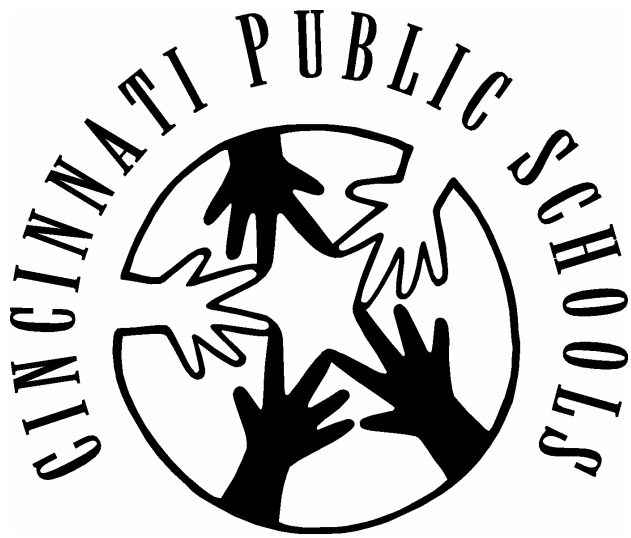


CINCINNATI CITY SCHOOL DISTRICT, OHIO

Hamilton County, Ohio



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2007**



CINCINNATI CITY SCHOOL DISTRICT, OHIO

Hamilton County, Ohio

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2007**

Prepared by:
Jonathan Boyd
Treasurer/CFO



CINCINNATI CITY SCHOOL DISTRICT, OHIO

TABLE OF CONTENTS

**CINCINNATI CITY SCHOOL DISTRICT
HAMILTON COUNTY, OHIO**

I **INTRODUCTORY SECTION**

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

II **FINANCIAL SECTION**

A Independent Auditors' Report.....1
B Management's Discussion and Analysis3
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Assets14
 Statement of Activities15
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet16
 Reconciliation of Total Governmental Fund Balances to Net Assets of
 Governmental Activities18
 Statement of Revenues, Expenditures and Changes in Fund Balances20
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities.....24
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual:
 General Fund25
 Proprietary Fund:
 Statement of Net Assets26
 Statement of Revenues, Expenses and Changes in Fund Net Assets27
 Statement of Cash Flows28
 Fiduciary Funds:
 Statement of Net Assets29
 Statement of Changes in Net Assets30
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.....	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	65
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	68
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	72

Individual Schedules of Revenues, Expenditures and Changes in Fund
Balance (Budget and Actual):

<i>General Fund</i>	74
<i>Debt Service Fund:</i>	
Bond Retirement Fund.....	75
<i>Capital Projects Funds:</i>	
Building Fund.....	76
Classroom Facilities Fund.....	77
<i>Special Revenue Funds:</i>	
Food Services Fund.....	78
Other Grants Fund.....	79
District Managed Student Activity Fund.....	80
Auxiliary Fund.....	81
Head Start Fund.....	82
Poverty Based Assistance Fund.....	83
Title VI B – Special Education Assistance Fund.....	84
Title II A – Economic Opportunity Act Fund.....	85
Chapter I Fund – Education Consolidation and Improvement Act Fund...	86
Other Special Revenue Funds.....	87

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Capital Projects Funds:

Permanent Improvement Fund88
Replacement Fund89
Energy Conservation Fund90
Power Up Fund.....91
Interactive Video Distance Learning Fund.....92
Ohio SchoolNet Fund93

Permanent Fund:

Endowments Fund94

E Fiduciary Funds – Agency Fund:

Schedule of Changes in Assets and Liabilities97

F Capital Assets Used in the Operation of Governmental Funds:

Schedule by Source99
Schedule by Function and Activity.....100
Schedule of Changes by Function and Activity102

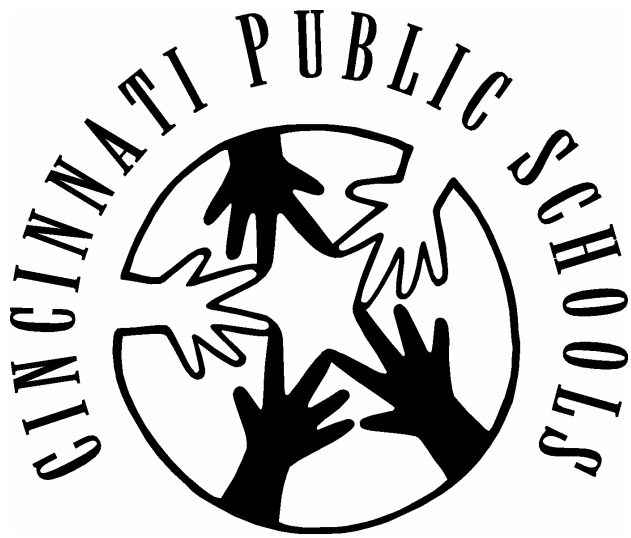
CINCINNATI CITY SCHOOL DISTRICT, OHIO

III

STATISTICAL SECTION

Net Assets by Component - Last Six Years S 2
Changes in Net Assets - Last Six Years S 4
Fund Balances, Governmental Funds - Last Nine Years S 8
Changes in Fund Balances, Governmental Funds - Last Nine 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 - Tangible Personal Property Tax - Current Year and Three
Years Ago..... S 18
Principal Taxpayers - Real Estate Tax and Public Utilities Personal Property -
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 Three Years S 39
Operating Indicators - Teacher Base Salaries - Last Ten Years..... S 40
Capital Asset Statistics by Building - Last Three Years S 43
Capital Asset Statistics by Function - Last Six Years S 44
Educational and Operating Statistics - Last Six Years S 48

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**

February 26, 2008

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, 2007. This report was prepared by the Office of the Treasurer/CFO and includes the report of the independent auditor, Clark, Schaefer, Hackett & Company. The independent auditors' report concludes that the District's financial statements for the year ended June 30, 2007 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 Oracle Public Sector General Ledger, an automated, on-line general ledger accounting system, which provides the capability to prepare financial information based on generally accepted accounting principles (GAAP) for governments. Oracle Public Sector General Ledger is the basis for the District's accounting, budgetary, purchasing and fixed assets controls. The financial statements contained in the CAFR have been prepared from this system, implemented by the Treasurer's office in January 1995 and upgraded to the latest 11.5.10 release in June 2005.

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, 2007

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 1984 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 65 schools: 50 elementary schools and 15 high schools (9-12). Several high school buildings contain more than one school. 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 been sensitive to an energy conservation program and is in the fourth year of a \$985 million, 10-year facilities improvement program.

The District's enrollment (K-12) for the 2006-07 school year was 33,881 students. The District served 67% of the 54,985 children who reside within its boundaries. The majority of enrolled students were members of ethnic minorities -- in the 2006-07 school year, 70.9 percent of students were African-American, 0.8 percent were Asian, 22.7 percent were Caucasian, 0.1 percent were Native American, 4.0 percent were other/multiracial, and 1.5 percent were Hispanic.

A significant majority of students in the District – 65.5 percent - were on free or reduced lunch plans during the 2006-07 school year. Seventy-three percent of the District's elementary schools served student populations that were 75 percent or higher in poverty. Twenty and a one half percent of the students attending were served with Special Education needs.

Transportation was provided daily for 17,049 public students, 4,369 for charter students and 4,444 for non-public students. Buses traveled an average of 25,081 miles each day. A self-supporting Food Services Department served an average of 15,217 lunches and 8,959 breakfasts per day for the 2006-07 school year.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

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 also offers students the opportunity to participate in a wide range of extracurricular activities to extend their learning and increase their enjoyment of school. On the State of Ohio's 2006-07 Report Card, the District is in its third year of "Continuous Improvement" and continues to make gains in academic achievement.

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, 2007 were:

	<u>Date Current Term Commenced</u>	<u>Present Term Expires</u>
Eileen Cooper Reed, President	01/01/06	12/31/09
Melanie Bates, Vice President	01/01/06	12/21/09
Susan Cranley	01/01/06	12/31/09
John J. Gilligan	01/01/04	12/31/07
Catherine Ingram	01/01/06	12/31/09
Dr. Florence Nowell	01/01/04	12/31/07
Rick Williams	01/01/04	12/31/07

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.

In April 2004, the Board appointed Rosa E. Blackwell as the Superintendent for a term commencing April 8, 2005 and ending July 31, 2008. A graduate of CPS' Hughes High School, she joined the district in 1972 as a teacher, later becoming a curriculum supervisor, a principal at elementary, junior high and high schools, and the district's deputy superintendent. She has served the children of Cincinnati for over three decades.

Mrs. Blackwell is a widely respected administrator and community leader whose leadership skills and experience include supporting teachers and other employees through quality professional development, holding employees accountable for high performance, directing successful efforts to meet CPS' financial needs, and developing partnerships and strong working relationships with diverse stakeholders to support district progress.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

Her wide education experience and knowledge resulted in her being one of the first associates of the Mayerson Academy for Human Resource Development, a privately endowed, state-of-the-art training facility with the primary mission of providing first-class professional development for CPS employees.

As CPS' deputy superintendent, Mrs. Blackwell's responsibilities included developing and executing important district initiatives such as high school restructuring, the Teacher Evaluation System, the Positive School Culture initiative and building schools that serve as Community Learning Centers.

Mrs. Blackwell earned bachelor's and master's degrees in education, and her superintendent's certificate, at Cincinnati's Xavier University. She also pursued post-graduate studies in reading, counseling and learning disabilities at Xavier and in political science and educational administration at St. John's College in Santa Fe, New Mexico.

The Treasurer 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.

The Board appointed Jonathan L. Boyd as Treasurer for a three-year term commencing May 1, 2007 and ending July 31, 2010. Mr. Boyd holds a Masters Degree in Administration from Central Michigan University and has served as a Treasurer in other Ohio Public Schools for the past 22 years. In 1998 Mr. Boyd was recognized by the Foundation of School Business Management as the Treasurer of Year for his accomplishments in serving Ohio Public Schools.

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.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

Metropolitan Cincinnati was expanded to include 15 counties in mid-2003: 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 3.7 million net square feet of office space in the downtown Cincinnati area and 23.3 million net square feet in suburban office buildings and parks. There are approximately 239.7 million square feet of industrial space and 47.5 million square feet of retail space in the area (2.6 million square feet downtown). Retail sales for 2005 in Hamilton County topped \$14.0 billion and sales surpassed \$29.6 billion for the entire Cincinnati Metropolitan Statistical Area (MSA).

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. Total wage and salary employment in Hamilton County was estimated at 575,700 in 2005 by the U.S. Department of Commerce's Bureau of Economic Analysis. Hamilton County is home to 56% of all regional jobs and to approximately 25,000 business and industry establishments.

The Ohio Bureau of Employment Services estimated total employment in Hamilton County at 411,200 at June 30, 2007. This 94.2% employment rate is slightly above the State of Ohio employment rate of 93.9% at June 30, 2007 and trails the national rate of 95.3% 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 eleven 2004 Fortune 500 corporations: the Kroger Company, Procter and Gamble, Federated Department Stores, Ashland Inc., Fifth Third Bancorp, CInergy, AK Steel, Western & Southern Financial Group, Omnicare, Inc, American Financial Group and Cincinnati Financial Corporation. The national headquarters for Sara Lee Foods and the North American headquarters for Lenscrafters are also located in the area.

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. Twenty-five percent (25%) of all jobs in the Metropolitan Area are related to exporting. Cincinnati exports more than any other city in Ohio and is ranked twenty-first (21st) in the United States.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

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.

In fiscal year 2007 the District began to see the results of its long-term financial planning. The District met or exceeded its budget goal for the third 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, \$985 million 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 January 2008, the District has either renovated or constructed a total of 16 schools. By the end of 2008 there will be 9 additional schools either being renovated or under construction for the next phase of the Facilities Master Plan. The District's new schools are distinctive, eye-catching buildings, with technology-ready classrooms and stand-out architectural features that provide an abundance of natural light and include courtyards that invite outdoor learning, and welcoming rotundas. As state-of-the-art, 21st century schoolhouses, these buildings quickly will become local landmarks and community anchors. The District's FMP is now fully funded.

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) and Disadvantaged Business Enterprises (DBE), which includes small businesses, and minority- and female-owned businesses. The District's expanded Supplier Diversity Program is working to cultivate new relationships with a broader base of businesses. Beginning July 2003 through June 2007, over 57% of the District's construction contracts were awarded to SBE, DBE and minority owned enterprises, exceeding the Board's 25% goal.

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, 2006. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The June 30, 2006 CAFR was the seventh 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.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

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 contracted the District Audit for fiscal year ended June 30, 2007 to Clark, Schaefer, Hackett & Company, an independent certified public accounting firm. 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 Ms. Jennifer Wagner, 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,



Jonathan L. Boyd
Treasurer/CFO

CINCINNATI CITY SCHOOL DISTRICT, OHIO

List of Principal Officials June, 30, 2007

Members of the Board of Education:

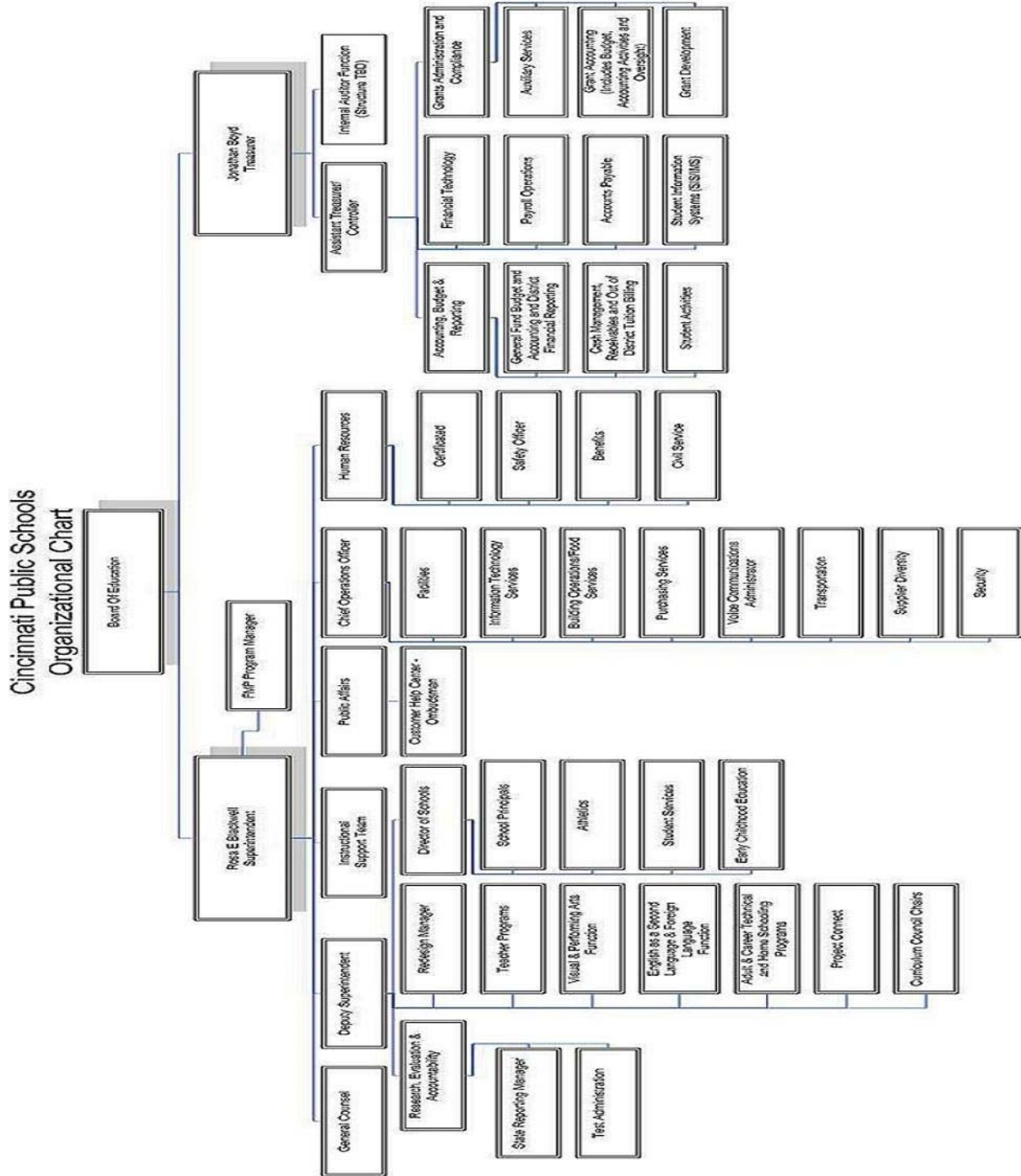
Name	Title	Term Expires
Susan Cranley	President	December 31, 2009
Eileen Reed	Vice President	December 31, 2009
Melanie Bates	Member	December 31, 2009
John J. Gilligan	Member	December 31, 2007
Catherine Ingram	Member	December 31, 2009
Dr. Florence Nowell, Ed. D.	Member	December 31, 2007
Rick Williams	Member	December 31, 2007

District Administration:

Name	Title
Rosa E. Blackwell	Superintendent
Jonathan L. Boyd	Treasurer/CFO
Catherine L. Mitchell	Deputy Superintendent
Thomas Gunnell	Chief Operations Officer
Deborah Heater	Director of Human Resources
Cynthia Dillon	General Counsel
Janet Walsh	Director of Public Affairs
William Myles	Director of Instructional Support Team

CINCINNATI CITY SCHOOL DISTRICT, OHIO

School District Organizational Chart For the Fiscal Year Ended June, 30, 2007



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, 2006

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



A handwritten signature in black ink, appearing to read "Thomas J. Blain".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

FINANCIAL SECTION





Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Cincinnati City School District, Ohio:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cincinnati City School District, Ohio (the School District), as of and for the year ended June 30, 2007, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2008, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 12 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Clark, Schaefer, Haskett & Co.

Cincinnati, Ohio
February 28, 2008

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2007*

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, 2007. 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 2007 are as follows:

General revenues accounted for \$417,241,544 in revenue or 66.9% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$206,228,965 or 33.1% of total revenues of \$623,470,509.

The District had \$542,071,586 in expenses related to governmental activities; only \$206,228,965 of these expenses was offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$214,930,624, revenue in lieu of taxes totaling \$11,299,519, unrestricted state and federal revenues totaling \$157,791,118, investment earnings totaling \$29,904,739 plus prior year carry over revenues) were adequate to provide for these programs.

The assets of the District exceeded its liabilities at June 30, 2007 by \$423,164,824 (net assets). Of this amount, \$52,591,559 is considered unrestricted and may be used to meet the District's on-going obligations.

The District's total net assets increased \$81,398,923 in fiscal year 2007, which represents a 23.8% increase from the fiscal year 2006 balance. The bulk of the increase is attributable to lower overall personnel costs resulting from the continued cost cutting measures of the District and the recognition of segments of the OSCF grant revenues in 2007 while no new segments were recognized in 2006. In addition, increases in charges for services and other grants and entitlements also contributed to the increase.

Among major funds, the general fund had \$342,925,406 in revenue, \$387,855,146 in expenditures and (\$14,626,125) in net other financing uses, resulting in the general fund balance decreasing by \$59,555,865 to \$28,798,095.

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:

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.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2007*

Unaudited

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 assets includes all of the District's assets and liabilities. 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 assets and how they have changed. Net-assets (the difference between the District's assets and liabilities) are one way to measure the District's financial health or position.

Over time, increases or decreases in the District's net assets are 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 Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

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 Assets and the Statement of Activities.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2007*

Unaudited

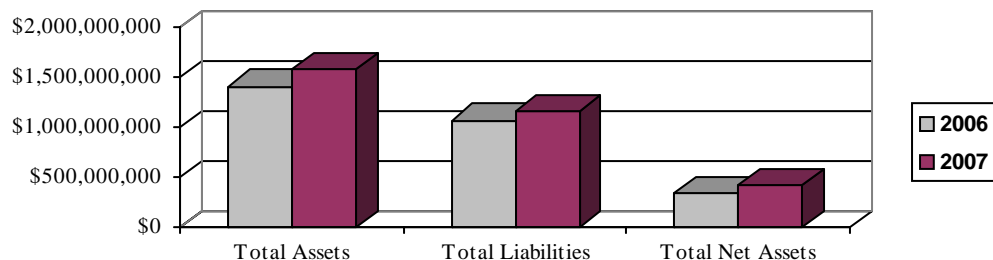
Fiduciary Funds – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. 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 assets for 2007 compared to 2006:

	Governmental Activities		Increase (Decrease)
	2007	2006	
Current and other assets	\$1,108,045,580	\$1,064,122,409	\$43,923,171
Capital assets, Net	470,028,728	345,545,247	124,483,481
Total assets	1,578,074,308	1,409,667,656	168,406,652
Long-term debt outstanding	851,711,196	780,717,965	70,993,231
Other liabilities	303,198,288	287,183,790	16,014,498
Total liabilities	1,154,909,484	1,067,901,755	87,007,729
Net assets			
Invested in capital assets, net of related debt	218,829,785	163,202,797	55,626,988
Restricted	151,743,480	87,019,790	64,723,690
Unrestricted	52,591,559	91,543,314	(38,951,755)
Total net assets	\$423,164,824	\$341,765,901	\$81,398,923

Cincinnati City Schools Governmental Activities



CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2007*

Unaudited

Changes in Net Assets – The following table shows the net assets for the fiscal year 2007 compared to 2006:

	Governmental Activities		Increase (Decrease)
	2007	2006	
Revenues			
Program revenues:			
Charges for Services	\$15,391,801	\$10,851,849	\$4,539,952
Operating Grants	109,768,466	108,096,560	1,671,906
Capital Grants	81,068,698	243,573	80,825,125
General revenues:			
Property Taxes	214,930,624	350,356,338	(135,425,714)
Revenue in Lieu of Taxes	11,299,519	15,745,319	(4,445,800)
Grants and Entitlements	157,791,118	146,356,573	11,434,545
Other	33,220,283	34,685,365	(1,465,082)
Total revenues	<u>623,470,509</u>	<u>666,335,577</u>	<u>(42,865,068)</u>
Program Expenses			
Instruction:			
Regular	182,146,228	223,297,113	(41,150,885)
Special	69,266,976	80,390,504	(11,123,528)
Vocational	6,693,031	6,209,179	483,852
Other	32,417,953	4,703,448	27,714,505
Support Services:			
Pupils	27,257,081	26,628,386	628,695
Instructional Staff	42,835,422	33,757,059	9,078,363
Board of Education	347,852	308,211	39,641
Administration	34,880,780	33,272,546	1,608,234
Fiscal Services	3,306,297	3,889,606	(583,309)
Business	1,071,616	1,372,454	(300,838)
Operation and Maintenance of Plant	41,057,796	41,446,421	(388,625)
Pupil Transportation	22,799,539	24,928,584	(2,129,045)
Central	15,159,365	14,031,779	1,127,586
Non-Instructional Services	30,191,515	26,527,842	3,663,673
Extracurricular Activities	5,323,580	5,080,509	243,071
Interest and Fiscal Charges	27,316,555	35,493,871	(8,177,316)
Total expenses	<u>542,071,586</u>	<u>561,337,512</u>	<u>(19,265,926)</u>
Total Change in Net Assets	81,398,923	104,998,065	(23,599,142)
Beginning Net Assets	<u>341,765,901</u>	<u>236,767,836</u>	<u>104,998,065</u>
Ending Net Assets	<u>\$423,164,824</u>	<u>\$341,765,901</u>	<u>\$81,398,923</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June, 30, 2007

Unaudited

The most significant reasons for the \$81.4 million increase in Net Assets from FY 2006 to FY 2007 are as follows:

During 2007, the District recognized over \$65 million of grant revenues related to segments of the OSCF program while no new segments were recognized in 2006. In addition, a decrease in expenses highlights the impact of the ESP liability that was expensed during 2006 with no impact on 2007 expenses. Increases in charges for services and other grants and entitlements also contributed to the increase

These increases were offset by a reduction in the amount of property taxes recognized for reporting purposes. For fiscal year 2007 property taxes recognized as revenues decreased \$135 million as a result of 1) timing differences in the collection of those taxes by Hamilton County, 2) the amounts reported by the County as available to the District for advances and 3) reductions in amounts reported by the County at outstanding at year end. Fiscal year 2006 saw significant increases in the amounts that the County collected, reported as available to the District as advances and year-end receivables when compared to amounts for fiscal year 2005 and 2007. These factors resulted in a high level of property taxes to be recognized as revenues during 2006 when compared to both 2005 and 2007. On average, the level of property taxes recognized for 2007 and 2006 when combined, is approximately \$280 million per year and in line with revenue expectations of the District.

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.

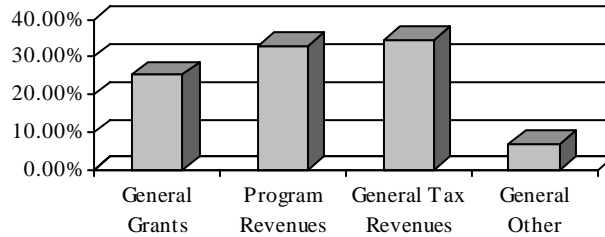
Property taxes made up 32.8% of revenues for governmental activities for the Cincinnati City School District in fiscal year 2007. The District's reliance upon tax revenues is demonstrated by the following table and graph:

Revenue Sources	2007	Percent of Total
General Grants	\$157,791,118	25.31%
Program Revenues	206,228,965	33.08%
General Tax Revenues	214,930,624	34.47%
General Other	44,519,802	7.14%
Total Revenue	<u>\$623,470,509</u>	<u>100.00%</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2007*

Unaudited



FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$610,292,712, which is less than last year's total of \$673,279,373. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2007 and 2006.

	Fund Balance June 30, 2007	Fund Balance June 30, 2006	Increase (Decrease)
General	\$28,798,095	\$88,353,960	(\$59,555,865)
Debt Service	24,674,972	21,561,481	3,113,491
Building Capital Projects Classroom Facilities	383,198,231	301,695,376	81,502,855
Capital Projects	161,692,532	242,575,063	(80,882,531)
Other Governmental	11,928,882	19,093,493	(7,164,611)
Total	\$610,292,712	\$673,279,373	(\$62,986,661)

The decrease in the District's General Fund is largely due to continued salary and benefit costs exceeding available current year resources as a result of the District not being able to adjust staffing to student enrollment declines over the past seven years and the fact that by state statute the District's local property tax revenues are not allowed to grow with inflation. Expenditures were reduced significantly during 2007 as a result from the effects District's Fiscal Accountability Plan implemented during FY 2005. The increase in the Building Capital Projects Fund balance in the amount of \$81,502,855 is primarily due to the issuance of debt for project funding. The decrease in the Classroom Facilities Capital Projects Fund balance in amount of \$80,882,531 is due to the continued payments made to vendors during fiscal year 2007. The FMP program activity increased as seven new schools became operational in 2007.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2007**

Unaudited

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

	2007 Revenues	2006 Revenues	Increase (Decrease)
Taxes	\$173,439,635	\$290,297,782	(\$116,858,147)
Tuition	1,721,249	1,298,534	422,715
In Lieu of Taxes	6,299,537	5,760,051	539,486
Investment Earnings	4,599,808	4,922,138	(322,330)
Intergovernmental - State	153,808,416	148,890,401	4,918,015
Intergovernmental - Federal	386,414	406,733	(20,319)
All Other Revenue	2,670,347	1,580,971	1,089,376
Total	\$342,925,406	\$453,156,610	(\$110,231,204)

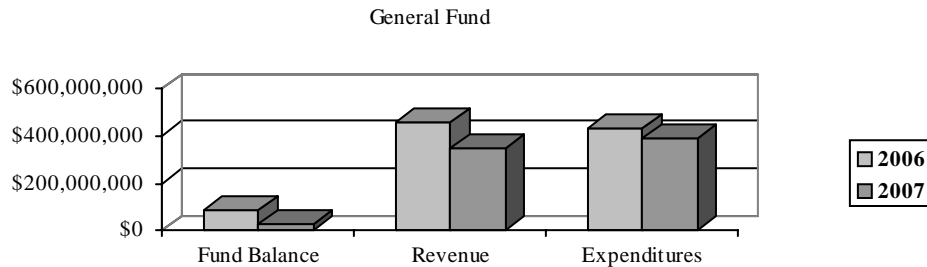
General Fund revenues in 2007 decreased from 2006 primarily due to recognizing reduced property taxes revenues as a result in timing differences in the collection of those taxes by Hamilton County, the amounts reported by the County as available to the District for advances and reductions in amounts reported by the County at outstanding at year end.

	2007 Expenditures	2006 Expenditures	Increase (Decrease)
Instruction:			
Regular	\$176,369,434	\$188,029,154	(\$11,659,720)
Special	51,638,246	51,843,432	(205,186)
Vocational	5,136,694	4,649,069	487,625
Other	515,898	554,440	(38,542)
Supporting Services:			
Pupils	15,650,624	15,178,459	472,165
Instructional Staff	25,690,352	19,673,411	6,016,941
Board of Education	348,361	300,309	48,052
Administration	30,486,113	69,197,209	(38,711,096)
Fiscal Services	2,254,959	2,574,228	(319,269)
Business	605,988	1,163,177	(557,189)
Operation and Maintenance of Plant	37,691,645	39,214,617	(1,522,972)
Pupil Transportation	22,384,843	24,163,398	(1,778,555)
Central	11,000,045	8,869,066	2,130,979
Non-Instructional Services	55,924	3,317	52,607
Extracurricular Activities	4,510,881	4,221,672	289,209
Capital Outlay	1,663,056	2,327,118	(664,062)
Debt Service:			
Interest & Fiscal Charges	1,852,083	726,667	1,125,416
Total	\$387,855,146	\$432,688,743	(\$44,833,597)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2007*

Unaudited



The \$38.7 million decrease in administrative expenditures is a result of recognizing approximately \$44 million of expenditures during 2007 for the Employee Severance Plan (ESP) applicable to over 600 employees who accepted the plan.

Excluding the ESP expenditure, expenditures in general, decreased across most areas as a result of reduced expenditures as a result of a reduced work force and the continued enactment of the Fiscal Accountability Plan.

During the course of fiscal year 2007 the District amended its General Fund budget several times. The increase in appropriations of 2.2% between the original and final budgets represent the appropriation of contingency funds to cover the original conservative spending levels determined by the Fiscal Accountability Plan. The General Fund budget basis revenue increased .32% compared to the original budget estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At the end of fiscal 2007 the District had \$470,028,728 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 2007 balances:

	Governmental Activities		Increase (Decrease)
	2007	2006	
Land	\$34,791,207	\$33,868,908	\$922,299
Construction in Progress	189,671,655	165,065,522	24,606,133
Land Improvements	9,723,349	9,723,349	0
Buildings and Improvements	337,388,546	236,459,771	100,928,775
Furniture, Fixtures and Equipment	4,927,076	4,724,168	202,908
Vehicles	660,853	623,942	36,911
Less: Accumulated Depreciation	(107,133,958)	(104,920,413)	(2,213,545)
Totals	\$470,028,728	\$345,545,247	\$124,483,481

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2007

Unaudited

For financial reporting purposes the District capitalizes all assets in excess of \$25,000. The \$100,928,775, net increase in Buildings and Improvements during 2007 was a result of completing construction of seven 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 as well as for those schools where construction continued during 2007 and remained classified as construction in progress. The increase in capital asset balances, coupled with changes in debt balances, contributed to a net increase in Government Activities Investment in Capital Assets, Net of Related Debt in the amount of \$55,626,988. The net increase in the balance of the Restricted for Capital Projects in the amount of \$66,316,844 was the result of the continuing activity within the District's capital facility plans. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 9).

Debt - At June 30, 2007, the District had \$673,331,045 in General Obligation Bonds outstanding, \$22,127,876 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2007:

	<u>2007</u>	<u>2006</u>
Governmental Activities:		
General Obligation Bonds	\$673,331,045	\$736,003,676
Capital Leases	126,617,792	0
Compensated Absences	51,762,359	44,714,289
Totals	<u>\$851,711,196</u>	<u>\$780,717,965</u>

Under current state statutes, the District's debt issue is subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2007, the District's outstanding debt was below the legal limit. Detailed information regarding debt is included in the notes to the basic financial statements (Notes 11-12).

ECONOMIC FACTORS

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.

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 Ohio Bureau of Employment Services estimated total employment in Hamilton County at 411,200 at June 30, 2007. This 94.2% total employment rate compares slightly favorably with the State of Ohio total employment rate of 93.9% but trails the national rate of 95.3% at June 30, 2007. All of these factors were considered in preparing the District's budget for the 2007 fiscal year.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Management's Discussion and Analysis
For the Fiscal Year Ended June, 30, 2007***

Unaudited

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 Jonathan Boyd, 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 Assets *June 30, 2007*

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$ 641,636,437
Investments	245,794
Receivables:	
Taxes	302,100,441
Accounts	709,068
Intergovernmental - State and Local	116,377,626
Intergovernmental - Federal	13,329,078
Interest	6,682,265
Inventory of Supplies at Cost	87,050
Inventory Held for Resale	327,490
Restricted Assets:	
Pooled Cash and Investments	19,888,810
Non-Depreciable Capital Assets	224,462,862
Depreciable Capital Assets, Net	245,565,866
Unamortized Bond Issuance Costs	6,661,521
Total Assets	1,578,074,308
Liabilities:	
Accounts Payable	17,269,923
Accrued Wages and Benefits	32,885,512
Intergovernmental Payable	1,063,448
Claims Payable	4,220,195
Unearned Revenue - Taxes	208,517,265
Accrued Interest Payable	3,511,945
Tax Anticipation Notes Payable	35,730,000
Long Term Liabilities:	
Due Within One Year	30,218,659
Due in More Than One Year	821,492,537
Total Liabilities	1,154,909,484
Net Assets:	
Invested in Capital Assets, Net of Related Debt	218,829,785
Restricted For:	
Capital Projects	113,428,438
Debt Service	27,315,500
Permanent Fund:	
Expendable	476,939
Nonexpendable	768,034
Other Purposes	9,754,569
Unrestricted	52,591,559
Total Net Assets	\$ 423,164,824

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Activities For the Fiscal Year Ended June 30, 2007

		Program Revenues			Net (Expense)
		Charges for	Operating Grants	Capital Grants	Revenue and
	Expenses	Services and	and	and	Changes in
		Sales	Contributions	Contributions	Net Assets
Governmental Activities:					Governmental
					Activities
Instruction:					
Instruction - Regular	\$ 182,146,228	\$ 7,336,405	\$ 33,187,530	\$ 0	\$ (141,622,293)
Instruction - Special	69,266,976	62,301	17,948,802	0	(51,255,873)
Instruction - Vocational	6,693,031	46,735	947,836	0	(5,698,460)
Instruction - Other	32,417,953	130,200	397,473	0	(31,890,280)
Support Services:					
Pupils	27,257,081	535,264	10,096,657	0	(16,625,160)
Instructional Staff	42,835,422	1,470,302	13,391,619	0	(27,973,501)
Board of Education	347,852	0	0	0	(347,852)
Administration	34,880,780	1,611,469	2,752,630	0	(30,516,681)
Fiscal Services	3,306,297	12,984	705,557	0	(2,587,756)
Business	1,071,616	3,433	0	0	(1,068,183)
Operation and Maintenance of Plant	41,057,796	831,875	2,096,792	81,068,698	42,939,569
Pupil Transportation	22,799,539	15,963	815,822	0	(21,967,754)
Central	15,159,365	429	3,050,007	0	(12,108,929)
Operation of Non-Instructional Services	30,191,515	2,483,338	24,377,741	0	(3,330,436)
Extracurricular Activities	5,323,580	851,103	0	0	(4,472,477)
Interest and Fiscal Charges	27,316,555	0	0	0	(27,316,555)
Total Governmental Activities	\$ 542,071,586	\$ 15,391,801	\$ 109,768,466	\$ 81,068,698	(335,842,621)

General Revenues

Property Taxes Levied for:	
General Purposes	189,107,096
Debt Service	25,823,528
Revenue in Lieu of Taxes	11,299,519
Grants and Entitlements not Restricted to Specific Programs	157,791,118
Investment Earnings	29,904,739
Miscellaneous	3,315,544
Total General Revenues	417,241,544
Change in Net Assets	81,398,923
Net Assets Beginning of Year	341,765,901
Net Assets End of Year	\$ 423,164,824

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Balance Sheet
Governmental Funds
June 30, 2007

	<u>General</u>	<u>Debt Service</u>	<u>Building Capital Projects</u>
Assets:			
Equity in Pooled Cash and Investments	\$ 53,279,634	\$ 3,481,220	\$ 380,437,920
Investments	0	0	0
Receivables:			
Taxes	268,165,077	33,935,364	0
Accounts	305,850	0	2,409
Intergovernmental - State and Local	0	0	0
Intergovernmental - Federal	2,334,569	0	0
Interest	587,681	0	4,073,795
Interfund Loans Receivable	6,764,888	0	0
Advances to Other Funds	564,738	0	1,485,643
Inventory of Supplies at Cost	0	0	0
Inventory Held for Resale	0	0	0
Restricted Assets:			
Pooled Cash and Investments	1,420,826	18,467,984	0
Total Assets	<u><u>\$ 333,423,263</u></u>	<u><u>\$ 55,884,568</u></u>	<u><u>\$ 385,999,767</u></u>
Liabilities:			
Accounts Payable	\$ 2,612,696	\$ 0	\$ 957,845
Accrued Wages and Benefits	24,913,089	0	102,618
Intergovernmental Payable	805,654	0	3,319
Claims Payable	910,767	0	3,752
Interfund Loans Payable	0	0	0
Advances from Other Funds	233,340	0	0
Deferred Revenue - Taxes	234,973,457	31,209,596	0
Deferred Revenue	2,332,434	0	1,734,002
Compensated Absences Payable	1,518,231	0	0
Accrued Interest Payable	595,500	0	0
Tax Anticipation Notes Payable	35,730,000	0	0
Total Liabilities	<u><u>304,625,168</u></u>	<u><u>31,209,596</u></u>	<u><u>2,801,536</u></u>
Fund Balances:			
Reserved for Encumbrances	3,037,044	0	16,018,382
Reserved for Debt Service	0	21,949,204	0
Reserved for Property Taxes	33,191,620	2,725,768	0
Reserved for Budget Stabilization	1,420,826	0	0
Reserved for Endowments	0	0	0
Reserved for Advances	564,738	0	1,485,643
Unreserved, Undesignated in:			
General Fund	(9,416,133)	0	0
Special Revenue Funds	0	0	0
Capital Projects Funds	0	0	365,694,206
Permanent Fund	0	0	0
Total Fund Balances	<u><u>28,798,095</u></u>	<u><u>24,674,972</u></u>	<u><u>383,198,231</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 333,423,263</u></u>	<u><u>\$ 55,884,568</u></u>	<u><u>\$ 385,999,767</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Classroom Facilities Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 171,245,331	\$ 29,192,330	\$ 637,636,435
0	245,794	245,794
0	0	302,100,441
1,513	399,296	709,068
115,813,116	564,510	116,377,626
0	10,994,509	13,329,078
2,020,789	0	6,682,265
0	0	6,764,888
0	550,449	2,600,830
0	87,050	87,050
0	327,490	327,490
0	0	19,888,810
<u>\$ 289,080,749</u>	<u>\$ 42,361,428</u>	<u>\$ 1,106,749,775</u>
\$ 10,694,588	\$ 3,004,794	\$ 17,269,923
0	7,869,805	32,885,512
0	254,475	1,063,448
0	287,676	1,202,195
0	6,764,888	6,764,888
0	2,367,490	2,600,830
0	0	266,183,053
116,693,629	9,883,418	130,643,483
0	0	1,518,231
0	0	595,500
0	0	35,730,000
<u>127,388,217</u>	<u>30,432,546</u>	<u>496,457,063</u>
73,808,539	6,200,911	99,064,876
0	0	21,949,204
0	0	35,917,388
0	0	1,420,826
0	768,034	768,034
0	550,449	2,600,830
0	0	(9,416,133)
0	5,072,611	5,072,611
87,883,993	(1,140,062)	452,438,137
0	476,939	476,939
<u>161,692,532</u>	<u>11,928,882</u>	<u>610,292,712</u>
<u>\$ 289,080,749</u>	<u>\$ 42,361,428</u>	<u>\$ 1,106,749,775</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Reconciliation Of Total Governmental Fund Balances
To Net Assets Of Governmental Activities
June 30, 2007***

Total Governmental Fund Balances \$ 610,292,712

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

Capital Assets used in governmental activities are not
resources and therefore are not reported in the funds. 470,028,728

Other long-term assets are not available to pay for current-
period expenditures and therefore are deferred in the funds.

Accounts Receivable - accrual basis	199,434	
Taxes Receivable - accrual basis	57,665,788	
Interest Receivable - accrual basis	2,801,059	
Grants Receivable - accrual basis	<u>127,642,990</u>	
Total		188,309,271

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 assets. 982,002

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	(30,218,659)	
Amounts Due in More Than One Year	(821,492,537)	
Compensated Absences - accrued on fund basis	1,518,231	
Accrued Interest on Long-Term Debt	(2,916,445)	
Bond Issuance Costs	<u>6,661,521</u>	
Total		<u>(846,447,889)</u>

Net Assets of Governmental Funds \$ 423,164,824

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, 2007**

	<u>General</u>	<u>Debt Service</u>	<u>Building Capital Projects</u>
Revenues:			
Taxes	\$ 173,439,635	\$ 23,050,933	\$ 0
Tuition	1,721,249	0	0
In Lieu of Taxes	6,299,537	5,000,000	0
Investment Earnings	4,599,808	193,744	18,470,515
Food Services	0	0	0
Intergovernmental - State	153,808,416	2,339,701	0
Intergovernmental - Federal	386,414	0	0
All Other Revenue	2,670,347	0	76,309
Total Revenue	<u>342,925,406</u>	<u>30,584,378</u>	<u>18,546,824</u>
Expenditures:			
Current:			
Instruction:			
Regular	176,369,434	0	0
Special	51,638,246	0	0
Vocational	5,136,694	0	0
Other	515,898	0	0
Supporting Services:			
Pupils	15,650,624	0	0
Instructional Staff	25,690,352	0	0
Board of Education	348,361	0	0
Administration	30,486,113	426,984	0
Fiscal Services	2,254,959	0	46,419
Business	605,988	0	368,110
Operation & Maintenance of Plant	37,691,645	0	352,264
Pupil Transportation	22,384,843	0	0
Central	11,000,045	0	60,473
Operation of Non-Instructional Services	55,924	0	0
Extracurricular Activities	4,510,881	0	0
Capital Outlay	1,663,056	0	16,011,703
Debt Service:			
Principal Retirement	0	26,350,000	0
Interest & Fiscal Charges	1,852,083	33,220,662	0
Total Expenditures	<u>387,855,146</u>	<u>59,997,646</u>	<u>16,838,969</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Classroom Facilities Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 0	\$ 196,490,568
0	792,650	2,513,899
0	0	11,299,537
6,366,584	318,259	29,948,910
0	2,344,784	2,344,784
15,267,487	42,421,528	213,837,132
0	64,677,719	65,064,133
802,233	10,213,711	13,762,600
<u>22,436,304</u>	<u>120,768,651</u>	<u>535,261,563</u>
0	6,401,178	182,770,612
0	19,097,330	70,735,576
0	1,257,887	6,394,581
0	31,405,840	31,921,738
0	11,675,532	27,326,156
0	16,670,278	42,360,630
0	0	348,361
0	4,388,680	35,301,777
0	993,058	3,294,436
0	97,226	1,071,324
0	3,003,393	41,047,302
0	849,929	23,234,772
0	3,905,135	14,965,653
0	27,063,263	27,119,187
0	837,130	5,348,011
103,318,835	287,403	121,280,997
0	0	26,350,000
0	0	35,072,745
<u>103,318,835</u>	<u>127,933,262</u>	<u>695,943,858</u>

(Continued)

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2007**

	<u>General</u>	<u>Debt Service</u>	<u>Building Capital Projects</u>
Excess (Deficiency) of Revenues Over Expenditures	(44,929,740)	(29,413,268)	1,707,855
Other Financing Sources (Uses):			
Capital Leases Initiated	0	40,570,000	79,795,000
Premium on Capital Leases Initiated	0	7,503,350	0
Issuance of Refunding Bonds	0	380,945,000	0
Premium on the Issuance of Refunding Bonds	0	48,836,975	0
Payment to Refunded Bond Escrow Agent	0	(459,954,691)	0
Transfers In	0	14,626,125	0
Transfers Out	(14,626,125)	0	0
Total Other Financing Sources (Uses)	<u>(14,626,125)</u>	<u>32,526,759</u>	<u>79,795,000</u>
Net Change in Fund Balance	(59,555,865)	3,113,491	81,502,855
Fund Balances at Beginning of Year	<u>88,353,960</u>	<u>21,561,481</u>	<u>301,695,376</u>
Fund Balances End of Year	<u><u>\$ 28,798,095</u></u>	<u><u>\$ 24,674,972</u></u>	<u><u>\$ 383,198,231</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>Classroom Facilities Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
(80,882,531)	(7,164,611)	(160,682,295)
0	0	120,365,000
0	0	7,503,350
0	0	380,945,000
0	0	48,836,975
0	0	(459,954,691)
0	0	14,626,125
<u>0</u>	<u>0</u>	<u>(14,626,125)</u>
<u>0</u>	<u>0</u>	<u>97,695,634</u>
(80,882,531)	(7,164,611)	(62,986,661)
<u>242,575,063</u>	<u>19,093,493</u>	<u>673,279,373</u>
<u><u>\$ 161,692,532</u></u>	<u><u>\$ 11,928,882</u></u>	<u><u>\$ 610,292,712</u></u>

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, 2007

Net Change in Fund Balances - Total Governmental Funds \$ (62,986,661)

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.	125,394,719
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.	(911,238)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	88,189,878
The issuance of long-term debt (e.g. long-term notes, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.	(71,345,634)
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.	7,756,190
Some expenses reported in the statement of activities, long-term compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(5,642,331)
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.	<u>944,000</u>
<i>Change in Net Assets of Governmental Activities</i>	<u><u>\$ 81,398,923</u></u>

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, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 254,347,897	\$ 255,171,885	\$ 214,576,737	\$ (40,595,148)
Tuition	1,853,291	1,859,295	1,714,913	(144,382)
In Lieu of Taxes	6,768,989	6,790,918	6,263,575	(527,343)
Investment Earnings	4,785,303	4,800,805	4,428,003	(372,802)
Intergovernmental - State	166,219,364	166,757,850	153,808,416	(12,949,434)
Intergovernmental - Federal	200,235	200,883	185,284	(15,599)
All Other Revenues	4,529,095	4,518,364	4,109,398	(408,966)
Total Revenues	<u>438,704,174</u>	<u>440,100,000</u>	<u>385,086,326</u>	<u>(55,013,674)</u>
Expenditures:				
Current:				
Instruction:				
Regular	198,668,965	203,815,281	176,496,081	27,319,200
Special	60,872,765	62,455,096	54,111,387	8,343,709
Vocational	5,670,511	5,817,910	5,040,665	777,245
Other	665,085	682,374	591,212	91,162
Support Services:				
Pupils	17,699,022	18,159,092	15,733,122	2,425,970
Instructional Staff	27,941,978	28,668,304	24,838,353	3,829,951
Board of Education	393,714	403,948	349,983	53,965
Administration	34,783,117	35,687,272	30,919,619	4,767,653
Fiscal Services	2,590,527	2,657,865	2,302,787	355,078
Business	891,353	914,523	792,347	122,176
Operation and Maintenance of Plant	44,626,334	45,786,355	39,669,511	6,116,844
Pupil Transportation	25,855,578	26,527,670	22,983,697	3,543,973
Central	12,534,679	12,860,506	11,142,403	1,718,103
Extracurricular Activities	5,194,841	5,329,876	4,617,829	712,047
Capital Outlay	2,074,633	2,128,561	1,844,195	284,366
Total Expenditures	<u>440,463,102</u>	<u>451,894,633</u>	<u>391,433,191</u>	<u>60,461,442</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,758,928)	(11,794,633)	(6,346,865)	5,447,768
Other Financing Sources (Uses):				
Transfers In	38,254,973	38,254,973	38,254,973	0
Transfers Out	(65,989,540)	(65,989,540)	(65,989,540)	0
Advances In	7,684,972	7,684,972	7,684,972	0
Advances Out	(15,720,534)	(15,720,534)	(15,720,534)	0
Refund of Prior Year's Receipts	(1,420,000)	(1,420,000)	(1,418,166)	1,834
Total Other Financing Sources (Uses):	<u>(37,190,129)</u>	<u>(37,190,129)</u>	<u>(37,188,295)</u>	<u>1,834</u>
Net Change in Fund Balance	(38,949,057)	(48,984,762)	(43,535,160)	5,449,602
Fund Balance at Beginning of Year	81,878,366	81,878,366	81,878,366	0
Prior Year Encumbrances	11,068,633	11,068,633	11,068,633	0
Fund Balance at End of Year	<u>\$ 53,997,942</u>	<u>\$ 43,962,237</u>	<u>\$ 49,411,839</u>	<u>\$ 5,449,602</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Net Assets
Proprietary Fund
June 30, 2007

	Governmental Activities - Internal Service Fund
Assets:	
<i>Current Assets:</i>	
Equity in Pooled Cash and Investments	\$ 4,000,002
Total Assets	<u>4,000,002</u>
Liabilities:	
<i>Current Liabilities:</i>	
Claims Payable	<u>3,018,000</u>
Total Liabilities	<u>3,018,000</u>
Net Assets:	
Unrestricted	<u>982,002</u>
Total Net Assets	<u><u>\$ 982,002</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2007

	Governmental Activities - Internal Service Fund
Operating Revenues:	
Interfund Charges	\$ 35,610,151
Total Operating Revenues	<u>35,610,151</u>
Operating Expenses:	
Claims	<u>34,666,151</u>
Total Operating Expenses	<u>34,666,151</u>
Change in Net Assets	944,000
Net Assets Beginning of Year	<u>38,002</u>
Net Assets End of Year	<u><u>\$ 982,002</u></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, 2007

	Governmental Activities - Internal Service Fund
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$35,610,151
Cash Payments for Claims	<u>(35,610,151)</u>
Net Cash Used by Operating Activities	<u>0</u>
Net Change in Cash and Cash Equivalents	0
Cash and Cash Equivalents at Beginning of Year	<u>4,000,002</u>
Cash and Cash Equivalents at End of Year	<u><u>\$4,000,002</u></u>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Used by Operating Activities:</u>	
Operating Income	\$944,000
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Claims Payable	<u>(944,000)</u>
Total Adjustments	<u>(944,000)</u>
Net Cash Used by Operating Activities	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Statement of Net Assets
Fiduciary Funds
June 30, 2007

	Private Purpose Trust Special Trust Fund	Agency
Assets:		
Equity in Pooled Cash and Investments	\$ 754,895	\$ 39,517
Investments	516,917	0
Total Assets	<u>1,271,812</u>	<u>39,517</u>
Liabilities:		
Accounts Payable	1,330	0
Accrued Wages and Benefits	924	0
Intergovernmental Payable	30	0
Claims Payable	34	0
Due to Students	0	39,517
Total Liabilities	<u>2,318</u>	<u>39,517</u>
Net Assets:		
Unrestricted	1,269,494	0
Total Net Assets	<u>\$ 1,269,494</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Statement of Changes in Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2007***

	Private Purpose Trust <u>Special Trust</u> <u>Fund</u>
Additions:	
Contributions:	
Private Donations	\$ 4,580
Total Contributions	<u>4,580</u>
Investment Earnings:	
Interest	67,742
Net Decrease in the Fair Value of Investments	<u>(21,170)</u>
Total Investment Earnings	<u>46,572</u>
Total Additions	<u>51,152</u>
Deductions:	
Administrative Expenses	1,296
Community Services	<u>54,286</u>
Total Deductions	<u>55,582</u>
Change in Net Assets	(4,430)
Net Assets at Beginning of Year	<u>1,273,924</u>
Net Assets End of Year	<u>\$ 1,269,494</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, 2007

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, 2007, the District employed 4,912 employees, including 2,631 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 Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," 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 assets 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, 2007

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 and current liabilities, 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 is included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. 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, 2007

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 - The Debt Service fund is used for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Building Fund - The Building capital projects fund accounts for revenues and expenditures related to all special bond funds in the District.

Classroom Facilities Fund - The Classroom Facilities capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.

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 assets.

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, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds – Fiduciary fund reporting focuses on net assets and changes in net assets. 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, 2007, and which are not intended to finance fiscal 2007 operations, have been recorded as deferred revenues. 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. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2007 are reflected as a reservation of fund balance for future appropriations. 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, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Pursuant to GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

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. 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, 2007

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 reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2007.

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.

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as reservations of fund balances for governmental funds in the accompanying basic financial statements.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. 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.

6. 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 (budgetary basis) as opposed to reservations of fund balance (GAAP basis).

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

<u>Net Change in Fund Balance</u>	
	<u>General Fund</u>
GAAP Basis (as reported)	(\$59,555,865)
Increase (Decrease):	
Accrued Revenues at June 30, 2007, received during FY 2008	(34,291,004)
Accrued Revenues at June 30, 2006, received during FY 2007	74,898,468
Accrued Expenditures at June 30, 2007, paid during FY 2008	31,355,937
Accrued Expenditures at June 30, 2006, paid during FY 2007	(34,387,493)
Interfund Balances 2007	(6,531,548)
Interfund Balances 2006	(1,504,014)
Payment on Tax Anticipation Note	(7,870,000)
Encumbrances Outstanding	(5,649,641)
Budget Basis	<u><u>(\$43,535,160)</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

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 4, "Cash, Cash Equivalents 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 4, "Cash, Cash Equivalents and Investments."

The District has invested funds in the STAR Ohio during 2007. 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, 2007. See Note 4, "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 revenue, 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 Assets.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

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	20
Buildings and Improvements	45
Furniture, Fixtures and Equipment	7 – 20
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	General Fund, Debt Service Fund
Tax Anticipation Notes	General 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, 2007**

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, 2007

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 Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net Assets restricted for Other Purposes include restricted state and federal grants.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets 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 general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. This reserve is required by State statute and can be used only after receiving approval from the Board of Education. The restricted assets in the debt service fund represents cash and cash equivalents set aside for debt retirement purposes. Fund balance reserves have also been established for these amounts.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Reservations of Fund Balance

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for advances, debt service, endowments, property taxes, budget stabilization and encumbered amounts which have not been accrued at year end. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles, but not available for appropriation under State statute. The reserve for budget stabilization is required by State statute.

Q. 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.

R. 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.

S. 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, 2007

NOTE 2 – 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 assets 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	131,809,079
Depreciation Expense	<u>(6,414,360)</u>
	\$125,394,719

Governmental revenues not reported in the funds:

Increase in Delinquent Tax Revenue	\$18,440,056
Decrease in Accounts Receivable	(100,942)
Decrease in Interest Receivable	(44,171)
Increase in Grants Receivable	<u>69,894,935</u>
	\$88,189,878

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

Bond Principal Payment	\$26,350,000
Capital Leases Initiated	(120,365,000)
Refunding Bond Issuance	(380,945,000)
Premium on Refunding Bond Issuance	(48,836,975)
Payment to Refunding Bond Escrow Agent	<u>459,954,691</u>
	(\$71,345,634)

Interest expense not reported in the funds:

Decrease in accrued interest on long term debt	\$8,524
Amortization of Bond Premium	5,987,087
Capitalization of Bond Issuance Costs	4,666,386
Amortization of Deferred Loss on Defeasance	(2,039,621)
Amortization of Bond Issuance Costs	<u>(866,186)</u>
	\$7,756,190

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 3 – DEFICIT FUND EQUITIES AND COMPLIANCE

A. Deficits

The fund deficits at June 30, 2007 of \$580,739 in the Food Services Fund, \$1,116,070 in the Auxiliary Services Fund, \$566,134 in the Head Start Fund, \$3,180,850 in the Poverty Based Assistance Fund, \$974,276 in the Title VI-B Fund (special revenue funds) and of \$48,295 in the Ohio School Net Fund, \$1,485,543 in the School Building Assistance Fund and of \$60,380 in the Emergency School Repair Fund (capital projects funds) 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.

B. Compliance

Contrary to Ohio Revised Code, Section 5705.39, the District's total appropriations exceeded the total of estimated resources during 2007 in the Chapter I Fund. In addition, contrary to Ohio Revised Code, Section 5705.41(B) the District expended money in excess of amounts appropriated during 2007 in the Debt Service Fund, Title VI-B Fund, Auxiliary Fund, Ohio Reads Fund, Bilingual Education Fund, Title V Fund and Miscellaneous Federal Grant Fund.

NOTE 4 - 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;

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- 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;
- 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 \$89,577,671 and the bank balance was \$97,876,445. The Federal Deposit Insurance Corporation (FDIC) covered \$300,000 of the bank balance and \$97,876,445 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, 2007

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments

The District's investments at June 30, 2007 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years)		
			less than 1	1-3	3-5
STAR Ohio	\$9,373,898	AAAm ²	\$9,373,898	\$0	\$0
Farmer Mac	1,047,572	Aaa ¹ , AAA ²	1,047,572	0	0
Freddie Mac	79,352,134	Aaa ¹ , AAA ²	75,406,475	3,945,659	0
FNMA	188,434,807	Aaa ¹ , AAA ²	170,551,108	17,883,699	0
FFCB	6,737,213	Aaa ¹ , AAA ²	4,813,704	1,923,509	0
FHLB	287,796,364	Aaa ¹ , AAA ²	43,402,248	243,407,701	986,415
Common Stock	762,711	N/A	0	0	0
Total Investments	<u>\$573,504,699</u>		<u>\$304,595,005</u>	<u>\$267,160,568</u>	<u>\$986,415</u>

¹ Moody's Investor Service

² Standard & Poor's

Interest Rate Risk – The Ohio Revised Code 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, 1.6% are Star Ohio, .18% are Farmer Mac, 13.85% are Freddie Mac, 32.87% are FNMA, 1.18% are FFCB, 50.19% are FHLB and .13 % 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.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 4 - 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	\$662,319,659	\$762,711
U.S. Government Securities	(563,368,090)	563,368,090
STAR Ohio	(9,373,898)	9,373,898
Per GASB Statement No. 3	<u>\$89,577,671</u>	<u>\$573,504,699</u>

* - Includes restricted pooled cash and investments

NOTE 5 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the school district. Real property tax revenue received in calendar 2007 represents collections of calendar year 2006 taxes. Real property taxes received in calendar year 2007 were levied after April 1, 2006, on the assessed value listed as of January 1, 2006, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2007 represents collections of calendar year 2006 taxes. Public utility real and tangible personal property taxes received in calendar year 2007 became a lien December 31, 2006, were levied after April 1, 2006 and are collected in 2007 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 5 - PROPERTY TAXES (Continued)

Tangible personal property tax revenue received during calendar 2007 (other than public utility property) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2007 were levied after April 1, 2006, on the value as of December 31, 2006. Tangible personal property is currently assessed at twenty-five percent of true value for capital assets and twenty-four percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The 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, 2007, are available to finance fiscal year 2007 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, 2007 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 revenue.

The amount available as an advance at June 30, 2007 was \$33,191,620 in the general fund and \$2,725,768 in the debt service fund. The amount available as an advance at June 30, 2006, was \$74,328,722 in the general fund and \$10,409,883 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 deferred.

NOTE 6 - RECEIVABLES

Receivables at June 30, 2007 consisted of taxes, accounts receivable, interest receivable and intergovernmental receivables.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 7 - TRANSFERS

Following is a summary of transfers in and out for all funds at June 30, 2007:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$14,626,125
Debt Service Fund	14,626,125	0
Total All Funds	<u>\$14,626,125</u>	<u>\$14,626,125</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 transfer from the General Fund was provided to assist the Debt Service Fund with the payment of debt service and related expenditures.

NOTE 8 - INTERFUND RECEIVABLES/PAYABLES

Interfund loans receivable/payable and advances to/from other funds at June 30, 2007 from one individual fund to another are as follows:

Fund	Receivables	Payables
General Fund	\$7,329,626	\$233,340
Building Capital Projects Fund	1,485,643	0
Other Governmental Funds	550,449	9,132,378
Total	<u>\$9,365,718</u>	<u>\$9,365,718</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, 2007**

NOTE 9 - CAPITAL ASSETS

Summary by category of changes in governmental activities capital assets at June 30, 2007:

Historical Cost:

Class	June 30, 2006	Additions	Deletions	June 30, 2007
Capital assets not being depreciated:				
Land	\$ 33,868,908	\$922,299	\$0	\$34,791,207
Construction In Progress	165,065,522	126,996,971	(102,390,838)	189,671,655
Capital assets being depreciated:				
Land Improvements	9,723,349	0	0	9,723,349
Buildings and Improvements	236,459,771	106,011,475	(5,082,700)	337,388,546
Furniture, Fixtures, and Equipment	4,724,168	202,908	0	4,927,076
Vehicles	623,942	66,264	(29,353)	660,853
Total Cost	\$ 450,465,660	\$ 234,199,917	(\$107,502,891)	\$ 577,162,686
Accumulated Depreciation:				
Class	June 30, 2006	Additions	Deletions	June 30, 2007
Land Improvements	(\$7,122,766)	(\$221,840)	\$0	(\$7,344,606)
Buildings and Improvements	(94,271,686)	(5,638,720)	4,171,462	(95,738,944)
Furniture, Fixtures, and Equipment	(3,039,992)	(501,285)	0	(3,541,277)
Vehicles	(485,969)	(52,515)	29,353	(509,131)
Total Depreciation	(\$104,920,413)	(\$6,414,360) *	\$4,200,815	(\$107,133,958)
Net Value:	\$345,545,247			\$470,028,728

* Depreciation expenses were charged to governmental functions as follows:

Instruction:	
Regular	\$1,651,964
Special	32,668
Vocational	342,535
Support Services:	
Pupils	175,007
Instructional Staff	36,341
Administration	6,992
Fiscal	42,639
Operation and Maintenance of Plant	295,580
Pupil Transportation	7,907
Central	279,011
Extracurricular Activities	11,627
Other Noninstructional Services	3,532,089
Total Depreciation Expense	\$6,414,360

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 10 - 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 Employees Retirement System of Ohio (SERS of Ohio)

All non-certified employees of the District, with minor exceptions, performing duties that do not require a certificate issued by the Ohio Department of Education are eligible to participate in the School Employees Retirement System of Ohio, a cost-sharing, multiple-employer public employee retirement system.

The SERS of Ohio 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 state statute per Chapter 3309 of the Ohio Revised Code. The SERS of Ohio issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for the SERS of Ohio. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (800) 878-5853. It is also posted on the SERS website, www.ohsers.org, under Forms and Publications.

The Ohio Revised Code provides statutory authority for District and employee contributions of 14% and 10% respectively. The contribution rates are determined actuarially, and are established and may be amended, up to statutory amounts, by the School Employees Retirement Board (Retirement Board) within the rates allowed by State statute. The required employer contribution rate is allocated to basic retirement benefits and health care by the Retirement Board. At June 30, 2007, 10.68% was allocated to fund the pension benefit and 3.32% to fund health care. The District's contributions to the SERS of Ohio for the years ending June 30, 2007, 2006, and 2005 were \$9,845,051, \$8,303,614, and \$8,809,066, respectively, which were equal to the required contributions for each year.

The Ohio Revised Code gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Effective January 1, 2004, all retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility, and retirement status. The portion of the 2007 employer contribution rate that was used to fund health care for the year 2007 was 3.32%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between minimum pay and the member's pay, prorated for partial service credit. For fiscal year 2007, the minimum pay has been established as \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund. The amount contributed to fund health care benefits, including the surcharge amounted to \$3,374,599.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)

A. School Employees Retirement System of Ohio (SERS of Ohio) (Continued)

Health care benefits are financed on a pay-as-you-go basis. Net health care costs for the year ended June 30, 2006 (latest information available) were \$158,751,207. The target level for the health care reserve is 150% of the projected claims less premium contributions for the next fiscal year. As of June 30, 2006, the value of the health care fund was \$295.6 million, which is about 221% of next year's projected net health care costs. On the basis of actuarial projections, the allocated contributions will be insufficient, in the long term, to provide for a health care reserve equal to at least 150% of estimated annual net claim costs. The number of participants eligible to receive benefits is 59,492.

B. State Teachers Retirement System of Ohio (STRS of Ohio)

All certified employees of the District are eligible to participate in the State Teachers Retirement System of Ohio, a cost-sharing, multiple-employer public employee retirement system.

The STRS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and survivor benefits based on eligible service credit to plan members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. The STRS of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the STRS of Ohio. Interested parties may obtain a copy by making a written request to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371, or by calling (614) 227-7877 or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. 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. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. 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 dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)

B. State Teachers Retirement System of Ohio (STRS of Ohio) (Continued)

The Ohio Revised Code provides statutory authority for District and employee contributions of 14% and 10%, respectively. The contribution requirements of plan members and the District are established and may be amended by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. At June 30, 2007, 13% was allocated to fund the pension benefit and 1% to fund health care. The District's contributions to the STRS of Ohio for the years ending June 30, 2007, 2006, and 2005 were \$26,002,802, \$27,954,325, and \$30,693,847, respectively, which were equal to the required contributions for each year.

STRS provides postemployment health care benefits to retirees who participated in the DB or Combined Plans and their dependents. Coverage includes hospitalization, physician fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Revised Code, the State Teachers Retirement Board has discretionary authority over how much, if any, of the health care cost will be absorbed by STRS. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, health care benefits are not guaranteed.

Benefits are funded on a pay-as-you-go basis through an allocation of employer contributions to the Health Care Stabilization Fund. For the fiscal year ended June 30, 2007, the board allocated employer contributions are equal to 1% of covered payroll to the Health Care Stabilization Fund, which amounted to \$1,857,343 for the District. The balance of the Health Care Stabilization Fund was \$3.5 billion at June 30, 2006 (latest information available). For the fiscal year ended June 30, 2006, the net health care costs paid by STRS were \$282,743,000. There were 119,184 eligible benefit recipients.

NOTE 11 – TAX ANTICIPATION NOTE PAYABLE

Note Payable activity of the District for the year ended June 30, 2007, was as follows:

Notes Payable		Balance June 30, 2006	Additions	Deletions	Balance June 30, 2007
Tax Anticipation Note	5.00%	\$43,600,000	\$0	(\$7,870,000)	\$35,730,000
		\$43,600,000	\$0	(\$7,870,000)	\$35,730,000

The tax anticipation notes were issued to provide funding for the employee severance plan and the associated compensated absences balances for the employees that agreed to retire in the prior fiscal year.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 12- LONG-TERM DEBT AND OTHER OBLIGATIONS

Detail of the changes in the long-term debt of the District for the year ended June 30, 2007 is as follows:

		Balance June 30, 2006	Additions	Deductions	Balance June 30, 2007	Amount Due Within One Year
Acquisition of Building	3.25-10%	\$525,000	\$0	(\$525,000)	\$0	\$0
(Original Issue Amount = \$10,500,000)						
School Improvement	3.25-5.375%	32,525,000	0	(32,525,000)	0	0
(Original Issue Amount = \$123,945,000)						
School Improvement	2.0-5.25%	107,725,000	0	(4,535,000)	103,190,000	4,740,000
(Original Issue Amount = \$120,000,000)						
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%	472,890,000	0	(404,205,000)	68,685,000	7,270,000
(Original Issue Amount = \$480,000,000)						
Energy Conservation	2.97-5.0%	13,800,000	0	(2,510,000)	11,290,000	2,635,000
(Original Issue Amount = \$13,800,000)						
Computer Technology	2.97-5.0%	13,000,000	0	(2,360,000)	10,640,000	2,485,000
(Original Issue Amount = \$13,000,000)						
School Improvement Refunding	3.0-5.0%	68,765,000	0	0	68,765,000	0
(Original Issue Amount = \$69,405,000)						
School Improvement Refunding	4.0-5.25%	0	380,945,000	(9,520,000)	371,425,000	2,555,000
(Original Issue Amount = \$380,945,000)						
Sub-Total General Obligation Bonds		714,230,000	380,945,000	(456,180,000)	638,995,000	19,685,000
Premium General Obligation Bond		26,790,548	48,836,975	(14,396,483)	61,231,040	4,482,497
Deferred Loss on Refunding		(5,016,872)	(23,917,744)	2,039,621	(26,894,995)	(2,039,621)
Total General Obligation Bonds		736,003,676	405,864,231	(468,536,862)	673,331,045	22,127,876
Capital Leases Payable		0	120,365,000	0	120,365,000	0
Premium on Capital Lease		0	7,503,350	(1,250,558)	6,252,792	1,250,558
Total Capital Leases Payable		0	127,868,350	(1,250,558)	126,617,792	1,250,558
Compensated Absences		44,714,289	51,762,359	(44,714,289)	51,762,359	6,840,225
Total Governmental Long-Term Debt		\$780,717,965	\$585,494,940	(\$514,501,709)	\$851,711,196	\$30,218,659

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 12- 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, 2007 follows:

Years	General Obligation Bonds		
	Principal	Interest	Total
2008	\$19,685,000	\$31,690,858	\$51,375,858
2009	19,900,000	30,891,549	50,791,549
2010	22,235,000	29,960,100	52,195,100
2011	23,410,000	28,870,158	52,280,158
2012	17,870,000	27,878,632	45,748,632
2013-2017	145,610,000	119,966,955	265,576,955
2018-2022	150,560,000	83,312,090	233,872,090
2023-2027	109,785,000	48,081,275	157,866,275
2028-2032	129,940,000	17,752,052	147,692,052
Totals	<u>\$638,995,000</u>	<u>\$418,403,669</u>	<u>\$1,057,398,669</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, 2007, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding. The District reduced its aggregate debt service payments over the life of the refunded bonds by \$48,826,376 and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$19,469,689.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 12- LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)

B. Defeased Debt (Continued)

In March 2007, the District refunded \$32,525,000 of General Obligation Bonds for School Improvement Series 2001, original issue amount of \$123,945,000, through the issuance of \$120,365,000 of Certificates of Participation (COPS), recorded as a capital lease. Proceeds in the amount of \$33,432,400 from the 2007 COPS 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 \$27,690,000, at June 30, 2007, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding. The District's aggregate debt service payments over the life of the refunded bonds increased by \$19,286,869. Pursuant to the COPS agreement, the District will not bear the burden of the increased debt service due to restructured agreements between Hamilton County, the City of Cincinnati and the District. The District obtained an economic gain (difference between the present values of the old and new debt service payments and revised payment schedules between the County and the District) of \$933,061.

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 \$70,095,000, at June 30, 2007, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

NOTE 13 - 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, 2007

NOTE 13 - 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, 2007:

<u>Year Ending June 30,</u>	<u>Capital Leases</u>
2008	\$2,996,431
2009	5,992,862
2010	5,992,862
2011	12,481,487
2012	12,480,237
2013-2017	30,943,737
2018-2022	53,301,530
2023-2027	54,582,375
2028-2032	58,535,625
2033	<u>11,705,500</u>
Minimum Lease Payments	249,012,646
Less: Amount representing interest at the District's incremental borrowing rate of interest	<u>(128,647,646)</u>
Present value of minimum lease payments	<u><u>\$120,365,000</u></u>

NOTE 14 - OPERATING LEASE COMMITMENTS

The District is committed under various leases for furniture and office equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the fiscal year ended June 30, 2007 amounted to \$291,406. Future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Operating Leases</u>
2008	\$263,472
2009	<u>24,579</u>
Total Lease Payments	<u><u>\$288,051</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

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 2007 the District participated in the Ohio Bureau of Workers Compensation Retrospective Rating Program, which requires a minimum 20% 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 2007 was \$2,538,909. The premium cost paid in fiscal year 2007 was \$2,556,534. Premium cost is for administrative charges for Ohio Bureau of Workers Compensation. In addition to the claims paid during fiscal year 2007, the Ohio Bureau of Workers Compensation established a reserve of \$1,202,195 for future claim payments.

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 15.91% 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, 2007, the IBNR's were determined to be \$3,018,000.

Changes in the fund's claims liability amount in 2007 and 2006 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>
2006	\$4,580,000	\$37,942,610	(\$38,560,610)	\$3,962,000
2007	3,962,000	34,666,151	(35,610,151)	3,018,000

Dental insurance is offered to employees through Dental Care Plus. Total Premiums paid to Dental Care Plus were \$2,789,930. Dental Care Plus does not require an employee payroll deduction.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 15 - RISK MANAGEMENT (Continued)

The District offers to all employees who work a minimum of sixty-percent of full time employees and who are not AFSCME union members, a benefit called Benefit Bank. Each employee that qualifies is given \$275 on January 2 each year and employees that are married or have dependents can receive an additional \$50 if they return the application for additional funds. Substitute teachers also qualify for a \$300 benefit each September 1 if in the prior school the substitute teacher worked at least eighty-nine days and returned to teach in the current school year. The Benefit Bank pays for any medical related expense that is not paid for by Humana or by Dental Care Plus. Also, any expense related to optical service such as glasses or eye exams can be submitted for reimbursement from the employees benefit bank balance.

NOTE 16 – STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2007, the reserve activity (cash-basis) was as follows:

	Textbook Reserve	Capital Acquisition Reserve	Budget Stabilization Reserve	Total
Set-aside Cash Balance as of June 30, 2006	\$0	\$0	\$1,420,826	\$1,420,826
Current Year Set-Aside Requirement	5,634,134	5,634,134	0	11,268,268
Qualifying Disbursements	(5,736,310)	(14,053,174)	0	(19,789,484)
Total	(\$102,176)	(\$8,419,040)	\$1,420,826	(\$7,100,390)
Balance Carried Forward to FY 2008	\$0	\$0	\$1,420,826	\$1,420,826
Amount Designated for Budget Stabilization				\$1,420,826

Am. Sub. Senate Bill 345 amended ORC Section 5705.29 effectively eliminating the requirement for the District to establish and maintain a budget stabilization reserve. By resolution, the Board can eliminate the reserve in accordance with the Act. As of June 30, 2007, the Board had not acted on the Senate Bill requirements to eliminate the reserve balance. In the General Fund, the \$1,420,826 portion of the non-BWC (Bureau of Workers' Compensation) monies was designated for set-aside. The District is still required by State law to maintain the textbook reserve and the capital acquisition reserve.

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 17 - CONTRACTUAL COMMITMENTS

As of June 30, 2007, the District had entered into various construction contracts for renovations and improvements which it had a remaining unperformed and unpaid total commitment of approximately \$100 million.

NOTE 18 - 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, 2007.

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.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

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

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.

District Managed Student Activity Fund

Used to account for those student activity programs which have student participation in the activity, but do not have student management of the programs

Auxiliary Services Fund

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

Head Start Fund

Used to account for monies distributed to Head Start agencies to expand their programs to serve more eligible children.

Poverty Based Assistance Fund

Used to account for monies received for disadvantaged pupil aid.

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.

Title II A – Economic Opportunity Act Fund

Used to account for funds provided to political subdivisions on the local level, or through a community action agency, which is the endorsing agency for federal assistance to the community.

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.

Other Special Revenue Fund

The District maintains 54 special revenue funds. For reporting purposes, the District combines the 45 smallest funds into a fund titled “Other Special Revenue Funds”. These combined funds account for less than fifteen percent (15%) of the cash basis revenues and expenditures of 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.

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.

Energy Conservation Fund

Used to account for federal grants monies provided to identify and implement energy conservation maintenance and operating procedures and acquire energy conservation measures to reduce consumption.

Power Up Fund

Used to account for state grants monies to be spent on electrical upgrades.

Interactive Video Distance Learning Fund

Used to account for monies received from the state to purchase video learning equipment.

Ohio School Net Fund

Used to account for wiring to all classrooms in the state and to provide a computer workstation and related technology for every classroom.

School Building Assistance Fund

Used to account for matching funds provided for the big eight school districts to be used for major renovations and repairs to school facilities. (This fund only exists on a GAAP basis and is not part of the District's appropriated budget, therefore no budgetary schedule is presented.)

Emergency School Repair Fund

Used to account for funds provided for financial assistance to local education agencies (LES's) with urgent school repair and renovation needs. (This fund only exists on a GAAP basis and is not part of the District's appropriated budget, therefore no budgetary schedule is presented.)

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.

Endowments 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, 2007**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Equity in Pooled Cash and Investments	\$ 27,721,227	\$ 466,050	\$ 1,005,053	\$ 29,192,330
Investments	5,874	0	239,920	245,794
Receivables:				
Accounts	362,316	36,980	0	399,296
Intergovernmental - State and Local	564,510	0	0	564,510
Intergovernmental - Federal	10,994,509	0	0	10,994,509
Advances to Other Funds	550,449	0	0	550,449
Inventory of Supplies at Cost	87,050	0	0	87,050
Inventory Held for Resale	327,490	0	0	327,490
Total Assets	<u><u>\$ 40,613,425</u></u>	<u><u>\$ 503,030</u></u>	<u><u>\$ 1,244,973</u></u>	<u><u>\$ 42,361,428</u></u>
Liabilities:				
Accounts Payable	\$ 3,004,794	\$ 0	\$ 0	\$ 3,004,794
Accrued Wages and Benefits	7,824,082	45,723	0	7,869,805
Intergovernmental Payable	252,996	1,479	0	254,475
Claims Payable	286,005	1,671	0	287,676
Interfund Loans Payable	6,716,592	48,296	0	6,764,888
Advances from Other Funds	821,567	1,545,923	0	2,367,490
Deferred Revenue	9,883,418	0	0	9,883,418
Total Liabilities	<u><u>28,789,454</u></u>	<u><u>1,643,092</u></u>	<u><u>0</u></u>	<u><u>30,432,546</u></u>
Fund Balances:				
Reserved for Encumbrances	6,200,911	0	0	6,200,911
Reserved for Endowments	0	0	768,034	768,034
Reserved for Advances	550,449	0	0	550,449
Unreserved, Undesignated in:				
Special Revenue Funds	5,072,611	0	0	5,072,611
Capital Projects Funds	0	(1,140,062)	0	(1,140,062)
Permanent Fund	0	0	476,939	476,939
Total Fund Balances	<u><u>11,823,971</u></u>	<u><u>(1,140,062)</u></u>	<u><u>1,244,973</u></u>	<u><u>11,928,882</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 40,613,425</u></u>	<u><u>\$ 503,030</u></u>	<u><u>\$ 1,244,973</u></u>	<u><u>\$ 42,361,428</u></u>

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, 2007***

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues:				
Tuition	\$ 792,650	\$ 0	\$ 0	\$ 792,650
Investment Earnings	219,949	0	98,310	318,259
Food Services	2,344,784	0	0	2,344,784
Intergovernmental - State	42,421,528	0	0	42,421,528
Intergovernmental - Federal	64,677,719	0	0	64,677,719
All Other Revenue	10,213,711	0	0	10,213,711
Total Revenue	<u>120,670,341</u>	<u>0</u>	<u>98,310</u>	<u>120,768,651</u>
Expenditures:				
Current:				
Instruction:				
Regular	6,382,342	0	18,836	6,401,178
Special	19,097,330	0	0	19,097,330
Vocational	1,257,887	0	0	1,257,887
Other	31,405,840	0	0	31,405,840
Supporting Services:				
Pupils	11,675,532	0	0	11,675,532
Instructional Staff	16,670,278	0	0	16,670,278
Administration	4,388,680	0	0	4,388,680
Fiscal Services	946,619	46,439	0	993,058
Business	97,226	0	0	97,226
Operation & Maintenance of Plant	2,448,948	554,445	0	3,003,393
Pupil Transportation	849,929	0	0	849,929
Central	3,905,135	0	0	3,905,135
Operation of Non-Instructional Services	27,063,263	0	0	27,063,263
Extracurricular Activities	837,130	0	0	837,130
Capital Outlay	262,038	25,365	0	287,403
Total Expenditures	<u>127,288,177</u>	<u>626,249</u>	<u>18,836</u>	<u>127,933,262</u>
Net Change in Fund Balance	(6,617,836)	(626,249)	79,474	(7,164,611)
Fund Balances at Beginning of Year	<u>18,441,807</u>	<u>(513,813)</u>	<u>1,165,499</u>	<u>19,093,493</u>
Fund Balances End of Year	<u>\$ 11,823,971</u>	<u>\$ (1,140,062)</u>	<u>\$ 1,244,973</u>	<u>\$ 11,928,882</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2007**

	<u>Food Service</u>	<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>
Assets:				
Equity in Pooled Cash and Investments	\$ 258,998	\$ 3,029,959	\$ 1,915,626	\$ 859,999
Investments	0	0	5,874	0
Receivables:				
Accounts	0	357,471	90	1,980
Intergovernmental - State and Local	0	350,439	0	0
Intergovernmental - Federal	0	0	0	0
Advances to Other Funds	1	21,658	514	0
Inventory of Supplies at Cost	87,050	0	0	0
Inventory Held for Resale	327,490	0	0	0
Total Assets	<u>\$ 673,539</u>	<u>\$ 3,759,527</u>	<u>\$ 1,922,104</u>	<u>\$ 861,979</u>
Liabilities:				
Accounts Payable	\$ 123,185	\$ 167,781	\$ 85,850	\$ 526,776
Accrued Wages and Benefits	751,806	311,303	4,661	427,548
Intergovernmental Payable	24,312	10,067	151	13,827
Claims Payable	27,485	11,381	171	15,630
Interfund Loans Payable	0	0	0	994,268
Advances from Other Funds	0	0	0	0
Deferred Revenue	327,490	27,412	0	0
Total Liabilities	<u>1,254,278</u>	<u>527,944</u>	<u>90,833</u>	<u>1,978,049</u>
Fund Balances:				
Reserved for Encumbrances	106,364	369,268	127,209	333,223
Reserved for Advances	1	21,658	514	0
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	<u>(687,104)</u>	<u>2,840,657</u>	<u>1,703,548</u>	<u>(1,449,293)</u>
Total Fund Balances (Deficit)	<u>(580,739)</u>	<u>3,231,583</u>	<u>1,831,271</u>	<u>(1,116,070)</u>
Total Liabilities and Fund Balances	<u>\$ 673,539</u>	<u>\$ 3,759,527</u>	<u>\$ 1,922,104</u>	<u>\$ 861,979</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>Head Start</u>	<u>Poverty Based Assistance</u>	<u>Title VI-B</u>	<u>Title II-A</u>	<u>Chapter I</u>	<u>Other Special Revenue</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 0	\$ 0	\$ 1,036,856	\$ 228,478	\$ 4,025,585	\$ 16,365,726	\$ 27,721,227
0	0	0	0	0	0	5,874
0	0	37	0	0	2,738	362,316
0	0	0	0	0	214,071	564,510
0	0	2,289,797	1,179,800	4,251,637	3,273,275	10,994,509
0	0	0	0	434,748	93,528	550,449
0	0	0	0	0	0	87,050
0	0	0	0	0	0	327,490
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,326,690</u>	<u>\$ 1,408,278</u>	<u>\$ 8,711,970</u>	<u>\$ 19,949,338</u>	<u>\$ 40,613,425</u>
\$ 0	\$ 0	\$ 288,243	\$ 3,366	\$ 673,017	\$ 1,136,576	\$ 3,004,794
748	2,975,826	785,219	230,544	1,435,546	900,881	7,824,082
0	96,234	25,393	7,455	46,424	29,133	252,996
0	108,790	28,706	8,428	52,480	32,934	286,005
0	0	883,608	0	0	4,838,716	6,716,592
565,386	0	0	79,862	0	176,319	821,567
0	0	2,289,797	314,568	4,251,637	2,672,514	9,883,418
<u>566,134</u>	<u>3,180,850</u>	<u>4,300,966</u>	<u>644,223</u>	<u>6,459,104</u>	<u>9,787,073</u>	<u>28,789,454</u>
0	0	748,613	7,966	2,663,937	1,844,331	6,200,911
0	0	0	0	434,748	93,528	550,449
<u>(566,134)</u>	<u>(3,180,850)</u>	<u>(1,722,889)</u>	<u>756,089</u>	<u>(845,819)</u>	<u>8,224,406</u>	<u>5,072,611</u>
<u>(566,134)</u>	<u>(3,180,850)</u>	<u>(974,276)</u>	<u>764,055</u>	<u>2,252,866</u>	<u>10,162,265</u>	<u>11,823,971</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,326,690</u>	<u>\$ 1,408,278</u>	<u>\$ 8,711,970</u>	<u>\$ 19,949,338</u>	<u>\$ 40,613,425</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, 2007***

	<u>Food Service</u>	<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>
Revenues:				
Tuition	\$ 0	\$ 790,870	\$ 0	\$ 0
Investment Earnings	0	1,083	84,753	134,113
Food Services	2,344,784	0	0	0
Intergovernmental - State	559,381	330,514	0	9,367,454
Intergovernmental - Federal	11,844,596	10,000	0	0
All Other Revenue	4,246	5,508,921	1,746,847	0
Total Revenue	<u>14,753,007</u>	<u>6,641,388</u>	<u>1,831,600</u>	<u>9,501,567</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	2,474,679	736,253	0
Special	0	33,185	25,101	0
Vocational	0	18,635	25,714	0
Other	0	118,300	0	0
Supporting Services:				
Pupils	0	479,483	7,329	0
Instructional Staff	0	1,263,213	78,615	0
Administration	0	1,464,575	0	0
Fiscal Services	0	11,793	0	184,894
Business	0	3,120	0	94,106
Operation & Maintenance of Plant	0	15,317	6,827	0
Pupil Transportation	0	14,505	0	0
Central	0	131	0	0
Operation of Non-Instructional Services	14,284,216	124,824	1,184	9,947,640
Extracurricular Activities	0	0	837,130	0
Capital Outlay	0	5,138	0	0
Total Expenditures	<u>14,284,216</u>	<u>6,026,898</u>	<u>1,718,153</u>	<u>10,226,640</u>
Net Change in Fund Balance	468,791	614,490	113,447	(725,073)
Fund Balances (Deficit) at Beginning of Year	<u>(1,049,530)</u>	<u>2,617,093</u>	<u>1,717,824</u>	<u>(390,997)</u>
Fund Balances (Deficit) End of Year	<u>\$ (580,739)</u>	<u>\$ 3,231,583</u>	<u>\$ 1,831,271</u>	<u>\$ (1,116,070)</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Head Start	Poverty Based Assistance	Title VI-B	Title II-A	Chapter I	Other Special Revenue	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,780	\$ 792,650
0	0	0	0	0	0	219,949
0	0	0	0	0	0	2,344,784
0	30,374,515	0	0	0	1,789,664	42,421,528
0	0	12,841,476	3,139,641	22,004,180	14,837,826	64,677,719
0	0	0	0	0	2,953,697	10,213,711
<u>0</u>	<u>30,374,515</u>	<u>12,841,476</u>	<u>3,139,641</u>	<u>22,004,180</u>	<u>19,582,967</u>	<u>120,670,341</u>
0	0	824	1,578,768	52,557	1,539,261	6,382,342
0	0	2,822,893	174	12,532,448	3,683,529	19,097,330
0	0	0	0	0	1,213,538	1,257,887
0	30,778,645	0	0	0	508,895	31,405,840
0	0	7,209,401	564,068	1,992	3,413,259	11,675,532
0	340,238	536,769	600,643	7,101,892	6,748,908	16,670,278
0	0	1,259,139	111,771	1,106,971	446,224	4,388,680
0	0	299,024	0	330,398	120,510	946,619
0	0	0	0	0	0	97,226
0	0	0	3,300	0	2,423,504	2,448,948
0	0	0	0	789,533	45,891	849,929
6	0	0	0	0	3,904,998	3,905,135
0	0	1,262,699	0	1,313,150	129,550	27,063,263
0	0	0	0	0	0	837,130
0	0	0	0	0	256,900	262,038
<u>6</u>	<u>31,118,883</u>	<u>13,390,749</u>	<u>2,858,724</u>	<u>23,228,941</u>	<u>24,434,967</u>	<u>127,288,177</u>
(6)	(744,368)	(549,273)	280,917	(1,224,761)	(4,852,000)	(6,617,836)
<u>(566,128)</u>	<u>(2,436,482)</u>	<u>(425,003)</u>	<u>483,138</u>	<u>3,477,627</u>	<u>15,014,265</u>	<u>18,441,807</u>
<u>\$ (566,134)</u>	<u>\$ (3,180,850)</u>	<u>\$ (974,276)</u>	<u>\$ 764,055</u>	<u>\$ 2,252,866</u>	<u>\$ 10,162,265</u>	<u>\$ 11,823,971</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

**Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2007**

	Permanent Improvement	Replacement	Energy Conservation	Power Up
Assets:				
Equity in Pooled Cash and Investments	\$ 96,969	\$ 1,177	\$ 289,087	\$ 64,415
Receivables:				
Accounts	0	0	0	0
Total Assets	<u>\$ 96,969</u>	<u>\$ 1,177</u>	<u>\$ 289,087</u>	<u>\$ 64,415</u>
Liabilities:				
Accrued Wages and Benefits	\$ 0	\$ 0	\$ 45,723	\$ 0
Intergovernmental Payable	0	0	1,479	0
Claims Payable	0	0	1,671	0
Interfund Loans Payable	0	0	0	0
Advances from Other Funds	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>48,873</u>	<u>0</u>
Fund Balances:				
Unreserved, Undesignated in:				
Capital Projects Funds (Deficit)	96,969	1,177	240,214	64,415
Total Fund Balances	<u>96,969</u>	<u>1,177</u>	<u>240,214</u>	<u>64,415</u>
Total Liabilities and Fund Balances	<u>\$ 96,969</u>	<u>\$ 1,177</u>	<u>\$ 289,087</u>	<u>\$ 64,415</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Interactive Video Distance Learning	Ohio School Net	School Building Assistance	Emergency School Repair	Total Nonmajor Capital Projects Funds
\$ 14,401	\$ 1	\$ 0	\$ 0	\$ 466,050
<u>36,980</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>36,980</u>
<u>\$ 51,381</u>	<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 503,030</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 45,723
0	0	0	0	1,479
0	0	0	0	1,671
0	48,296	0	0	48,296
<u>0</u>	<u>0</u>	<u>1,485,543</u>	<u>60,380</u>	<u>1,545,923</u>
<u>0</u>	<u>48,296</u>	<u>1,485,543</u>	<u>60,380</u>	<u>1,643,092</u>
<u>51,381</u>	<u>(48,295)</u>	<u>(1,485,543)</u>	<u>(60,380)</u>	<u>(1,140,062)</u>
<u>51,381</u>	<u>(48,295)</u>	<u>(1,485,543)</u>	<u>(60,380)</u>	<u>(1,140,062)</u>
<u>\$ 51,381</u>	<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 503,030</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, 2007***

	<u>Permanent Improvement</u>	<u>Replacement</u>	<u>Energy Conservation</u>	<u>Power Up</u>
Revenues:				
Total Revenue	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures:				
Current:				
Supporting Services:				
Fiscal Services	46,439	0	0	0
Operation & Maintenance of Plant	44,285	0	510,160	0
Capital Outlay	<u>17</u>	<u>0</u>	<u>25,348</u>	<u>0</u>
Total Expenditures	<u>90,741</u>	<u>0</u>	<u>535,508</u>	<u>0</u>
Net Change in Fund Balance	(90,741)	0	(535,508)	0
Fund Balances (Deficit) at Beginning of Year	<u>187,710</u>	<u>1,177</u>	<u>775,722</u>	<u>64,415</u>
Fund Balances (Deficit) End of Year	<u><u>\$ 96,969</u></u>	<u><u>\$ 1,177</u></u>	<u><u>\$ 240,214</u></u>	<u><u>\$ 64,415</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

Interactive Video Distance Learning	Ohio School Net	School Building Assistance	Emergency School Repair	Total Nonmajor Capital Projects Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	46,439
0	0	0	0	554,445
0	0	0	0	25,365
0	0	0	0	626,249
0	0	0	0	(626,249)
51,381	(48,295)	(1,485,543)	(60,380)	(513,813)
\$ 51,381	\$ (48,295)	\$ (1,485,543)	\$ (60,380)	\$ (1,140,062)

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, 2007***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 484,644,119	\$ 486,039,945	\$ 431,026,271	\$ (55,013,674)
Total Expenditures and Other Financing Uses	<u>523,593,176</u>	<u>535,024,707</u>	<u>474,561,431</u>	<u>60,463,276</u>
Net Change in Fund Balance	(38,949,057)	(48,984,762)	(43,535,160)	5,449,602
Fund Balances, Beginning of Year	81,878,366	81,878,366	81,878,366	0
Prior Year Encumbrances	<u>11,068,633</u>	<u>11,068,633</u>	<u>11,068,633</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 53,997,942</u>	<u>\$ 43,962,237</u>	<u>\$ 49,411,839</u>	<u>\$ 5,449,602</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 79,729,375	\$ 110,870,816	\$ 31,141,441
Total Expenditures and Other Financing Uses	66,400,000	100,073,210	(33,673,210)
Net Change in Fund Balance	13,329,375	10,797,606	(2,531,769)
Fund Balances, Beginning of Year	11,151,598	11,151,598	0
Fund Balances, End of Year	<u>\$ 24,480,973</u>	<u>\$ 21,949,204</u>	<u>\$ (2,531,769)</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 – Capital Projects Fund
For the Fiscal Year Ended June 30, 2007***

	BUILDING FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	<u>\$ 289,274,096</u>	<u>\$ 95,898,919</u>	<u>\$ (193,375,177)</u>
Total Expenditures and Other Financing Uses	<u>57,662,668</u>	<u>33,636,790</u>	<u>24,025,878</u>
Net Change in Fund Balance	231,611,428	62,262,129	(169,349,299)
Fund Balances, Beginning of Year	292,140,869	292,140,869	0
Prior Year Encumbrances	<u>7,662,668</u>	<u>7,662,668</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 531,414,965</u>	<u>\$ 362,065,666</u>	<u>\$ (169,349,299)</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 – Capital Projects Fund
For the Fiscal Year Ended June 30, 2007***

	CLASSROOM FACILITIES FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 215,000,000</u>	<u>\$ 27,953,005</u>	<u>\$ (187,046,995)</u>
Total Expenditures and Other Financing Uses	<u>208,575,611</u>	<u>190,831,291</u>	<u>17,744,320</u>
Net Change in Fund Balance	6,424,389	(162,878,286)	(169,302,675)
Fund Balances, Beginning of Year	191,004,301	191,004,301	0
Prior Year Encumbrances	<u>58,575,611</u>	<u>58,575,611</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 256,004,301</u></u>	<u><u>\$ 86,701,626</u></u>	<u><u>\$ (169,302,675)</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 15,100,000	\$ 15,016,113	\$ (83,887)
Total Expenditures and Other Financing Uses	13,811,479	13,702,315	109,164
Net Change in Fund Balance	1,288,521	1,313,798	25,277
Fund Balances, Beginning of Year	(1,670,828)	(1,670,828)	0
Prior Year Encumbrances	386,479	386,479	0
Fund Balances, End of Year	<u>\$ 4,172</u>	<u>\$ 29,449</u>	<u>\$ 25,277</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 6,915,792	\$ 6,693,963	\$ (221,829)
Total Expenditures and Other Financing Uses	<u>9,346,619</u>	<u>6,710,617</u>	<u>2,636,002</u>
Net Change in Fund Balance	(2,430,827)	(16,654)	2,414,173
Fund Balances, Beginning of Year	2,261,865	2,261,865	0
Prior Year Encumbrances	<u>247,699</u>	<u>247,699</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 78,737</u>	<u>\$ 2,492,910</u>	<u>\$ 2,414,173</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 2,000,000	\$ 1,831,228	\$ (168,772)
Total Expenditures and Other Financing Uses	<u>2,106,795</u>	<u>2,041,661</u>	<u>65,134</u>
Net Change in Fund Balance	(106,795)	(210,433)	(103,638)
Fund Balances, Beginning of Year	1,806,663	1,806,663	0
Prior Year Encumbrances	<u>106,795</u>	<u>106,795</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 1,806,663</u>	<u>\$ 1,703,025</u>	<u>\$ (103,638)</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, 2007***

	<i>AUXILIARY FUND</i>		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	\$ 12,144,154	\$ 11,945,721	\$ (198,433)
Total Expenditures and Other Financing Uses	<u>11,382,275</u>	<u>12,151,378</u>	<u>(769,103)</u>
Net Change in Fund Balance	761,879	(205,657)	(967,536)
Fund Balances, Beginning of Year	(90,335)	(90,335)	0
Prior Year Encumbrances	<u>295,992</u>	<u>295,992</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 967,536</u>	<u>\$ 0</u>	<u>\$ (967,536)</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, 2007***

	HEAD START FUND		
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	<u>30,206</u>	<u>6</u>	<u>30,200</u>
Net Change in Fund Balance	(30,206)	(6)	30,200
Fund Balances, Beginning of Year	(564,938)	(564,938)	0
Prior Year Encumbrances	<u>206</u>	<u>206</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ (594,938)</u>	<u>\$ (564,738)</u>	<u>\$ 30,200</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, 2007***

	POVERTY BASED ASSISTANCE FUND		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 35,000,000</u>	<u>\$ 30,374,515</u>	<u>\$ (4,625,485)</u>
Total Expenditures and Other Financing Uses	<u>35,000,000</u>	<u>30,374,515</u>	<u>4,625,485</u>
Net Change in Fund Balance	0	0	0
Fund Balances, Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</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, 2007***

	TITLE VI-B FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	<u>\$ 22,948,819</u>	<u>\$ 16,990,295</u>	<u>\$ (5,958,524)</u>
Total Expenditures and Other Financing Uses	<u>19,336,449</u>	<u>20,409,069</u>	<u>(1,072,620)</u>
Net Change in Fund Balance	3,612,370	(3,418,774)	(7,031,144)
Fund Balances, Beginning of Year	(1,907,658)	(1,907,658)	0
Prior Year Encumbrances	<u>5,326,432</u>	<u>5,326,432</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 7,031,144</u>	<u>\$ 0</u>	<u>\$ (7,031,144)</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, 2007***

	TITLE II-A FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	<u>\$ 3,068,207</u>	<u>\$ 2,842,392</u>	<u>\$ (225,815)</u>
Total Expenditures and Other Financing Uses	<u>3,448,063</u>	<u>3,108,574</u>	<u>339,489</u>
Net Change in Fund Balance	(379,856)	(266,182)	113,674
Fund Balances, Beginning of Year	427,225	427,225	0
Prior Year Encumbrances	<u>56,103</u>	<u>56,103</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 103,472</u>	<u>\$ 217,146</u>	<u>\$ 113,674</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, 2007***

	CHAPTER I FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	\$ 29,280,249	\$ 28,951,813	\$ (328,436)
Total Expenditures and Other Financing Uses	<u>30,800,670</u>	<u>29,676,931</u>	<u>1,123,739</u>
Net Change in Fund Balance	(1,520,421)	(725,118)	795,303
Fund Balances, Beginning of Year	(2,341,928)	(2,341,928)	0
Prior Year Encumbrances	<u>3,755,677</u>	<u>3,755,677</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ (106,672)</u>	<u>\$ 688,631</u>	<u>\$ 795,303</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 34,458,410	\$ 29,585,885	\$ (4,872,525)
Total Expenditures and Other Financing Uses	<u>33,573,183</u>	<u>32,713,586</u>	<u>859,597</u>
Net Change in Fund Balance	885,227	(3,127,701)	(4,012,928)
Fund Balances, Beginning of Year	14,383,374	14,383,374	0
Prior Year Encumbrances	<u>2,319,249</u>	<u>2,319,249</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 17,587,850</u>	<u>\$ 13,574,922</u>	<u>\$ (4,012,928)</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	198,700	101,736	96,964
Net Change in Fund Balance	(198,700)	(101,736)	96,964
Fund Balances, Beginning of Year	198,705	198,705	0
Fund Balances, End of Year	<u>\$ 5</u>	<u>\$ 96,969</u>	<u>\$ 96,964</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	1,000	0	1,000
Net Change in Fund Balance	(1,000)	0	1,000
Fund Balances, Beginning of Year	1,177	1,177	0
Fund Balances, End of Year	<u>\$ 177</u>	<u>\$ 1,177</u>	<u>\$ 1,000</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 0	\$ 0	\$ 0
Total Expenditures and Other Financing Uses	<u>775,724</u>	<u>486,635</u>	<u>289,089</u>
Net Change in Fund Balance	(775,724)	(486,635)	289,089
Fund Balances, Beginning of Year	250,953	250,953	0
Prior Year Encumbrances	<u>524,769</u>	<u>524,769</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ (2)</u>	<u>\$ 289,087</u>	<u>\$ 289,089</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, 2007***

	POWER UP FUND		
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>60,000</u>	<u>0</u>	<u>60,000</u>
Net Change in Fund Balance	(60,000)	0	60,000
Fund Balances, Beginning of Year	<u>64,415</u>	<u>64,415</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 4,415</u></u>	<u><u>\$ 64,415</u></u>	<u><u>\$ 60,000</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, 2007***

INTERACTIVE VIDEO DISTANCE LEARNING FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Net Change in Fund Balance	(10,000)	0	10,000
Fund Balances, Beginning of Year	<u>14,401</u>	<u>14,401</u>	<u>0</u>
Fund Balances, End of Year	<u><u>\$ 4,401</u></u>	<u><u>\$ 14,401</u></u>	<u><u>\$ 10,000</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, 2007***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 148,296	\$ 48,296	\$ (100,000)
Total Expenditures and Other Financing Uses	51,645	0	51,645
Net Change in Fund Balance	96,651	48,296	(48,355)
Fund Balances, Beginning of Year	(80,940)	(80,940)	0
Prior Year Encumbrances	32,645	32,645	0
Fund Balances, End of Year	<u>\$ 48,356</u>	<u>\$ 1</u>	<u>\$ (48,355)</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, 2007***

	ENDOWMENTS FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	\$ 90,000	\$ 63,552	\$ (26,448)
Total Expenditures and Other Financing Uses	270,000	18,836	251,164
Net Change in Fund Balance	(180,000)	44,716	224,716
Fund Balances, Beginning of Year	994,419	994,419	0
Fund Balances, End of Year	\$ 814,419	\$ 1,039,135	\$ 224,716



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, 2007***

	Balance June 30, 2006	Additions	Deductions	Balance June 30, 2007
<u>Student Managed Activity Fund</u>				
Assets:				
Equity in Pooled Cash and Investments	\$51,364	\$33,496	(\$45,343)	\$39,517
Total Assets	<u>\$51,364</u>	<u>\$33,496</u>	<u>(\$45,343)</u>	<u>\$39,517</u>
Liabilities:				
Due to Students	\$51,364	\$33,496	(\$45,343)	\$39,517
Total Liabilities	<u>\$51,364</u>	<u>\$33,496</u>	<u>(\$45,343)</u>	<u>\$39,517</u>

*CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS*

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
June 30, 2007***

Capital Assets

Land	\$34,791,207
Construction in Progress	189,671,655
Land Improvements	9,723,349
Buildings and Improvements	337,388,546
Furniture, Fixtures and Equipment	4,927,076
Vehicles	660,853
	<hr/>
Total Capital Assets	<u><u>\$577,162,686</u></u>

Investment in Capital Assets from:

Acquisitions Prior to 1999	\$133,846,105
General Fund	12,117,030
Special Revenue Funds	941,348
Special Revenue Funds - Food Service	598,692
Capital Project Funds	421,018,979
Donations	8,640,532
	<hr/>
Total Investment in Capital Assets	<u><u>\$577,162,686</u></u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
June 30, 2007***

<u>Function and Activity</u>	<u>Land</u>	<u>Construction in Progress</u>	<u>Land Improvements</u>
Instructional Services			
Regular	\$11,001,378	\$0	\$6,535,300
Special	0	0	0
Vocational	75,100	0	0
Support Services:			
Pupils	0	0	26,374
Instructional Staff	0	0	0
Administration	0	0	0
Fiscal Services	0	0	0
Operation and Maintenance of Plant	0	0	468,837
Pupil Transportation	0	0	0
Central	561,000	0	123,000
Extracurricular Activities	0	0	172,800
Other Noninstructional Services	0	0	0
Facility Services	0	0	2,363,524
Site Acquisition	10,144,339	0	0
Architecture and Engineering	0	13,353,061	0
Building Acquisition and Construction	13,009,390	176,318,594	0
Building Improvement	0	0	33,514
Total Capital Assets	<u>\$34,791,207</u>	<u>\$189,671,655</u>	<u>\$9,723,349</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

<u>Buildings and Improvements</u>	<u>Furniture, Fixtures and Equipment</u>	<u>Vehicles</u>	<u>Total</u>
\$107,281,873	\$1,338,700	\$0	\$126,157,251
0	300,146	0	300,146
13,153,592	384,788	0	13,613,480
0	1,279,452	0	1,305,826
0	254,387	0	254,387
0	80,544	0	80,544
0	298,473	0	298,473
6,268,739	78,112	25,972	6,841,660
0	55,348	0	55,348
6,854,000	843,849	0	8,381,849
325,200	0	0	498,000
224,551	13,277	374,142	611,970
8,047,410	0	260,739	10,671,673
0	0	0	10,144,339
1,839,714	0	0	15,192,775
192,434,608	0	0	381,762,592
958,859	0	0	992,373
<u>\$337,388,546</u>	<u>\$4,927,076</u>	<u>\$660,853</u>	<u>\$577,162,686</u>

CINCINNATI CITY SCHOOL DISTRICT, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule Changes by Function and Activity
For the Fiscal Year Ended June 30, 2007***

Function and Activity	June 30, 2006	Additions	Deletions	June 30, 2007
Instructional Services				
Regular	\$131,269,304	\$0	(\$5,112,053)	\$126,157,251
Special	163,560	136,586	0	300,146
Vocational	13,547,159	66,321	0	13,613,480
Support Services:				
Pupils	1,305,826	0	0	1,305,826
Instructional Staff	254,387	0	0	254,387
Administration	80,544	0	0	80,544
Fiscal Services	298,473	0	0	298,473
Operation and Maintenance of Plant	5,682,145	1,159,515	0	6,841,660
Pupil Transportation	55,348	0	0	55,348
Central	8,381,849	0	0	8,381,849
Extracurricular Activities	498,000	0	0	498,000
Other Noninstructional Services	611,970	0	0	611,970
Facility Services	10,605,409	66,264	0	10,671,673
Site Acquisition	9,222,040	922,299	0	10,144,339
Architecture and Engineering	15,192,775	0	0	15,192,775
Building Acquisition and Construction	252,304,498	231,848,932	(102,390,838)	381,762,592
Building Improvement	992,373	0	0	992,373
Total Capital Assets	<u>\$450,465,660</u>	<u>\$234,199,917</u>	<u>(\$107,502,891)</u>	<u>\$577,162,686</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 49
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. The District implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

Cincinnati Public School District

*Net Assets by Component
Last Five Years
(accrual basis of accounting)*

	<u>2002</u>	<u>2003</u>	<u>2004</u>
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$50,918,941	\$24,393,680	\$62,736,106
Restricted for:			
Capital Projects	967,504	33,583,348	32,373,514
Debt Service	5,588,399	5,212,708	13,610,918
Permanent Funds:			
Expendable	317,754	317,754	354,528
Nonexpendable	768,034	768,034	768,034
Other Purposes	22,883,658	20,983,634	17,532,180
Unrestricted	<u>101,101,358</u>	<u>115,284,752</u>	<u>84,335,436</u>
Total Governmental Activities Net Assets	<u>\$182,545,648</u>	<u>\$200,543,910</u>	<u>\$211,710,716</u>

Source: District Treasurer's Office

Note: District did not implement GASB 34 prior to 2002.

Cincinnati Public School District

<u>2005</u>	<u>2006</u>	<u>2007</u>
\$123,801,968	\$163,202,797	\$218,829,785
59,677,761	47,111,594	113,428,438
13,412,818	22,755,122	27,315,500
350,786	350,786	476,939
768,034	768,034	768,034
20,193,869	16,034,254	9,754,569
31,471,831	91,543,314	52,591,559
<u>\$249,677,067</u>	<u>\$341,765,901</u>	<u>\$423,164,824</u>

Cincinnati Public School District

*Changes in Net Assets
Last Five Years
(accrual basis of accounting)*

	2002	2003	2004
Expenses			
Governmental Activities			
Instruction			
Regular	\$214,853,229	\$220,453,877	\$233,043,337
Special	56,276,047	63,132,571	68,179,784
Vocational	10,405,177	6,534,496	7,254,606
Other	2,083,093	1,703,846	1,600,216
Support Services			
Pupils	21,749,313	22,810,661	29,128,330
Instructional Staff	24,600,912	24,920,010	33,996,376
Board of Education	243,629	432,025	330,013
Administration	33,394,787	34,103,376	37,435,189
Fiscal Services	5,373,728	5,874,202	4,796,236
Business	370,426	883,799	1,117,893
Operation and Maintenance of Plant	33,420,048	40,064,743	49,649,606
Pupil Transportation	23,572,004	22,336,585	24,686,563
Central	10,478,315	19,173,042	31,066,121
Non-Instructional Services	26,663,407	29,078,066	29,907,760
Extracurricular Activities	4,635,728	5,425,048	5,581,501
Interest and Fiscal Charges	7,300,332	10,194,674	29,215,795
<i>Total Primary Government Expenses</i>	<u>\$475,420,175</u>	<u>\$507,121,021</u>	<u>\$586,989,326</u>
Program Revenues			
Governmental Activities			
Charges for Services			
Instruction	\$2,601,764	\$3,409,870	\$3,580,490
Support Services	81,730	1,903,289	1,630,413
Non-Instructional Services	2,970,844	2,766,804	2,673,711
Extracurricular Activities	791,460	1,370,223	1,360,314
Operating Grants and Contributions	97,880,543	98,877,672	105,858,803
Capital Grants and Contributions	75,060	765,501	362,250
<i>Total Primary Government Program Revenues</i>	<u>104,401,401</u>	<u>109,093,359</u>	<u>115,465,981</u>
Net (Expense)/Revenue			
Governmental Activities	(371,018,774)	(398,027,662)	(471,523,345)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$371,018,774)</u>	<u>(\$398,027,662)</u>	<u>(\$471,523,345)</u>

Cincinnati Public School District

2005	2006	2007
\$221,590,261	\$223,297,113	\$182,146,228
78,163,915	80,390,504	69,266,976
7,952,193	6,209,179	6,693,031
1,743,840	4,703,448	32,417,953
28,917,415	26,628,386	27,257,081
35,799,980	33,757,059	42,835,422
348,475	308,211	347,852
83,855,686	33,272,546	34,880,780
4,319,078	3,889,606	3,306,297
1,161,363	1,372,454	1,071,616
39,950,347	41,446,421	41,057,796
24,960,104	24,928,584	22,799,539
17,193,132	14,031,779	15,159,365
29,840,292	26,527,842	30,191,515
5,731,005	5,080,509	5,323,580
35,335,026	35,493,871	27,316,555
<u>\$616,862,112</u>	<u>\$561,337,512</u>	<u>\$542,071,586</u>
\$3,787,000	\$4,258,848	\$7,575,641
2,609,254	2,518,277	4,481,719
2,728,504	3,361,377	2,483,338
945,664	713,347	851,103
126,815,341	108,096,560	109,768,466
63,167,849	243,573	81,068,698
<u>200,053,612</u>	<u>119,191,982</u>	<u>206,228,965</u>
<u>(416,808,500)</u>	<u>(442,145,530)</u>	<u>(335,842,621)</u>
<u>(\$416,808,500)</u>	<u>(\$442,145,530)</u>	<u>(\$335,842,621)</u>

(Continued)

Cincinnati Public School District

*Changes in Net Assets
Last Five Years
(accrual basis of accounting)*

	2002	2003	2004
<i>General Revenues and Other Changes in Net Assets</i>			
<i>Governmental Activities</i>			
<i>Property Taxes Levied for</i>			
<i>General Purposes</i>	\$239,988,500	\$242,138,738	\$241,472,317
<i>Debt Service</i>	737,370	899,101	22,088,507
<i>Revenue in Lieu of Taxes</i>	13,994,122	15,095,611	14,269,160
<i>Grants and Entitlements not</i>			
<i>Restricted to Specific Programs</i>	143,443,480	144,831,670	173,939,321
<i>Investment Earnings</i>	10,357,950	8,693,979	6,461,084
<i>Miscellaneous</i>	3,396,032	4,063,450	5,315,126
<i>Total Primary Government</i>	\$411,917,454	\$415,722,549	\$463,545,515
<i>Change in Net Assets</i>			
<i>Governmental Activities</i>	\$40,898,680	\$17,694,887	(\$7,977,830)
<i>Total Primary Government Change in Net Assets</i>	\$40,898,680	\$17,694,887	(\$7,977,830)

Source: District Treasurer's Office

Note: District did not implement GASB 34 prior to 2002.

Cincinnati Public School District

<u>2005</u>	<u>2006</u>	<u>2007</u>
\$230,848,360	\$315,532,788	\$189,107,096
26,870,805	34,823,550	25,823,528
14,877,443	15,745,319	11,299,519
149,003,219	146,356,573	157,791,118
11,517,721	28,554,158	29,904,739
4,960,207	6,131,207	3,315,544
<u>\$438,077,755</u>	<u>\$547,143,595</u>	<u>\$417,241,544</u>
<u>\$21,269,255</u>	<u>\$104,998,065</u>	<u>\$81,398,923</u>
<u>\$21,269,255</u>	<u>\$104,998,065</u>	<u>\$81,398,923</u>

Cincinnati Public School District

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

	1999	2000	2001	2002
General Fund				
Reserved	\$84,913,658	\$36,753,989	\$74,103,330	\$60,916,774
Unreserved	(78,841,977)	15,702,774	22,613,806	68,034,263
<i>Total General Fund</i>	<u>6,071,681</u>	<u>52,456,763</u>	<u>96,717,136</u>	<u>128,951,037</u>
All Other Governmental Funds				
Reserved	11,223,622	21,906,347	32,446,112	18,022,379
Unreserved, Undesignated in:				
Special Revenue Funds	3,869,489	8,831,545	13,272,099	15,726,294
Capital Projects Funds	(3,047,769)	(23,659,446)	99,234,369	96,634,588
Permanent Fund	0	0	0	317,754
<i>Total All Other Governmental Funds</i>	<u>12,045,342</u>	<u>7,078,446</u>	<u>144,952,580</u>	<u>130,701,015</u>
<i>Total Governmental Funds</i>	<u>\$18,117,023</u>	<u>\$59,535,209</u>	<u>\$241,669,716</u>	<u>\$259,652,052</u>

Source: District Treasurer's Office

Cincinnati Public School District

2003	2004	2005	2006	2007
\$67,344,758	\$77,001,382	\$77,117,030	\$77,952,939	\$38,214,228
71,156,036	27,795,469	6,933,639	10,401,021	(9,416,133)
138,500,794	104,796,851	84,050,669	88,353,960	28,798,095
20,605,566	67,574,219	90,082,799	83,004,473	123,506,930
9,898,574	9,150,321	8,996,661	12,122,469	5,072,611
206,121,719	673,909,505	542,525,627	489,401,006	452,438,137
324,214	354,528	350,786	397,465	476,939
236,950,073	750,988,573	641,955,873	584,925,413	581,494,617
<u>\$375,450,867</u>	<u>\$855,785,424</u>	<u>\$726,006,542</u>	<u>\$673,279,373</u>	<u>\$610,292,712</u>

Cincinnati Public School District

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

	1999	2000	2001	2002
Revenues:				
Local Sources:				
Taxes	\$233,348,040	\$179,700,792	\$214,021,076	\$238,784,104
Tuition	1,305,060	1,394,557	1,084,570	1,091,966
In Lieu of Taxes	0	8,771,721	9,598,900	13,853,036
Investment Earnings	4,605,204	5,420,695	10,254,870	10,510,893
Food Services	0	0	0	2,823,116
Intermediate Sources	0	0	0	0
Intergovernmental - State	154,274,812	177,900,740	199,746,658	192,853,460
Intergovernmental - Federal	30,292,599	35,768,021	34,826,350	44,632,835
All Other Revenue	9,737,746	10,245,691	9,272,846	7,007,546
Total Revenue	<u>433,563,461</u>	<u>419,202,217</u>	<u>478,805,270</u>	<u>511,556,956</u>
Expenditures:				
Current:				
Instruction				
Regular	165,271,317	162,704,228	184,720,120	209,542,378
Special	50,078,326	49,668,188	45,980,215	55,423,644
Vocational	12,800,910	9,472,984	7,939,467	10,123,352
Other Instruction	3,567,379	2,830,101	1,589,980	1,852,969
Supporting Services:				
Pupils	22,379,104	18,056,966	17,271,836	21,407,476
Instructional Staff	24,740,813	23,268,614	25,739,415	24,227,809
Board of Education	267,170	196,996	208,969	241,577
Administration	27,623,980	27,713,852	29,909,627	32,731,322
Fiscal Services	2,777,796	2,609,556	2,189,842	5,278,194
Business	1,958,498	694,281	402,902	347,721
Operation and Maintenance of Plant	27,128,682	28,375,672	41,214,967	32,917,105
Pupil Transportation	20,678,282	21,039,542	21,798,906	23,555,262
Central	13,450,468	20,489,853	16,035,589	10,087,713
Non-Instructional Services (1)	9,033,661	10,003,707	11,100,306	25,330,107
Extracurricular Activities	3,177,713	3,534,149	3,981,969	4,532,356
Capital Outlay	6,499,311	15,755,943	10,809,755	25,388,396
Debt Service:				
Principal Retirement	1,633,816	26,454,342	24,798,093	33,450,000
Interest and Fiscal Charges	6,143,072	2,785,816	4,944,240	7,815,070
Total Expenditures	<u>399,210,298</u>	<u>425,654,790</u>	<u>450,636,198</u>	<u>524,252,451</u>
Excess (Deficiency) of Revenues Over Expenditures	34,353,163	(6,452,573)	28,169,072	(12,695,495)

Cincinnati Public School District

2003	2004	2005	2006	2007
\$242,059,637	\$265,814,744	\$256,325,144	\$322,180,008	\$196,490,568
1,090,918	1,484,343	1,734,775	2,474,762	2,513,899
15,295,671	14,317,383	14,877,443	15,743,651	11,299,537
8,682,782	6,461,084	18,711,996	26,498,394	29,948,910
2,756,395	2,644,972	2,557,890	2,509,797	2,344,784
0	0	292,406	0	0
186,026,797	216,768,811	232,669,945	205,315,594	213,837,132
52,297,299	65,839,661	74,329,708	68,695,133	65,064,133
9,992,701	10,403,047	10,436,186	15,075,461	13,762,600
518,202,200	583,734,045	611,935,493	658,492,800	535,261,563
218,138,993	232,384,048	222,580,079	216,803,272	182,770,612
62,761,098	68,500,148	78,066,020	78,112,990	70,735,576
6,261,609	6,966,426	7,695,731	5,883,214	6,394,581
2,097,045	1,672,990	1,759,044	1,192,485	31,921,738
21,915,606	28,976,925	28,779,045	25,877,478	27,326,156
24,817,267	33,650,585	35,844,378	33,425,507	42,360,630
426,281	329,933	349,910	300,309	348,361
33,985,048	37,521,512	42,846,546	73,453,592	35,301,777
6,837,264	4,743,865	4,311,076	3,747,809	3,294,436
886,604	1,110,054	1,172,056	1,318,991	1,071,324
39,741,738	49,452,172	40,051,151	40,489,901	41,047,302
22,293,435	24,513,078	24,597,832	24,710,901	23,234,772
18,785,890	30,449,946	16,795,704	14,421,486	14,965,653
27,760,318	29,381,857	29,089,662	24,583,057	27,119,187
5,379,870	5,569,357	5,715,176	4,952,035	5,348,011
22,193,145	31,182,823	129,917,744	109,456,508	121,280,997
32,795,000	28,410,000	42,505,000	44,970,000	26,350,000
10,202,014	32,759,197	35,675,089	38,910,773	35,072,745
557,278,225	647,574,916	747,751,243	742,610,308	695,943,858
(39,076,025)	(63,840,871)	(135,815,750)	(84,117,508)	(160,682,295)

(Continued)

Cincinnati Public School District

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

	1999	2000	2001	2002
Other Financing Sources (Uses):				
General Obligation Notes Issued	0	23,032,000	20,550,000	25,000,000
General Obligation Bonds Issued	0	0	131,195,000	0
Premium on General Obligation Bonds	0	0	2,010,435	0
Issuance of Refunding Bonds	0	0	0	0
Premium on Refunding Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
New Capital Leases	0	0	210,000	651,788
Premium on Capital Leases	0	0	0	0
Transfers In	9,674,248	3,703,223	4,719,417	9,186,312
Transfers Out	(9,293,038)	(3,259,642)	(4,719,417)	(9,186,312)
Other Miscellaneous Sources (Uses)	2,985,225	(484,821)	0	0
Total Other Financing Sources (Uses)	<u>3,366,435</u>	<u>22,990,760</u>	<u>153,965,435</u>	<u>25,651,788</u>
Net Change in Fund Balance	<u>\$37,719,598</u>	<u>\$16,538,187</u>	<u>\$182,134,507</u>	<u>\$12,956,293</u>
Debt Service as a Percentage of Noncapital Expenditures	2.01%	7.56%	7.15%	9.03%

(1) Food Service Operations were reclassified from Business-Type Activity to Governmental Activity in 2003 when the District implemented GASB 34.

Source: District Treasurer's Office

Cincinnati Public School District

2003	2004	2005	2006	2007
22,200,000	32,400,000	29,600,000	0	0
125,000,000	480,000,000	0	26,800,000	0
7,097,571	13,300,428	0	3,817,959	0
0	0	0	69,405,000	380,945,000
0	0	0	7,482,626	48,836,975
0	0	0	(76,115,246)	(459,954,691)
273,894	0	0	0	120,365,000
0	0	0	0	7,503,350
50,749,244	9,261,682	679,493,721	16,164,576	14,626,125
(50,749,244)	(9,261,682)	(679,493,721)	(16,164,576)	(14,626,125)
0	0	0	0	0
<u>154,571,465</u>	<u>525,700,428</u>	<u>29,600,000</u>	<u>31,390,339</u>	<u>97,695,634</u>
<u>\$115,495,440</u>	<u>\$461,859,557</u>	<u>(\$106,215,750)</u>	<u>(\$52,727,169)</u>	<u>(\$62,986,661)</u>

8.69%	10.94%	14.27%	15.15%	12.22%
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Cincinnati Public School District

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

Tax year	1997	1998	1999	2000
Real Property				
Assessed	4,242,923	4,262,469	4,951,206	4,953,069
Actual	12,122,637	12,178,483	14,146,303	14,151,626
Public Utility				
Assessed	430,298	435,847	440,481	416,613
Actual	430,298	435,847	440,481	416,613
Tangible Personal Property				
Assessed	743,936	728,161	717,580	728,376
Actual	2,975,744	2,912,644	2,870,320	2,913,504
Total				
Assessed	5,417,157	5,426,477	6,109,267	6,098,058
Actual	15,528,679	15,526,974	17,457,104	17,481,743
Assessed Value as a Percentage of Actual Value	34.88%	34.95%	35.00%	34.88%
Total Direct Tax Rate	\$53	\$53	\$53	\$52

Source: Hamilton County Auditor

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

N/A = not available

Cincinnati Public School District

2001	2002	2003	2004	2005	2006
4,964,324	5,514,802	5,578,562	5,487,899	6,253,727	6,270,949
14,183,783	15,756,577	15,938,749	15,679,711	17,867,791	17,916,997
333,228	351,842	354,261	348,115	352,496	339,324
333,228	351,842	354,261	348,115	352,496	339,324
737,473	690,729	577,134	575,490	434,739	297,008
2,949,892	2,762,916	2,308,536	2,301,960	1,738,956	1,188,032
6,035,025	6,557,373	6,509,957	6,411,504	7,040,962	6,907,281
17,466,903	18,871,335	18,601,546	18,329,786	19,959,243	19,444,353
34.55%	34.75%	35.00%	34.98%	35.28%	35.52%
\$57	\$57	\$56	\$61	\$61	\$60

Cincinnati Public School District

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

Collection Year	1998	1999	2000	2001
Direct District Rates				
General Fund	52.22	52.22	51.77	56.79
Permanent Improvement	0.74	0.74	0.00	0.00
Bond Retirement Fund	0.17	0.17	0.17	0.14
Total	<u>53.13</u>	<u>53.13</u>	<u>51.94</u>	<u>56.93</u>
Overlapping Rates				
Hamilton County	19.44	19.01	19.54	20.83
Cities:				
Cheviot	12.84	12.82	12.66	12.62
Cincinnati	11.46	11.46	10.90	10.76
Indian Hill	0.96	0.96	0.96	0.96
Madeira	7.50	7.50	7.50	7.50
Norwood	11.40	11.40	11.40	11.40
Silverton	11.15	8.15	8.15	8.15
Wyoming	10.00	10.00	10.00	10.00
Villages:				
Amberly	4.00	6.00	6.00	7.00
Fairfax	2.76	2.76	2.76	2.76
Golf Manor	19.42	19.42	19.42	25.32
Mairemont	12.44	12.44	12.44	12.44
Townships:				
Anderson	11.18	12.18	12.18	14.15
Columbia	17.96	17.96	17.96	17.96
Delhi	20.46	20.46	20.46	20.46
Green	8.81	8.81	8.81	8.81
Springfield	14.30	14.30	14.30	14.30
Sycamore	7.60	7.75	7.75	7.75
Fairfax - Madison Pl.	0.00	0.00	0.00	0.00
Total	<u><u>256.81</u></u>	<u><u>256.51</u></u>	<u><u>255.13</u></u>	<u><u>270.10</u></u>

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 Public School District

2002	2003	2004	2005	2006	2006
57.01	56.11	56.09	56.19	55.13	54.81
0.00	0.00	0.00	0.00	0.00	0.00
0.14	0.14	4.66	4.64	4.64	4.56
57.15	56.25	60.75	60.83	59.77	59.37
19.92	21.47	21.87	21.51	20.81	20.18
12.56	12.42	12.24	12.22	14.52	14.52
10.76	10.63	10.36	10.34	10.19	9.93
0.96	0.96	0.96	0.96	0.96	0.96
7.50	7.50	7.50	7.50	7.50	7.50
11.40	11.40	11.40	11.40	11.40	11.40
8.15	8.15	8.15	8.15	8.15	8.15
10.00	10.00	10.00	10.00	10.00	10.00
7.00	7.00	7.00	7.00	7.00	7.00
2.76	2.76	2.76	2.76	2.76	2.76
24.52	24.52	24.52	24.52	30.52	30.52
12.44	12.44	14.37	14.37	14.37	14.37
14.15	14.15	14.15	14.15	14.15	14.15
17.96	17.96	21.26	21.26	21.26	14.76
20.46	20.46	20.46	20.46	26.34	26.34
8.31	8.31	8.31	8.31	9.81	9.81
20.30	20.30	20.30	20.30	20.30	20.30
7.75	7.75	7.75	7.75	7.75	8.75
2.50	2.50	2.76	2.76	2.76	0.00
276.55	276.93	286.87	286.55	300.32	290.77

Cincinnati Public School District

*Principal Taxpayers
Tangible Personal Property Tax
Current Year and Three Years Ago*

		Calendar Year 2006		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
The Procter and Gamble Company	Consumer Goods Manufacturing	\$17,568,500	1	5.92%
Duramed Pharmaceuticals Inc.	Pharmaceuticals	9,549,700	2	3.22%
Walgreens Company	Consumer Goods Distribution	7,673,060	3	2.58%
Coca Cola Enterprises Inc.	Consumer Products	7,565,640	4	2.55%
Gannett Satellite Information Network	Media Holdings	7,455,320	5	2.51%
Givaudan Flavors Corp	Consumer Products	7,155,400	6	2.41%
Sun Chemical	Chemicals	7,073,020	7	2.38%
Kroger Limited PTSP 1	Real Estate Holdings	6,761,130	8	2.28%
Kroger Company	Consumer Goods Distribution	6,363,520	9	2.14%
Banc of America Leasing and Capital LLC	Banking Services	5,736,910	10	1.93%
Subtotal		82,902,200		27.92%
All Others		214,106,147		72.08%
Total		<u>\$297,008,347</u>		<u>100.00%</u>
		Calendar Year 2003		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
The Procter and Gamble Company	Consumer Goods Manufacturing	\$33,848,970	1	5.87%
Cognis Corporation	Speciality Chemicals	10,050,100	2	1.74%
Coca Cola Enterprises Inc.	Consumer Products	10,007,260	3	1.73%
Givaudan Flavors Corp	Consumer Products	9,285,310	4	1.61%
Sun Chemical	Chemicals	8,266,750	5	1.43%
Kroger Limited PTSP 1	Real Estate Holdings	8,266,390	6	1.43%
Gannett Satellite Information Network	Media Holdings	7,899,070	7	1.37%
Noveon Hilton Davis	Chemicals	7,500,850	8	1.30%
Kroger Company	Consumer Goods Distribution	6,315,960	9	1.09%
Convergys Information Management	Consulting Services	5,311,140	10	0.92%
Subtotal		106,751,800		18.49%
All Others		470,382,360		81.51%
Total		<u>\$577,134,160</u>		<u>100.00%</u>

Source: Hamilton County Auditor - Land and Buildings

Based on valuation of property in 2005 and 2003.

Note: Information was not available prior to 2003.

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

Cincinnati Public School District

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

		Calendar Year 2006		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Duke Energy Ohio Inc	Public Utility	\$259,465,420	1	3.93%
Cincinnati Bell Telephone	Public Utility	38,260,000	2	0.58%
Cincinnati Bell Wireless	Public Utility	6,775,700	3	0.10%
Cincinnati SMSA	Public Utility	5,573,700	4	0.08%
Norfolk Southern Combined	Public Utility	3,018,930	5	0.05%
CSX Transportation	Public Utility	2,967,720	6	0.04%
Sprintcom Inc.	Public Utility	1,976,320	7	0.03%
Verizon Global	Public Utility	1,948,610	8	0.03%
CCB Ohio LLC	Public Utility	1,837,240	9	0.03%
New PAR	Public Utility	1,805,160	10	0.03%
Subtotal		323,628,800		4.90%
All Others		6,286,645,130		95.10%
Total		<u>\$6,610,273,930</u>		<u>100.00%</u>

		Calendar Year 1997		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
CINERGY	Public Utility	\$328,696,760	1	6.03%
Cincinnati Bell Telephone	Public Utility	127,461,940	2	2.34%
The Procter & Gamble Co.	Consumer Goods	119,315,120	3	2.19%
Cincinnati Milicron	Machine Tools	41,604,890	4	0.76%
Prudential Insurance	Real Estate Holdings	29,225,010	5	0.54%
Artium II Development	Real Estate Holdings	27,300,010	6	0.50%
Columbia Development	Real Estate Holdings	26,950,020	7	0.49%
Fifth Third Center	Real Estate Holdings	26,009,200	8	0.48%
Emery Realty	Real Estate Holdings	24,500,010	9	0.45%
580 Walnut Partners	Real Estate Holdings	21,192,500	10	0.39%
Subtotal		772,255,460		14.17%
All Others		4,680,860,630		85.83%
Total		<u>\$5,453,116,090</u>		<u>100.00%</u>

Source: Hamilton County Auditor - Land and Buildings
Based on valuation of property in 2006 and 1997

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

Cincinnati Public School District

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

Collection Year	<u>1997</u>	<u>1998</u>	<u>1999</u>
Total Tax Levy (1)	\$222,332	\$221,284	\$224,300
Collections within the Fiscal Year of the Levy			
Current Tax Collections (2)	213,304	212,143	215,308
Percent of Levy Collected	95.94%	95.87%	95.99%
Delinquent Tax Collections	<u>10,031</u>	<u>8,858</u>	<u>9,589</u>
Total Tax Collections	223,335	221,001	224,897
Percent of Total Tax Collections To Tax Levy	100.45%	99.87%	100.27%
Accumulated Outstanding Delinquent Taxes (3)	19,494	18,217	20,182
Percentage of Accumulated Delinquent Taxes to Total Tax Levy	8.77%	8.23%	9.00%

(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 Public School District

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$228,955	\$228,488	\$236,177	\$269,841	\$268,011	\$277,611	\$276,704
206,750	203,990	208,901	232,064	231,599	237,378	232,726
90.30%	89.28%	88.45%	86.00%	86.41%	85.51%	84.11%
<u>7,184</u>	<u>8,523</u>	<u>9,007</u>	<u>10,874</u>	<u>10,910</u>	<u>12,621</u>	<u>12,233</u>
213,934	212,513	217,908	242,938	242,509	249,999	244,959
93.44%	93.01%	92.26%	90.03%	90.48%	90.05%	88.53%
14,926	6,250	7,138	9,655	11,049	12,343	12,395
6.52%	2.74%	3.02%	3.58%	4.12%	4.45%	4.48%

Cincinnati Public School District

Ratio of Outstanding Debt By Type Last Ten Years

	1998	1999	2000	2001
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$8,955,000	\$7,465,000	\$5,915,000	\$128,250,000
Long-Term Notes Payable	0	0	23,032,000	27,800,000
Tax Anticipation Notes Payable	66,380,000	42,700,000	46,790,000	30,050,000
Capital Leases	381,000	237,712	162,970	216,775
Total Primary Government	<u>\$75,716,000</u>	<u>\$50,402,712</u>	<u>\$75,899,970</u>	<u>\$186,316,775</u>
Population ⁽²⁾				
City of Cincinnati	364,040	364,040	364,040	331,285
Outstanding Debt Per Capita	208	138	208	562
Income ⁽³⁾				
Personal (in thousands)	10,700,956	11,544,436	11,744,658	12,219,731
Percentage of Personal Income	0.71%	0.44%	0.65%	1.52%

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

N/A = Not available

Cincinnati Public School District

2002	2003	2004	2005	2006	2007
\$122,600,000	\$246,547,692	\$732,790,633	\$721,838,146	\$736,003,676	\$673,331,045
25,000,000	22,200,000	32,400,000	29,600,000	0	0
15,000,000	10,000,000	5,000,000	0	43,600,000	35,730,000
527,997	470,019	172,081	29,772	0	126,617,792
<u>\$163,127,997</u>	<u>\$279,217,711</u>	<u>\$770,362,714</u>	<u>\$751,467,918</u>	<u>\$779,603,676</u>	<u>\$835,678,837</u>
331,285	331,285	331,285	331,285	331,285	331,285
492	843	2,325	2,268	2,353	2,523
11,509,503	11,977,940	12,342,354	13,074,825	13,702,279	13,525,704
1.42%	2.33%	6.24%	5.75%	5.69%	6.18%

Cincinnati Public School District

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	1998	1999	2000	2001
Population (1)	364,040	364,040	364,040	331,285
Assessed Value (in thousands) (2)	\$5,417,157	\$5,426,477	\$6,109,267	\$6,098,058
General Bonded Debt (3)				
General Obligation Bonds	\$8,955,000	7,465,000	5,915,000	128,250,000
Resources Available to Pay Principal (4)	\$3,722,511	3,749,868	6,496,441	13,592,362
Net General Bonded Debt	5,232,489	3,715,132	(581,441)	114,657,638
Ratio of Net Bonded Debt to Estimated Actual Value	0.10%	0.07%	(0.01%)	1.88%
Net Bonded Debt per Capita	14	10	(2)	346

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.

N/A = Not available

Cincinnati Public School District

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
331,285	331,285	331,285	331,285	331,285	331,285
\$6,035,025	\$6,557,373	\$6,509,957	\$6,411,504	\$7,040,962	\$6,907,281
122,600,000	246,547,692	732,790,633	721,838,146	736,003,676	\$673,331,045
5,067,945	5,501,964	15,765,336	15,714,852	21,561,481	24,674,972
117,532,055	241,045,728	717,025,297	706,123,294	714,442,195	648,656,073
1.95%	3.68%	11.01%	11.01%	10.15%	9.39%
355	728	2,164	2,131	2,157	1,958



Cincinnati Public School District

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2007*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to Cincinnati Public School District	Amount Applicable to Cincinnati Public School District
Direct:			
Cincinnati Public School District	\$673,331,045	100.00%	\$673,331,045
Overlapping:			
Hamilton County	123,338,600	34.22%	42,206,469
Cities:			
Cheviot	80,000	100.00%	80,000
Cincinnati	322,197,001	99.95%	322,035,902
Madeira	1,535,000	0.32%	4,912
Norwood	10,791,739	0.46%	49,642
Silverton	250,277	93.21%	233,283
Wyoming	3,488,182	0.11%	3,837
Villages:			
Amberly	1,380,000	100.00%	1,380,000
Fairfax	1,045,000	19.04%	198,968
Golf Manor	0	100.00%	0
Mairemont	0	0.05%	0
Townships:			
Anderson	0	0.59%	0
Columbia	280,000	56.13%	157,164
Delhi	7,245,000	2.22%	160,839
Green	333,331	12.91%	43,033
Springfield	13,715,000	5.36%	735,124
Anderson Township Park District	2,257,288	0.59%	13,318
	<u>487,936,418</u>	Subtotal	<u>367,302,491</u>
		Total	<u><u>\$1,040,633,536</u></u>

Source: Hamilton County Auditor

Cincinnati Public School District

*Debt Limitations
(amounts in thousands)
Last Ten Years*

	1997	1998	1999	2000
Net Assessed Valuation	\$5,417,157	\$5,426,477	\$6,109,267	\$6,098,058
Overall Direct Debt Limitation				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	487,544	488,383	549,834	548,825
Applicable District Debt Outstanding	N/A	8,955	7,465	5,915
Less: Applicable Debt Service Fund Amounts (2)	N/A	(3,723)	(3,750)	(6,496)
Net Indebtedness Subject to Limitation	0	5,232	3,715	(581)
Overall Legal Debt Margin	<u>\$487,544</u>	<u>\$483,150</u>	<u>\$546,119</u>	<u>\$549,407</u>
Unvoted Direct Debt Limitation				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	5,417	5,426	6,109	6,098
Applicable District Debt Outstanding	0	8,955	7,465	5,915
Unvoted Legal Debt Margin	<u>\$5,417</u>	<u>\$14,381</u>	<u>\$13,574</u>	<u>\$12,013</u>
Energy Conservation Bond Limitation				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	48,754	48,838	54,983	54,883
Authorized by the Board	0	0	0	0
Unvoted Energy Conservation Bond Legal Debt Margin	<u>\$48,754</u>	<u>\$48,838</u>	<u>\$54,983</u>	<u>\$54,883</u>

(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.

N/A = Not available

Cincinnati Public School District

2001	2002	2003	2004	2005	2006
\$6,035,025	\$6,557,373	\$6,509,957	\$6,411,504	\$7,040,962	\$6,907,281
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
543,152	590,164	585,896	577,035	633,687	621,655
128,250	122,600	246,548	732,791	721,838	736,004
(13,592)	(5,068)	(5,502)	(15,765)	(15,715)	(21,561)
114,658	117,532	241,046	717,025	706,123	714,442
\$428,495	\$472,632	\$344,850	(\$139,990)	(\$72,437)	(\$92,787)
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
6,035	6,557	6,510	6,412	7,041	6,907
128,250	122,600	246,548	732,791	721,838	736,004
\$134,285	\$129,157	\$253,058	\$739,202	\$728,879	\$742,911
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
54,315	59,016	58,590	57,704	63,369	62,166
0	0	0	0	0	0
\$54,315	\$59,016	\$58,590	\$57,704	\$63,369	\$62,166

Cincinnati Public School District

Demographic and Economic Statistics

Last Ten Years

Calendar Year	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Population (1)				
City of Cincinnati	364,040	364,040	364,040	364,040
Hamilton County	866,228	866,228	866,228	845,303
Income (2) (a)				
Total Personal (in thousands)	\$10,700,956	11,544,436	11,744,658	12,219,731
Per Capita	29,395	31,712	32,262	33,567
Unemployment Rate (3)				
Federal	4.9%	4.5%	4.2%	3.8%
State	4.6%	4.3%	4.3%	3.7%
Hamilton County	3.6%	3.4%	3.5%	3.6%
School Enrollment (4)				
Fiscal Year	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Grades K - 5	26,502	25,768	23,785	22,194
Grades 6 - 8	11,109	10,887	10,305	10,273
Grades 9 - 12	10,444	10,528	10,192	10,116
Total	<u>48,055</u>	<u>47,183</u>	<u>44,282</u>	<u>42,583</u>

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 Public School District

2001	2002	2003	2004	2005	2006
331,285	331,285	331,285	331,285	331,285	331,285
845,303	845,303	845,303	845,303	845,303	845,303
11,509,503	11,977,940	12,342,354	13,074,825	13,702,279	13,525,704
34,742	36,156	37,256	39,467	41,361	40,828
4.8%	5.8%	6.0%	5.5%	5.0%	4.6%
4.3%	5.7%	6.1%	6.0%	5.9%	5.5%
3.6%	5.1%	5.1%	5.7%	5.7%	5.0%
2002	2003	2004	2005	2006	2007
20,663	19,826	18,153	16,907	15,964	15,534
10,077	10,004	9,690	9,071	8,573	7,606
10,509	10,580	10,936	11,190	11,029	11,089
41,249	40,410	38,779	37,168	35,566	34,229



Cincinnati Public School District

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2007		
		Number of Employees	Rank	Percentage of Total Employment
University of Cincinnati	Education	15,864	1	15.51%
The Kroger Co.	Consumer Goods Distribution	15,600	2	15.25%
Health Alliance	Health Care	14,785	3	14.45%
Procter & Gamble	Consumer Goods Distribution	12,315	4	12.04%
Cincinnati Children's Hospital	Health Care	9,464	5	9.25%
TriHealth	Health Care	9,400	6	9.19%
Fifth Third Bank	Financial Institution	7,645	7	7.47%
Mercy Health Partners	Health Care	6,948	8	6.79%
City of Cincinnati	City Government	5,441	9	5.32%
Cincinnati Public Schools	Education	5,065	10	4.95%
Total		<u>102,527</u>		
Total Employment within the District		<u>430,000</u>		

Employer	Nature of Business	1998		
		Number of Employees	Rank	Percentage of Total Employment
Procter & Gamble	Consumer Goods Distribution	14,700	1	3.37%
U. S. Government	Federal Government	13,600	2	3.12%
The Kroger Company	Consumer Goods Distribution	12,000	3	2.75%
University of Cincinnati	Education	11,700	4	2.69%
G.E. Aircraft Engines	Jet Engines	8,000	5	1.84%
City of Cincinnati	Government	6,090	6	1.40%
Hamilton County	Government	5,900	7	1.35%
Cincinnati Gas & Electric	Public Utility	5,000	8	1.15%
Cincinnati Public Schools	Education	5,400	9	1.24%
Cincinnati Milacron	Communication	4,400	10	1.01%
Total		<u>86,790</u>		
Total Employment within the District		<u>428,800</u>		

Sources: Cincinnati Chamber of Commerce

Cincinnati Public School District

School District Employees by Type Last Ten Years

	1998	1999	2000	2001
Supervisory				
Instructional Administrators	27.98	15.67	9.41	10.29
Noninstructional Administrators	56.48	66.12	61.56	55.10
Consultants/Supervisors of Instruction	58.20	56.86	24.56	23.47
Principals	81.90	81.90	76.55	76.34
Assistant Principals	49.16	50.15	46.67	41.77
Instruction				
Classroom Teachers	3,326.52	3,282.30	3,130.73	3,007.39
Student Services				
Guidance Counselors	25.11	27.66	23.76	19.02
Social Workers	28.50	20.45	22.86	24.29
Psychologists	53.38	53.07	53.33	56.99
Librarians	76.43	76.53	61.56	53.54
Other Professionals (noninstructional)	121.69	119.40	93.05	84.03
Support Services				
Clerical/Secretaries	442.27	437.43	418.69	410.06
Tutors/Aides	1,133.32	1,189.54	977.39	1,008.89
Safety/Security	121.85	124.57	149.50	169.09
Food Service	246.83	237.40	235.34	249.04
Maintenance/Grounds	448.69	442.40	395.83	390.46
Warehouse				
<i>Total Employees</i>	<u>6,298.31</u>	<u>6,281.45</u>	<u>5,780.79</u>	<u>5,679.77</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

Cincinnati Public School District

2002	2003	2004	2005	2006	2007
10.07	6.80	4.00	2.00	4.00	3.00
41.38	45.14	45.50	43.00	34.00	37.40
31.16	34.32	16.80	9.50	3.00	23.80
84.73	90.80	88.20	81.00	73.00	76.00
49.79	54.00	59.90	58.80	51.80	50.30
3,211.60	3,165.06	3,115.73	3,035.34	2,719.36	2,480.04
21.08	23.00	20.00	21.00	18.00	19.00
27.10	68.76	37.40	40.80	34.50	40.68
63.08	68.61	76.90	75.35	77.50	72.85
50.87	46.00	29.30	32.00	27.00	28.90
118.24	117.21	67.94	89.97	80.83	108.64
411.97	419.30	441.30	423.78	392.49	351.32
1,105.29	1,067.45	1,023.53	933.88	889.50	895.56
191.25	166.40	165.61	150.67	138.51	116.66
251.46	251.64	254.45	238.20	213.26	207.71
416.36	425.03	404.19	389.60	364.00	401.04
<u>6,085.43</u>	<u>6,055.32</u>	<u>5,850.75</u>	<u>5,624.89</u>	<u>5,120.75</u>	<u>4,912.90</u>

Cincinnati Public School District

*Operating Indicators - Cost per Pupil
Last Ten Years*

Fiscal Year	1998	1999	2000	2001
Enrollment	48,055	47,183	44,282	42,583
Modified Accrual Basis				
Operating Expenditures (1)	N/A	\$384,934,099	380,658,689	410,084,110
Cost per Pupil	N/A	8,158	8,596	9,630
Percentage of Change	N/A	N/A	5.4%	12.0%
Accrual Basis				
Operating Expenses (2)	N/A	N/A	N/A	N/A
Cost per Pupil	N/A	N/A	N/A	N/A
Percentage of Change	N/A	N/A	N/A	N/A
Teaching Staff	N/A	N/A	3,183	3,067
Pupil to Teacher Ratio				
Cincinnati	N/A	N/A	13.9	13.9
State Average	20.4	18.6	18.1	18.0

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 Public School District

2002	2003	2004	2005	2006	2007
41,249	40,410	38,779	37,168	35,566	34,229
457,598,985	492,088,066	555,222,896	539,653,410	549,273,027	513,240,116
11,094	12,177	14,318	14,519	15,444	14,994
15.2%	9.8%	17.6%	1.4%	6.4%	(2.9%)
468,119,843	496,926,347	557,773,531	581,527,086	525,843,641	514,755,031
11,349	12,297	14,383	15,646	14,785	15,039
N/A	8.4%	17.0%	8.8%	(5.5%)	1.7%
3,114	2,953	2,929	2,565	2,639	2,401
13.2	13.7	13.2	14.5	13.5	14.3
16.9	16.9	18.5	18.5	18.6	19.6



Cincinnati Public School District

Operating Indicators by Function Last Three 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 Buildings	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

Cincinnati Public School District

*Operating Indicators - Teacher Base Salaries
Last Ten Years*

Fiscal Year	1998	1999	2000	2001
Minimum Salary	28,446	29,299	29,886	30,783
Maximum Salary	62,451	64,325	65,612	67,582
District Average Salary	46,695	48,846	51,660	52,686
County Average Salary	\$44,497	45,853	47,367	48,609
State Average Salary	\$39,714	40,746	41,713	42,892

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

*Operating Indicators - Teacher Base Salaries
Last Ten Years*

Fiscal Year	1998	1999	2000	2001
Bachelor's Degree	N/A	N/A	640	525
Bachelor + 15	N/A	N/A	785	786
Master's Degree	N/A	N/A	1,238	1,271
Master's Degree + 30	N/A	N/A	473	441
Doctorate	N/A	N/A	47	44
Total			3,183	3,067

Source: District Treasurer's Office

N?A = not available

Cincinnati Public School District

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
31,706	32,657	33,866	34,882	35,824	35,824
69,608	71,696	76,581	78,879	81,008	81,008
51,513	43,967	55,348	58,362	60,275	62,760
49,439	47,239	52,837	54,288	54,967	54,576
44,266	45,515	47,495	49,438	50,772	51,346

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
500	463	413	243	230	155
815	772	723	658	692	570
1,266	1,199	1,236	1,077	1,111	1,083
486	472	506	541	560	549
47	47	51	46	46	44
3,114	2,953	2,929	2,565	2,639	2,401



Cincinnati Public School District

Capital Asset Statistics by Building Last Three Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>
School Buildings			
High Schools			
Number of Buildings	11	10	10
Square Footage	2,838,696	2,667,745	2,882,307
Capacity (students)	16,031	15,081	11,361
Enrollment	12,483	12,050	10,895
Elementary Schools			
Number of Buildings	59	53	50
Square Footage	4,601,341	4,398,912	4,752,707
Capacity (students)	35,043	33,522	24,129
Enrollment	24,685	23,516	23,140
All Other			
Central Administration Building			
Square Footage	140,033	140,033	140,033
Transportation Building			
Square Footage	N/A	N/A	N/A
Maintenance Building			
Square Footage	150,779	150,779	150,779

Source: District Treasurer's Office

Information not available in this format prior to 2005

Cincinnati Public School District

*Capital Asset Statistics by Function
Last Six Years*

	2002	2003	2004	2005
Governmental Activities				
Instruction				
Land and Improvements	\$19,911,765	\$19,911,765	\$20,538,705	\$17,611,778
Buildings and Improvements	142,687,508	141,732,449	140,528,734	140,528,734
Furniture, Fixtures and Equipment	6,948,724	7,540,126	2,057,564	2,165,367
Vehicles	92,543	92,543	29,353	29,353
Support Services				
Pupil				
Land and Improvements	26,374	29,009	26,374	26,374
Buildings and Improvements	0	2,278	0	0
Furniture, Fixtures and Equipment	184,268	1,491,560	1,262,731	1,309,740
Instructional Staff				
Buildings and Improvements	0	6,410	0	0
Furniture, Fixtures and Equipment	671,185	884,885	411,971	411,971
Administration				
Furniture, Fixtures and Equipment	313,291	388,424	70,000	80,544
Vehicles	22,888	22,888	0	0
Fiscal Services				
Furniture, Fixtures and Equipment	411,404	475,750	298,473	298,473
Business				
Furniture, Fixtures and Equipment	12,040	16,493	0	0
Operations and Maintenance of Plant				
Land and Improvements	0	0	0	468,837
Buildings and Improvements	0	33,492	2,800,651	4,266,854
Furniture, Fixtures and Equipment	651,248	1,020,470	78,112	78,112
Vehicles	873,865	890,763	25,972	25,972
Pupil Transportation				
Buildings and Improvements	25,615	85,415	0	0
Furniture, Fixtures and Equipment	0	0	55,348	55,348
Vehicles	21,045	21,045	0	0
Central				
Land and Improvements	779,700	779,700	684,000	684,000
Buildings and Improvements	6,854,000	6,854,000	6,854,000	6,854,000
Furniture, Fixtures and Equipment	2,306,042	2,555,055	1,204,787	1,204,786
Vehicles	21,051	21,051	0	0
Extracurricular Activities				
Land Improvements	268,700	268,700	172,800	172,800
Buildings and Improvements	342,100	342,100	325,200	325,200
Furniture, Fixtures and Equipment	36,018	69,607	0	0

Cincinnati Public School District

<u>2006</u>	<u>2007</u>
\$17,611,778	\$17,611,778
125,518,165	120,435,465
1,820,727	2,023,634
29,353	0
26,374	26,374
0	0
1,279,452	1,279,452
0	0
254,387	254,387
80,544	80,544
0	0
298,473	298,473
0	0
468,837	468,837
5,109,224	6,268,739
78,112	78,112
25,972	25,972
0	0
55,348	55,348
0	0
684,000	684,000
6,854,000	6,854,000
843,848	843,849
0	0
172,800	172,800
325,200	325,200
0	0

Cincinnati Public School District

Capital Asset Statistics by Function Last Six Years

	2002	2003	2004	2005
Non-Instructional Activities				
Buildings and Improvements	0	378,261	224,550	224,551
Furniture, Fixtures and Equipment	9,669,413	10,341,636	456,479	456,479
Vehicles	525,327	525,327	374,142	374,142
Facility Services				
Land and Improvements	2,824,524	2,824,524	0	2,692,594
Buildings and Improvements	11,363,461	11,438,484	9,944,000	9,944,000
Furniture, Fixtures and Equipment	0	7,753	0	0
Vehicles	103,441	346,138	73,414	73,414
Construction in Progress	20,000	1,039,943	1,039,943	0
Site Acquisition				
Land and Improvements	0	4,656,909	4,656,909	7,023,853
Construction in Progress	0	0	1,154,394	0
Architecture and Engineering				
Land and Improvements	1,800	1,800	2,652,564	0
Buildings and Improvements	148,400	214,402	396,880	467,011
Furniture, Fixtures and Equipment	0	0	0	0
Construction in Progress	3,909,146	4,460,939	13,442,187	13,353,061
Building Acquisition and Construction				
Land and Improvements	17,024	17,024	0	13,009,390
Buildings and Improvements	243,470	4,046,973	4,008,342	17,504,609
Furniture, Fixtures and Equipment	0	0	0	1,041,677
Construction in Progress	754,048	5,677,682	26,511,691	121,805,910
Building Improvement				
Land and Improvements	33,514	33,514	33,514	33,514
Buildings and Improvements	1,675,565	1,682,819	1,668,830	1,668,831
Furniture, Fixtures and Equipment	0	0	0	0
Construction in Progress	487,607	487,607	588,868	0
Total	\$215,238,114	\$233,717,713	\$244,651,482	\$366,271,279

Source: District Treasurer's Office

Note: Information was not available prior to 2002.

Cincinnati Public School District

<u>2006</u>	<u>2007</u>
224,551	224,551
13,277	13,277
374,142	374,142
2,363,524	2,363,524
8,047,410	8,047,410
0	0
194,475	260,739
0	0
9,222,040	10,144,339
0	0
0	0
1,839,714	1,839,714
0	0
13,353,061	13,353,061
13,009,390	13,009,390
87,582,648	192,434,608
0	0
151,712,461	176,318,594
33,514	33,514
958,859	958,859
0	0
0	0
<u>\$450,465,660</u>	<u>\$577,162,686</u>

Cincinnati Public School District

Educational and Operating Statistics Last Six Years

	2002	2003	2004	2005
ACT Scores (Average)				
Cincinnati	20.3	19.7	19.5	19.7
Ohio	21.4	21.4	21.4	21.1
National	20.8	20.8	20.9	20.6
SAT Scores (Average)				
Cincinnati				
Verbal	536	530	522	508
Mathematical	538	523	511	508
Ohio				
Verbal	534	536	540	539
Mathematical	539	541	540	543
National				
Verbal	506	507	510	508
Mathematical	514	519	510	520
National Merit Scholars				
Finalist	2	5	6	5
Semi-Finalist	13	13	14	17
Cost per Student (ODE)				
Cincinnati	9,983	10,981	12,667	12,734
Ohio (Average)	8,073	8,441	8,768	9,028
Cost to Educate a Graduate				
Cincinnati	94,116	99,730	106,735	113,248
Ohio (Average)	75,655	79,747	84,129	88,133
Attendance Rate				
Cincinnati	91.10%	90.80%	94.80%	94.40%
Ohio (Average)	95.00%	94.90%	95.30%	95.20%
Graduation Rate				
Cincinnati	60.20%	61.00%	72.10%	77.00%
Ohio (Average)	82.80%	83.90%	84.30%	85.90%

Source:

District's Student Records and Ohio Department of Education

Note: Information was not available prior to 2002.

Cincinnati Public School District

2006	2007
19.4	19.4
21.5	21.6
21.1	21.2
483	475
480	469
535	536
544	542
503	502
518	515
3	3
13	15
11,970	12,025
8,744	9,343
118,613	121,514
88,671	91,193
94.80%	94.70%
94.10%	94.10%
76.60%	77.20%
86.20%	86.10%

