000	0	0
Premium on General Obligation Bonds	0	3,817,959	0	0
Issuance of Refunding Bonds	0	69,405,000	380,945,000	0
Premium on Refunding Bonds	0	7,482,626	48,836,975	0
Payment to Refunded Bond Escrow Agent	0	(76,115,246)	(459,954,691)	0
New Capital Leases	0	0	120,365,000	0
Premium on Capital Leases	0	0	7,503,350	0
Transfers In	679,493,721	16,164,576	14,626,125	155,775,182
Transfers Out	(679,493,721)	(16,164,576)	(14,626,125)	(155,775,182)
Total Other Financing Sources (Uses)	<u>29,600,000</u>	<u>31,390,339</u>	<u>97,695,634</u>	<u>0</u>
Net Change in Fund Balance	<u>(\$106,215,750)</u>	<u>(\$52,727,169)</u>	<u>(\$62,986,661)</u>	<u>(\$86,996,681)</u>
 Debt Service as a Percentage of Noncapital Expenditures	 12.49%	 13.16%	 10.89%	 10.42%

Source: District Treasurer's Office

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
0	0	0	0	4,694,782	0
0	0	0	0	0	0
0	21,715,000	3,000,000	26,250,000	0	0
0	0	0	0	0	0
0	104,900,000	0	0	0	0
0	9,387,925	0	0	0	0
0	(103,964,664)	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
152,935,825	410,008,330	196,495,786	185,798,244	12,402,825	15,688,015
(152,935,825)	(410,008,330)	(196,495,786)	(185,798,244)	(12,402,825)	(15,688,015)
0	32,038,261	3,000,000	26,250,000	4,694,782	0
(\$53,237,640)	\$4,603,963	(\$56,640,794)	(\$96,901,076)	(\$48,806,583)	(\$14,046,991)
10.05%	9.02%	10.06%	9.26%	10.29%	10.50%

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

Tax year	2004	2005	2006	2007
Real Property				
Assessed	\$5,487,899	\$6,253,727	\$6,270,949	\$6,273,021
Actual	15,679,711	17,867,791	17,916,997	17,922,917
Public Utility				
Assessed	348,115	352,496	339,324	282,091
Actual	348,115	352,496	339,324	282,091
Tangible Personal Property				
Assessed	575,490	434,739	297,008	181,603
Actual	2,301,960	1,738,956	1,584,043	1,452,824
Total				
Assessed	6,411,504	7,040,962	6,907,281	6,736,715
Actual	18,329,786	19,959,243	19,840,364	19,657,832
Assessed Value as a Percentage of Actual Value	34.98%	35.28%	34.81%	34.27%
Total Direct Tax Rate	\$60.75	\$60.83	\$59.77	\$59.37

Source: Hamilton County Auditor

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

Assessed value of Real Property is at 35%, Assessed value of Public Utility is at 100% and Assessed Value of Tangible Personal Property is at 25% through 2005, at 18.75% for 2006, 12.5% for 2007, and 6.25% for 2008 and 0% for 2009.

Additionally, telephone and telecommunications property was reclassified to general business personal property and assessed at 10% as of 2009 and 0% for 2010.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2008	2009	2010	2011	2012	2013
\$6,275,000	\$6,290,000	\$6,292,744	\$5,707,605	\$5,612,343	\$5,543,750
17,928,571	17,971,429	17,979,269	16,307,443	16,035,266	15,839,286
281,000	281,000	304,596	322,343	341,979	382,312
281,000	281,000	304,596	322,343	341,979	382,312
31,500	15,500	0	0	0	0
504,000	248,000	0	0	0	0
6,587,500	6,586,500	6,597,340	6,029,948	5,954,322	5,926,062
18,713,571	18,500,429	18,283,865	16,629,786	16,377,245	16,221,598
35.20%	35.60%	36.08%	36.26%	36.36%	36.53%
\$59.67	\$67.95	\$67.87	\$68.54	\$70.76	\$71.34

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

Collection Year	2005	2006	2007	2008	2009
Direct District Rates					
General Fund	56.19	55.13	54.81	54.90	62.95
Bond Retirement Fund	4.64	4.64	4.56	4.77	5.00
Total	60.83	59.77	59.37	59.67	67.95
Overlapping Rates					
Hamilton County	21.51	20.81	20.18	20.56	20.63
Cities:					
Cheviot	12.22	14.52	14.52	14.52	14.52
Cincinnati	10.34	10.19	9.93	9.89	9.89
Indian Hill	0.96	0.96	0.96	0.96	0.96
Madeira	7.50	7.50	7.50	7.50	7.50
Norwood	11.40	11.40	11.40	11.40	11.40
Silverton	8.15	8.15	8.15	8.15	8.15
Wyoming	10.00	10.00	10.00	10.00	10.00
Villages:					
Amberly	7.00	7.00	7.00	7.00	7.00
Fairfax	2.76	2.76	2.76	2.76	2.76
Golf Manor	24.52	30.52	30.52	38.52	38.52
Mairemont	14.37	14.37	14.37	14.37	14.37
Townships:					
Anderson	14.15	14.15	14.15	14.15	16.85
Columbia	21.26	21.26	14.76	14.76	18.76
Delhi	20.46	26.34	26.34	26.34	26.34
Green	8.31	9.81	9.81	9.81	11.71
Springfield	20.30	20.30	20.30	20.30	20.30
Sycamore	7.75	7.75	8.75	8.75	8.75
Fairfax - Madison Pl.	2.76	2.76	0.00	0.00	0.00
Total	286.55	300.32	290.77	299.41	316.36

Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage.

Source:

Hamilton County Auditor's Office
Hamilton County Treasurer's Office

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2010	2011	2012	2013	2014
62.87	63.54	65.76	66.34	66.49
5.00	5.00	5.00	5.00	5.00
67.87	68.54	70.76	71.34	71.49
20.48	19.45	19.03	19.03	19.03
20.13	20.13	20.13	20.13	20.13
9.82	0.00	10.50	10.85	12.20
0.96	0.96	0.96	0.96	0.96
7.50	7.50	7.50	7.50	7.50
11.40	11.40	11.40	11.40	11.40
8.15	8.15	8.15	8.15	8.15
10.00	10.00	10.00	10.00	10.00
7.00	7.00	7.00	17.00	17.00
2.76	2.76	2.76	2.76	2.76
38.52	38.52	38.52	38.52	38.52
14.37	14.37	14.37	14.37	14.37
16.85	16.85	16.85	14.57	14.57
14.76	14.76	17.01	17.10	17.01
26.34	26.34	26.34	26.34	28.09
11.71	11.71	11.71	11.71	11.71
22.80	22.80	22.80	23.80	23.80
8.75	8.75	8.75	8.75	8.75
0.00	0.00	0.00	0.00	0.00
320.17	309.99	324.54	334.28	337.44



CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

		Calendar Year 2013		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Duke Energy Ohio Inc	Public Utility	\$359,359,800	1	6.06%
City of Cincinnati	City Government	84,866,740	2	1.43%
The Procter and Gamble Company	Consumer Goods Manufacturing	55,005,880	3	0.93%
Emery Realty Inc	Real Estate Holdings	26,646,190	4	0.45%
Duke Energy Ohio Inc	Real Estate Holdings	24,657,090	5	0.42%
Fifth Third Bank	Real Estate Holdings	24,082,230	6	0.41%
OTR Thomson & Reuters	Real Estate Holdings	21,525,000	7	0.36%
Columbia Development	Real Estate Holdings	20,448,030	9	0.35%
Regency Centers LP	Real Estate Holdings	17,937,490	8	0.30%
City of Cincinnati	Real Estate Holdings	16,597,220	10	0.28%
Subtotal		651,125,670		10.99%
All Others		5,274,936,320		89.01%
Total		\$5,926,061,990		100.00%

		Calendar Year 2004		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Cincinnati Gas & Electric	Public Utility	\$236,976,940	1	3.69%
Cincinnati Bell Telephone	Public Utility	56,494,620	2	0.88%
City of Cincinnati	City Government	34,359,950	3	0.54%
Emery Realty Inc	Real Estate Holdings	31,255,000	4	0.49%
The Procter and Gamble Company	Consumer Goods Manufacturing	27,730,440	5	0.43%
OTR	Real Estate Holdings	27,125,000	6	0.42%
City of Cincinnati	Real Estate Holdings	26,610,720	7	0.41%
Prudential Insurance	Real Estate Holdings	26,337,500	8	0.41%
The Procter and Gamble Company	Real Estate Holdings	25,859,280	9	0.40%
Columbia Development	Real Estate Holdings	22,802,930	10	0.36%
Subtotal		515,552,380		8.03%
All Others		5,899,759,497		91.97%
Total		\$6,415,311,877		100.00%

Source: Hamilton County Auditor - Land and Buildings
Based on valuation of property in 2013 and 2004

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

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

Collection Year	2004	2005	2006
Total Tax Levy ⁽¹⁾	\$268,011	\$277,611	\$276,704
Collections within the Fiscal Year of the Levy			
Current Tax Collections ⁽²⁾	231,599	237,378	232,726
Percent of Levy Collected	86.41%	85.51%	84.11%
Delinquent Tax Collections	10,910	12,621	12,233
Total Tax Collections	242,509	249,999	244,959
Percent of Total Tax Collections To Tax Levy	90.48%	90.05%	88.53%
Accumulated Outstanding Delinquent Taxes ⁽³⁾	11,049	12,343	12,395
Percentage of Accumulated Delinquent Taxes to Total Tax Levy	4.12%	4.45%	4.48%

(1) Taxes levied and collected are presented on a cash basis.

(2) State reimbursements of rollback and homestead exemptions are included; December 2005 settlement estimate included.

(3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs. Delinquent taxes based upon levy year, not collection year.

Source: Hamilton County Auditor's Office

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2007	2008	2009	2010	2011	2012	2013
\$281,679	\$278,080	\$310,725	\$325,378	\$310,483	\$312,059	\$304,954
234,117	255,997	250,932	260,668	256,563	263,761	\$266,216
83.11%	92.06%	80.76%	80.11%	82.63%	84.52%	87.30%
12,665	14,997	12,543	16,232	15,936	11,725	\$10,725
246,782	270,994	263,475	276,900	272,499	275,486	276,941
87.61%	97.45%	84.79%	85.10%	87.77%	88.28%	90.81%
17,877	21,615	29,563	29,345	22,483	22,535	16,340
6.35%	7.77%	9.51%	9.02%	7.24%	7.22%	5.36%

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Ratio of Outstanding Debt By Type Last Ten Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$721,838,146	\$736,003,676	\$673,331,045	\$651,203,169
Long-Term Notes Payable	29,600,000	0	0	0
Tax Anticipation Notes Payable	0	43,600,000	35,730,000	27,455,000
Capital Leases	29,772	0	126,617,792	125,367,234
Total Primary Government	<u>\$751,467,918</u>	<u>\$779,603,676</u>	<u>\$835,678,837</u>	<u>\$804,025,403</u>
Population ⁽²⁾				
City of Cincinnati	331,285	331,285	331,285	331,285
Outstanding Debt Per Capita	2,268	2,353	2,523	2,427
Income ⁽³⁾				
Personal (in thousands)	13,074,825	13,702,279	13,525,704	13,740,708
Percentage of Personal Income	5.75%	5.69%	6.18%	5.85%

Sources:

(1) District Treasurer's Office

(2) US Bureau of Census of Population

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
\$628,860,293	\$640,782,247	\$624,312,582	\$660,062,686	\$630,873,616	\$600,399,546
0	0	0	0	0	0
18,755,000	9,610,000	0	0	0	0
124,116,676	122,866,118	114,960,560	106,715,000	105,815,000	104,875,000
<u>\$771,731,969</u>	<u>\$773,258,365</u>	<u>\$739,273,142</u>	<u>\$766,777,686</u>	<u>\$736,688,616</u>	<u>\$705,274,546</u>
331,285	332,252	332,252	332,252	332,252	332,252
2,330	2,327	2,225	2,308	2,217	2,123
14,155,808	12,965,832	12,614,612	12,571,087	13,053,849	13,638,612
5.45%	5.96%	5.86%	6.10%	5.64%	5.17%

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2005	2006	2007	2008
Population ⁽¹⁾	331,285	331,285	331,285	331,285
Assessed Value (in thousands) ⁽²⁾	6,411,504	7,040,962	6,907,281	6,736,715
General Bonded Debt ⁽³⁾				
General Obligation Bonds	721,838,146	736,003,676	673,331,045	651,203,169
Resources Available to Pay Principal ⁽⁴⁾	15,714,852	21,561,481	24,674,972	23,190,860
Net General Bonded Debt	706,123,294	714,442,195	648,656,073	628,012,309
Ratio of Net Bonded Debt to Estimated Actual Value	11.01%	10.15%	9.39%	9.32%
Net Bonded Debt per Capita	2,131	2,157	1,958	1,896

Source:

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

(2) Hamilton County Auditor

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

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
331,285	332,252	332,252	332,252	332,252	332,252
6,587,500	6,586,500	6,597,340	6,029,948	5,954,322	5,926,062
628,860,293	640,782,247	624,312,582	660,062,686	630,873,616	600,399,546
9,466,772	12,439,296	(282,873)	28,654,095	33,416,766	36,585,823
619,393,521	628,342,951	624,595,455	631,408,591	597,456,850	563,813,723
9.40%	9.54%	9.47%	10.47%	10.03%	9.51%
1,870	1,891	1,880	1,900	1,798	1,697



CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2014*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to Cincinnati Public School District (1)</u>	<u>Amount Applicable to Cincinnati Public School District</u>
Direct:			
Cincinnati Public School District	\$705,274,546	100.00%	\$705,274,546
Overlapping:			
Hamilton County	83,375,000	32.58%	27,163,575
Cities:			
Cheviot	435,000	100.00%	435,000
Cincinnati	486,320,000	99.98%	486,222,736
Madeira	720,000	0.50%	3,600
Norwood	2,649,148	0.04%	1,060
Silverton	785,000	93.07%	730,600
Wyoming	11,946,117	0.01%	1,195
Villages:			
Amberly	5,720,000	100.00%	5,720,000
Golf Manor	80,000	100.00%	80,000
Townships:			
Delhi	4,275,000	1.57%	67,118
Springfield	10,105,000	5.01%	506,261
Anderson Township	17,285,000	0.14%	24,199
Sycamore Township	17,010,000	3.16%	537,516
Deer Park - Silverton Fire District	493,651	41.82%	206,445
Little Miami Jt Fire & Rescue District	7,630,000	19.33%	1,474,879
	<u>648,828,916</u>	Subtotal	<u>523,174,184</u>
		Total	<u><u>\$1,228,448,730</u></u>

Source: Hamilton County Auditor

(1) Overlapping percentage was calculated by dividing each overlapping subdivision's assessed valuation within the District by the subdivision's total assessed valuation.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Debt Limitations (amounts in thousands) Last Ten Years

Collection Year	2005	2006	2007	2008
Net Assessed Valuation	\$6,411,504	\$7,040,962	\$6,907,281	\$6,736,715
Overall Direct Debt Limitation				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	577,035	633,687	621,655	606,304
Applicable District Debt Outstanding	721,838	736,004	673,331	651,203
Less: Applicable Debt Service Fund Amounts (2)	(15,715)	(21,561)	(24,675)	(23,191)
Net Indebtedness Subject to Limitation	706,123	714,442	648,656	628,012
Overall Legal Debt Margin	(\$129,088)	(\$80,756)	(\$27,001)	(\$21,708)
Unvoted Direct Debt Limitation				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	6,412	7,041	6,907	6,737
Applicable District Debt Outstanding	0	0	0	0
Unvoted Legal Debt Margin	\$6,412	\$7,041	\$6,907	\$6,737
Energy Conservation Bond Limitation				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	57,704	63,369	62,166	60,630
Authorized by the Board	0	(13,800)	(11,290)	(8,655)
Unvoted Energy Conservation				
Bond Legal Debt Margin	\$57,704	\$49,569	\$50,876	\$51,975

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

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
\$6,587,500	\$6,586,500	\$6,597,340	\$6,029,948	\$5,954,322	\$5,926,062
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
592,875	592,785	593,761	542,695	535,889	533,346
628,860	640,782	624,313	660,063	630,874	600,400
(9,467)	(12,439)	0	(28,654)	(33,417)	(36,586)
619,394	628,343	624,313	631,409	597,457	563,814
(\$26,519)	(\$35,558)	(\$30,552)	(\$88,713)	(\$61,568)	(\$30,468)
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
6,588	6,587	6,597	6,030	5,954	5,926
0	0	0	0	0	0
\$6,588	\$6,587	\$6,597	\$6,030	\$5,954	\$5,926
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
59,288	59,279	59,376	54,270	53,589	53,335
(5,900)	(24,740)	(24,715)	(50,965)	(50,965)	(50,965)
\$53,388	\$34,539	\$34,661	\$3,305	\$2,624	\$2,370

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Demographic and Economic Statistics Last Ten Years

Calendar Year	2004	2005	2006	2007
Population ⁽¹⁾				
City of Cincinnati	331,285	331,285	331,285	331,285
Hamilton County	845,303	845,303	845,303	845,303
Income ^{(2) (a)}				
Total Personal (in thousands)	13,074,825	13,702,279	13,525,704	13,740,708
Per Capita	39,467	41,361	40,828	41,477
Unemployment Rate ⁽³⁾				
Federal	5.5%	5.0%	4.6%	4.6%
State	6.0%	5.9%	5.5%	5.6%
Hamilton County	5.7%	5.7%	5.0%	5.0%
Fiscal Year	2005	2006	2007	2008
School Enrollment ⁽⁴⁾				
Grades K - 5	16,907	15,964	15,534	15,279
Grades 6 - 8	9,071	8,573	7,606	7,278
Grades 9 - 12	11,190	11,029	11,089	10,681
Total	37,168	35,566	34,229	33,238

Sources:

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

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
331,285	331,285	332,252	332,252	332,252	332,252
845,303	845,303	802,374	802,374	802,374	802,374
14,155,808	12,965,832	12,614,612	12,571,087	13,053,849	13,638,612
42,730	39,138	37,967	37,836	39,289	41,049
5.8%	9.3%	9.6%	8.9%	7.6%	6.1%
6.6%	10.2%	10.1%	8.6%	7.2%	5.5%
5.6%	8.9%	9.4%	8.6%	7.5%	5.4%
<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
15,486	15,545	15,105	14,982	16,474	15,366
7,311	7,053	6,976	6,713	6,631	6,599
10,558	9,927	9,928	9,061	8,639	8,256
<u>33,355</u>	<u>32,525</u>	<u>32,009</u>	<u>30,756</u>	<u>31,744</u>	<u>30,221</u>



CINCINNATI CITY SCHOOL DISTRICT, OHIO

Principal Employers Current Year and Nine Years Ago

		2014	
Employer	Nature of Business	Number of Employees	Rank
The Kroger Co.	National Grocery Retailer	20,260	1
University of Cincinnati	Education	15,651	2
Cincinnati Childrens Hospital	Medical	13,967	3
The Procter & Gamble Co	Consumer Goods Manufacturing	12,000	4
TriHealth	Health Care	11,000	5
UC Health	Health Care	10,000	6
Catholic Health/Mercy Health Partners	Health Care	8,956	7
GE Aviation	Jet Engine Manufacturer	7,600	8
Archdiocese of Cincinnati	Religious	7,500	9
St. Elizabeth Healthcare	Health Care	7,423	10
Total		114,357	

		2005	
Employer	Nature of Business	Number of Employees	Rank
University of Cincinnati	Education	15,400	1
The Kroger Co.	Consumer Goods Distribution	13,470	2
Health Alliance	Health Care	12,827	3
The Procter & Gamble Co.	Consumer Goods Manufacturing	12,500	4
Toyota Motor Manufacturing	Automotive	8,523	5
Cincinnati Public Schools	Education	7,596	6
TriHealth, Inc.	Health Care	7,319	7
Fifth Third Bank Corp.	Financial Institution	7,253	8
Cincinnati Childrens Hospital	Medical	7,202	9
GE Aviation	Jet Engine Manufacturer	7,000	10
Total		99,090	

Sources: Cincinnati USA,

CINCINNATI CITY SCHOOL DISTRICT, OHIO

School District Employees by Type Last Ten Years

	2005	2006	2007	2008	2009
Supervisory					
Executive Administration	0.00	0.00	0.00	0.00	0.00
Principals	81.00	73.00	76.00	68.00	57.00
Assistant Principals	58.80	51.80	50.30	39.00	40.50
Supervisor/Coordinator/Director	0.00	0.00	0.00	0.00	0.00
Consultants/Supervisors of Instruction	9.50	3.00	23.80	25.00	22.80
Instructional Administrators	2.00	4.00	3.00	2.00	4.00
Noninstructional Administrators	43.00	34.00	37.40	36.00	58.00
Other Official/Administration	0.00	0.00	0.00	0.00	0.00
Instruction					
Classroom Teachers	3,035.34	2,719.36	2,480.04	2,268.05	2,178.67
Teacher Support	0.00	0.00	0.00	0.00	0.00
Student Services					
Guidance Counselors	21.00	18.00	19.00	17.60	16.80
Instructional Paraprofessional/T. Aide	0.00	0.00	0.00	0.00	0.00
Librarians/Librarian Aide	32.00	27.00	28.90	25.55	24.60
Psychologists	75.35	77.50	72.85	63.40	71.20
Therapist/Therapist Asst./Interpreter	0.00	0.00	0.00	0.00	0.00
Social Workers	40.80	34.50	40.68	37.10	35.63
Other Professionals (noninstructional)	89.97	80.83	108.64	107.12	110.91
Support Services					
Accounting/Office Clerical	0.00	0.00	0.00	0.00	0.00
Clerical/Secretaries	423.78	392.49	351.32	332.37	335.68
Custodial/Grounds	0.00	0.00	0.00	0.00	0.00
Food Service	238.20	213.26	207.71	183.38	173.19
Maintenance/Trade Crafts	0.00	0.00	0.00	0.00	0.00
Maintenance/Grounds	389.60	364.00	401.04	367.03	344.77
Safety/Security	150.67	138.51	116.66	144.27	148.67
Technical	0.00	0.00	0.00	0.00	0.00
Tutors/Aides	933.88	889.50	895.56	938.84	1,019.54
Other Support Services	0.00	0.00	0.00	0.00	0.00
<i>Total Employees</i>	<u>5,475.59</u>	<u>4,992.95</u>	<u>4,762.80</u>	<u>4,522.71</u>	<u>4,521.66</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: District Treasurer's Office

* Beginning in 2011, additional detail categories were added to align with Ohio Department of Education Management Information System (EMIS) Staff Summary Report

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2010	2011	2012	2013	2014
	*			
0.00	9.00	11.00	10.00	17.00
56.00	56.00	53.00	57.00	57.00
41.00	41.00	36.60	29.00	33.00
0.00	76.00	63.75	59.75	116.50
25.00	0.00	0.00	0.00	0.00
5.00	0.00	0.00	0.00	0.00
62.00	0.00	0.00	0.00	0.00
0.00	2.00	2.00	2.00	4.00
2,193.00	2,118.00	1,973.74	1,970.97	2,005.83
0.00	99.00	74.45	99.65	102.10
17.00	15.00	14.00	14.60	15.60
0.00	843.00	791.95	766.09	772.46
24.00	23.00	21.30	18.50	15.00
72.00	62.00	53.60	51.41	58.35
0.00	102.00	107.77	99.10	93.91
31.00	21.00	17.73	16.33	13.20
113.00	68.00	81.91	65.85	68.27
0.00	286.00	264.99	236.63	246.33
324.00	0.00	0.00	0.00	0.00
0.00	198.00	193.00	190.63	194.63
164.00	164.00	165.12	165.16	167.44
0.00	125.00	117.99	107.99	115.68
339.00	0.00	0.00	0.00	0.00
113.00	119.00	99.00	96.00	110.78
0.00	19.00	31.05	16.00	30.00
957.00	0.00	0.00	0.00	0.00
0.00	23.00	26.97	55.67	53.46
<u>4,414.00</u>	<u>4,469.00</u>	<u>4,200.92</u>	<u>4,128.33</u>	<u>4,290.54</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Operating Indicators - Cost per Pupil Last Ten Years

Fiscal Year	2005	2006	2007	2008
Enrollment	37,168	35,566	34,229	33,238
Modified Accrual Basis				
Operating Expenditures (1)	539,653,410	549,273,027	513,240,116	504,776,861
Cost per Pupil	14,519	15,444	14,994	15,187
Percentage of Change	1.4%	6.4%	(2.9%)	1.3%
Accrual Basis				
Operating Expenses (2)	581,527,086	525,843,641	514,755,031	523,834,057
Cost per Pupil	15,646	14,785	15,039	15,760
Percentage of Change	8.8%	(5.5%)	1.7%	4.8%
Teaching Staff	2,565	2,639	2,401	2,351

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

N/A = Not available

(1) Expenditures do not include debt service or capital outlay

(2) Expenses do not include interest expense

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
33,355	32,525	32,009	30,756	31,744	30,221
513,957,839	526,854,165	548,361,413	537,053,531	525,175,015	538,949,863
15,409	16,198	17,131	17,462	16,544	17,834
1.5%	5.1%	5.8%	1.9%	(5.3%)	7.8%
537,347,897	541,046,687	561,569,166	563,999,462	564,658,137	551,762,393
16,110	16,635	17,544	18,338	17,788	18,258
2.2%	3.3%	5.5%	4.5%	(3.0%)	2.6%
2,384	2,193	2,363	2,023	2,804	2,183

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Operating Indicators by Function Last Ten Years

	2005	2006	2007
Governmental Activities			
Support Services			
Pupils			
Enrollment	37,168	35,566	33,881
Graduates	1,607	1,821	1,769
Percent of Students with Disabilities	19.85%	20.14%	20.50%
Percent of Students with English as Second Language	1.34%	1.80%	3.20%
Administration			
School Attendance Rate	94.40	94.80	94.70
Fiscal Services			
Purchase Orders Processed	8,417	6,007	18,758
Checks Issued (non payroll)	34,613	29,979	27,395
Operation and Maintenance of Plant			
District Square Footage Maintained	7,846,612	7,775,142	7,949,000
District Square Acreage Maintained	925	925	925
Percentage of Capacity Used	72.00%	68.93%	95.90%
Average Age of Buidlings	59	57	51
Pupil Transportation			
Average Daily Students Transported	33,966	35,761	25,862
Average Daily Bus Fleet Miles	26,736	26,685	25,081
Number of Buses	354	350	328
Operation of Noninstructional Services			
Food Service			
Students Meals Served Daily	5,123,651	4,883,113	4,303,328
Free/Reduced Price Meals Daily	4,443,305	4,242,694	3,721,980
Percentage of Students Receiving Free and Reduced Lunch	86.72%	86.89%	86.49%
Extracurricular Activities			
High School Varsity Teams	121	126	145

Source: District Treasurer's Office

Information not available in this format prior to 2005

* 2012 enrollment data reflects an October 2011 enrollment head count.

Prior years reflect a count as of June 30.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2008	2009	2010	2011	2012	2013	2014
33,438	33,121	32,525	32,009	30,756 *	29,928	30,221
1,803	1,799	1,766	1,736	1,605	1,609	1,789
18.22%	20.00%	20.80%	21.00%	20.10%	19.30%	19.40%
3.00%	3.10%	3.70%	3.70%	4.30%	5.10%	5.40%
94.80	95.20	97.90	95.80	95.00	95.70	95.80
21,595	19,293	19,943	16,250	0	11,953	15,335
27,485	24,083	26,662	25,885	22,137	18,602	15,302
7,949,000	6,977,896	5,916,068	5,983,415	5,892,176	6,073,977	6,073,977
925	755	755	755	755	755	755
86.00%	92.42%	94.55%	93.03%	0.00%	95.30%	95.30%
46	42	37	36	19	18	21
23,676	24,585	20,894	19,938	20,984	21,118	24,101
25,415	29,690	30,917	31,079	24,912	25,295	19,790
431	358	413	426	427	425	406
3,315,962	5,298,035	5,248,226	5,613,070	5,920,539	5,895,704	5,901,123
2,893,212	4,629,370	4,679,097	3,972,566	5,265,433	5,564,086	5,586,647
87.25%	87.38%	89.16%	70.77%	88.94%	94.38%	94.67%
100	126	142	144	126	121	113

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Operating Indicators - Teacher Base Salaries Last Ten Years

Fiscal Year	2005	2006	2007	2008
Minimum Salary	34,882	35,824	35,824	36,905
Maximum Salary	78,879	81,008	81,008	83,455
District Average Salary	58,362	60,275	62,760	64,029
County Average Salary	54,288	54,967	54,576	55,001
State Average Salary	49,438	50,772	51,346	53,410

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

Operating Indicators - Teacher Base Salaries Last Ten Years

Fiscal Year	2005	2006	2007	2008
Bachelor's Degree	243	230	155	160
Bachelor + 15	658	692	570	519
Master's Degree	1,077	1,111	1,083	1,080
Master's Degree + 30	541	560	549	545
Doctorate	46	46	44	47
Total	2,565	2,639	2,401	2,351

Source: District Treasurer's Office

N/A = not available

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
36,905	36,905	39,262	40,926	42,619	40,832
87,979	87,979	83,455	83,455	83,455	86,793
67,097	64,344	64,638	65,966	66,470	63,081
58,300	48,000	42,195	N/A	N/A	N/A
54,656	53,000	56,715	N/A	N/A	N/A

2009	2010	2011	2012	2013	2014
159	152	197	127	245	191
519	488	486	401	501	415
1,088	1,033	1,054	958	1,220	982
567	486	572	507	779	548
51	34	54	30	59	47
2,384	2,193	2,363	2,023	2,804	2,183

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Capital Asset Statistics by Building Last Ten Years

	2005	2006	2007	2008
School Buildings				
High Schools				
Number of Buildings	11	10	10	11
Square Footage	2,838,696	2,667,745	2,882,307	2,638,069
Capacity (students)	16,031	15,081	11,361	14,655
Enrollment	12,483	12,050	10,895	10,681
Elementary Schools				
Number of Buildings	59	53	50	47
Square Footage	4,601,341	4,398,912	4,752,707	4,348,245
Capacity (students)	35,043	33,522	24,129	26,607
Enrollment	24,685	23,516	23,140	22,557
All Other				
Central Administration Building				
Square Footage	140,033	140,033	140,033	140,033
Maintenance Building				
Square Footage	150,779	150,779	150,779	150,779

Source: District Treasurer's Office

Information not available in this format prior to 2005

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2009	2010	2011	2012	2013	2014
11	11	13	13	13	13
2,638,069	2,443,649	2,469,919	2,668,672	2,382,548	2,382,548
13,415	10,950	11,600	10,192	10,192	10,192
12,597	9,927	12,587	9,061	8,639	13,485
46	46	43	46	44	44
3,583,896	3,472,389	3,222,684	3,371,043	3,055,697	3,055,697
21,450	23,915	22,800	23,474	22,585	22,585
20,524	22,598	19,422	21,695	23,105	16,661
140,033	140,033	140,033	140,033	140,033	140,033
150,779	150,779	150,779	150,779	150,779	150,779

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Educational and Operating Statistics Last Ten Years

	2005	2006	2007	2008	2009
ACT Scores (Average)					
Cincinnati	19.7	19.4	19.4	19.0	18.9
Ohio	21.1	21.5	21.6	21.7	21.7
National	20.6	21.1	21.2	21.1	21.1
SAT Scores (Average)					
Cincinnati					
Verbal	508	483	475	497	518
Mathematical	508	480	469	486	508
Ohio					
Verbal	539	535	536	534	537
Mathematical	543	544	542	544	546
National					
Verbal	508	503	502	502	501
Mathematical	520	518	515	515	515
National Merit Scholars					
Finalist	5	3	3	0	0
Semi-Finalist	17	13	15	11	21
Cost per Student (ODE)					
Cincinnati	12,734	11,970	12,025	12,315	13,012
Ohio (Average)	9,028	8,744	9,343	9,939	10,184
Cost to Educate a Graduate					
Cincinnati	113,248	118,613	121,514	129,086	135,319
Ohio (Average)	88,133	88,671	91,193	101,747	105,992
Attendance Rate					
Cincinnati	94.40%	94.80%	94.70%	94.80%	95.20%
Ohio (Average)	95.20%	94.10%	94.10%	94.20%	94.30%
Graduation Rate					
Cincinnati	77.00%	76.60%	77.20%	80.00%	82.90%
Ohio (Average)	85.90%	86.20%	86.10%	86.90%	84.60%

Source:

District's Student Records and Ohio Department of Education

CINCINNATI CITY SCHOOL DISTRICT, OHIO

2010	2011	2012	2013	2014
19.1	18.1	19.3	18.8	18.5
21.8	21.8	21.8	21.8	22.0
21.0	21.1	21.1	20.9	21.0
524	513	548	568	588
514	501	535	558	566
538	539	543	548	555
548	545	548	556	562
501	497	496	496	497
516	514	514	514	513
7	0	17	0	2
21	19	22	0	18
13,449	14,067	14,720	N/A	N/A
10,513	10,513	10,571	N/A	N/A
148,331	161,780	175,847	190,567	N/A
116,176	126,689	137,202	147,773	N/A
97.90%	95.80%	95.00%	95.70%	95.80%
94.30%	94.50%	94.20%	94.20%	94.30%
80.40%	81.90%	63.90%	66.00%	73.60%
83.00%	84.30%	83.80%	81.30%	82.20%

