

PRINCETON CITY SCHOOL DISTRICT



Single Audit Reports

June 30, 2013



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Princeton City School District, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2012 through June 30, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

March 21, 2014

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**PRINCETON CITY SCHOOL DISTRICT
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2013**

| Federal Grant/ Pass Through Grantor Program Title | Pass Through Entity Number | Federal CFDA Number | Receipts | Non-Cash Receipts | Disbursements | Non-Cash Disbursements |
|---|-------------------------------------|---------------------------|-------------|----------------------|---------------|---------------------------|
| U.S. DEPARTMENT OF AGRICULTURE | | | | | | |
| Passed Through Ohio Department of Education: | | | | | | |
| Nutrition Cluster: | | | | | | |
| School Breakfast Program | 3L70 | 10.553 | \$551,931 | \$0 | \$551,984 | \$0 |
| National School Lunch Program | 3L60 | 10.555 | 1,435,818 | 174,566 | 1,435,818 | 174,566 |
| Summer Food Program | 3L60 | 10.559 | 13,474 | 0 | 13,474 | 0 |
| Total Nutrition Cluster | | | 2,001,223 | 174,566 | 2,001,276 | 174,566 |
| Farm to School Initiative | 3670 | 10.575 | 0 | 0 | 0 | 0 |
| Fresh Fruit and Vegetable Program | 3L60 | 10.582 | 500 | 0 | 500 | 0 |
| Total U.S. Department of Agriculture | | | 2,001,723 | 174,566 | 2,001,776 | 174,566 |
| U.S. DEPARTMENT OF EDUCATION | | | | | | |
| Passed Through Miami University: | | | | | | |
| Teaching American History Grant | N/A | 84.215X | 0 | 0 | 17,852 | 0 |
| Passed Through Ohio Department of Education: | | | | | | |
| Special Education Cluster: | | | | | | |
| Special Education-Grants to States | 3M20 | 84.027 | 1,347,690 | 0 | 1,178,945 | 0 |
| Special Education-Preschool Grants | 3C50 | 84.173 | 11,591 | 0 | 23,638 | 0 |
| Total Special Education Cluster | | | 1,359,281 | 0 | 1,202,583 | 0 |
| Title I Cluster: | | | | | | |
| Title I Grants to Local Educational Agencies | 3M00 | 84.010 | 2,275,408 | 0 | 1,848,046 | 0 |
| Title I Grants to Local Educational Agencies - ARRA | 3DK0 | 84.389 | 803 | 0 | 0 | 0 |
| Total Title I Cluster | | | 2,276,211 | 0 | 1,848,046 | 0 |
| Career & Technical Education Basic Grants to States | N/A | 84.048 | 9,550 | 0 | 2,147 | 0 |
| Readiness and Emergency Management for Schools | N/A | 84.184 | 0 | 0 | 18,328 | 0 |
| Safe and Drug Free Schools and Communities | 3D10 | 84.186 | 0 | 0 | 0 | 0 |
| Education Technology State Grants | 3S20 | 84.318 | 12,287 | 0 | 12,902 | 0 |
| English Language Acquisition Grants | 3Y70 | 84.365 | 116,146 | 0 | 93,720 | 0 |
| Improving Teacher Quality | 3Y60 | 84.367 | 266,417 | 0 | 238,305 | 0 |
| Race to the Top Fund - ARRA | 3FD0 | 84.395 | 332,620 | 0 | 315,588 | 0 |
| Education Jobs Fund | 3ET0 | 84.410 | 28,055 | 0 | 27,172 | 0 |
| Total Department of Education | | | 4,400,567 | 0 | 3,776,643 | 0 |
| Total Federal Assistance | | | \$6,402,290 | \$174,566 | \$5,778,419 | \$174,566 |

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

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

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Education
Princeton City School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Princeton City School District (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 31, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the District in a separate letter dated December 31, 2013.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

December 31, 2013

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Education
Princeton City School District

Report on Compliance for Each Major Federal Program

We have audited the Princeton City School District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the

auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 31, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

December 31, 2013

**PRINCETON CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2013**

Section I – Summary of Auditor’s Results

| | | |
|--------------|--|---|
| (d)(1)(i) | Type of Financial Statement Opinion | Unmodified |
| (d)(1)(ii) | Were there any material control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any other significant control deficiencies reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any material reported non-compliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material internal control weakness conditions reported for major federal programs? | No |
| (d)(1)(iv) | Were the any other significant control deficiencies reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unmodified |
| (d)(1)(vi) | Are there any reportable findings under Section .510? | No |
| (d)(1)(vii) | Major Programs (list): | |
| | <u>Programs Title:</u> | <u>CFDA#</u> |
| | Title I Cluster: | |
| | Title I Grants to Local Educational Agencies | 84.010 |
| | Title I Grants to Local Educational Agencies - ARRA | 84.389 |
| | Special Education Cluster: | |
| | Special Education-Grants to States | 84.027 |
| | Special Education-Preschool Grants | 84.173 |
| | Race to the Top - ARRA | 84.395 |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs | Type A: > \$300,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee? | No |

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

None

Section III – Federal Award Findings and Questioned Costs

None

PRINCETON CITY SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133
June 30, 2013

Summary of Prior Audit Findings and Questioned Costs:

2012-1 Finding Type –Material Weakness –Controls Related to Financial Reporting

Our audit procedures for the year ended June 30, 2012 identified a control deficiency that related to cash reconciliations (cash was not reconciled for several months during the year and remained unreconciled until well after fiscal year end) that represented the existence of a reasonable possibility that a material misstatement of the District's financial statements would not be prevented, or detected and corrected on a timely basis.

Status: Corrected.

Finding 2012-2 Material Weakness –Controls Related to Financial Reporting

Our audit procedures for the year ended June 30, 2012 identified a control deficiency that related to expenditures that represented the existence of a reasonable possibility that a material misstatement of the District's financial statements would not be prevented, or detected and corrected on a timely basis.

Status: Corrected.

**Finding 2012-3 –Teaching American History Grant –Material Weakness/Material Noncompliance
–Allowable Cost/Cash Management**

During fiscal year 2012, the District's internal control over compliance with the requirements applicable to federal programs were not designed to prevent, or detect and correct, noncompliance with allowability and cash management compliance requirements. This resulted in noncompliance related to unsupported charges applied to the Teaching American History Grant.

Status: Corrected.

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

To the Board of Education
Princeton City School District

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

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

1. We noted the Board amended its anti-harassment policy on August 20, 2013 to include harassment, intimidation or bullying of any student "on a school bus" or by an "electronic act."

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

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

Plattenburg & Associates, Inc.
Plattenburg & Associates, Inc.
Cincinnati, Ohio
December 31, 2013

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Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2013



Princeton City School District
Cincinnati, Ohio

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**PRINCETON CITY SCHOOL DISTRICT
CINCINNATI, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

PREPARED BY: OFFICE OF THE TREASURER

AMY TWAREK – CFO / TREASURER

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INTRODUCTORY SECTION



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Amy Twarek, Treasurer/CFO

December 31, 2013

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

We are pleased to present the fifteenth Comprehensive Annual Financial Report (CAFR) of the Princeton City School District (District) for the fiscal year ended June 30, 2013. This report was prepared by the Treasurer's Office, and contains financial statements, supplemental statements, and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 2012-13 fiscal year.

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

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

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

DESCRIPTION OF THE DISTRICT

The District serves an area of 36 square miles in the north central part of Hamilton County, encompassing the villages of Glendale, Evendale, Woodlawn and Lincoln Heights, and, the cities of Springdale and Sharonville. It also encompasses a small portion of Butler and Warren Counties. The tax base of the District is comprised of a unique blend of residential, commercial, and industrial property, with approximately 55% of the tax revenue of the District paid by business and industry.

During the 2012-13 school year, the District served 5,575 students enrolled in preschool, eight elementary schools, one junior high school and one high school. The District's enrollment has stabilized with slight increases in elementary/middle school and a slight decrease in the high school.

The student enrollment of the District is a reflection of the diversity of the communities it serves. For the 2012-13 school year, approximately 64% of the students were considered low-income and eligible to participate in the free/reduced lunch program; 155 students were enrolled in a full time or part-time trade program, through vocational education; 890 (16%) students received instruction through a variety of special education programs; and all eligible students can participate in a number of advanced academic programs such as International Baccalaureate, advanced placement courses and gifted elementary programs. The District also offers a comprehensive adult education program to the community to help adults obtain a high school diploma.

ORGANIZATION OF THE DISTRICT

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

The members of the Board, their current terms, and total years served on the Board as of June 30, 2013, are:

| <u>Board Member</u> | <u>Current Term</u> | <u>Total Years</u> |
|---------------------|-----------------------|--------------------|
| Mrs. Sandy Leach | Jan. 2004 - Dec. 2015 | 9 ½ |
| Ms. Lillian Hawkins | Jan. 2006 - Dec. 2013 | 7 ½ |
| Ms. Tawana Keels | Jan. 2006 - Dec. 2013 | 15 ½ |
| Mr. Susan Wyder | Jan. 2012 - Dec. 2015 | 1½ |
| Mr. Steve Moore | Jan. 2008 - Dec. 2015 | 5 ½ |

The Superintendent is the Chief Executive Officer of the District and is directly responsible to the Board for all operations of the District. Dr. Gary Pack has served as Superintendent since August 1, 2008. Dr. Pack has 21 years experience as a school superintendent.

The Treasurer is the Chief Financial Officer of the District and is directly responsible to the Board for all financial operations, investments, and serves as Secretary to the Board. Amy Twarek began her role as Treasurer on August 1, 2012.

FINANCIAL CONDITION

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

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

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

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

As part of this reporting model, management is responsible for preparing a Management's Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for fiscal year 2013 and the outlook for the future.

EMPLOYEE RELATIONS

During the 2012-2013 school year, the Board employed staff that totaled a full time equivalency (FTE) of 741. Of the Board's current employees, a total FTE of 405 were certificated by the Ohio Department of Education serving as classroom teachers or education specialists, all of whom have at least a bachelor's degree. Other certificated staff included administrators with and FTE of 31.

Certificated teachers and education specialists are represented by the Princeton Association of Classroom Educators (PACE) which is a labor organization affiliated with the Ohio Education Association. As of June 30, 2013, the District and the association have one year remaining on the contract.

Operational personnel are represented by the Princeton Support Staff Association (PSSA) which is affiliated with the Ohio Association of Public School Employees, Chapter 174 (OAPSE) which is a labor organization affiliated with the American Federation of State, County and Municipal Employees (AFSCME). As of June 30, 2013, the District and the association have one year remaining on the contract.

MAJOR INITIATIVES FOR THE YEAR

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

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

District goals for the 2013-2014 school year are as follows:

Goal One: Implement and monitor an enhanced unified plan for academic improvement to include an action plan for grades 6-12 student achievement, coordination of Success for All and Go Math for elementary school achievement, and alignment of the Common Core standards that focus on college and career ready skills for all students.

Goal Two: Complete the high school portion of the school construction project on time and within the approved school district budget. Provide a comprehensive, long-term Capital Improvement Plan to be adopted by the school board. Fully integrate the energy dashboard and analyze energy savings by school and the district. Review the APQC reports in the areas of safety and security, transportation and scheduling to provide better efficiency and effectiveness of operations.

Goal Three: Continue to communicate and reinforce measures to ensure a safe and secure learning environment for students and staff. Monitor benchmarks obtained from the No Nonsense Nurturing Program throughout the school year along with Effective School Surveys and other data points. Provide the community and constituents timely communication updates regarding all aspects of the Princeton City School District.

Goal Four: Review and update all aspects of personnel and the Human Resources Department to align with the Treasurer's Office to address staff retention, employee health care, salary and benefits, employment processes and procedures, communication with and relationship building with PACE and PSSA, and clarification of organizational structures for each school building and operation and administration centers.

Goal Five: Manage the financial operations of the school district to ensure that the third year of Plan A is completed, verified and documented. The school board will continue to lobby and have dialogue against the possible additional loss of tangible personal property tax used to finance the school district. By doing all of the above (steps 1-5), the school board will continue to work diligently to ensure that the current levy lasts as long as possible, without impacting instruction, as well as continuing to share these efforts with all stakeholders.

Relevant Financial Policies

In June of 2011, the State legislature passed Amended Substitute House Bill 153. Amended Substitute House Bill 153 (Biennial Budget Bill) changed many provisions regarding the funding of public education. The administration of Governor John Kasich has proposed a move away from the Evidence Based Model (EBM) to a new formula for fund distribution to school districts. However, since a new funding mechanism is not formulated as of yet, the administration has decided to fund school districts in FY2013 based on a transitional approach until a new formula is devised. This transitional approach is referred to as the "Bridge" formula which the administration hopes to replace with a permanent formula by FY2014 or FY2015. Another significant change in the budget bill was the restructuring of Tangible Personal Property (TPP) and Electric Deregulation Property Tax reimbursements. These reimbursements were restructured such that, for FY13 and FY14, the reduction in the district's phase out for each reimbursement is limited to no more than 2% per year of its total resources (state & local funding) as compared to the base year. Any reimbursement a district is still receiving in FY13 continues to be received at that level in the future.

FINANCIAL INFORMATION

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

Internal Controls

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

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

Single Audit Act

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

As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2013, provided no significant violations of applicable laws and regulations.

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by individual fund. Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures. Any budgetary modifications at this level may only be made by resolution of the Board. The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

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

Financial Policies

The District requires Board approval of all financial contracts exceeding \$1,000 as well as legal counsel review. Contracts are all processed through the District Treasurer.

Long-Term Financial Planning

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

OTHER INFORMATION

Independent Audit

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

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Princeton City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the fourteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2012, to the District. The award was the fifteenth for the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after extensive review of the report by an expert panel of certified public accountants and practicing school business officials. The District believes our current report conforms to the ASBO's principles and standards, and we are submitting it to ASBO to determine its eligibility for a certificate.

Acknowledgments

The preparation and publication of the 2013 Comprehensive Annual Financial Report of the Princeton City School District was made possible by the combined efforts of the entire Treasurer's office staff. Finally, this report would not have been possible without the support, commitment, and leadership of the Board of Education to continue the pursuit of excellence in financial reporting.

Sincerely,

A handwritten signature in blue ink, appearing to read "Amy Twarek", written over a horizontal line.

Ms. Amy Twarek, CFO/Treasurer

A handwritten signature in blue ink, appearing to read "Gary Pack", written over a horizontal line.

Dr. Gary Pack, Superintendent

PRINCETON CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICIALS
June 30, 2013

Elected Officials

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

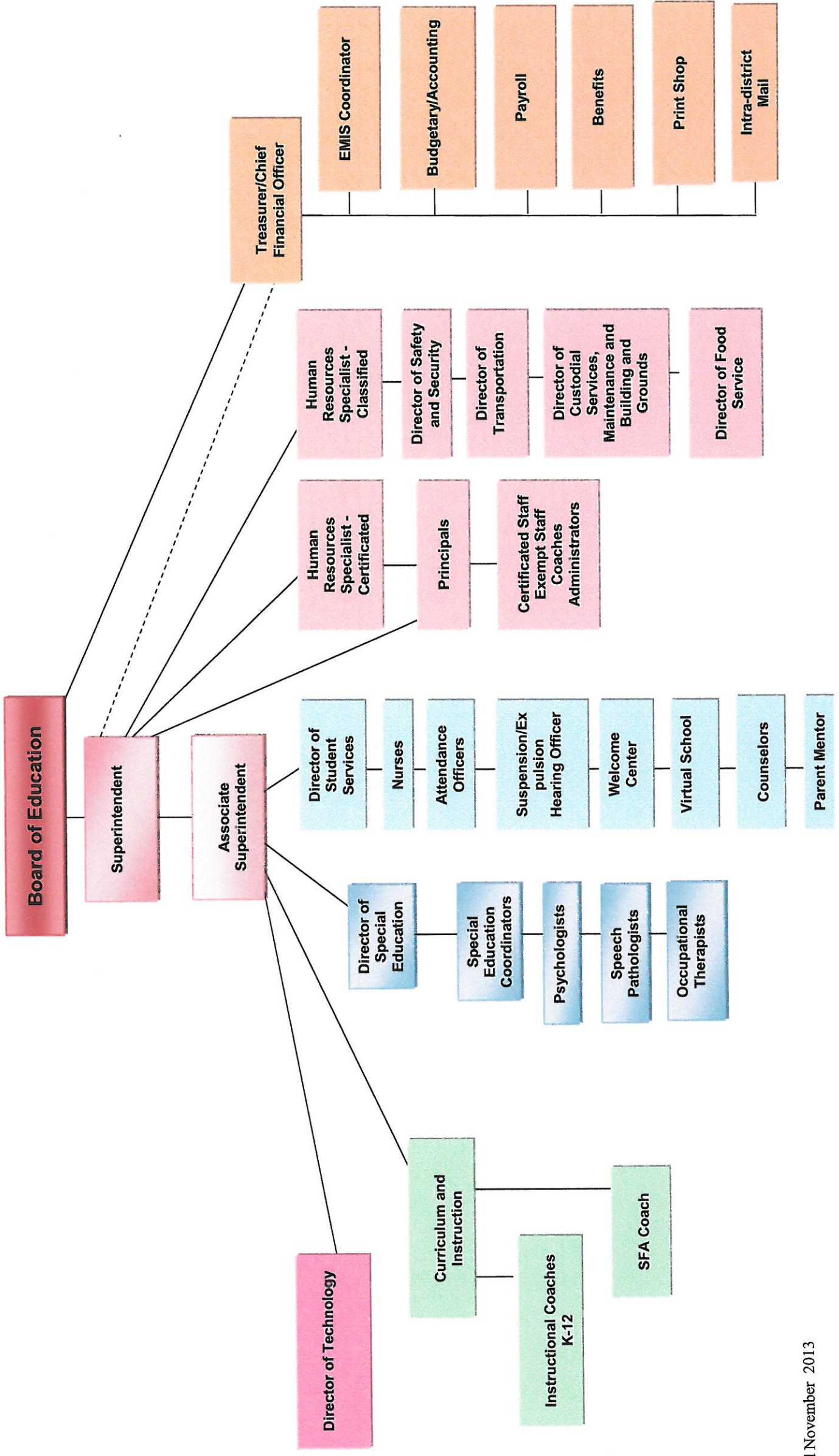
Administrative Officials

| | |
|--|---------------------|
| Superintendent..... | Dr. Gary Pack |
| Associate Superintendent..... | Dr. Amy Crouse |
| Director of Human Resources..... | Mrs. Victoria Brian |
| Treasurer / Chief Financial Officer..... | Ms. Amy Twarek |

Notes:

Effective 7/1/2013, Mrs. Victoria Brian retired

Organizational Chart of the Princeton City School District





Government Finance Officers Association

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

Presented to

**Princeton City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

Association of School Business Officials International



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

Princeton City School District, Ohio

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2012*

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



A handwritten signature in black ink, appearing to read 'Ron McCulley', written over a horizontal line.

Ron McCulley, CPPB, RSBO
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Princeton City School District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Princeton City School District (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3–11 and pages 48–50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The 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 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2013, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.
Plattenburg & Associates, Inc.
Cincinnati, Ohio
December 31, 2013

Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

The management's discussion and analysis of Princeton City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

Financial Highlights

Key financial highlights for 2013 are as follows:

- Net position of governmental activities increased \$3,845,337 which represents a 13% increase from 2012.
- General revenues accounted for \$85,971,390 in revenue or 86.5% of all revenues. Program specific revenues in the form of charges for services and sales, and operating grants and contributions accounted for \$13,451,273 or 13.5% of total revenues of \$99,422,663 .
- The District had \$95,577,326 in expenses related to governmental activities; \$13,451,273 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of were also used to provide for these programs.

Overview of the Financial Statements

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

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

Government-wide Financial Statements

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2013?" The Government-wide Financial Statements answer this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

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

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

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

Fund Financial Statements

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

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

Fiduciary Funds Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

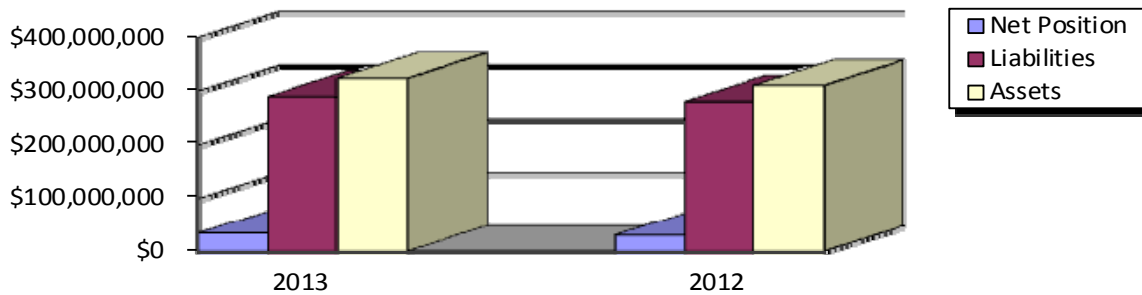
The District as a Whole

As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2013 compared to 2012:

Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

Table 1
Net Position

| | <u>Governmental Activities</u> | |
|----------------------------------|--------------------------------|---------------------|
| | <u>2013</u> | <u>2012</u> |
| Assets: | | |
| Current and Other Assets | \$147,415,372 | \$194,322,327 |
| Capital Assets | <u>176,697,349</u> | <u>116,560,574</u> |
| Total Assets | <u>324,112,721</u> | <u>310,882,901</u> |
| Liabilities: | | |
| Other Liabilities | 59,872,445 | 52,558,181 |
| Long-Term Liabilities | <u>229,860,425</u> | <u>227,790,206</u> |
| Total Liabilities | <u>289,732,870</u> | <u>280,348,387</u> |
| Net Position: | | |
| Net Investment in Capital Assets | 1,346,980 | 1,231,465 |
| Restricted | 12,121,084 | 9,946,127 |
| Unrestricted | <u>20,911,787</u> | <u>19,356,922</u> |
| Total Net Position | <u>\$34,379,851</u> | <u>\$30,534,514</u> |



Over time, net position can serve as a useful indicator of a government’s financial position. At June 30, 2013, the District’s assets exceeded liabilities by \$34,379,851 .

At year-end, capital assets represented 55% of total assets. Capital assets include land, construction in progress, buildings and improvements, and equipment. Capital assets, net of related debt to acquire the assets at June 30, 2013, was \$1,346,980. These capital assets are used to provide services to the students and are not available for future spending. Although the District’s investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District’s net position, \$12,121,084 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

Capital Assets increased due to an increase in construction in progress. Long-term liabilities increased mainly due to the issuance of new debt.

Table 2 shows the changes in net position for fiscal years 2013 and 2012.

Table 2
Changes in Net Position

| | Governmental Activities | |
|---|-------------------------|-------------------|
| | 2013 | 2012 |
| Revenues: | | |
| Program Revenues | | |
| Charges for Services | \$5,622,637 | \$6,228,761 |
| Operating Grants, Contributions | 7,828,636 | 8,586,992 |
| General Revenues: | | |
| Property Taxes | 57,539,338 | 42,437,792 |
| Grants and Entitlements | 26,600,918 | 27,503,063 |
| Other | 1,831,134 | 1,561,955 |
| Total Revenues | 99,422,663 | 86,318,563 |
| Program Expenses: | | |
| Instruction | 49,289,509 | 46,957,499 |
| Support Services: | | |
| Pupil and Instructional Staff | 6,437,850 | 11,436,455 |
| School Administrative, General | | |
| Administration, Fiscal and Business | 8,467,620 | 8,329,471 |
| Operations and Maintenance | 7,404,673 | 7,112,340 |
| Pupil Transportation | 5,556,446 | 4,838,681 |
| Central | 936,744 | 1,428,593 |
| Operation of Non-Instructional Services | 4,053,667 | 4,271,955 |
| Extracurricular Activities | 1,263,001 | 1,151,974 |
| Interest and Fiscal Charges | 12,167,816 | 11,417,579 |
| Total Program Expenses | 95,577,326 | 96,944,547 |
| Change in Net Position | 3,845,337 | (10,625,984) |
| Net Position - Beginning of Year | 30,534,514 | 41,160,498 |
| Net Position - End of Year | \$34,379,851 | \$30,534,514 |

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

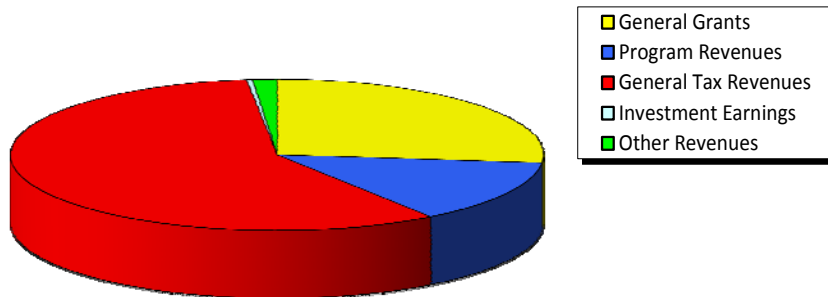
Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

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

Thus, Ohio districts do not receive additional property tax revenue from increases in appraisal values and must regularly return to the voters to maintain a constant level of service. Property taxes made up 57.9% of revenue for governmental activities for the District in fiscal year 2013.

Governmental Activities
Revenue Sources

| Revenue Sources | 2013 | Percent of Total |
|----------------------|---------------------|------------------|
| General Grants | \$26,600,918 | 26.7% |
| Program Revenues | 13,451,273 | 13.5% |
| General Tax Revenues | 57,539,338 | 57.9% |
| Investment Earnings | 353,627 | 0.4% |
| Other Revenues | 1,477,507 | 1.5% |
| Program Revenues | <u>\$99,422,663</u> | <u>100.0%</u> |



Instruction comprises 51.57% of governmental program expenses. Support services expenses were 30.14% of governmental program expenses. All other expenses and interest expense was 18.29%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Property taxes revenue increased mainly due to an increase in taxes advances available in fiscal year 2013 as compared to fiscal year 2012. Instructional expenses increased due to general inflationary factors.

Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

Governmental Activities

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

Table 3
Governmental Activities

| | Total Cost of Services | | Net Cost of Services | |
|---|------------------------|--------------|----------------------|----------------|
| | 2013 | 2012 | 2013 | 2012 |
| Instruction | \$49,289,509 | \$46,957,499 | (\$41,939,853) | (\$39,508,683) |
| Support Services: | | | | |
| Pupil and Instructional Staff | 6,437,850 | 11,436,455 | (4,608,587) | (9,094,132) |
| School Administrative, General | | | | |
| Administration, Fiscal and Business | 8,467,620 | 8,329,471 | (8,467,590) | (8,312,504) |
| Operations and Maintenance | 7,404,673 | 7,112,340 | (7,345,615) | (7,009,518) |
| Pupil Transportation | 5,556,446 | 4,838,681 | (5,373,037) | (4,746,193) |
| Central | 936,744 | 1,428,593 | (846,298) | (1,330,614) |
| Operation of Non-Instructional Services | 4,053,667 | 4,271,955 | (219,856) | 316,205 |
| Extracurricular Activities | 1,263,001 | 1,151,974 | (1,157,401) | (1,025,776) |
| Interest and Fiscal Charges | 12,167,816 | 11,417,579 | (12,167,816) | (11,417,579) |
| Total Expenses | \$95,577,326 | \$96,944,547 | (\$82,126,053) | (\$82,128,794) |

The District's Funds

The District has three major governmental funds: the General Fund, Bond Retirement Fund and the Building Fund. Assets of these funds comprise \$135,275,313 (94%) of the total \$143,453,750 governmental funds' assets.

General Fund: Fund balance at June 30, 2013 was \$17,389,204. The primary reason for the increase in fund balance was due to an increase in tax revenues (tax monies received) in 2013 compared to 2012.

Bond Retirement Fund: Fund balance at June 30, 2013 was \$6,837,072. Fund balance increased due to an increase in tax revenues (tax monies received) in 2013 compared to 2012.

Building Fund: Fund balance at June 30, 2013 was \$51,990,012. The primary reason for the decrease in fund balance was due to an increase in capital outlay expenses due to the ongoing building projects.

General Fund Budgeting Highlights

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

Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

For the General Fund, final budget basis revenue was \$68,876,186. The original budget estimate was \$71,777,638. The difference was \$2,901,452. Of this difference, most was due to over estimates for taxes and intergovernmental revenues.

The District’s ending unobligated cash balance was \$4,945,065.

Capital Assets and Debt Administration

Capital Assets

At fiscal year end, the District had \$176,697,349 invested in land, construction in progress, buildings and improvements and equipment. Table 4 shows fiscal year 2013 balances compared to fiscal year 2012:

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

| | Governmental Activities | |
|----------------------------|-------------------------|----------------------|
| | 2013 | 2012 |
| Land | \$6,278,189 | \$6,327,535 |
| Construction in Progress | 88,873,264 | 26,151,124 |
| Buildings and Improvements | 79,090,322 | 81,067,095 |
| Equipment | 2,455,574 | 3,014,820 |
| Total Net Capital Assets | <u>\$176,697,349</u> | <u>\$116,560,574</u> |

The increase in capital assets is mainly due to an increase in construction in progress.

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

Debt

At June 30, 2013, the District had \$227,567,498 in debt outstanding, \$3,841,363 due within one year. Table 5 summarizes debt outstanding.

Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

Table 5
Outstanding Debt at Year End

| | Governmental Activities | |
|---|-------------------------|----------------------|
| | 2013 | 2012 |
| 2003 School Improvement Bonds | \$1,635,000 | \$3,185,000 |
| 2003 School Improvement Bonds - Premium | 30,433 | 60,867 |
| 2006 Refunding Bonds | 70,010,000 | 70,120,000 |
| 2006 Refunding Bonds - Premium | 3,942,426 | 4,167,708 |
| 2006 Refunding Bonds - Deferred amount on refunding | (2,030,695) | (2,146,735) |
| 2010 School Improvement Bonds | 118,280,000 | 118,285,000 |
| 2010 School Improvement Capital Appreciation Bonds - Principal Only | 1,714,930 | 1,714,930 |
| 2010 School Improvement Capital Appreciation Bonds - Accreted Interest | 2,405,463 | 1,259,192 |
| 2010 School Improvement Bonds - Premium | 10,020,825 | 10,311,284 |
| 2012 Certificate of Participation | 15,225,000 | 15,225,000 |
| 2012 Certificate of Participation - Discount | (226,094) | (234,027) |
| 2013 Energy Conservation Bonds | 645,000 | 0 |
| 2013 Certificate of Participation | 2,300,000 | 0 |
| 2013 Certificate of Participation - Premium | 127,670 | 0 |
| OASBO Loan | 3,260,000 | 3,385,000 |
| Lease-purchase agreement | 227,540 | 328,888 |
| Total Long-Term Notes, Bonds and Capital Leases | <u>\$227,567,498</u> | <u>\$225,662,107</u> |

See Notes 11-13 in the Notes to the Basic Financial Statements for further details on the District's long-term obligations.

For the Future

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

While the State has made some progress in resolving the school funding issue, the court ruled that the funding system is far too reliant on property taxes which are inherently not equitable or adequate for many districts. Princeton, however, receives about 55% of its general funding from property taxes.

Princeton City School District, Ohio
Management Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
(Unaudited)

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

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

Contacting the District's Financial Management

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

Princeton City School District
Statement of Net Position
June 30, 2013

| | Governmental Activities |
|---------------------------------------|--------------------------------|
| Assets: | |
| Equity in Pooled Cash and Investments | \$82,531,167 |
| Restricted Cash and Investments | 2,090,646 |
| Receivables: | |
| Taxes | 59,702,764 |
| Accounts | 63,938 |
| Interest | 233,995 |
| Intergovernmental | 991,632 |
| Deferred Bond Issuance Costs | 1,782,406 |
| Inventory | 18,824 |
| Nondepreciable Capital Assets | 95,151,453 |
| Depreciable Capital Assets, Net | <u>81,545,896</u> |
| Total Assets | <u>324,112,721</u> |
| Liabilities: | |
| Accounts Payable | 1,106,738 |
| Accrued Wages and Benefits | 8,065,193 |
| Retainage Payable | 1,877,739 |
| Accrued Interest Payable | 926,939 |
| Unearned Revenue | 34,704,820 |
| Claims Payable | 610,355 |
| Contracts Payable | 8,410,661 |
| Tax Anticipation Notes Payable | 4,170,000 |
| Long-Term Liabilities: | |
| Due Within One Year | 4,961,547 |
| Due In More Than One Year | <u>224,898,878</u> |
| Total Liabilities | <u>289,732,870</u> |
| Net Position: | |
| Net Investment in Capital Assets | 1,346,980 |
| Restricted for: | |
| Debt Service | 7,112,238 |
| Capital Projects | 2,455,597 |
| Food Service | 1,548,547 |
| Athletic | 536,131 |
| Auxiliary Services | 92,621 |
| Federal Grants | 179,192 |
| Other Purposes | 196,752 |
| Endowment Nonexpendable | 6 |
| Unrestricted | <u>20,911,787</u> |
| Total Net Position | <u><u>\$34,379,851</u></u> |

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2013

| | Expenses | Program Revenues | | Net (Expense) Revenue |
|---|---------------------|-----------------------------------|---------------------------------------|---|
| | | Charges for Services and Sales | Operating Grants and Contributions | and Changes in Net Position Governmental Activities |
| Governmental Activities: | | | | |
| Instruction: | | | | |
| Regular | \$37,434,318 | \$4,089,094 | \$1,328,879 | (\$32,016,345) |
| Special | 9,326,846 | 843,479 | 809,622 | (7,673,745) |
| Vocational | 53,881 | 0 | 0 | (53,881) |
| Other | 2,474,464 | 1,623 | 276,959 | (2,195,882) |
| Support Services: | | | | |
| Pupil | 4,303,537 | 0 | 410,775 | (3,892,762) |
| Instructional Staff | 2,134,313 | 0 | 1,418,488 | (715,825) |
| General Administration | 222,072 | 0 | 0 | (222,072) |
| School Administration | 5,932,219 | 0 | 30 | (5,932,189) |
| Fiscal | 2,093,683 | 0 | 0 | (2,093,683) |
| Business | 219,646 | 0 | 0 | (219,646) |
| Operations and Maintenance | 7,404,673 | 59,058 | 0 | (7,345,615) |
| Pupil Transportation | 5,556,446 | 0 | 183,409 | (5,373,037) |
| Central | 936,744 | 159 | 90,287 | (846,298) |
| Operation of Non-Instructional Services | 4,053,667 | 523,624 | 3,310,187 | (219,856) |
| Extracurricular Activities | 1,263,001 | 105,600 | 0 | (1,157,401) |
| Interest and Fiscal Charges | 12,167,816 | 0 | 0 | (12,167,816) |
| Total Governmental Activities | \$95,577,326 | \$5,622,637 | \$7,828,636 | (82,126,053) |

| | |
|---|---------------------|
| General Revenues: | |
| Property Taxes Levied for: | |
| General Purposes | 46,180,146 |
| Debt Service Purposes | 9,173,651 |
| Capital Projects Purposes | 2,185,541 |
| Grants and Entitlements not Restricted to Specific Programs | 26,600,918 |
| Unrestricted Payment in Lieu of Taxes | 294,599 |
| Unrestricted Contributions | 54,317 |
| Investment Earnings | 353,627 |
| Other Revenues | 1,128,591 |
| Total General Revenues | 85,971,390 |
| Change in Net Position | 3,845,337 |
| Net Position - Beginning of Year | 30,534,514 |
| Net Position - End of Year | \$34,379,851 |

See accompanying notes to the basic financial statements.

Princeton City School District
Balance Sheet
Governmental Funds
June 30, 2013

| | General | Bond Retirement | Building | Nonmajor Governmental Funds | Total Governmental Funds |
|--|---------------------|---------------------|---------------------|-----------------------------|--------------------------|
| Assets: | | | | | |
| Equity in Pooled Cash and Investments | \$7,580,754 | \$3,237,072 | \$62,033,213 | \$4,851,171 | \$77,702,210 |
| Restricted Cash and Investments | 212,907 | 0 | 1,877,739 | 0 | 2,090,646 |
| Receivables: | | | | | |
| Taxes | 45,902,329 | 10,989,950 | 0 | 2,810,485 | 59,702,764 |
| Accounts | 61,012 | 0 | 0 | 2,926 | 63,938 |
| Interest | 4,680 | 0 | 229,315 | 0 | 233,995 |
| Intergovernmental | 258,971 | 0 | 0 | 732,661 | 991,632 |
| Interfund | 332,978 | 0 | 2,316,763 | 0 | 2,649,741 |
| Inventory | 0 | 0 | 0 | 18,824 | 18,824 |
| Total Assets | 54,353,631 | 14,227,022 | 66,457,030 | 8,416,067 | 143,453,750 |
| Liabilities and Fund Balances: | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | 613,413 | 0 | 0 | 438,958 | 1,052,371 |
| Accrued Wages and Benefits | 7,426,929 | 0 | 0 | 638,264 | 8,065,193 |
| Compensated Absences | 352,785 | 0 | 0 | 21,496 | 374,281 |
| Retainage Payable | 0 | 0 | 1,877,739 | 0 | 1,877,739 |
| Accrued Interest Payable | 0 | 0 | 8,618 | 0 | 8,618 |
| Interfund Payable | 0 | 0 | 0 | 332,978 | 332,978 |
| Deferred Revenue | 28,571,300 | 7,389,950 | 0 | 2,833,146 | 38,794,396 |
| Contracts Payable | 0 | 0 | 8,410,661 | 0 | 8,410,661 |
| Tax Anticipation Notes Payable | 0 | 0 | 4,170,000 | 0 | 4,170,000 |
| Total Liabilities | 36,964,427 | 7,389,950 | 14,467,018 | 4,264,842 | 63,086,237 |
| Fund Balances: | | | | | |
| Nonspendable | 0 | 0 | 0 | 18,830 | 18,830 |
| Restricted | 212,907 | 6,837,072 | 51,990,012 | 4,759,227 | 63,799,218 |
| Committed | 11,000 | 0 | 0 | 0 | 11,000 |
| Assigned | 2,502,626 | 0 | 0 | 0 | 2,502,626 |
| Unassigned | 14,662,671 | 0 | 0 | (626,832) | 14,035,839 |
| Total Fund Balances | 17,389,204 | 6,837,072 | 51,990,012 | 4,151,225 | 80,367,513 |
| Total Liabilities and Fund Balances | \$54,353,631 | \$14,227,022 | \$66,457,030 | \$8,416,067 | \$143,453,750 |

See accompanying notes to the basic financial statements.

Princeton City School District
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 June 30, 2013

Total Governmental Fund Balance \$80,367,513

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 176,697,349

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

| | | |
|---------------------------|----------------|-----------|
| Delinquent Property Taxes | 3,356,915 | |
| Intergovernmental | <u>732,661</u> | |
| | | 4,089,576 |

An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 1,847,472

In the statement of net position interest payable is accrued when incurred, whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources. (918,321)

Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.

| | |
|----------------------|-------------|
| Compensated Absences | (1,918,646) |
|----------------------|-------------|

Deferred bond issuance cost associated with long-term liabilities are not reported in the funds. 1,782,406

Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds. (227,567,498)

Net Position of Governmental Activities \$34,379,851

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2013

| | General | Bond Retirement | Building | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---------------------|--------------------|---------------------|-----------------------------|--------------------------|
| Revenues: | | | | | |
| Taxes | \$46,279,053 | \$8,912,328 | \$0 | \$2,205,167 | \$57,396,548 |
| Revenue in lieu of taxes | 266,425 | 0 | 0 | 0 | 266,425 |
| Tuition and Fees | 4,917,188 | 0 | 0 | 16 | 4,917,204 |
| Investment Earnings | 114,527 | 0 | 375,803 | 37 | 490,367 |
| Intergovernmental | 23,161,277 | 3,685,145 | 0 | 6,922,065 | 33,768,487 |
| Extracurricular Activities | 9,207 | 0 | 0 | 96,377 | 105,584 |
| Charges for Services | 16,726 | 0 | 0 | 523,783 | 540,509 |
| Other Revenues | 258,631 | 0 | 6,923 | 258,372 | 523,926 |
| Total Revenues | 75,023,034 | 12,597,473 | 382,726 | 10,005,817 | 98,009,050 |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | 33,826,085 | 0 | 0 | 1,864,916 | 35,691,001 |
| Special | 8,372,473 | 0 | 0 | 935,788 | 9,308,261 |
| Vocational | 53,388 | 0 | 0 | 0 | 53,388 |
| Other | 2,262,059 | 0 | 0 | 211,730 | 2,473,789 |
| Support Services: | | | | | |
| Pupil | 3,932,768 | 0 | 0 | 359,292 | 4,292,060 |
| Instructional Staff | 826,700 | 0 | 0 | 1,376,267 | 2,202,967 |
| General Administration | 222,072 | 0 | 0 | 0 | 222,072 |
| School Administration | 5,885,080 | 0 | 9,241 | 237 | 5,894,558 |
| Fiscal | 1,931,817 | 115,337 | 0 | 35,870 | 2,083,024 |
| Business | 215,765 | 0 | 0 | 0 | 215,765 |
| Operations and Maintenance | 7,379,317 | 0 | 0 | 12,188 | 7,391,505 |
| Pupil Transportation | 5,263,173 | 0 | 0 | 36,177 | 5,299,350 |
| Central | 823,591 | 0 | 0 | 104,319 | 927,910 |
| Operation of Non-Instructional Services | 159,367 | 0 | 0 | 3,790,857 | 3,950,224 |
| Extracurricular Activities | 203,096 | 0 | 0 | 987,272 | 1,190,368 |
| Capital Outlay | 217,500 | 0 | 62,722,140 | 33,005 | 62,972,645 |
| Debt Service: | | | | | |
| Principal Retirement | 0 | 1,665,000 | 0 | 226,348 | 1,891,348 |
| Interest and Fiscal Charges | 0 | 10,459,718 | 111,311 | 784,544 | 11,355,573 |
| Total Expenditures | 71,574,251 | 12,240,055 | 62,842,692 | 10,758,810 | 157,415,808 |
| Excess of Revenues Over (Under) Expenditures | 3,448,783 | 357,418 | (62,459,966) | (752,993) | (59,406,758) |
| Other Financing Sources (Uses): | | | | | |
| Proceeds from Sale of Assets | 17,519 | 0 | 0 | 719,265 | 736,784 |
| Issuance of Certificate of Participation | 0 | 0 | 2,300,000 | 0 | 2,300,000 |
| Issuance of Energy Conservation Bonds | 0 | 0 | 645,000 | 0 | 645,000 |
| Premium on Bonds and Notes Issued | 0 | 0 | 127,670 | 0 | 127,670 |
| Transfers In | 0 | 0 | 627,375 | 1,536,886 | 2,164,261 |
| Transfers (Out) | (2,480,386) | 0 | 0 | (627,375) | (3,107,761) |
| Total Other Financing Sources (Uses) | (2,462,867) | 0 | 3,700,045 | 1,628,776 | 2,865,954 |
| Net Change in Fund Balance | 985,916 | 357,418 | (58,759,921) | 875,783 | (56,540,804) |
| Fund Balance - Beginning of Year | 16,403,288 | 6,479,654 | 110,749,933 | 3,275,442 | 136,908,317 |
| Fund Balance - End of Year | \$17,389,204 | \$6,837,072 | \$51,990,012 | \$4,151,225 | \$80,367,513 |

See accompanying notes to the basic financial statements.

Princeton City School District
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2013

Net Change in Fund Balance - Total Governmental Funds (\$56,540,804)

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

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

| | | |
|--|--------------------|------------|
| Capital assets used in governmental activities | 62,852,493 | |
| Depreciation Expense | <u>(2,666,372)</u> | 60,186,121 |

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. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (49,346)

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

| | | |
|---------------------------|----------------|---------|
| Delinquent Property Taxes | 142,790 | |
| Interest | (77,682) | |
| Intergovernmental | <u>661,067</u> | 726,175 |

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

| | | |
|-------------------------|--|-----------|
| Premium on Bonds Issued | | (127,670) |
|-------------------------|--|-----------|

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,891,348

Interest expense in the statement of activities differs from the amount reported in governmental funds for two reasons. Additional accrued interest was calculated for bonds and notes payable, and the difference arising from the advance refunding due to premium and bond issuance costs.

| | | |
|------------------|--|---------|
| Accrued Interest | | (3,139) |
|------------------|--|---------|

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

| | | |
|--|----------------|-----------|
| Compensated Absences | 123,223 | |
| Amortization of Bond Issuance Cost | (85,035) | |
| Amortization of Bond Premium | 546,175 | |
| Amortization of Deferred Charge on Refunding | (116,040) | |
| Bond Accretion | (1,146,271) | |
| Amortization of Bond Discount | <u>(7,933)</u> | (685,881) |

The internal service fund used by management to charge back costs to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 1,393,533

Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position. (2,945,000)

Change in Net Position of Governmental Activities \$3,845,337

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Net Position
Proprietary Funds
June 30, 2013

| | <u>Governmental Activities- Internal Service Funds</u> |
|---------------------------------------|--|
| Assets: | |
| Equity in Pooled Cash and Investments | <u>\$4,828,957</u> |
| Total Current Assets | <u>4,828,957</u> |
| Liabilities: | |
| Accounts Payable | 54,367 |
| Interfund Payable | 2,316,763 |
| Claims Payable | <u>610,355</u> |
| Total Current Liabilities | <u>2,981,485</u> |
| Net Position: | |
| Unrestricted | <u>1,847,472</u> |
| Total Net Position | <u>\$1,847,472</u> |

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

| | <u>Governmental Activities- Internal Service Funds</u> |
|--|--|
| Operating Revenues: | |
| Charges for Services | \$8,801,910 |
| Other Revenues | <u>349,943</u> |
| Total Operating Revenues | <u>9,151,853</u> |
| Operating Expenses: | |
| Contactual Services | 898,884 |
| Claims | 6,870,543 |
| Other Expenses | <u>932,436</u> |
| Total Operating Expenses | <u>8,701,863</u> |
| Operating Income (Loss) | <u>449,990</u> |
| Non-Operating Revenues (Expenses): | |
| Interest (Expense) | <u>43</u> |
| Total Non-Operating Revenues (Expenses) | <u>43</u> |
| Income (Loss) Before Contributions & Transfers | 450,033 |
| Transfers In | <u>943,500</u> |
| Change in Net Position | 1,393,533 |
| Net Position - Beginning of Year | <u>453,939</u> |
| Net Position - End of Year | <u><u>\$1,847,472</u></u> |

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

| | <u>Governmental Activities- Internal Service Funds</u> |
|--|--|
| Cash Flows from Operating Activities: | |
| Cash Received from Customers | \$9,151,853 |
| Cash Payments to Suppliers | <u>(8,776,557)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>375,296</u> |
| Cash Flows from Noncapital Financing Activities: | |
| Payments from Other Funds | <u>943,500</u> |
| Net Cash Provided (Used) by Noncapital Financing Activities | <u>943,500</u> |
| Cash Flows from Capital and Related Financing Activities: | |
| Debt Interest Payments | <u>43</u> |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>43</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 1,318,839 |
| Cash and Cash Equivalents Beginning of Year | <u>3,510,118</u> |
| Cash and Cash Equivalents End of Year | <u><u>4,828,957</u></u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | |
| Operating Income (Loss) | 449,990 |
| Changes in Assets & Liabilities: | |
| Increase (Decrease) in Payables | <u>(74,694)</u> |
| Net Cash Provided (Used) by Operating Activities | <u><u>\$375,296</u></u> |

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

| | Private Purpose Trust | Agency |
|---------------------------------------|-----------------------------|------------------|
| Assets: | | |
| Equity in Pooled Cash and Investments | \$165,362 | \$159,455 |
| Receivables: | | |
| Accounts | 0 | 1,252 |
| Total Assets | <u>165,362</u> | <u>160,707</u> |
| Liabilities: | | |
| Accounts Payable | 0 | 5,234 |
| Other Liabilities | 0 | 155,473 |
| Total Liabilities | <u>0</u> | <u>\$160,707</u> |
| Net Position: | | |
| Held in Trust | <u>165,362</u> | |
| Total Net Position | <u>\$165,362</u> | |

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2013

| | Private Purpose Trust |
|----------------------------------|-----------------------------|
| Additions: | |
| Donations | <u>\$2,721</u> |
| Total Additions | <u>2,721</u> |
| Deductions: | |
| Other | <u>6,460</u> |
| Total Deductions | <u>6,460</u> |
| Change in Net Position | (3,739) |
| Net Position - Beginning of Year | <u>169,101</u> |
| Net Position - End of Year | <u><u>\$165,362</u></u> |

See accompanying notes to the basic financial statements.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity

The School District is a consolidation of nine school districts originally chartered by the Ohio State Legislature. In 1853, state laws were enacted to create local Boards of Education. Today, the School District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.09 of the Ohio Revised Code. The School District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charter or further mandated by state and/or federal guidelines. This Board controls the School District's instructional and support facilities to provide services to students and other community members.

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

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

The following activity is included within the reporting entity:

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

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

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Basis of Presentation

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

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

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

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

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

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

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

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

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

Fund Accounting

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

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

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

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

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

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

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

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Basis of Accounting

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

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Allocations of cost, such as depreciation, are not recognized in the governmental funds.

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

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

Non-exchange transactions, in which the School District receives value without directly giving value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes were levied.

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

Deferred Revenue Deferred revenues arise when potential revenue does not meet both the measurable and available criteria recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2013 which are intended to finance fiscal year 2014 operations have been recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

Equity in Pooled Cash and Cash Equivalents

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

During fiscal year 2013, the School District's investments were limited to STAROhio, Money Market Funds, US Treasury Notes, Commercial Paper, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Corporation, and Federal National Mortgage Association.

STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2013. The School District recorded other investments held at June 30, 2013 at fair value.

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

For purposes of the statement of cash flows and for presentation on the balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents.

Inventory

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

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. The School District defines capital assets as those with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are capitalized at cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at their estimated fair values as of the date received. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

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

Interfund Balances

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

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

Compensated Absences

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

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

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. Governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources with the exception of compensated absences as noted above.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Fund Balance

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

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

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

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

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

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

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

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Restricted Assets

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

Net Position

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

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the District's \$12,121,084 in restricted net position, none was restricted by enabling legislation.

Estimates

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

Note 2 – Deposits and Investments

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

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

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

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

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

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Interim monies are permitted to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

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

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a failure, the School District’s deposits may not be returned to it. The School District’s custodial credit risk policy requires that deposits be collateralized as required by ORC Chapter 135. At year end, \$9,807,343 of the School District’s bank balance of \$10,323,007 was exposed to custodial credit risk since it was uninsured and collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the School District’s name. ORC Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities.

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

Investments

The School District’s investments at June 30, 2013 are as summarized as follows:

| | <u>Fair Value</u> | <u>Weighted Average Maturity (Years)</u> |
|---------------------------------------|---------------------|--|
| STAROhio | \$9,437,595 | 0.16 |
| Money Market Funds | 17,570 | 0.00 |
| US Treasury Notes | 15,281,295 | 1.02 |
| Commercial Paper | 7,372,558 | 0.13 |
| Federal Home Loan Bank | 16,425,186 | 0.31 |
| Federal Home Loan Mortgage Corp | 7,609,214 | 1.30 |
| Federal Farm Credit Corp | 2,476,335 | 0.29 |
| Federal National Mortgage Association | 16,890,141 | 0.94 |
| Total Fair Value | <u>\$75,509,894</u> | |
| Portfolio Weighted Average Maturity | | 0.66 |

Credit Risk – It is the School District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings by nationally recognized statistical rating organizations. The School District’s investments in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Corporation, Federal National Mortgage Association and U.S. Treasury Notes were rated AA+ by Standard & Poor’s and Aaa by Moody’s. The investment in commercial paper was rated A-1+ by Standard & Poor’s and P-1 by Moody’s. The School District’s investments in the U.S. Money Market Funds were rated AAA by Standard & Poor’s. Investments in STAR Ohio were rated AAAM by Standard & Poor’s.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

Concentration of Credit Risk – The School District’s policy places no limit on the amount it may invest in any one issuer. The School District has invested 13% in STAROhio, less than 1% in Money Market Funds, 20% in US Treasury Notes, 10% in Commercial Paper, 22% in Federal Home Loan Bank, 10% in Federal Home Loan Mortgage Corporation, 3% in Federal Farm Credit Corporation, and 22% in Federal National Mortgage Association.

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

Note 3 – Property Taxes

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Tangible personal property taxes paid 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. The District receives property taxes primarily from Hamilton County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2013, are available to finance fiscal year 2014 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2013. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amounts available for advance at June 30, 2013 were \$17,590,000 in the General Fund, \$3,600,000 in the Bond Retirement Fund and \$710,000 in Other Governmental Funds.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

The assessed values upon which fiscal year 2013 taxes were collected are:

| | <u>Amount</u> |
|---|-------------------------------|
| Agricultural/Residential and Other Real Estate | \$1,310,199,390 |
| Public Utility Personal | <u>74,339,710</u> |
| Total | <u><u>\$1,384,539,100</u></u> |

Note 4 – Interfund Transactions

During the year ended June 30, 2013, the School District made the following transfers:

| | Interfund | | Transfers | |
|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | <u>Receivable</u> | <u>Payable</u> | <u>In</u> | <u>Out</u> |
| General Fund | \$332,978 | \$0 | \$0 | \$2,480,386 |
| Building Fund | 2,316,763 | 0 | 627,375 | 0 |
| Internal Service Funds | 0 | 2,316,763 | 943,500 | 0 |
| Other Governmental Funds | <u>0</u> | <u>332,978</u> | <u>1,536,886</u> | <u>627,375</u> |
| Total All Funds | <u><u>\$2,649,741</u></u> | <u><u>\$2,649,741</u></u> | <u><u>\$3,107,761</u></u> | <u><u>\$3,107,761</u></u> |

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

The \$2,316,763 of interfund receivable in the Building Fund and interfund payable in Internal Service Funds is due to workers compensation being self-insured for all the people working on the various construction projects throughout the District. The Building Fund pays all workers’ compensation self-insurance costs to the Workers’ Compensation Self-Insurance Fund and therefore an interfund receivable is shown on the Building Fund and an interfund payable is shown on the Workers’ Compensation Internal Service Fund.

The \$627,375 transfer out of the Permanent Improvement Fund in to the Building Fund is to help pay for all of the various construction projects throughout the District.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 5 – Capital Assets

Capital assets activity for the year ended June 30, 2013 was as follows:

| | Restated Beginning Balance | Additions | Deletions | Ending Balance |
|---|----------------------------------|----------------------------|------------------------|-----------------------------|
| Governmental Activities | | | | |
| <i>Capital Assets, not being depreciated:</i> | | | | |
| Land | \$6,327,535 | \$0 | \$49,346 | \$6,278,189 |
| Construction in Progress | 26,151,124 | 62,722,140 | 0 | 88,873,264 |
| <i>Capital Assets, being depreciated:</i> | | | | |
| Buildings and Improvements | 106,692,348 | 0 | 0 | 106,692,348 |
| Equipment | <u>12,720,519</u> | <u>130,353</u> | <u>0</u> | <u>12,850,872</u> |
| Totals at Historical Cost | 151,891,526 | 62,852,493 | 49,346 | 214,694,673 |
| Less Accumulated Depreciation: | | | | |
| Buildings and Improvements | 25,625,253 | 1,976,773 | 0 | 27,602,026 |
| Equipment | <u>9,705,699</u> | <u>689,599</u> | <u>0</u> | <u>10,395,298</u> |
| Total Accumulated Depreciation | <u>35,330,952</u> | <u>2,666,372</u> | <u>0</u> | <u>37,997,324</u> |
| Governmental Activities Capital Assets, Net | <u><u>\$116,560,574</u></u> | <u><u>\$60,186,121</u></u> | <u><u>\$49,346</u></u> | <u><u>\$176,697,349</u></u> |

Depreciation expense was charged to governmental functions as follows:

| | |
|---|---------------------------|
| Instruction: | |
| Regular | \$2,107,056 |
| Special | 1,357 |
| Vocational | 493 |
| Support Services: | |
| Instructional Staff | 53,514 |
| School Administration | 10,295 |
| Fiscal | 943 |
| Business | 5,136 |
| Operations and Maintenance | 21,096 |
| Pupil Transportation | 339,626 |
| Central | 21,406 |
| Operation of Non-Instructional Services | 32,817 |
| Extracurricular Activities | 72,633 |
| Total Depreciation Expense | <u><u>\$2,666,372</u></u> |

Note 6 – Risk Management

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

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

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

| | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---------------------------------------|--------------------|--------------------|--------------------|
| Claims liability at beginning of year | \$660,806 | \$500,222 | \$0 |
| Claims incurred | 6,550,216 | 8,227,811 | 3,106,054 |
| Claims paid | <u>(6,620,031)</u> | <u>(8,067,227)</u> | <u>(2,605,832)</u> |
| Claims liability at end of year | <u>\$590,991</u> | <u>\$660,806</u> | <u>\$500,222</u> |

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

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

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

| | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---------------------------------------|------------------|------------------|------------------|
| Claims liability at beginning of year | \$19,364 | \$34,995 | \$0 |
| Claims incurred | 320,327 | 415,362 | 210,519 |
| Claims paid | <u>(320,327)</u> | <u>(430,993)</u> | <u>(175,524)</u> |
| Claims liability at end of year | <u>\$19,364</u> | <u>\$19,364</u> | <u>\$34,995</u> |

Note 7 - Pension Plans

School Employees Retirement System of Ohio

Plan Description

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

Funding Policy

Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care fund) of the System. For fiscal year ending June 30, 2013, the allocation to pension and death benefits is 13.10%. The remaining 0.90% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's contributions to SERS for the years ended June 30, 2013, 2012, and 2011 were \$2,429,448, \$2,331,912, and \$2,085,000, respectively; contributions equaled the required contributions for each year.

State Teachers Retirement System of Ohio

Plan Description

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution, or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. Additional information or copies of STRS Ohio's *Comprehensive Annual Financial Report* can be requested by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio web site at www.strsoh.org.

Plan Options

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

DB Plan Benefits

Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit," the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
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DC Plan Benefits

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

Combined Plan Benefits

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

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

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

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

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

Funding Policy

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2013, were 10% of covered payroll for members and 14% for employers. The District's contributions to STRS for the years ended June 30, 2013, 2012, and 2011 were \$4,992,533, \$4,985,439, and \$5,145,000, respectively; 69% has been contributed for fiscal year 2013 and 100% for fiscal years 2012 and 2011.

Note 8- Post Employment Benefits

School Employees Retirement System of Ohio

Plan Description

In addition to a cost-sharing multiple-employer defined benefit pension plan, the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2013 was \$104.90 for most participants, but could be as high as \$335.70 depending on their income; SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2013, the actuarially required allocation was 0.74%. District contributions for the years ended June 30, 2013, 2012 and 2011 were \$128,414, \$124,924, and \$113,000, respectively, which equaled the required contributions each year.

Health Care Plan

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

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

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2013, the health care allocation was 0.16%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2013, the minimum compensation level was established at \$20,525. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District contributions assigned to health care for the years ended June 30, 2013, 2012, and 2011 were \$27,765, \$238,188, and \$213,000, respectively.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained on SERS' website at www.ohsers.org under *Employers/Audit Resources*.

State Teachers Retirement System of Ohio

Plan Description

STRS Ohio administers a pension plan that is comprised of: a Defined Benefit Plan; a self-directed Defined Contribution Plan and a Combined Plan that is a hybrid of the Defined Benefit and the Defined Contribution Plan.

Ohio law authorized STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent *Comprehensive Annual Financial Report* by visiting www.strsoh.org or by requesting a copy by calling toll-free 1-888-227-7877.

Funding Policy

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contributions rate, 1% of covered payroll was allocated to post-employment health care for the year ended June 30, 2013, 2012 and 2011. The 14% employer contribution rate is the maximum rate established under Ohio law. The District contributions for the years ended June 30, 2013, 2012, and 2011 were \$356,610, \$356,103, and \$368,000, respectively; 69% has been contributed for fiscal year 2013 and 100% for fiscal years 2012 and 2011.

Note 9 – Employee Benefits Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to maximum of 260 days for teachers, 279 days for administrators and 265 days for classified staff. Upon retirement, payment is made for twenty-five percent of the employee's accumulated sick leave.

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 10 – Short-Term Obligations

A summary of the short-term note transaction for the year ended June 30, 2013 follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|------------------------------|----------------------|------------|------------------|--------------------|
| Governmental Funds | | | | |
| Notes Payable: | | | | |
| 2012 Tax Anticipation Note | \$4,685,000 | \$0 | \$515,000 | \$4,170,000 |
| Total Short-Term Liabilities | <u>\$4,685,000</u> | <u>\$0</u> | <u>\$515,000</u> | <u>\$4,170,000</u> |

The \$4,685,000 of Tax Anticipation Notes was issued to pay for construction of buildings.

Note 11 – Long-Term Obligations

The changes in the School District's long-term obligations during fiscal year 2013 were as follows:

| | Interest Rate | Beginning Balance | Additions | Deletions | Ending Balance | Due In One Year |
|--|------------------|----------------------|--------------------|----------------------|----------------------|--------------------|
| Governmental Activities: | | | | | | |
| 2003 School Improvement Bonds | 2.00-4.75% | \$3,185,000 | \$0 | \$1,550,000 | \$1,635,000 | \$1,635,000 |
| 2003 School Improvement Bonds - Premium | | 60,867 | 0 | 30,434 | 30,433 | 0 |
| 2006 Refunding Bonds | 4.00-5.25% | 70,120,000 | 0 | 110,000 | 70,010,000 | 110,000 |
| 2006 Refunding Bonds - Premium | | 4,167,708 | 0 | 225,282 | 3,942,426 | 0 |
| 2006 Refunding Bonds - Deferred amount on refunding | | (2,146,735) | 0 | (116,040) | (2,030,695) | 0 |
| 2010 School Improvement Bonds | 1.64-6.39% | 118,285,000 | 0 | 5,000 | 118,280,000 | 1,780,000 |
| 2010 School Improvement Capital Appreciation Bonds - Principal Only | | 1,714,930 | 0 | 0 | 1,714,930 | 0 |
| 2010 School Improvement Capital Appreciation Bonds - Accreted Interest | | 1,259,192 | 1,146,271 | 0 | 2,405,463 | 0 |
| 2010 School Improvement Bonds - Premium | | 10,311,284 | 0 | 290,459 | 10,020,825 | 0 |
| 2012 Certificate of Participation | 4.50% | 15,225,000 | 0 | 0 | 15,225,000 | 0 |
| 2012 Certificate of Participation - Discount | | (234,027) | 0 | (7,933) | (226,094) | 0 |
| 2013 Energy Conservation Bonds | | 0 | 645,000 | 0 | 645,000 | 20,000 |
| 2013 Certificate of Participation | | 0 | 2,300,000 | 0 | 2,300,000 | 60,000 |
| 2013 Certificate of Participation - Premium | | 0 | 127,670 | 0 | 127,670 | 0 |
| OASBO Loan | | 3,385,000 | 0 | 125,000 | 3,260,000 | 130,000 |
| Capital Lease Payable: | | | | | | |
| Lease-Purchase Agreement | Various | 328,888 | 0 | 101,348 | 227,540 | 106,363 |
| Total General Obligation Bonds | | <u>225,662,107</u> | <u>4,218,941</u> | <u>(2,313,550)</u> | <u>227,567,498</u> | <u>3,841,363</u> |
| Compensated Absences | N/A | <u>2,128,099</u> | <u>1,158,329</u> | <u>(993,501)</u> | <u>2,292,927</u> | <u>1,120,184</u> |
| Total Governmental Activities Long-Term Liabilities | | <u>\$227,790,206</u> | <u>\$5,377,270</u> | <u>(\$3,307,051)</u> | <u>\$229,860,425</u> | <u>\$4,961,547</u> |

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

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

Princeton City School District, Ohio
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2010 School Improvement Bonds - The School District issued \$119,999,930 in school improvement bonds on September 9, 2010 for the refinancing of bond anticipation notes and paying for a portion of the costs of new construction, improvements, renovations and additions to school facilities. The issuance includes \$1,785,000 of current interest bonds due 12/1/2012 and 12/1/2013 at 2.0%; \$1,714,930 of capital appreciation bonds with maturities on December 1, 2014 through 2020 with yields from 1.64% to 3.27%; \$9,515,000 in serial bonds at interest rates from 4.01%-4.86% and maturing on December 1, 2020 through 2024; \$95,730,000 of term bonds at a rate from 5.49%-6.39% with maturities on December 1, 2030, 2035, 2040 and 2047; and \$11,260,000 in term bonds at 5.24% with sinking requirements beginning December 1, 2024 until final maturity on September 15, 2027. The bonds will be paid from the Debt Service Fund.

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

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

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

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

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

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

| Fiscal Year Ending June 30 | Current Interest Bonds | | | Capital Appreciation Bonds | | |
|-------------------------------|------------------------|----------------------|----------------------|----------------------------|---------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2014 | \$3,735,000 | \$11,134,261 | \$14,869,261 | \$0 | \$0 | \$0 |
| 2015 | 1,990,000 | 11,036,935 | 13,026,935 | 478,575 | 1,396,425 | 1,875,000 |
| 2016 | 2,350,000 | 10,940,307 | 13,290,307 | 389,646 | 1,725,354 | 2,115,000 |
| 2017 | 2,445,000 | 10,823,272 | 13,268,272 | 286,572 | 1,868,428 | 2,155,000 |
| 2018 | 2,636,000 | 10,705,196 | 13,341,196 | 202,998 | 1,912,003 | 2,115,001 |
| 2019-2023 | 23,782,000 | 51,146,461 | 74,928,461 | 357,139 | 6,409,679 | 6,766,818 |
| 2024-2028 | 44,053,000 | 43,903,446 | 87,956,446 | 0 | 0 | 0 |
| 2029-2033 | 43,249,000 | 31,086,143 | 74,335,143 | 0 | 0 | 0 |
| 2034-2038 | 25,830,000 | 22,716,813 | 48,546,813 | 0 | 0 | 0 |
| 2039-2043 | 30,305,000 | 14,496,428 | 44,801,428 | 0 | 0 | 0 |
| 2044-2048 | 30,980,000 | 5,109,447 | 36,089,447 | 0 | 0 | 0 |
| Total | <u>\$211,355,000</u> | <u>\$223,098,709</u> | <u>\$434,453,709</u> | <u>\$1,714,930</u> | <u>\$13,311,889</u> | <u>\$15,026,819</u> |

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 12 - Prior Year Defeasance of Debt

In prior years, the School District defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the School District's financial statements. On June 30, 2013, \$71,800,000 of bonds is considered defeased.

Note 13 – Capital Leases – Lessee Disclosure

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

The following is a schedule of the future minimum lease payments for the capital leases, and the present value of the future minimum lease payments at June 30, 2013:

| Fiscal Year Ending June 30 | Principal |
|---|------------------|
| 2014 | \$115,038 |
| 2015 | 115,038 |
| 2016 | 9,587 |
| Total Minimum Lease Payments | \$239,663 |
| Amount Representing Interest | (12,123) |
| Present Value of Minimum Lease Payments | <u>\$227,540</u> |

Note 14 – Jointly Governed Organizations

Southwest Ohio Computer Association

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

The Great Oaks Institute of Technology and Career Development

The Great Oaks Institute of Technology and Career Development, a jointly governed organization, is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from each of the participating school district's elected board. The Board possesses its own budgeting and taxing authority as a separate body politic and corporate, established by the Ohio Revised Code. Great Oaks was formed for the purpose of providing vocational education opportunities to the students of the member school districts, which includes the students of the School District. The

Princeton City School District, Ohio
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For the Fiscal Year Ended June 30, 2013

School District has no ongoing financial interest in nor responsibility for Great Oaks. To obtain financial information, write to Great Oaks at 3254 East Kemper Road, Cincinnati, Ohio 45241.

Note 15 – Fund Balances

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

| Fund Balances | General | Bond Retirement | Building | Nonmajor Governmental Funds | Total |
|-----------------------------|--------------|--------------------|--------------|-----------------------------------|--------------|
| Nonspendable: | | | | | |
| Inventory | \$0 | \$0 | \$0 | \$18,824 | \$18,824 |
| Endowment | 0 | 0 | 0 | 6 | 6 |
| Total Nonspendable | 0 | 0 | 0 | 18,830 | 18,830 |
| Restricted for: | | | | | |
| Budget Set Aside | 212,907 | 0 | 0 | 0 | 212,907 |
| Food Service | 0 | 0 | 0 | 1,570,231 | 1,570,231 |
| Other Grants | 0 | 0 | 0 | 71,661 | 71,661 |
| Athletic | 0 | 0 | 0 | 536,131 | 536,131 |
| Auxiliary Services | 0 | 0 | 0 | 100,623 | 100,623 |
| Data Communication | 0 | 0 | 0 | 18,000 | 18,000 |
| Ohio Reads | 0 | 0 | 0 | 3,119 | 3,119 |
| Alternative Schools | 0 | 0 | 0 | 102,908 | 102,908 |
| Vocational Education | 0 | 0 | 0 | 866 | 866 |
| Drug Free School Grant | 0 | 0 | 0 | 2,620 | 2,620 |
| Reducing Class Size | 0 | 0 | 0 | 458 | 458 |
| Bond Retirement | 0 | 6,837,072 | 0 | 0 | 6,837,072 |
| Permanent Improvement | 0 | 0 | 0 | 2,352,610 | 2,352,610 |
| Building | 0 | 0 | 51,990,012 | 0 | 51,990,012 |
| Total Restricted | 212,907 | 6,837,072 | 51,990,012 | 4,759,227 | 63,799,218 |
| Committed to: | | | | | |
| Underground Storage Tanks | 11,000 | 0 | 0 | 0 | 11,000 |
| Total Committed | 11,000 | 0 | 0 | 0 | 11,000 |
| Assigned to: | | | | | |
| Encumbrances | 1,861,301 | 0 | 0 | 0 | 1,861,301 |
| Public School | 289,629 | 0 | 0 | 0 | 289,629 |
| Budgetary Resources | 351,696 | 0 | 0 | 0 | 351,696 |
| Total Assigned | 2,502,626 | 0 | 0 | 0 | 2,502,626 |
| Unassigned (Deficit) | 14,662,671 | 0 | 0 | (626,832) | 14,035,839 |
| Total Fund Balance | \$17,389,204 | \$6,837,072 | \$51,990,012 | \$4,151,225 | \$80,367,513 |

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16 – Accountability

At June 30, 2013, the following funds had deficit fund balances:

| <u>Other Governmental Funds</u> | <u>Deficit</u> |
|--------------------------------------|----------------|
| Special Revenue Funds: | |
| Public School Subsidy | \$65,673 |
| Race to the Top | 31,992 |
| Workers' Compensation Self-Insurance | 19,980 |
| Miscellaneous State Grants | 19,532 |
| IDEA Special Education | 226,593 |
| Title III | 79,168 |
| Title I | 180,682 |
| Preschool Development Grant | 11,165 |
| Miscellaneous Federal Grants | 12,027 |

These deficit balances were created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 17 – Contingencies Grants

Litigation

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

Note 18 – Required Set-Asides

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

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

| | <u>Capital Improvements</u> | <u>Budget Stabilization</u> |
|---|---------------------------------|---------------------------------|
| Set Aside Reserve Balance as of June 30, 2013 | \$0 | \$212,907 |
| Current Year Set Aside Requirements | 891,748 | 0 |
| Qualified Disbursements | (880,317) | 0 |
| Current Year Offsets | (11,431) | 0 |
| Set Aside Reserve Balance as of June 30, 2013 | <u>\$0</u> | <u>\$212,907</u> |
| Restricted Cash as of June 30, 2013 | <u>\$0</u> | <u>\$212,907</u> |

Princeton City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

Note 19 – Significant Contractual Commitments

As of June 30, 2013, the School District had entered into various construction contracts for the construction and improvements under which it had a remaining unperformed and unpaid total commitment of approximately \$51,348,827.

Note 20 – Change in Accounting Principles

The District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements and GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB Statement No. 62 incorporates Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants' (AICPA) accounting and financial reporting guidance issued on or before November 30, 1989 into GASB authoritative literature. GASB Statement No. 63 provides financial reporting guidance for deferred outflows and inflows of resources and net position.

REQUIRED SUPPLEMENTARY INFORMATION

Princeton City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

| | General Fund | | | |
|--|---------------------|--------------------|--------------------|----------------------------|
| | Original Budget | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | | |
| Taxes | \$44,822,411 | \$43,010,564 | \$42,966,194 | (\$44,370) |
| Revenue in lieu of taxes | 277,935 | 266,700 | 266,425 | (275) |
| Tuition and Fees | 2,217,132 | 2,127,510 | 2,125,315 | (2,195) |
| Investment Earnings | 65,976 | 63,309 | 63,244 | (65) |
| Intergovernmental | 24,179,708 | 23,202,297 | 23,178,361 | (23,936) |
| Charges for Services | 71,698 | 68,800 | 68,729 | (71) |
| Other Revenues | 142,778 | 137,006 | 136,865 | (141) |
| Total Revenues | 71,777,638 | 68,876,186 | 68,805,133 | (71,053) |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 23,574,920 | 30,194,934 | 30,259,169 | (64,235) |
| Special | 6,427,389 | 8,232,306 | 8,249,761 | (17,455) |
| Vocational | 54,259 | 69,496 | 69,643 | (147) |
| Adult/Continuing | 6,184 | 8,136 | 7,938 | 198 |
| Other | 1,747,450 | 2,238,162 | 2,242,908 | (4,746) |
| Support Services: | | | | |
| Pupil | 3,088,727 | 3,956,093 | 3,964,481 | (8,388) |
| Instructional Staff | 955,120 | 1,223,333 | 1,225,927 | (2,594) |
| General Administration | 196,480 | 251,655 | 252,189 | (534) |
| School Administration | 4,529,696 | 5,801,709 | 5,814,010 | (12,301) |
| Fiscal | 1,536,141 | 1,967,514 | 1,971,686 | (4,172) |
| Business | 168,541 | 215,870 | 216,328 | (458) |
| Operations and Maintenance | 6,240,108 | 7,992,434 | 8,009,380 | (16,946) |
| Pupil Transportation | 3,945,552 | 5,053,528 | 5,064,243 | (10,715) |
| Central | 659,982 | 845,316 | 847,108 | (1,792) |
| Operation of Non-Instructional Services | 64,407 | 82,494 | 82,669 | (175) |
| Extracurricular Activities | 149,156 | 191,042 | 191,447 | (405) |
| Capital Outlay | 389,783 | 499,240 | 500,299 | (1,059) |
| Total Expenditures | 53,733,895 | 68,823,262 | 68,969,186 | (145,924) |
| Excess of Revenues Over (Under) Expenditures | 18,043,743 | 52,924 | (164,053) | (216,977) |
| Other Financing Sources (Uses): | | | | |
| Proceeds from Sale of Capital Assets | 18,276 | 17,537 | 17,519 | (18) |
| Advances In | 219,072 | 210,217 | 210,000 | (217) |
| Advances (Out) | (1,351,739) | (1,731,329) | (1,735,000) | (3,671) |
| Transfers In | 18,615 | 17,862 | 17,844 | (18) |
| Transfers (Out) | (2,350,101) | (3,010,048) | (3,016,430) | (6,382) |
| Total Other Financing Sources (Uses) | (3,445,877) | (4,495,761) | (4,506,067) | (10,306) |
| Net Change in Fund Balance | 14,597,866 | (4,442,837) | (4,670,120) | (227,283) |
| Fund Balance Beginning of Year, (includes prior year encumbrances appropriated) | 9,615,185 | 9,615,185 | 9,615,185 | 0 |
| Fund Balance - End of Year | \$24,213,051 | \$5,172,348 | \$4,945,065 | (\$227,283) |

See accompanying notes to the required supplementary information.

Princeton City School District, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2013

Note 1 - Budgetary Process

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2013.

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as an assignment of fund balance for governmental fund types (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).

Princeton City School District, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2013

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

Net Change in Fund Balance

| | <u>General</u> |
|--------------------------|-----------------------------|
| GAAP Basis | \$985,916 |
| Revenue Accruals | (6,217,901) |
| Expenditure Accruals | 4,774,462 |
| Transfers In | 17,844 |
| Transfers Out | (536,044) |
| Advances In | 210,000 |
| Advances (Out) | (1,735,000) |
| Encumbrances | (2,210,871) |
| Funds Budgeted Elsewhere | 41,474 |
| | <u><u>(\$4,670,120)</u></u> |

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



MAJOR GOVERNMENTAL FUNDS

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

Building Fund - The building fund is used to account for receipts and expenditures related to the acquisition and construction of capital facilities including real property. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for both are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Bond Retirement Fund | | |
|---|----------------------------|---------------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Taxes | \$6,866,328 | \$6,866,328 | \$0 |
| Intergovernmental | 950,062 | 950,062 | 0 |
| Total Revenues | <u>7,816,390</u> | <u>7,816,390</u> | <u>0</u> |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Fiscal | 115,405 | 115,337 | 68 |
| Debt Service: | | | |
| Principal Retirement | 1,665,980 | 1,665,000 | 980 |
| Interest and Fiscal Charges | 7,729,182 | 7,724,634 | 4,548 |
| Total Expenditures | <u>9,510,567</u> | <u>9,504,971</u> | <u>5,596</u> |
| Net Change in Fund Balance | (1,694,177) | (1,688,581) | 5,596 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>4,925,655</u> | <u>4,925,655</u> | <u>0</u> |
| Fund Balance - End of Year | <u><u>\$3,231,478</u></u> | <u><u>\$3,237,074</u></u> | <u><u>\$5,596</u></u> |

Princeton City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

| | Building Fund | | |
|--|----------------------|----------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Investment Earnings | \$844,008 | \$844,008 | \$0 |
| Other Revenues | 6,923 | 6,923 | 0 |
| Total Revenues | 850,931 | 850,931 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| School Administration | 10,259 | 9,241 | 1,018 |
| Central | 36,110 | 32,528 | 3,582 |
| Capital Outlay | 120,241,822 | 108,312,913 | 11,928,909 |
| Total Expenditures | 120,288,191 | 108,354,682 | 11,933,509 |
| Excess of Revenues Over (Under) Expenditures | (119,437,260) | (107,503,751) | 11,933,509 |
| Other Financing Sources (Uses): | | | |
| Proceeds of Long-Term Capital-Related Debt | 2,945,000 | 2,945,000 | 0 |
| Premium on Bonds and Notes Issued | 127,670 | 127,670 | 0 |
| Total Other Financing Sources (Uses) | 3,072,670 | 3,072,670 | 0 |
| Net Change in Fund Balance | (116,364,590) | (104,431,081) | 11,933,509 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 117,291,166 | 117,291,166 | 0 |
| Fund Balance - End of Year | \$926,576 | \$12,860,085 | \$11,933,509 |

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Capital Projects Fund

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

Permanent Fund

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

Princeton City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Fund | Nonmajor Permanent Fund | Total Nonmajor Governmental Funds |
|--|---|---|-------------------------------|--|
| Assets: | | | | |
| Equity in Pooled Cash and Investments | \$3,058,555 | \$1,792,610 | \$6 | \$4,851,171 |
| Receivables: | | | | |
| Taxes | 0 | 2,810,485 | 0 | 2,810,485 |
| Accounts | 2,926 | 0 | 0 | 2,926 |
| Intergovernmental | 732,661 | 0 | 0 | 732,661 |
| Inventory | 18,824 | 0 | 0 | 18,824 |
| Total Assets | 3,812,966 | 4,603,095 | 6 | 8,416,067 |
| Liabilities and Fund Balances: | | | | |
| Liabilities: | | | | |
| Accounts Payable | 438,958 | 0 | 0 | 438,958 |
| Accrued Wages and Benefits | 638,264 | 0 | 0 | 638,264 |
| Compensated Absences | 21,496 | 0 | 0 | 21,496 |
| Interfund Payable | 182,978 | 150,000 | 0 | 332,978 |
| Deferred Revenue | 732,661 | 2,100,485 | 0 | 2,833,146 |
| Total Liabilities | 2,014,357 | 2,250,485 | 0 | 4,264,842 |
| Fund Balances: | | | | |
| Nonspendable | 18,824 | 0 | 6 | 18,830 |
| Restricted | 2,406,617 | 2,352,610 | 0 | 4,759,227 |
| Unassigned | (626,832) | 0 | 0 | (626,832) |
| Total Fund Balances | 1,798,609 | 2,352,610 | 6 | 4,151,225 |
| Total Liabilities and Fund Balances | \$3,812,966 | \$4,603,095 | \$6 | \$8,416,067 |

Princeton City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2013

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Fund | Nonmajor Permanent Fund | Total Nonmajor Governmental Funds |
|---|---|---|-------------------------------|--|
| Revenues: | | | | |
| Taxes | \$0 | \$2,205,167 | \$0 | \$2,205,167 |
| Tuition and Fees | 16 | 0 | 0 | 16 |
| Investment Earnings | 0 | 2 | 35 | 37 |
| Intergovernmental | 6,755,086 | 166,979 | 0 | 6,922,065 |
| Extracurricular Activities | 96,377 | 0 | 0 | 96,377 |
| Charges for Services | 523,783 | 0 | 0 | 523,783 |
| Other Revenues | 62,344 | 196,028 | 0 | 258,372 |
| Total Revenues | 7,437,606 | 2,568,176 | 35 | 10,005,817 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 1,420,574 | 444,342 | 0 | 1,864,916 |
| Special | 935,788 | 0 | 0 | 935,788 |
| Other | 15,702 | 196,028 | 0 | 211,730 |
| Support Services: | | | | |
| Pupil | 359,292 | 0 | 0 | 359,292 |
| Instructional Staff | 1,376,267 | 0 | 0 | 1,376,267 |
| School Administration | 237 | 0 | 0 | 237 |
| Fiscal | 0 | 35,870 | 0 | 35,870 |
| Operations and Maintenance | 0 | 12,188 | 0 | 12,188 |
| Pupil Transportation | 36,177 | 0 | 0 | 36,177 |
| Central | 104,319 | 0 | 0 | 104,319 |
| Operation of Non-Instructional Services | 3,762,469 | 0 | 28,388 | 3,790,857 |
| Extracurricular Activities | 987,272 | 0 | 0 | 987,272 |
| Capital Outlay | 0 | 33,005 | 0 | 33,005 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 226,348 | 0 | 226,348 |
| Interest and Fiscal Charges | 0 | 784,544 | 0 | 784,544 |
| Total Expenditures | 8,998,097 | 1,732,325 | 28,388 | 10,758,810 |
| Excess of Revenues Over (Under) Expenditures | (1,560,491) | 835,851 | (28,353) | (752,993) |
| Other Financing Sources (Uses): | | | | |
| Proceeds from Sale of Assets | 0 | 719,265 | 0 | 719,265 |
| Transfers In | 936,886 | 600,000 | 0 | 1,536,886 |
| Transfers (Out) | 0 | (627,375) | 0 | (627,375) |
| Total Other Financing Sources (Uses) | 936,886 | 691,890 | 0 | 1,628,776 |
| Net Change in Fund Balance | (623,605) | 1,527,741 | (28,353) | 875,783 |
| Fund Balance - Beginning of Year | 2,422,214 | 824,869 | 28,359 | 3,275,442 |
| Fund Balance - End of Year | \$1,798,609 | \$2,352,610 | \$6 | \$4,151,225 |

NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

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

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

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

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

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

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

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

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

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

Education Jobs - To account for grant monies received from the Federal Government which focuses on saving or creating education jobs for the next two school years.

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

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

NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

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

Title II-D – To account for competitive grant monies received from the Federal Government which focuses on professional development and student learning needed for the 21st century.

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

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

Drug-Free Schools Grant - To account for federal funds used for establishment, operation and improvement of programs of drug abuse prevention, early intervention, rehabilitation referral and education in schools.

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

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

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

Princeton City School District
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2013

| | Food Service | Other Grants | Athletic | Auxiliary Services |
|--|--------------------|-----------------|------------------|-----------------------|
| Assets: | | | | |
| Equity in Pooled Cash and Investments | \$1,720,375 | \$71,990 | \$554,496 | \$310,308 |
| Receivables: | | | | |
| Accounts | 2,926 | 0 | 0 | 0 |
| Intergovernmental | 0 | 0 | 0 | 0 |
| Inventory | 18,824 | 0 | 0 | 0 |
| Total Assets | 1,742,125 | 71,990 | 554,496 | 310,308 |
| Liabilities and Fund Balances: | | | | |
| Liabilities: | | | | |
| Accounts Payable | 2,646 | 272 | 9,909 | 186,219 |
| Accrued Wages and Benefits | 150,424 | 0 | 8,456 | 19,269 |
| Compensated Absences | 0 | 0 | 0 | 0 |
| Interfund Payable | 0 | 57 | 0 | 4,197 |
| Deferred Revenue | 0 | 0 | 0 | 0 |
| Total Liabilities | 153,070 | 329 | 18,365 | 209,685 |
| Fund Balances: | | | | |
| Nonspendable | 18,824 | 0 | 0 | 0 |
| Restricted | 1,570,231 | 71,661 | 536,131 | 100,623 |
| Unassigned | 0 | 0 | 0 | 0 |
| Total Fund Balances | 1,589,055 | 71,661 | 536,131 | 100,623 |
| Total Liabilities and Fund Balances | \$1,742,125 | \$71,990 | \$554,496 | \$310,308 |

| Public Preschool Subsidy | Data Communication | Ohio Reads | Alternative Schools | Miscellaneous State Grants | Education Jobs | Race To The Top |
|--------------------------------|-----------------------|----------------|------------------------|----------------------------------|-------------------|-----------------------|
| \$0 | \$18,000 | \$3,119 | \$102,908 | \$7,404 | \$0 | \$20,151 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21,095 | 0 | 0 | 1,064 | 0 | 0 | 68,996 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>21,095</u> | <u>18,000</u> | <u>3,119</u> | <u>103,972</u> | <u>7,404</u> | <u>0</u> | <u>89,147</u> |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46,949 | 0 | 0 | 0 | 0 | 0 | 32,143 |
| 0 | 0 | 0 | 0 | 1,936 | 0 | 0 |
| 18,724 | 0 | 0 | 0 | 25,000 | 0 | 20,000 |
| 21,095 | 0 | 0 | 1,064 | 0 | 0 | 68,996 |
| <u>86,768</u> | <u>0</u> | <u>0</u> | <u>1,064</u> | <u>26,936</u> | <u>0</u> | <u>121,139</u> |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 18,000 | 3,119 | 102,908 | 0 | 0 | 0 |
| (65,673) | 0 | 0 | 0 | (19,532) | 0 | (31,992) |
| <u>(65,673)</u> | <u>18,000</u> | <u>3,119</u> | <u>102,908</u> | <u>(19,532)</u> | <u>0</u> | <u>(31,992)</u> |
| <u>\$21,095</u> | <u>\$18,000</u> | <u>\$3,119</u> | <u>\$103,972</u> | <u>\$7,404</u> | <u>\$0</u> | <u>\$89,147</u> |

Continued

Princeton City School District
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 June 30, 2013

| | IDEA Special Education | Vocational Education | Title II-D | Title III |
|--|------------------------------|-------------------------|------------|------------------|
| Assets: | | | | |
| Equity in Pooled Cash and Investments | \$1,812 | \$8,196 | \$0 | \$114,872 |
| Receivables: | | | | |
| Accounts | 0 | 0 | 0 | 0 |
| Intergovernmental | 295,553 | 0 | 0 | 96,926 |
| Inventory | 0 | 0 | 0 | 0 |
| Total Assets | 297,365 | 8,196 | 0 | 211,798 |
| Liabilities and Fund Balances: | | | | |
| Liabilities: | | | | |
| Accounts Payable | 127,152 | 7,330 | 0 | 104,040 |
| Accrued Wages and Benefits | 101,253 | 0 | 0 | 0 |
| Compensated Absences | 0 | 0 | 0 | 0 |
| Interfund Payable | 0 | 0 | 0 | 90,000 |
| Deferred Revenue | 295,553 | 0 | 0 | 96,926 |
| Total Liabilities | 523,958 | 7,330 | 0 | 290,966 |
| Fund Balances: | | | | |
| Nonspendable | 0 | 0 | 0 | 0 |
| Restricted | 0 | 866 | 0 | 0 |
| Unassigned | (226,593) | 0 | 0 | (79,168) |
| Total Fund Balances | (226,593) | 866 | 0 | (79,168) |
| Total Liabilities and Fund Balances | \$297,365 | \$8,196 | \$0 | \$211,798 |

| Title I | Drug Free School Grant | Preschool Development Grant | Reducing Class Size | Miscellaneous Federal Grants | Total Nonmajor Special Revenue Funds |
|------------------|------------------------|-----------------------------|---------------------|------------------------------|--------------------------------------|
| \$99,719 | \$2,620 | \$835 | \$20,777 | \$973 | \$3,058,555 |
| 0 | 0 | 0 | 0 | 0 | 2,926 |
| 192,052 | 0 | 19,025 | 37,950 | 0 | 732,661 |
| 0 | 0 | 0 | 0 | 0 | 18,824 |
| <u>291,771</u> | <u>2,620</u> | <u>19,860</u> | <u>58,727</u> | <u>973</u> | <u>3,812,966</u> |
| 0 | 0 | 0 | 1,390 | 0 | 438,958 |
| 260,841 | 0 | 0 | 18,929 | 0 | 638,264 |
| 19,560 | 0 | 0 | 0 | 0 | 21,496 |
| 0 | 0 | 12,000 | 0 | 13,000 | 182,978 |
| 192,052 | 0 | 19,025 | 37,950 | 0 | 732,661 |
| <u>472,453</u> | <u>0</u> | <u>31,025</u> | <u>58,269</u> | <u>13,000</u> | <u>2,014,357</u> |
| 0 | 0 | 0 | 0 | 0 | 18,824 |
| 0 | 2,620 | 0 | 458 | 0 | 2,406,617 |
| <u>(180,682)</u> | <u>0</u> | <u>(11,165)</u> | <u>0</u> | <u>(12,027)</u> | <u>(626,832)</u> |
| <u>(180,682)</u> | <u>2,620</u> | <u>(11,165)</u> | <u>458</u> | <u>(12,027)</u> | <u>1,798,609</u> |
| <u>\$291,771</u> | <u>\$2,620</u> | <u>\$19,860</u> | <u>\$58,727</u> | <u>\$973</u> | <u>\$3,812,966</u> |

Princeton City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

| | Food Service | Other Grants | Athletic | Auxiliary Services |
|---|--------------------|-----------------|------------------|-----------------------|
| Revenues: | | | | |
| Tuition and Fees | \$0 | \$0 | \$16 | \$0 |
| Intergovernmental | 2,013,200 | 0 | 0 | 1,201,607 |
| Extracurricular Activities | 0 | 0 | 96,377 | 0 |
| Charges for Services | 523,783 | 0 | 0 | 0 |
| Other Revenues | 0 | 24,975 | 33,288 | 4,081 |
| Total Revenues | 2,536,983 | 24,975 | 129,681 | 1,205,688 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 9,197 | 0 | 0 |
| Special | 0 | 0 | 0 | 0 |
| Other | 0 | 1,454 | 0 | 0 |
| Support Services: | | | | |
| Pupil | 0 | 0 | 0 | 0 |
| Instructional Staff | 0 | 0 | 0 | 0 |
| School Administration | 0 | 0 | 0 | 0 |
| Pupil Transportation | 0 | 0 | 0 | 0 |
| Central | 610 | 0 | 0 | 0 |
| Operation of Non-Instructional Services | 2,180,769 | 8,315 | 0 | 1,459,211 |
| Extracurricular Activities | 0 | 0 | 987,272 | 0 |
| Total Expenditures | 2,181,379 | 18,966 | 987,272 | 1,459,211 |
| Excess of Revenues Over (Under) Expenditures | 355,604 | 6,009 | (857,591) | (253,523) |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 0 | 118 | 909,200 | 0 |
| Total Other Financing Sources (Uses) | 0 | 118 | 909,200 | 0 |
| Net Change in Fund Balance | 355,604 | 6,127 | 51,609 | (253,523) |
| Fund Balance - Beginning of Year | 1,233,451 | 65,534 | 484,522 | 354,146 |
| Fund Balance - End of Year | \$1,589,055 | \$71,661 | \$536,131 | \$100,623 |

| Public Preschool Subsidy | Data Communication | Ohio Reads | Alternative Schools | Miscellaneous State Grants | Education Jobs | Race To The Top |
|--------------------------------|-----------------------|----------------|------------------------|----------------------------------|-------------------|-----------------------|
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 181,087 | 18,000 | 0 | 46,453 | 0 | 1,375 | 278,951 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>181,087</u> | <u>18,000</u> | <u>0</u> | <u>46,453</u> | <u>0</u> | <u>1,375</u> | <u>278,951</u> |
| 251,155 | 19,800 | 0 | 26,590 | 0 | 749 | 16,585 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 14,248 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 35,608 | 0 | 0 |
| 0 | 0 | 0 | 614 | 0 | 0 | 281,778 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 2,000 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>251,155</u> | <u>19,800</u> | <u>0</u> | <u>43,452</u> | <u>35,608</u> | <u>749</u> | <u>298,363</u> |
| <u>(70,068)</u> | <u>(1,800)</u> | <u>0</u> | <u>3,001</u> | <u>(35,608)</u> | <u>626</u> | <u>(19,412)</u> |
| <u>15,178</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>11,723</u> | <u>0</u> | <u>0</u> |
| <u>15,178</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>11,723</u> | <u>0</u> | <u>0</u> |
| <u>(54,890)</u> | <u>(1,800)</u> | <u>0</u> | <u>3,001</u> | <u>(23,885)</u> | <u>626</u> | <u>(19,412)</u> |
| <u>(10,783)</u> | <u>19,800</u> | <u>3,119</u> | <u>99,907</u> | <u>4,353</u> | <u>(626)</u> | <u>(12,580)</u> |
| <u>(\$65,673)</u> | <u>\$18,000</u> | <u>\$3,119</u> | <u>\$102,908</u> | <u>(\$19,532)</u> | <u>\$0</u> | <u>(\$31,992)</u> |

Continued

Princeton City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

| | IDEA Special Education | Vocational Education | Title II-D | Title III |
|--|------------------------------|-------------------------|---------------|-------------------|
| Revenues: | | | | |
| Tuition and Fees | \$0 | \$0 | \$0 | \$0 |
| Intergovernmental | 1,065,181 | 9,550 | 12,287 | 93,557 |
| Extracurricular Activities | 0 | 0 | 0 | 0 |
| Charges for Services | 0 | 0 | 0 | 0 |
| Other Revenues | 0 | 0 | 0 | 0 |
| Total Revenues | 1,065,181 | 9,550 | 12,287 | 93,557 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 0 | 12,902 | |
| Special | 780,895 | 0 | 0 | 138,037 |
| Other | 0 | 0 | 0 | 0 |
| Support Services: | | | | |
| Pupil | 264,432 | 9,477 | 0 | 37,049 |
| Instructional Staff | 60,666 | 0 | 0 | 20,602 |
| School Administration | 33 | 0 | 0 | 0 |
| Pupil Transportation | 19,261 | 0 | 0 | 0 |
| Central | 101,709 | 0 | 0 | 0 |
| Operation of Non-Instructional Services | 70,751 | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 0 |
| Total Expenditures | 1,297,747 | 9,477 | 12,902 | 195,688 |
| Excess of Revenues Over (Under) Expenditures | (232,566) | 73 | (615) | (102,131) |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 115 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | 115 | 0 | 0 | 0 |
| Net Change in Fund Balance | (232,451) | 73 | (615) | (102,131) |
| Fund Balance - Beginning of Year | 5,858 | 793 | 615 | 22,963 |
| Fund Balance - End of Year | (\$226,593) | \$866 | \$0 | (\$79,168) |

| Title I | Drug Free School Grant | Preschool Development Grant | Reducing Class Size | Miscellaneous Federal Grants | Total Nonmajor Special Revenue Funds |
|--------------------|---------------------------|-----------------------------------|---------------------------|------------------------------------|---|
| \$0 | \$0 | \$0 | \$0 | \$0 | \$16 |
| 1,693,410 | 0 | 474 | 139,954 | 0 | 6,755,086 |
| 0 | 0 | 0 | 0 | 0 | 96,377 |
| 0 | 0 | 0 | 0 | 0 | 523,783 |
| 0 | 0 | 0 | 0 | 0 | 62,344 |
| <u>1,693,410</u> | <u>0</u> | <u>474</u> | <u>139,954</u> | <u>0</u> | <u>7,437,606</u> |
| 1,059,241 | 0 | 0 | 0 | 24,355 | 1,420,574 |
| 5,944 | 0 | 10,912 | 0 | 0 | 935,788 |
| 0 | 0 | 0 | 0 | 0 | 15,702 |
| 0 | 0 | 12,726 | 0 | 0 | 359,292 |
| 803,150 | 0 | 0 | 209,457 | 0 | 1,376,267 |
| 0 | 0 | 0 | 0 | 204 | 237 |
| 16,916 | 0 | 0 | 0 | 0 | 36,177 |
| 0 | 0 | 0 | 0 | 0 | 104,319 |
| 18,225 | 0 | 0 | 25,198 | 0 | 3,762,469 |
| 0 | 0 | 0 | 0 | 0 | 987,272 |
| <u>1,903,476</u> | <u>0</u> | <u>23,638</u> | <u>234,655</u> | <u>24,559</u> | <u>8,998,097</u> |
| <u>(210,066)</u> | <u>0</u> | <u>(23,164)</u> | <u>(94,701)</u> | <u>(24,559)</u> | <u>(1,560,491)</u> |
| <u>70</u> | <u>0</u> | <u>480</u> | <u>0</u> | <u>2</u> | <u>936,886</u> |
| <u>70</u> | <u>0</u> | <u>480</u> | <u>0</u> | <u>2</u> | <u>936,886</u> |
| <u>(209,996)</u> | <u>0</u> | <u>(22,684)</u> | <u>(94,701)</u> | <u>(24,557)</u> | <u>(623,605)</u> |
| <u>29,314</u> | <u>2,620</u> | <u>11,519</u> | <u>95,159</u> | <u>12,530</u> | <u>2,422,214</u> |
| <u>(\$180,682)</u> | <u>\$2,620</u> | <u>(\$11,165)</u> | <u>\$458</u> | <u>(\$12,027)</u> | <u>\$1,798,609</u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Food Service Fund | | |
|---|---------------------------|---------------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$2,040,687 | \$2,041,083 | \$396 |
| Charges for Services | 520,756 | 520,857 | 101 |
| Total Revenues | <u>2,561,443</u> | <u>2,561,940</u> | <u>497</u> |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Central | 575 | 610 | (35) |
| Operation of Non-Instructional Services | 1,911,094 | 2,028,695 | (117,601) |
| Total Expenditures | <u>1,911,669</u> | <u>2,029,305</u> | <u>(117,636)</u> |
| Net Change in Fund Balance | 649,774 | 532,635 | (117,139) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>1,172,132</u> | <u>1,172,132</u> | <u>0</u> |
| Fund Balance - End of Year | <u><u>\$1,821,906</u></u> | <u><u>\$1,704,767</u></u> | <u><u>(\$117,139)</u></u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Other Grants Fund | | |
|---|----------------------|----------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Other Revenues | \$24,975 | \$24,975 | \$0 |
| Total Revenues | 24,975 | 24,975 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 12,221 | 9,330 | 2,891 |
| Operation of Non-Instructional Services | 18,573 | 14,179 | 4,394 |
| Total Expenditures | 30,794 | 23,509 | 7,285 |
| Excess of Revenues Over (Under) Expenditures | (5,819) | 1,466 | 7,285 |
| Other Financing Sources (Uses): | | | |
| Transfers In | 118 | 118 | 0 |
| Total Other Financing Sources (Uses) | 118 | 118 | 0 |
| Net Change in Fund Balance | (5,701) | 1,584 | 7,285 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 65,722 | 65,722 | 0 |
| Fund Balance - End of Year | \$60,021 | \$67,306 | \$7,285 |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Athletic Fund | | |
|--|------------------|------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Tuition and Fees | \$16 | \$16 | \$0 |
| Extracurricular Activities | 91,558 | 91,558 | 0 |
| Other Revenues | 33,288 | 33,288 | 0 |
| Total Revenues | 124,862 | 124,862 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Extracurricular Activities | 1,012,192 | 1,008,604 | 3,588 |
| Total Expenditures | 1,012,192 | 1,008,604 | 3,588 |
| Excess of Revenues Over (Under) Expenditures | (887,330) | (883,742) | 3,588 |
| Other Financing Sources (Uses): | | | |
| Transfers In | 926,699 | 926,700 | 1 |
| Transfers (Out) | (17,562) | (17,500) | 62 |
| Total Other Financing Sources (Uses) | 909,137 | 909,200 | 63 |
| Net Change in Fund Balance | 21,807 | 25,458 | 3,651 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 489,347 | 489,347 | 0 |
| Fund Balance - End of Year | \$511,154 | \$514,805 | \$3,651 |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Auxiliary Services Fund | | |
|---|-------------------------------|------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$1,208,185 | \$1,201,607 | (\$6,578) |
| Other Revenues | 4,103 | 4,081 | (22) |
| Total Revenues | <u>1,212,288</u> | <u>1,205,688</u> | <u>(6,600)</u> |
| Expenditures: | | | |
| Current: | | | |
| Operation of Non-Instructional Services | <u>1,609,067</u> | <u>1,514,753</u> | <u>94,314</u> |
| Total Expenditures | <u>1,609,067</u> | <u>1,514,753</u> | <u>94,314</u> |
| Net Change in Fund Balance | (396,779) | (309,065) | 87,714 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>413,782</u> | <u>413,782</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$17,003</u> | <u>\$104,717</u> | <u>\$87,714</u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Public Preschool Subsidy Fund | | |
|---|--|-----------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$301,444 | \$229,716 | (\$71,728) |
| Total Revenues | 301,444 | 229,716 | (71,728) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 251,162 | 242,462 | 8,700 |
| Total Expenditures | 251,162 | 242,462 | 8,700 |
| Excess of Revenues Over (Under) Expenditures | 50,282 | (12,746) | (63,028) |
| Other Financing Sources (Uses): | | | |
| Advances In | 19,684 | 15,000 | (4,684) |
| Transfers In | 19,917 | 15,178 | (4,739) |
| Total Other Financing Sources (Uses) | 39,601 | 30,178 | (9,423) |
| Net Change in Fund Balance | 89,883 | 17,432 | (72,451) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | (21,467) | (21,467) | 0 |
| Fund Balance - End of Year | \$68,416 | (\$4,035) | (\$72,451) |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Data Communication Fund | | |
|---|-------------------------------|----------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$18,000 | \$18,000 | \$0 |
| Total Revenues | 18,000 | 18,000 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 19,800 | 19,800 | 0 |
| Total Expenditures | 19,800 | 19,800 | 0 |
| Net Change in Fund Balance | (1,800) | (1,800) | 0 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 19,800 | 19,800 | 0 |
| Fund Balance - End of Year | \$18,000 | \$18,000 | \$0 |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Ohio Reads Fund | | |
|---|-----------------------|---------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$0 | \$0 | \$0 |
| Total Revenues | 0 | 0 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 0 | 0 | 0 |
| Total Expenditures | 0 | 0 | 0 |
| Net Change in Fund Balance | 0 | 0 | 0 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 3,121 | 3,121 | 0 |
| Fund Balance - End of Year | \$3,121 | \$3,121 | \$0 |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Alternative Schools Fund | | |
|---|--------------------------------|------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$59,635 | \$55,953 | (\$3,682) |
| Total Revenues | <u>59,635</u> | <u>55,953</u> | <u>(3,682)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 40,873 | 27,640 | 13,233 |
| Other | 21,069 | 14,248 | 6,821 |
| Support Services: | | | |
| Instructional Staff | 908 | 614 | 294 |
| Central | <u>2,958</u> | <u>2,000</u> | <u>958</u> |
| Total Expenditures | <u>65,808</u> | <u>44,502</u> | <u>21,306</u> |
| Net Change in Fund Balance | (6,173) | 11,451 | 17,624 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 90,406 | 90,406 | 0 |
| Fund Balance - End of Year | <u>\$84,233</u> | <u>\$101,857</u> | <u>\$17,624</u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Miscellaneous State Grants Fund | | |
|---|--|-----------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$35,126 | \$25,000 | (\$10,126) |
| Total Revenues | <u>35,126</u> | <u>25,000</u> | <u>(10,126)</u> |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Pupil | 39,056 | 35,892 | 3,164 |
| Total Expenditures | <u>39,056</u> | <u>35,892</u> | <u>3,164</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(3,930)</u> | <u>(10,892)</u> | <u>(6,962)</u> |
| Other Financing Sources (Uses): | | | |
| Advances In | 35,126 | 25,000 | (10,126) |
| Transfers In | 16,471 | 11,723 | (4,748) |
| Total Other Financing Sources (Uses) | <u>51,597</u> | <u>36,723</u> | <u>(14,874)</u> |
| Net Change in Fund Balance | 47,667 | 25,831 | (21,836) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>(18,432)</u> | <u>(18,432)</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$29,235</u> | <u>\$7,399</u> | <u>(\$21,836)</u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Education Jobs Fund | | |
|---|---------------------------|----------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$51,998 | \$51,998 | \$0 |
| Total Revenues | 51,998 | 51,998 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 27,172 | 27,172 | 0 |
| Total Expenditures | 27,172 | 27,172 | 0 |
| Net Change in Fund Balance | 24,826 | 24,826 | 0 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | (24,826) | (24,826) | 0 |
| Fund Balance - End of Year | \$0 | \$0 | \$0 |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Race To The Top Fund | | |
|---|-------------------------------|-----------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$435,035 | \$308,676 | (\$126,359) |
| Total Revenues | 435,035 | 308,676 | (126,359) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 60,261 | 43,993 | 16,268 |
| Support Services: | | | |
| Instructional Staff | 372,283 | 271,780 | 100,503 |
| Total Expenditures | 432,544 | 315,773 | 116,771 |
| Excess of Revenues Over (Under) Expenditures | 2,491 | (7,097) | (9,588) |
| Other Financing Sources (Uses): | | | |
| Advances In | 28,187 | 20,000 | (8,187) |
| Total Other Financing Sources (Uses) | 28,187 | 20,000 | (8,187) |
| Net Change in Fund Balance | 30,678 | 12,903 | (17,775) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 7,067 | 7,067 | 0 |
| Fund Balance - End of Year | \$37,745 | \$19,970 | (\$17,775) |

Princeton City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

| | IDEA Special Education Fund | | |
|---|--------------------------------------|--------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$1,852,011 | \$1,347,690 | (\$504,321) |
| Total Revenues | 1,852,011 | 1,347,690 | (504,321) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Special | 864,133 | 712,137 | 151,996 |
| Support Services: | | | |
| Pupil | 428,122 | 352,818 | 75,304 |
| Instructional Staff | 131,106 | 108,045 | 23,061 |
| School Administration | 40 | 33 | 7 |
| Pupil Transportation | 24,924 | 20,540 | 4,384 |
| Central | 124,751 | 102,808 | 21,943 |
| Operation of Non-Instructional Services | 85,852 | 70,751 | 15,101 |
| Total Expenditures | 1,658,928 | 1,367,132 | 291,796 |
| Excess of Revenues Over (Under) Expenditures | 193,083 | (19,442) | (212,525) |
| Other Financing Sources (Uses): | | | |
| Transfers In | 158 | 115 | (43) |
| Total Other Financing Sources (Uses) | 158 | 115 | (43) |
| Net Change in Fund Balance | 193,241 | (19,327) | (212,568) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | (166,927) | (166,927) | 0 |
| Fund Balance - End of Year | \$26,314 | (\$186,254) | (\$212,568) |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Vocational Education Fund | | |
|---|---------------------------------|---------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$9,665 | \$9,550 | (\$115) |
| Total Revenues | 9,665 | 9,550 | (115) |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Pupil | 9,550 | 9,550 | 0 |
| Total Expenditures | 9,550 | 9,550 | 0 |
| Net Change in Fund Balance | 115 | 0 | (115) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 794 | 794 | 0 |
| Fund Balance - End of Year | \$909 | \$794 | (\$115) |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Title II-D Fund | | |
|---|--------------------|---------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$13,638 | \$12,287 | (\$1,351) |
| Total Revenues | <u>13,638</u> | <u>12,287</u> | <u>(1,351)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | <u>13,955</u> | <u>12,902</u> | <u>1,053</u> |
| Total Expenditures | <u>13,955</u> | <u>12,902</u> | <u>1,053</u> |
| Net Change in Fund Balance | (317) | (615) | (298) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>615</u> | <u>615</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$298</u> | <u>\$0</u> | <u>(\$298)</u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Title III Fund | | |
|---|-------------------|-----------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$211,318 | \$114,146 | (\$97,172) |
| Total Revenues | <u>211,318</u> | <u>114,146</u> | <u>(97,172)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Special | 247,080 | 138,540 | 108,540 |
| Support Services: | | | |
| Pupil | 75,679 | 42,434 | 33,245 |
| Instructional Staff | 37,677 | 21,126 | 16,551 |
| Total Expenditures | <u>360,436</u> | <u>202,100</u> | <u>158,336</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(149,118)</u> | <u>(87,954)</u> | <u>61,164</u> |
| Other Financing Sources (Uses): | | | |
| Advances In | 166,617 | 90,000 | (76,617) |
| Total Other Financing Sources (Uses) | <u>166,617</u> | <u>90,000</u> | <u>(76,617)</u> |
| Net Change in Fund Balance | 17,499 | 2,046 | (15,453) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>2,448</u> | <u>2,448</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$19,947</u> | <u>\$4,494</u> | <u>(\$15,453)</u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Title I Fund | | |
|---|------------------|------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$2,584,393 | \$2,276,211 | (\$308,182) |
| Other Revenues | 1,484 | 1,307 | (177) |
| Total Revenues | <u>2,585,877</u> | <u>2,277,518</u> | <u>(308,359)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 1,227,947 | 1,016,407 | 211,540 |
| Special | 27,046 | 22,387 | 4,659 |
| Support Services: | | | |
| Instructional Staff | 936,331 | 775,028 | 161,303 |
| Pupil Transportation | 21,682 | 17,947 | 3,735 |
| Operation of Non-Instructional Services | 23,985 | 19,853 | 4,132 |
| Total Expenditures | <u>2,236,991</u> | <u>1,851,622</u> | <u>385,369</u> |
| Excess of Revenues Over (Under) Expenditures | <u>348,886</u> | <u>425,896</u> | <u>77,010</u> |
| Other Financing Sources (Uses): | | | |
| Transfers In | 79 | 70 | (9) |
| Total Other Financing Sources (Uses) | <u>79</u> | <u>70</u> | <u>(9)</u> |
| Net Change in Fund Balance | 348,965 | 425,966 | 77,001 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>(329,824)</u> | <u>(329,824)</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$19,141</u> | <u>\$96,142</u> | <u>\$77,001</u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Drug Free School Grant Fund | | |
|---|-----------------------------------|---------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$0 | \$0 | \$0 |
| Total Revenues | 0 | 0 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Instructional Staff | 0 | 0 | 0 |
| Total Expenditures | 0 | 0 | 0 |
| Net Change in Fund Balance | 0 | 0 | 0 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 2,619 | 2,619 | 0 |
| Fund Balance - End of Year | \$2,619 | \$2,619 | \$0 |

Princeton City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

| | Preschool Development Grant Fund | | |
|---|---|-----------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$20,872 | \$11,591 | (\$9,281) |
| Total Revenues | <u>20,872</u> | <u>11,591</u> | <u>(9,281)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Special | 16,097 | 10,912 | 5,185 |
| Support Services: | | | |
| Pupil | 18,774 | 12,726 | 6,048 |
| Total Expenditures | <u>34,871</u> | <u>23,638</u> | <u>11,233</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(13,999)</u> | <u>(12,047)</u> | <u>1,952</u> |
| Other Financing Sources (Uses): | | | |
| Advances In | 21,609 | 12,000 | (9,609) |
| Transfers In | 864 | 480 | (384) |
| Total Other Financing Sources (Uses) | <u>22,473</u> | <u>12,480</u> | <u>(9,993)</u> |
| Net Change in Fund Balance | 8,474 | 433 | (8,041) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>401</u> | <u>401</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$8,875</u> | <u>\$834</u> | <u>(\$8,041)</u> |

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Final Budget | Actual | Reducing Class Size Fund Variance from Final Budget |
|---|-----------------|-----------------|--|
| Revenues: | | | |
| Intergovernmental | \$466,902 | \$266,417 | (\$200,485) |
| Total Revenues | <u>466,902</u> | <u>266,417</u> | <u>(200,485)</u> |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Instructional Staff | 392,667 | 209,994 | 182,673 |
| Operation of Non-Instructional Services | 59,504 | 31,822 | 27,682 |
| Total Expenditures | <u>452,171</u> | <u>241,816</u> | <u>210,355</u> |
| Net Change in Fund Balance | 14,731 | 24,601 | 9,870 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>(7,334)</u> | <u>(7,334)</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$7,397</u> | <u>\$17,267</u> | <u>\$9,870</u> |

Princeton City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

| | Miscellaneous Federal Grants Fund | | |
|---|--|------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Intergovernmental | \$0 | \$0 | \$0 |
| Total Revenues | 0 | 0 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 86,030 | 24,355 | 61,675 |
| Support Services: | | | |
| School Administration | 721 | 204 | 517 |
| Operations and Maintenance | 81,936 | 23,196 | 58,740 |
| Operation of Non-Instructional Services | 47,069 | 13,325 | 33,744 |
| Total Expenditures | 215,756 | 61,080 | 154,676 |
| Excess of Revenues Over (Under) Expenditures | (215,756) | (61,080) | 154,676 |
| Other Financing Sources (Uses): | | | |
| Advances In | 202,872 | 13,000 | (189,872) |
| Transfers In | 31 | 2 | (29) |
| Total Other Financing Sources (Uses) | 202,903 | 13,002 | (189,901) |
| Net Change in Fund Balance | (12,853) | (48,078) | (35,225) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 25,854 | 25,854 | 0 |
| Fund Balance - End of Year | \$13,001 | (\$22,224) | (\$35,225) |

NONMAJOR CAPITAL PROJECTS FUND

Fund Description

Permanent Improvement - To account for all transactions related to acquisition, construction or improvement of the infrastructure of buildings and grounds through permanent improvements. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Building Fund has been included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Princeton City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

| | Permanent Improvement Fund | | |
|--|----------------------------|-------------|----------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Taxes | \$2,619,150 | \$2,766,930 | \$147,780 |
| Investment Earnings | 2 | 2 | 0 |
| Intergovernmental | 158,061 | 166,979 | 8,918 |
| Other Revenues | 185,558 | 196,028 | 10,470 |
| Total Revenues | 2,962,771 | 3,129,939 | 167,168 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 929,051 | 640,370 | 288,681 |
| Support Services: | | | |
| Fiscal | 52,040 | 35,870 | 16,170 |
| Operations and Maintenance | 17,682 | 12,188 | 5,494 |
| Capital Outlay | 52,583 | 36,244 | 16,339 |
| Debt Service: | | | |
| Principal Retirement | 1,822,714 | 1,256,348 | 566,366 |
| Interest and Fiscal Charges | 1,386,505 | 955,681 | 430,824 |
| Total Expenditures | 4,260,575 | 2,936,701 | 1,323,874 |
| Excess of Revenues Over (Under) Expenditures | (1,297,804) | 193,238 | 1,491,042 |
| Other Financing Sources (Uses): | | | |
| Proceeds from Sale of Capital Assets | 680,849 | 719,265 | 38,416 |
| Transfers In | 567,954 | 600,000 | 32,046 |
| Total Other Financing Sources (Uses) | 1,248,803 | 1,319,265 | 70,462 |
| Net Change in Fund Balance | (49,001) | 1,512,503 | 1,561,504 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 277,679 | 277,679 | 0 |
| Fund Balance - End of Year | \$228,678 | \$1,790,182 | \$1,561,504 |

NONMAJOR PERMANENT FUND

Fund Description

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

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Permanent Fund | | |
|--|----------------|----------|----------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Investment Earnings | \$34 | \$34 | \$0 |
| Total Revenues | 34 | 34 | 0 |
| Expenditures: | | | |
| Current: | | | |
| Operation of Non-Instructional Services | 28,388 | 28,388 | 0 |
| Total Expenditures | 28,388 | 28,388 | 0 |
| Net Change in Fund Balance | (28,354) | (28,354) | 0 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 28,359 | 28,359 | 0 |
| Fund Balance - End of Year | \$5 | \$5 | \$0 |

OTHER GENERAL FUNDS

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

Fund Descriptions

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

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

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

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

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

| | Uniform School Supply Fund (1) | | |
|---|---|-----------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Tuition and Fees | \$8,881 | \$8,881 | \$0 |
| Total Revenues | <u>8,881</u> | <u>8,881</u> | <u>0</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 44,789 | 31,451 | 13,338 |
| Total Expenditures | <u>44,789</u> | <u>31,451</u> | <u>13,338</u> |
| Net Change in Fund Balance | (35,908) | (22,570) | 13,338 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>108,925</u> | <u>108,925</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$73,017</u> | <u>\$86,355</u> | <u>\$13,338</u> |

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

Princeton City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

| | Public School Support Fund (1) | | |
|--|---|------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Tuition and Fees | \$1,987 | \$1,987 | \$0 |
| Extracurricular Activities | 1,170 | 1,170 | 0 |
| Other Revenues | 109,476 | 109,482 | 6 |
| Total Revenues | 112,633 | 112,639 | 6 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 101,137 | 63,106 | 38,031 |
| Support Services: | | | |
| Instructional Staff | 42,012 | 26,214 | 15,798 |
| School Administration | 24,065 | 15,016 | 9,049 |
| Pupil Transportation | 1,603 | 1,000 | 603 |
| Central | 2,917 | 1,820 | 1,097 |
| Operation of Non-Instructional Services | 256 | 160 | 96 |
| Extracurricular Activities | 3,016 | 1,882 | 1,134 |
| Total Expenditures | 175,006 | 109,198 | 65,808 |
| Net Change in Fund Balance | (62,373) | 3,441 | 65,814 |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | 225,930 | 225,930 | 0 |
| Fund Balance - End of Year | \$163,557 | \$229,371 | \$65,814 |

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

Princeton City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

| | Early Childhood Fund (1) | | |
|---|--------------------------------|------------------|-------------------------------|
| | Final Budget | Actual | Variance from Final Budget |
| Revenues: | | | |
| Tuition and Fees | \$160,405 | \$161,711 | \$1,306 |
| Other Revenues | 119 | 120 | 1 |
| Total Revenues | <u>160,524</u> | <u>161,831</u> | <u>1,307</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 11,048 | 560,042 | (548,994) |
| Support Services: | | | |
| School Administration | 1,226 | 62,141 | (60,915) |
| Operation of Non-Instructional Services | 1,517 | 76,905 | (75,388) |
| Total Expenditures | <u>13,791</u> | <u>699,088</u> | <u>(685,297)</u> |
| Excess of Revenues Over (Under) Expenditures | <u>146,733</u> | <u>(537,257)</u> | <u>(683,990)</u> |
| Other Financing Sources (Uses): | | | |
| Transfers In | 476,124 | 480,000 | 3,876 |
| Total Other Financing Sources (Uses) | <u>476,124</u> | <u>480,000</u> | <u>3,876</u> |
| Net Change in Fund Balance | 622,857 | (57,257) | (680,114) |
| Fund Balance - Beginning of Year (includes prior year encumbrances appropriated) | <u>162,316</u> | <u>162,316</u> | <u>0</u> |
| Fund Balance - End of Year | <u>\$785,173</u> | <u>\$105,059</u> | <u>(\$680,114)</u> |

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

Princeton City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2013

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

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

NONMAJOR FUNDS

Internal Service Funds

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

Fund Descriptions

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

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

Princeton City School District
Combining Statement of Net Position
Internal Service Funds
June 30, 2013

| | Employee Benefits | Worker's Compensation Self-Insurance | Total Internal Service Funds |
|---------------------------------------|----------------------|--|------------------------------------|
| Assets: | | | |
| Equity in Pooled Cash and Investments | \$2,511,050 | \$2,317,907 | \$4,828,957 |
| Total Assets | 2,511,050 | 2,317,907 | 4,828,957 |
| Liabilities: | | | |
| Current Liabilities: | | | |
| Accounts Payable | 52,607 | 1,760 | 54,367 |
| Interfund Payable | 0 | 2,316,763 | 2,316,763 |
| Claims Payable | 590,991 | 19,364 | 610,355 |
| Total Liabilities | 643,598 | 2,337,887 | 2,981,485 |
| Net Position: | | | |
| Unrestricted | 1,867,452 | (19,980) | 1,847,472 |
| Total Net Position | \$1,867,452 | (\$19,980) | \$1,847,472 |

Princeton City School District
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2013

| | Employee Benefits | Worker's Compensation Self-Insurance | Total Internal Service Funds |
|--|----------------------|--|------------------------------------|
| Operating Revenues: | | | |
| Charges for Services | \$8,280,359 | \$521,551 | \$8,801,910 |
| Other Revenues | 225,889 | 124,054 | 349,943 |
| Total Operating Revenues | <u>8,506,248</u> | <u>645,605</u> | <u>9,151,853</u> |
| Operating Expenses: | | | |
| Contactual Services | 826,235 | 72,649 | 898,884 |
| Claims | 6,550,216 | 320,327 | 6,870,543 |
| Other Expenses | 890,930 | 41,506 | 932,436 |
| Total Operating Expenses | <u>8,267,381</u> | <u>434,482</u> | <u>8,701,863</u> |
| Operating Income (Loss) | <u>238,867</u> | <u>211,123</u> | <u>449,990</u> |
| Non-Operating Revenues (Expenses): | | | |
| Interest (Expense) | 43 | 0 | 43 |
| Total Non-Operating Revenues (Expenses) | <u>43</u> | <u>0</u> | <u>43</u> |
| Income (Loss) Before Contributions & Transfers | 238,910 | 211,123 | 450,033 |
| Transfers In | 943,500 | 0 | 943,500 |
| Change in Net Position | 1,182,410 | 211,123 | 1,393,533 |
| Net Position - Beginning of Year | <u>685,042</u> | <u>(231,103)</u> | <u>453,939</u> |
| Net Position - End of Year | <u>\$1,867,452</u> | <u>(\$19,980)</u> | <u>\$1,847,472</u> |

Princeton City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2013

| | Employee Benefits | Worker's Compensation Self-Insurance | Total Internal Service Funds |
|---|-------------------------|--|------------------------------------|
| Cash Flows from Operating Activities: | | | |
| Cash Received from Customers | \$8,506,248 | \$645,605 | \$9,151,853 |
| Cash Payments to Suppliers | (8,343,722) | (432,835) | (8,776,557) |
| Net Cash Provided (Used) by Operating Activities | <u>162,526</u> | <u>212,770</u> | <u>375,296</u> |
| Cash Flows from Noncapital Financing Activities: | | | |
| Payments from Other Funds | 943,500 | 0 | 943,500 |
| Net Cash Provided (Used) by Noncapital Financing Activities | <u>943,500</u> | <u>0</u> | <u>943,500</u> |
| Cash Flows from Capital and Related Financing Activities: | | | |
| Debt Interest Payments | 43 | 0 | 43 |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>43</u> | <u>0</u> | <u>43</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 1,106,069 | 212,770 | 1,318,839 |
| Cash and Cash Equivalents Beginning of Year | <u>1,404,981</u> | <u>2,105,137</u> | <u>3,510,118</u> |
| Cash and Cash Equivalents End of Year | <u><u>2,511,050</u></u> | <u><u>2,317,907</u></u> | <u><u>4,828,957</u></u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | |
| Operating Income (Loss) | 238,867 | 211,123 | 449,990 |
| Changes in Assets & Liabilities: | | | |
| Increase (Decrease) in Payables | (76,341) | 1,647 | (74,694) |
| Net Cash Provided (Used) by Operating Activities | <u><u>\$162,526</u></u> | <u><u>\$212,770</u></u> | <u><u>\$375,296</u></u> |

NONMAJOR FUND

Fiduciary fund

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 unites and/or other funds.

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

Princeton City School District
Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2013

| | Student Managed Activity | | | Ending Balance |
|---------------------------------------|--------------------------------|------------------|------------------|-------------------|
| | Beginning Balance | Additions | Deductions | |
| Assets: | | | | |
| Equity in Pooled Cash and Investments | \$145,456 | \$211,805 | \$197,806 | \$159,455 |
| Receivables: | | | | |
| Accounts | 203 | 1,252 | 203 | 1,252 |
| Total Assets | <u>145,659</u> | <u>213,057</u> | <u>198,009</u> | <u>160,707</u> |
| Liabilities: | | | | |
| Accounts Payable | 1,250 | 5,234 | 1,250 | 5,234 |
| Other Liabilities | 144,409 | 207,823 | 196,759 | 155,473 |
| Total Liabilities | <u>\$145,659</u> | <u>\$213,057</u> | <u>\$198,009</u> | <u>\$160,707</u> |

STATISTICAL SECTION



STATISTICAL SECTION

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

CONTENTS

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

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

DEBT CAPACITY: These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.

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

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

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

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

| | Fiscal Year | | | | | | | | | |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Governmental Activities | | | | | | | | | | |
| Net Investment in Capital Assets | \$4,510,135 | \$6,505,305 | \$11,365,292 | \$12,177,021 | \$18,917,661 | \$16,185,254 | \$11,939,134 | \$12,349,072 | \$1,231,465 | \$1,346,980 |
| Restricted | 3,927,410 | 5,722,643 | 8,181,478 | 9,790,620 | 8,748,433 | 6,347,424 | 7,958,748 | 4,461,165 | 9,946,127 | 12,121,084 |
| Unrestricted | 28,453,533 | 34,758,011 | 35,398,152 | 42,188,268 | 33,560,467 | 32,529,521 | 26,567,919 | 24,350,261 | 19,356,922 | 20,911,787 |
| Total Governmental Net Position | \$36,891,078 | \$46,985,959 | \$54,944,922 | \$64,155,909 | \$61,226,561 | \$55,062,199 | \$46,465,801 | \$41,160,498 | \$30,534,514 | \$34,379,851 |

Source: District Records

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

| | Fiscal Year | | | | | | | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Instruction | \$40,341,818 | \$36,756,354 | \$40,212,240 | \$39,868,642 | \$41,092,546 | \$43,259,277 | \$45,105,572 | \$43,949,741 | \$46,957,499 | \$49,289,509 |
| Pupil | 5,235,034 | 5,255,056 | 4,742,701 | 4,853,378 | 4,362,878 | 4,973,405 | 5,176,839 | 4,838,552 | 4,135,169 | 4,303,537 |
| Instructional Staff | 5,115,420 | 5,167,170 | 5,991,323 | 6,104,382 | 5,860,843 | 6,930,120 | 7,268,709 | 7,408,565 | 7,301,286 | 2,134,313 |
| General Administration | 390,937 | 392,114 | 382,312 | 356,891 | 271,234 | 288,917 | 417,868 | 358,720 | 224,251 | 222,072 |
| School Administration | 5,409,443 | 5,131,871 | 5,961,291 | 6,148,062 | 6,515,014 | 8,292,485 | 7,747,880 | 3,666,881 | 5,901,904 | 5,932,219 |
| Fiscal | 1,946,483 | 1,739,623 | 2,266,379 | 2,582,803 | 2,945,291 | 2,455,576 | 2,433,305 | 2,616,425 | 2,021,731 | 2,093,683 |
| Business | 514,215 | 458,015 | 551,136 | 739,910 | 554,545 | 526,099 | 363,532 | 214,352 | 181,585 | 219,646 |
| Operation and Maintenance | 7,539,647 | 7,556,075 | 7,698,335 | 7,940,072 | 7,864,438 | 7,931,346 | 8,100,618 | 8,022,850 | 7,112,340 | 7,404,673 |
| Pupil Transportation | 4,035,873 | 4,831,948 | 3,795,527 | 4,996,401 | 5,159,594 | 4,839,807 | 4,943,041 | 5,133,648 | 4,838,681 | 5,556,446 |
| Central | 1,957,176 | 1,856,891 | 1,551,154 | 1,751,752 | 1,711,621 | 1,552,170 | 934,365 | 1,485,580 | 1,428,593 | 936,744 |
| Operation of Non-Instructional Services | 6,221,950 | 6,375,627 | 6,575,065 | 5,908,064 | 4,063,597 | 5,341,611 | 5,331,918 | 5,406,734 | 4,271,955 | 4,053,667 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 1,461,925 | 1,697,938 | 1,650,476 | 1,508,941 | 1,151,974 | 1,263,001 |
| Interest and Fiscal Charges | 3,499,610 | 4,070,873 | 4,021,596 | 3,412,151 | 3,727,692 | 3,557,493 | 3,592,012 | 10,093,624 | 11,417,579 | 12,167,816 |
| Total Governmental Activities Expenses | 82,207,606 | 79,591,617 | 83,749,059 | 84,662,508 | 85,591,218 | 91,646,244 | 93,066,135 | 94,704,613 | 96,944,547 | 95,577,326 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services and Sales | 1,775,113 | 1,663,279 | 1,740,329 | 716,783 | 554,079 | 1,632,505 | 1,534,119 | 1,556,734 | 5,453,093 | 4,934,196 |
| Instruction | 0 | 0 | 0 | 0 | 878 | 0 | 0 | 0 | 0 | 0 |
| Pupil | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| School Administration | 0 | 0 | 0 | 0 | 8,618 | 0 | 0 | 0 | 0 | 0 |
| Business | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 59,058 |
| Operations and Maintenance | 0 | 0 | 0 | 0 | 33,063 | 0 | 0 | 0 | 0 | 0 |
| Pupil Transportation | 0 | 0 | 0 | 0 | 20,862 | 0 | 0 | 0 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 | 113 | 0 | 0 | 0 | 0 | 0 |
| Operation of Non-Instructional Services | 1,083,576 | 1,070,691 | 1,374,455 | 1,525,353 | 2,263,580 | 700,415 | 534,270 | 467,866 | 591,920 | 523,624 |
| Extracurricular Activities | 108,621 | 136,202 | 128,062 | 132,597 | 132,535 | 141,034 | 121,412 | 131,184 | 126,198 | 105,600 |
| Food Service | 1,052,424 | 960,987 | 998,984 | 994,316 | 0 | 822,040 | 823,267 | 682,191 | 0 | 0 |
| Operating Grants and Contributions | 6,369,149 | 6,079,032 | 5,669,450 | 5,798,481 | 6,008,920 | 7,246,048 | 8,356,788 | 10,743,225 | 8,586,992 | 7,828,636 |
| Capital Grants and Contributions | 0 | 51,345 | 1,634 | 45,197 | 26,979 | 50,165 | 0 | 0 | 0 | 0 |
| Total Governmental Activities Program Revenues | 10,388,883 | 9,961,536 | 9,912,914 | 9,212,727 | 9,049,627 | 10,592,207 | 11,369,856 | 13,581,200 | 14,815,753 | 13,451,273 |
| Net (Expense)/Revenue | (\$71,818,723) | (\$69,630,081) | (\$73,836,145) | (\$75,449,781) | (\$76,541,591) | (\$81,054,037) | (\$81,696,279) | (\$81,123,413) | (\$82,128,794) | (\$82,126,053) |

Source: District Records

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

| | Fiscal Year | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Total Government Net Expense | (\$71,818,723) | (\$69,630,081) | (\$73,836,145) | (\$75,449,781) | (\$76,541,591) | (\$81,054,037) | (\$81,696,279) | (\$81,123,413) | (\$82,128,794) | (\$82,126,053) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Property Taxes | 57,156,993 | 65,629,652 | 65,600,762 | 66,930,812 | 50,230,088 | 51,717,675 | 45,314,988 | 45,487,235 | 42,437,792 | 57,539,338 |
| Grants and Entitlements Not Restricted | 10,257,768 | 10,233,936 | 10,566,991 | 14,367,565 | 18,864,593 | 23,242,456 | 26,779,285 | 27,489,047 | 27,503,063 | 26,600,918 |
| Payment in Lieu of Taxes | 0 | 0 | 0 | 0 | 556,594 | 0 | 0 | 0 | 318,935 | 294,599 |
| Unrestricted Contributions | 0 | 0 | 0 | 0 | 16,050 | 0 | 0 | 0 | 51,695 | 54,317 |
| Investment Earnings | 1,275,157 | 2,209,135 | 3,321,120 | 2,846,626 | 1,996,557 | 1,021,262 | 116,100 | 1,603,978 | 724,883 | 353,627 |
| Gain on Sale of Capital Assets | 10,240 | 0 | 7,667 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Revenues | 1,218,775 | 1,333,139 | 1,478,996 | 1,202,956 | 522,171 | 1,399,776 | 889,498 | 1,237,850 | 466,442 | 1,128,591 |
| Total Governmental Activities | 69,918,933 | 79,405,862 | 80,975,536 | 85,347,959 | 72,186,053 | 77,381,169 | 73,099,881 | 75,818,110 | 71,502,810 | 85,971,390 |
| Change in Net Position | (\$1,899,790) | \$9,775,781 | \$7,139,391 | \$9,898,178 | (\$4,355,538) | (\$3,672,868) | (\$8,596,398) | (\$5,305,303) | (\$10,625,984) | \$3,845,337 |

Source: District Records

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

| | Fiscal Year | | | | | | | | | |
|---|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|---------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 (1) | 2012 | 2013 |
| General Fund | | | | | | | | | | |
| Reserved | \$14,228,324 | \$18,062,506 | \$20,329,900 | \$22,608,842 | \$15,660,766 | \$16,733,995 | \$15,232,447 | \$0 | \$0 | \$0 |
| Unreserved | 13,841,444 | 16,935,494 | 12,294,817 | 17,131,871 | 20,297,623 | 17,804,570 | 7,223,096 | 0 | 0 | 0 |
| Nonspendable | | | | | | | | 70,088 | 0 | 0 |
| Restricted | | | | | | | | 212,907 | 212,907 | 212,907 |
| Committed | | | | | | | | 11,000 | 11,000 | 11,000 |
| Assigned | | | | | | | | 1,762,134 | 1,665,971 | 2,502,626 |
| Unassigned | | | | | | | | 17,279,293 | 14,513,410 | 14,662,671 |
| Total General Fund | 28,069,768 | 34,998,000 | 32,624,717 | 39,740,713 | 35,958,389 | 34,538,565 | 22,455,543 | 19,335,422 | 16,403,288 | 17,389,204 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | 11,412,461 | 29,556,294 | 21,325,576 | 10,052,289 | 3,264,264 | 2,831,215 | 2,041,047 | 0 | 0 | 0 |
| Unreserved, Reported in: | | | | | | | | | | |
| Capital Project Funds | 72,749,842 | 46,873,525 | 12,899,423 | (4,162,519) | (4,532,481) | (3,603,579) | 6,429 | 0 | 0 | 0 |
| Debt Service Funds | 227,271 | 1,103,769 | 1,506,864 | 2,642,748 | 2,674,898 | 2,746,506 | 2,983,861 | 0 | 0 | 0 |
| Special Revenue Funds | 747,708 | 369,958 | 1,092,426 | 249,319 | 2,396,335 | 749,842 | 770,823 | 0 | 0 | 0 |
| Permanent Funds | 0 | 0 | 0 | 19,490 | 27,805 | 20,420 | 19,386 | 0 | 0 | 0 |
| Nonspendable | | | | | | | | 305,097 | 31,428 | 18,830 |
| Restricted | | | | | | | | 125,923,822 | 120,497,590 | 63,586,311 |
| Unassigned | | | | | | | | (845,338) | (23,989) | (626,832) |
| Total all Other Governmental Funds | \$85,137,282 | \$77,903,546 | \$36,824,289 | \$8,801,327 | \$3,830,821 | \$2,744,404 | \$5,821,546 | \$125,383,581 | \$120,505,029 | \$62,978,309 |

Source: District Records

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

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

| | Fiscal Year | | | | | | | | | |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Revenues: | | | | | | | | | | |
| Taxes | \$54,034,496 | \$65,740,919 | \$62,512,646 | \$67,624,833 | \$52,786,846 | \$50,200,683 | \$44,164,544 | \$45,225,898 | \$45,001,017 | \$57,396,548 |
| Revenue in Lieu of Taxes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 204,696 | 266,425 |
| Tuition and Fees | 1,775,113 | 1,663,279 | 1,774,304 | 751,060 | 1,018,668 | 1,639,115 | 1,539,478 | 1,570,137 | 5,447,149 | 4,917,204 |
| Investment Earnings | 1,187,812 | 2,211,600 | 3,448,933 | 2,862,617 | 2,020,746 | 1,028,715 | 116,602 | 1,603,104 | 647,201 | 490,367 |
| Intergovernmental | 15,539,902 | 14,907,680 | 14,864,188 | 18,646,683 | 24,846,527 | 30,314,195 | 34,438,786 | 38,060,361 | 36,018,462 | 33,768,487 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 124,859 | 105,584 |
| Charges for Services | 0 | 0 | 0 | 0 | 1,947,885 | 1,772,493 | 1,598,430 | 1,382,156 | 596,983 | 540,509 |
| Other Revenues | 1,321,006 | 1,464,236 | 1,573,083 | 1,437,376 | 1,062,672 | 1,276,150 | 788,858 | 1,121,294 | 643,797 | 523,926 |
| Total Revenues | <u>\$73,858,329</u> | <u>\$85,987,714</u> | <u>\$84,173,154</u> | <u>\$91,322,569</u> | <u>\$83,683,344</u> | <u>\$86,231,351</u> | <u>\$82,646,698</u> | <u>\$88,962,950</u> | <u>\$88,684,164</u> | <u>\$98,009,050</u> |

Source: District Records

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

| | Fiscal Year | | | | | | | | | |
|---|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Instruction | \$39,702,168 | \$36,158,006 | \$39,927,716 | \$40,348,425 | \$40,455,868 | \$40,898,687 | \$43,216,250 | \$41,325,970 | \$42,349,983 | \$47,526,439 |
| Pupil | 5,226,609 | 5,253,048 | 4,883,938 | 4,913,808 | 4,451,245 | 4,933,419 | 5,146,093 | 4,879,958 | 4,113,558 | 4,292,060 |
| Instructional Staff | 5,057,224 | 5,138,665 | 6,172,017 | 6,068,675 | 5,797,624 | 6,777,010 | 7,200,116 | 7,288,612 | 6,979,434 | 2,202,967 |
| General Administration | 382,610 | 388,534 | 382,312 | 356,891 | 271,234 | 288,917 | 417,868 | 358,720 | 224,251 | 222,072 |
| School Administration | 5,366,310 | 5,127,096 | 6,007,403 | 5,990,165 | 6,217,725 | 6,009,337 | 6,669,776 | 5,999,568 | 5,934,410 | 5,894,558 |
| Fiscal | 2,176,777 | 1,836,629 | 2,335,416 | 2,581,376 | 2,945,291 | 2,395,328 | 2,436,579 | 2,342,938 | 2,026,008 | 2,083,024 |
| Business | 510,215 | 458,015 | 537,136 | 968,888 | 564,917 | 501,599 | 381,051 | 249,815 | 185,583 | 215,765 |
| Operations and Maintenance | 7,332,923 | 7,307,221 | 8,004,633 | 7,970,663 | 7,951,463 | 7,916,363 | 8,552,724 | 7,934,426 | 7,072,906 | 7,391,505 |
| Pupil Transportation | 3,844,915 | 4,712,953 | 4,297,383 | 4,237,681 | 4,466,487 | 4,522,788 | 5,829,450 | 4,756,146 | 4,482,907 | 5,299,350 |
| Central | 2,165,784 | 1,791,364 | 1,593,224 | 1,689,775 | 1,646,156 | 1,479,786 | 907,802 | 1,153,797 | 1,427,616 | 927,910 |
| Operation of Non-Instructional Services | 1,250,924 | 1,258,022 | 1,281,840 | 1,576,233 | 4,056,406 | 5,282,104 | 5,377,052 | 5,408,244 | 4,175,626 | 3,950,224 |
| Extracurricular Activities | 1,492,133 | 1,735,206 | 1,461,272 | 1,356,518 | 1,402,027 | 1,575,728 | 1,596,892 | 1,491,800 | 1,079,342 | 1,190,368 |
| Capital Outlay | 3,866,575 | 9,705,033 | 44,564,267 | 28,784,849 | 7,296,149 | 243,766 | 151,663 | 8,200,649 | 18,814,067 | 62,972,645 |
| Debt Service: | | | | | | | | | | |
| Principal Retirement | 682,532 | 1,275,616 | 2,113,811 | 1,963,000 | 2,359,000 | 1,821,000 | 1,285,000 | 1,566,517 | 1,642,570 | 1,891,348 |
| Interest and Fiscal Charges | 3,178,622 | 4,137,441 | 4,070,993 | 3,640,237 | 3,737,224 | 3,668,790 | 3,681,776 | 9,597,684 | 10,931,934 | 11,355,573 |
| Bond Issuance Costs | 918,140 | 0 | 0 | 788,041 | 0 | 0 | 0 | 1,223,069 | 236,004 | 0 |
| Total Expenditures | \$83,154,461 | \$86,282,849 | \$127,633,361 | \$113,235,225 | \$93,618,816 | \$88,314,622 | \$92,850,092 | \$103,777,913 | \$111,676,199 | \$157,415,808 |

Debt Service as a Percentage of Noncapital Expenditures 4.92% 7.12% 7.84% 6.76% 7.11% 6.23% 5.51% 11.69% 13.54% 14.01%

Source: District Records

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

| | Fiscal Year | | | | | | | | | |
|--|--------------|-------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|----------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Issuance of Loans | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,628,000 | \$0 | \$0 | \$0 |
| Payments to Refunded Bond Escrow Agent | 0 | 0 | 0 | (75,458,718) | 0 | 0 | 0 | 0 | 0 | 0 |
| Issuance of Refunding Bonds | 85,000,000 | 0 | 0 | 70,840,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Refunding Bond Premium | 2,114,155 | 0 | 0 | 5,406,759 | 0 | 0 | 0 | 0 | 0 | 0 |
| Proceeds from Sale of Capital Assets | 10,240 | 0 | 7,667 | 0 | 54,486 | 77,030 | 69,514 | 0 | 48,348 | 736,784 |
| Inception of Capital Leases | 1,603,000 | 558,000 | 0 | 0 | 0 | 0 | 0 | 509,975 | 0 | 0 |
| Premium on Bonds and Notes Issued | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,746,972 | 145,998 | 127,670 |
| Issuance of Bonds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 119,999,930 | 0 | 645,000 |
| Discount on Certificate of Participation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15,225,000 | 2,300,000 |
| Transfers In | 85,622,582 | 1,009,680 | 1,775,110 | 2,644,918 | 2,080,616 | 1,402,458 | 1,839,536 | 11,493,131 | 1,141,801 | 2,164,261 |
| Transfers (Out) | (85,622,582) | (1,009,680) | (1,775,110) | (2,699,794) | (2,080,616) | (1,902,458) | (4,339,536) | (11,493,131) | (1,141,801) | (3,107,761) |
| Total Other Financing Sources (Uses) | 88,727,395 | 558,000 | 7,667 | 733,165 | 54,486 | (422,970) | 1,197,514 | 131,256,877 | 15,181,349 | 2,865,954 |
| Net Change in Fund Balances | \$79,431,263 | \$262,865 | (\$43,452,540) | (\$21,179,491) | (\$9,880,986) | (\$2,506,241) | (\$9,005,880) | \$116,441,914 | (\$7,810,686) | (\$56,540,804) |

Source: District Records

Princeton City School District, Ohio
 Assessed Value and Actual Value of Taxable Property
 Last Ten Calendar Years (1)
 Schedule 8

| Calendar Year | Real Property Assessed Value (2) | Tangible Personal Property Assessed Value (2) | Public Utilities Personal Assessed Value (2) | Total Assessed Value | Total Estimated Actual Value | Total Direct Rate |
|---------------|----------------------------------|---|--|----------------------|------------------------------|-------------------|
| 2003 | \$1,358,732,160 | \$404,687,148 | \$66,068,790 | \$1,829,488,098 | \$5,227,108,851 | 49.03 |
| 2004 | 1,367,594,010 | 421,066,962 | 68,900,980 | 1,857,561,952 | 5,307,319,863 | 49.03 |
| 2005 | 1,560,927,220 | 384,837,640 | 68,330,650 | 2,014,095,510 | 5,754,558,600 | 49.03 |
| 2006 | 1,565,323,230 | 208,144,506 | 59,406,820 | 1,832,874,556 | 5,236,784,446 | 49.03 |
| 2007 (3) | 1,462,254,440 | 101,686,690 | 40,902,420 | 1,604,843,550 | 4,585,267,286 | 49.03 |
| 2008 | 1,633,409,420 | 114,507,988 | 43,420,600 | 1,791,338,008 | 5,118,108,594 | 48.89 |
| 2009 | 1,620,811,910 | 17,853,270 | 48,392,540 | 1,687,057,720 | 4,820,164,914 | 48.89 |
| 2010 | 1,554,771,440 | 5,517,290 | 58,044,658 | 1,618,333,388 | 4,623,809,680 | 50.48 |
| 2011 | 1,449,563,270 | 0 | 52,029,740 | 1,501,593,010 | 4,290,265,743 | 50.83 |
| 2012 | 1,432,182,830 | 0 | 76,712,050 | 1,508,894,880 | 4,311,128,229 | 61.28 |

Source: Hamilton County, Butler County and Warren County Auditor

(1) - 2003 through 2005 does not include information for Warren County.

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

(3) - Information for Warren County not available

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

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

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

| Calendar Year | District Direct Rates | Hamilton County | City of Blue Ash | City of Springdale | Village of Evendale | Village of Glendale | Overlapping Rates | | | | | Sycamore Township | Springfield Township | Joint Vocational School | Great Oaks School |
|---------------|-----------------------|-----------------|------------------|--------------------|---------------------|---------------------|----------------------------|---------------------|----------------------|-------------------|-------------------|-------------------|----------------------|-------------------------|-------------------|
| | | | | | | | Village of Lincoln Heights | Village of Woodlawn | Springfield Township | Sycamore Township | Great Oaks School | | | | |
| 2003 | 49.03 | 21.51 | 3.08 | 3.08 | 0.00 | 22.23 | 26.33 | 5.08 | 20.30 | 7.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2004 | 49.03 | 21.06 | 3.08 | 3.08 | 0.00 | 21.83 | 26.33 | 5.08 | 20.30 | 7.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2005 | 49.03 | 20.81 | 3.08 | 3.08 | 0.00 | 21.39 | 28.33 | 5.08 | 20.30 | 7.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2006 | 49.03 | 20.18 | 3.08 | 3.08 | 0.00 | 21.18 | 28.33 | 5.08 | 20.30 | 8.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2007 | 49.03 | 20.18 | 3.08 | 3.08 | 0.00 | 21.18 | 28.33 | 5.08 | 20.30 | 8.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2008 | 48.99 | 20.63 | 3.08 | 3.08 | 0.00 | 20.08 | 35.33 | 5.08 | 22.80 | 8.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2009 | 48.99 | 20.48 | 3.08 | 3.08 | 0.00 | 20.08 | 35.33 | 5.08 | 22.80 | 8.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2010 | 50.48 | 19.45 | 3.08 | 3.08 | 0.00 | 20.08 | 39.33 | 5.08 | 22.80 | 8.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2011 | 50.83 | 19.03 | 3.08 | 3.08 | 0.00 | 20.08 | 40.73 | 5.08 | 22.80 | 8.75 | 2.70 | 2.70 | 2.70 | 2.70 | |
| 2012 | 61.28 | 19.03 | 3.08 | 3.08 | 0.00 | 21.58 | 48.73 | 5.08 | 23.80 | 8.75 | 2.70 | 2.70 | 2.70 | 2.70 | |

Source: Hamilton County Auditor

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

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

| Taxpayer | 2012 | |
|----------------------------------|------------------------|------------------------------------|
| | Assessed Value | Percentage of Total Assessed Value |
| Duke Energy | \$63,022,320 | 4.18% |
| Tri-County Mall LLC | 19,346,530 | 1.28% |
| Duke Energy | 11,904,640 | 0.79% |
| Kemper Apartments LTD | 7,784,960 | 0.52% |
| Merchant Street 27 | 7,608,590 | 0.50% |
| WOP Mallard Lakes LLC | 6,769,880 | 0.45% |
| Springdale-Kemper Assoc | 6,658,280 | 0.44% |
| General Western Highland | 6,655,730 | 0.44% |
| KE Tri-County LLC | 6,544,550 | 0.43% |
| Proctor & Gamble CO | 6,154,290 | 0.41% |
| Total Principal Taxpayers | 142,449,770 | 9.45% |
| All Other Taxpayers | 1,366,445,110 | 90.55% |
| Total Taxpayers | \$1,508,894,880 | 100.00% |

| Taxpayer | 2003 | |
|----------------------------------|------------------------|------------------------------------|
| | Assessed Value | Percentage of Total Assessed Value |
| Ford Motor Company | \$71,857,470 | 3.93% |
| Concordia Properties, LLC | 57,028,880 | 3.12% |
| Procter & Gamble | 36,777,450 | 2.01% |
| General Electric | 33,844,710 | 1.85% |
| Cinergy | 29,832,270 | 1.63% |
| Cincinnati Bell | 24,392,660 | 1.33% |
| G&I Executive Center | 17,503,800 | 0.96% |
| Duke Realty | 16,982,500 | 0.93% |
| Dugan Financing | 14,093,890 | 0.77% |
| Formica Corporation | 13,801,480 | 0.76% |
| Total Principal Taxpayers | 316,115,110 | 17.28% |
| All Other Taxpayers | 1,513,372,988 | 82.72% |
| Total Taxpayers | \$1,829,488,098 | 100.00% |

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

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

| Calendar Year | Taxes Levied for the Calendar Year | Collected within the Calendar Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---------------|------------------------------------|--|--------------------|---------------------------------|---------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2003 | \$42,955,981 | \$41,456,291 | 96.51% | \$1,260,498 | \$42,716,789 | 99.44% |
| 2004 | 43,363,212 | 41,689,007 | 96.14% | 1,335,719 | 43,024,726 | 99.22% |
| 2005 | 45,038,152 | 42,953,593 | 95.37% | 1,249,715 | 44,203,308 | 98.15% |
| 2006 | 45,856,077 | 43,492,919 | 94.85% | 2,055,694 | 45,548,613 | 99.33% |
| 2007 | 52,390,155 | 49,642,615 | 94.76% | 393,460 | 50,036,075 | 95.51% |
| 2008 | 54,042,097 | 48,370,357 | 89.50% | 2,925,215 | 51,295,572 | 94.92% |
| 2009 | 42,285,210 | 40,015,262 | 94.63% | 1,337,248 | 41,352,510 | 97.79% |
| 2010 | 45,148,878 | 42,920,852 | 95.07% | 1,647,379 | 44,568,231 | 98.71% |
| 2011 | 47,240,712 | 42,281,133 | 89.50% | 1,992,615 | 44,273,748 | 93.72% |
| 2012 | 63,099,261 | 58,120,642 | 92.11% | 1,615,442 | 59,736,084 | 94.67% |

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

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

| Fiscal Year | Governmental Activities | | | | Debt Service Fund Balance | General Bonded Debt Outstanding | | Percentage of Personal Income (1) | Per Capita | Ratio of General Bonded Debt to Estimated Actual Value (2) |
|-------------|--------------------------|------------|----------------|--|---------------------------|---------------------------------|-------|-----------------------------------|------------|--|
| | General Obligation Bonds | OASBO Loan | Capital Leases | | | Net General Obligation Bonds | | | | |
| 2004 | \$87,217,833 | \$0 | \$708,073 | | \$1,410,571 | \$85,807,262 | 1.47% | \$867.01 | 1.64% | |
| 2005 | 86,745,177 | 0 | 348,811 | | 2,758,769 | 83,986,408 | 1.34% | 811.12 | 1.58% | |
| 2006 | 85,341,875 | 0 | 1,048,000 | | 3,455,864 | 81,886,011 | 1.23% | 778.95 | 1.42% | |
| 2007 | 83,740,220 | 0 | 595,000 | | 4,389,748 | 79,350,472 | 1.13% | 716.54 | 1.57% | |
| 2008 | 81,710,544 | 0 | 126,000 | | 4,197,508 | 77,513,036 | 1.33% | 731.35 | 1.75% | |
| 2009 | 79,875,868 | 0 | 0 | | 4,310,806 | 75,565,062 | 1.29% | 733.19 | 1.53% | |
| 2010 | 78,451,192 | 3,628,000 | 0 | | 4,488,961 | 73,962,231 | 0.92% | 621.56 | 1.58% | |
| 2011 | 207,984,994 | 3,506,000 | 425,458 | | 10,638,613 | 197,346,381 | 2.96% | 1,906.75 | 4.32% | |
| 2012 | 224,948,219 | 3,385,000 | 328,888 | | 6,479,654 | 215,468,565 | 2.35% | 1,706.15 | 5.08% | |
| 2013 | 224,079,958 | 3,260,000 | 227,540 | | 6,837,072 | 217,242,886 | 2.19% | 1,624.28 | 5.04% | |

Source: District Records

(1) - On the calendar year basis

(2) - Assessed values are on a calendar year basis (i.e. fiscal year 2013 is calendar year 2012)

Princeton City School District, Ohio
 Direct and Overlapping Governmental Activities Debt -- All Counties
 As of June 30, 2013
 Schedule 13

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable (1) | Estimated Share of Direct and Overlapping Debt |
|---|---------------------|---|--|
| Counties: | | | |
| Butler County | \$55,455,120 | 1.32% | \$732,008 |
| Hamilton County | 75,970,000 | 7.55% | 5,735,735 |
| Cities: | | | |
| Sharonville City | 2,015,000 | 99.97% | 2,014,396 |
| Villages: | | | |
| Woodlawn Village | 4,875,000 | 100.00% | 4,875,000 |
| Townships: | | | |
| Deerfield Township | 11,690,000 | 2.45% | 286,405 |
| Springfield Township | 10,670,000 | 1.45% | 154,715 |
| Sycamore Township | 18,280,000 | 25.51% | 4,663,228 |
| West Chester Township | 55,925,000 | 3.18% | 1,778,415 |
| School Districts: | | | |
| Great Oaks Career Center Jt. Voc. School District | 16,170,000 | 8.40% | 1,358,280 |
| Subtotal Overlapping Debt | \$251,050,120 | | \$21,598,181 |
| Princeton CSD Direct Debt | \$227,567,498 | 100.00% | \$227,567,498 |
| Total Direct and Overlapping Debt | \$478,617,618 | | \$249,165,679 |

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

Source: Ohio Municipal Advisory Council

| | Fiscal Year | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Debt limit | \$164,653,929 | \$167,180,576 | \$181,268,596 | \$164,958,710 | \$144,435,920 | \$161,220,421 | \$151,835,195 | \$145,650,005 | \$135,143,371 | \$135,800,539 |
| Total net debt applicable to limit | 87,445,104 | 87,848,946 | 86,848,739 | 89,109,903 | 81,644,141 | 82,370,723 | 80,830,007 | 210,247,769 | 194,554,930 | 229,596,747 |
| Legal debt margin | \$77,208,825 | \$79,331,630 | \$94,419,857 | \$75,848,807 | \$62,791,779 | \$78,849,698 | \$71,005,188 | (\$64,597,764) | (\$59,411,559) | (\$93,796,208) |
| Total net debt applicable to the limit as a percentage of debt limit | 53.11% | 52.55% | 47.91% | 54.02% | 56.53% | 51.09% | 53.24% | 144.35% | 143.96% | 169.07% |

Legal Debt Margin Calculation for Fiscal Year 2013

| | |
|-----------------------------------|-----------------|
| Assessed value (1) | \$1,508,894,880 |
| Debt limit (9% of assessed value) | 135,800,539 |
| Debt applicable to limit | 229,596,747 |
| Legal debt margin | (\$93,796,208) |

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2013 is calendar year 2012)

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

| Calendar Year | Population (1) | Personal Income (Thousands of Dollars) (2) | Per Capita Personal Income (3) | Unemployment Rate (4) |
|---------------|----------------|--|--------------------------------|-----------------------|
| 2003 | 341,909 | \$10,285,549 | \$30,014 | 4.5% |
| 2004 | 345,119 | 10,844,563 | 31,332 | 4.3% |
| 2005 | 348,655 | 11,080,584 | 31,662 | 5.2% |
| 2006 | 353,386 | 11,707,628 | 33,130 | 5.6% |
| 2007 | 357,888 | 8,877,054 | 24,804 | 5.1% |
| 2008 | 353,895 | 8,576,645 | 24,235 | 6.5% |
| 2009 | 363,184 | 13,045,932 | 35,921 | 9.4% |
| 2010 | 368,130 | 9,381,425 | 25,484 | 9.6% |
| 2011 | 369,999 | 13,538,158 | 36,590 | 8.6% |
| 2012 | 370,589 | 14,398,043 | 38,852 | 7.1% |

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

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

| Calendar Year | Population (1) | Personal Income (Thousands of Dollars) (2) | Per Capita Personal Income (3) | Unemployment Rate (4) |
|---------------|----------------|--|--------------------------------|-----------------------|
| 2003 | 822,610 | \$30,636,366 | \$37,256 | 5.6% |
| 2004 | 814,611 | 32,111,846 | 39,467 | 5.7% |
| 2005 | 806,652 | 33,087,346 | 39,937 | 5.7% |
| 2006 | 822,596 | 35,146,091 | 41,477 | 5.0% |
| 2007 | 842,369 | 36,488,577 | 43,317 | 5.0% |
| 2008 | 845,303 | 34,626,992 | 40,964 | 5.6% |
| 2009 | 855,062 | 37,552,613 | 43,918 | 8.9% |
| 2010 | 802,374 | 27,317,612 | 46,509 | 9.4% |
| 2011 | 800,362 | 37,522,065 | 46,881 | 8.0% |
| 2012 | 802,038 | 39,631,501 | 49,413 | 7.0% |

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

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

| Calendar Year | Population (1) | Personal Income (Thousands of Dollars) (2) | Per Capita Personal Income (3) | Unemployment Rate (4) |
|---------------|----------------|--|--------------------------------|-----------------------|
| 2003 | 182,330 | \$5,786,295 | \$31,699 | 4.7% |
| 2004 | 189,276 | 6,213,055 | 32,745 | 4.5% |
| 2005 | 196,793 | 6,597,227 | 33,524 | 4.4% |
| 2006 | 201,871 | 7,211,608 | 36,134 | 4.9% |
| 2007 | 204,390 | 5,997,172 | 37,865 | 4.6% |
| 2008 | 204,390 | 5,997,172 | 37,865 | 5.5% |
| 2009 | 210,712 | 8,250,639 | 39,156 | 8.8% |
| 2010 | 212,693 | 6,701,106 | 31,506 | 8.9% |
| 2011 | 214,910 | 9,202,095 | 42,818 | 7.6% |
| 2012 | 217,241 | 9,880,531 | 45,482 | 6.3% |

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

Princeton City School District, Ohio
Major Employers -- Butler County (1)
Current Fiscal Year and Fiscal Period Four Years Ago (2)
Schedule 16

| 2012 | | | |
|-----------------------------------|-------|---------------------|---|
| Major Employer (3) | Type | Number of Employees | Employer's Percentage of Total Employment |
| AK Steel Holding Corp | Mfg | (4) | (5) |
| Butler County Government | Govt | (4) | (5) |
| Cincinnati Financial Corp | Ins | (4) | (5) |
| Cornerstone Brands Inc | Trade | (4) | (5) |
| Fairfield City Schools | Govt | (4) | (5) |
| Ft Hamilton Memorial Hospital | Serv | (4) | (5) |
| GE Aviation | Mfg | (4) | (5) |
| Hamilton City Schools | Govt | (4) | (5) |
| Lakota Local Schools | Govt | (4) | (5) |
| Liberty Mutual/Ohio Casualty Corp | Ins | (4) | (5) |
| Mercy Regional Hospital | Serv | (4) | (5) |
| Miami University | Govt | (4) | (5) |
| Middletown Regional Health System | Serv | (4) | (5) |
| Miller Coors | Mfg | (4) | (5) |
| Pierre Foods | Mfg | (4) | (5) |

| 2008 | | | |
|-----------------------------------|-------|---------------------|---|
| Major Employer (3) | Type | Number of Employees | Employer's Percentage Of Total Employment |
| AK Steel Holding Corp | Mfg | (4) | (5) |
| Amylin Pharmaceuticals Inc | Mfg | (4) | (5) |
| Armor Holdings Inc | Mfg | (4) | (5) |
| Butler County Government | Govt | (4) | (5) |
| Cincinnati Financial Corp | Ins | (4) | (5) |
| Cornerstone Brands Inc | Trade | (4) | (5) |
| Fairfield City Bd of Ed | Govt | (4) | (5) |
| Ft Hamilton Memorial Hospital | Serv | (4) | (5) |
| Hamilton City Bd of Ed | Govt | (4) | (5) |
| Lakota Local Bd of Ed | Govt | (4) | (5) |
| Liberty Mutual/Ohio Casualty Corp | Ins | (4) | (5) |
| Mercy Regional Hospital | Serv | (4) | (5) |
| Miami University | Govt | (4) | (5) |
| Middletown Regional Health System | Serv | (4) | (5) |

Source: Ohio Department of Development

(1) - For all of Butler County

(2) - Only current fiscal year and fiscal period four years ago information available. Information for fiscal period nine years ago not available.

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

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

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

Princeton City School District, Ohio
 Major Employers -- Hamilton County (1)
 Current Fiscal Year and Fiscal Period Four Years Ago (2)
 Schedule 16

| 2012 | | | |
|--------------------------------|-------|---------------------|---|
| Major Employers (3) | Type | Number of Employees | Employer's Percentage of Total Employment |
| American Financial Group Inc | Ins | (4) | (5) |
| Cincinnati Children's Hospital | Serv | (4) | (5) |
| Fifth Third Bancorp | Fin | (4) | (5) |
| Ford Motor Co | Mfg | (4) | (5) |
| General Electric Co | Mfg | (4) | (5) |
| Johnson & Johnson/Ethicon | Mfg | (4) | (5) |
| Kroger Co | Trade | (4) | (5) |
| Macy's Inc | Trade | (4) | (5) |
| Mercy Health Partners | Serv | (4) | (5) |
| Procter & Gamble Co | Mfg | (4) | (5) |
| TriHealth Inc | Serv | (4) | (5) |
| University of Cincinnati | Govt | (4) | (5) |

| 2008 | | | |
|---------------------------------------|---------|---------------------|---|
| Major Employers (3) | Type | Number of Employees | Employer's Percentage of Total Population |
| American Financial Group Inc | Ins | (4) | (5) |
| Chiquita Brands International Inc | Trade | (4) | (5) |
| Convergys Corp | Serv | (4) | (5) |
| Duke Energy Corp | Utility | (4) | (5) |
| Fifth Third Bancorp | Fin | (4) | (5) |
| Ford Motor Co | Mfg | (4) | (5) |
| General Electric Co | Mfg | (4) | (5) |
| Health Alliance of Greater Cincinnati | Serv | (4) | (5) |
| Johnson & Johnson/Ethicon | Mfg | (4) | (5) |
| Kroger Co | Trade | (4) | (5) |
| Macy's Inc | Trade | (4) | (5) |
| Mercy Health Partners | Serv | (4) | (5) |
| Procter & Gamble Co | Mfg | (4) | (5) |
| TriHealth Inc | Serv | (4) | (5) |
| University of Cincinnati | Govt | (4) | (5) |

Source: Ohio Department of Development

(1) - For all of Hamilton County

(2) - Only current fiscal year and fiscal period four years ago information available. Information for fiscal period nine years ago not available.

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

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

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

Princeton City School District, Ohio
Major Employers --Warren County (1)
Current Fiscal Year and Fiscal Period Four Years Ago (2)
Schedule 16

| 2012 | | | |
|----------------------------|-------|---------------------|---|
| Major Employer (3) | Type | Number of Employees | Employer's Percentage of Total Employment |
| Aisin Seiki/ADVICS Co Ltd | Mfg | (4) | (5) |
| Atrium Medical Center | Serv | (4) | (5) |
| Cedar Fair/Kings Island | Serv | (4) | (5) |
| Cengage Learning Inc | Serv | (4) | (5) |
| Cintas Corp | Mfg | (4) | (5) |
| HJ Heinz/Portion Pac Inc | Mfg | (4) | (5) |
| L-3 Cincinnati Electronics | Mfg | (4) | (5) |
| Luxtottica Group SpA | Mfg | (4) | (5) |
| Macy's Inc | Trade | (4) | (5) |
| Mason Local Schools | Govt | (4) | (5) |
| Procter & Gamble Co | R&D | (4) | (5) |
| State of Ohio | Govt | (4) | (5) |
| WellPoint Inc/Anthem | Ins | (4) | (5) |

| 2008 | | | |
|-----------------------------------|-------|---------------------|---|
| Major Employer (3) | Type | Number Of Employees | Employer's Percentage Of Total Employment |
| Aisin Seiki/ADVICS Co Ltd | Mfg | (4) | (5) |
| Blackhawk Automotive Plastics Inc | Mfg | (4) | (5) |
| Cedar Fair/Kings Island | Serv | (4) | (5) |
| Cintas Corp | Mfg | (4) | (5) |
| HJ Heinz/Portion Pac Inc | Mfg | (4) | (5) |
| Luxtottica Group SpA | Mfg | (4) | (5) |
| Macy's Inc | Trade | (4) | (5) |
| Mason Local Bd of Ed | Govt | (4) | (5) |
| Procter & Gamble Co | R&D | (4) | (5) |
| State of Ohio | Govt | (4) | (5) |
| Sumco Phoenix | Mfg | (4) | (5) |
| WellPoint Inc/Anthem | Ins | (4) | (5) |

Source: Ohio Department of Development

(1) - For all of Warren County

(2) - Only current fiscal year and fiscal period four years ago information available. Information for fiscal period nine years ago not available.

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

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

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

Princeton City School District, Ohio
 Full-Time - Equivalent District Employees by Type
 Last Nine Fiscal Years (1)
 Schedule 17

| Function/Program | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Regular Instruction | 300.40 | 316.53 | 305.23 | 303.98 | 332.60 | 325.44 | 306.96 | 269.44 | 260.23 |
| REGULAR TEACHING | 297.40 | 314.53 | 299.23 | 301.98 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PERMANENT SUBSTITUTE | 1.00 | 0.00 | 0.00 | 2.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TEACHER/MENTOR/EVALUATOR | 2.00 | 2.00 | 6.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.50 |
| GENERAL EDUCATION | 0.00 | 0.00 | 0.00 | 0.00 | 288.60 | 293.00 | 277.30 | 239.20 | 228.50 |
| ART EDUCATION K-8 | 0.00 | 0.00 | 0.00 | 0.00 | 13.00 | 9.00 | 8.00 | 8.50 | 8.00 |
| MUSIC EDUCATION K-8 | 0.00 | 0.00 | 0.00 | 0.00 | 21.00 | 14.00 | 13.00 | 13.00 | 13.00 |
| PHYSICAL EDUCATION K-8 | 0.00 | 0.00 | 0.00 | 0.00 | 9.00 | 9.44 | 8.66 | 8.74 | 8.23 |
| Special Instruction | 43.75 | 42.04 | 39.04 | 37.02 | 15.00 | 16.00 | 6.80 | 7.90 | 6.30 |
| AUDIO-VISUAL STAFF | 3.00 | 3.00 | 2.00 | 2.00 | 3.00 | 4.00 | 4.00 | 3.00 | 2.00 |
| EDUC SERVICE PERSONNEL TEACHER | 40.75 | 39.04 | 37.04 | 35.02 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| GIFTED & TALENTED | 0.00 | 0.00 | 0.00 | 0.00 | 10.00 | 10.00 | 0.80 | 2.90 | 2.30 |
| PRESCHOOL SPECIAL EDUCATION | 0.00 | 0.00 | 0.00 | 0.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Vocational Instruction | 3.00 | 1.00 | 1.00 | 1.00 | 3.00 | 3.00 | 0.86 | 0.86 | 2.00 |
| VACATIONAL EDUCATION TEACHING | 3.00 | 1.00 | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| CAREER-TECHNICAL PROGRAMS/PATHWAYS | 0.00 | 0.00 | 0.00 | 0.00 | 3.00 | 3.00 | 0.86 | 0.86 | 2.00 |
| Other Instruction | 93.33 | 25.00 | 7.88 | 8.32 | 11.90 | 6.40 | 8.00 | 5.00 | 3.00 |
| OTHER PROFESSIONAL | 1.00 | 22.00 | 5.00 | 5.00 | 10.50 | 5.00 | 7.00 | 4.00 | 2.00 |
| TEACHING AIDE | 91.33 | 2.00 | 1.88 | 2.32 | 0.40 | 0.40 | 0.00 | 0.00 | 0.00 |
| PARENT MENTOR | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Pupil Support Services | 83.80 | 113.99 | 131.40 | 125.81 | 119.80 | 123.00 | 116.28 | 106.80 | 105.65 |
| COUNSELING | 12.00 | 12.00 | 12.00 | 11.00 | 13.00 | 14.00 | 10.00 | 7.50 | 8.00 |
| REMEDIAL SPECIALIST | 6.00 | 6.00 | 21.62 | 7.00 | 9.00 | 9.50 | 9.50 | 8.00 | 8.00 |
| SPECIAL EDUCATION TEACHING | 49.00 | 47.19 | 38.30 | 36.08 | 0.00 | 0.00 | 0.00 | 17.27 | 14.12 |
| SUPPL SERVICE TEACHER (SPEC ED) | 0.00 | 25.00 | 33.50 | 40.62 | 47.00 | 42.72 | 46.74 | 46.85 | 47.41 |
| SPECIAL EDUCATION | 0.00 | 0.00 | 0.00 | 0.00 | 22.00 | 27.00 | 20.26 | 0.00 | 0.00 |
| DIETITIAN/NUTRITIONIST | 0.00 | 0.00 | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PSYCHOLOGIST | 6.00 | 7.00 | 8.60 | 11.00 | 10.00 | 10.00 | 11.00 | 9.00 | 9.00 |
| REGISTERED NURSING | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 4.00 | 4.00 | 2.90 | 2.90 |
| SOCIAL WORK | 2.00 | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 0.00 |
| SPEECH & LANGUAGE THERAPIST | 4.80 | 4.80 | 4.80 | 4.80 | 5.80 | 6.80 | 6.80 | 6.80 | 6.80 |
| OCCUPATIONAL THERAPIST | 0.00 | 0.00 | 0.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 |
| EUCATIONAL INTERPRETER | 0.00 | 1.00 | 2.82 | 1.94 | 1.00 | 0.00 | 0.00 | 0.00 | 1.00 |
| OTHER PROFESSIONAL-OTHER | 0.00 | 0.00 | 0.00 | 1.50 | 1.00 | 1.00 | 0.00 | 1.00 | 0.94 |
| PRACTICAL NURSING | 0.00 | 5.00 | 3.76 | 2.87 | 3.00 | 2.00 | 2.00 | 3.50 | 3.50 |
| ATTENDANCE OFFICER | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 | 2.98 | 2.98 | 1.98 | 2.98 |
| Instructional Staff Support Services | 52.50 | 111.00 | 118.36 | 111.72 | 125.52 | 128.89 | 120.18 | 103.43 | 111.89 |
| CURRICULUM SPECIALIST | 2.00 | 2.00 | 2.00 | 7.00 | 6.00 | 6.50 | 6.50 | 7.50 | 15.00 |
| LIBRARIAN/MEDIA | 8.50 | 5.00 | 5.00 | 8.00 | 7.50 | 5.50 | 3.00 | 2.00 | 2.00 |
| TUTOR/SMALL GROUP INSTRUCTOR | 31.00 | 7.00 | 16.00 | 4.50 | 7.00 | 11.50 | 11.50 | 11.50 | 9.50 |
| LIBRARY TECHNICIAN | 0.00 | 0.00 | 3.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| LIBRARY AIDE | 6.00 | 0.00 | 0.00 | 5.00 | 2.00 | 1.95 | 0.53 | 0.00 | 0.00 |
| INSTRUCTIONAL PARAPROFESSIONAL | 0.00 | 91.00 | 85.61 | 81.47 | 96.02 | 98.44 | 95.65 | 79.43 | 82.39 |
| OTHER TECHNICAL | 5.00 | 6.00 | 6.75 | 5.75 | 7.00 | 5.00 | 3.00 | 3.00 | 3.00 |
| Administration Support Services | 118.00 | 113.88 | 107.64 | 98.54 | 94.30 | 100.01 | 92.45 | 94.94 | 86.82 |
| ADMIN. ASSISTANT | 2.00 | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ASSIST DEPUTY/ASSOC SUPERINTENDENT | 3.00 | 4.00 | 3.00 | 2.00 | 1.00 | 1.00 | 0.80 | 1.00 | 1.00 |
| ASSIST PRINCIPAL | 9.00 | 5.00 | 7.00 | 7.00 | 11.00 | 8.00 | 6.00 | 5.00 | 5.50 |
| PRINCIPAL | 8.00 | 11.00 | 12.00 | 13.00 | 10.00 | 11.00 | 9.00 | 10.00 | 10.00 |
| SUPERINTENDENT | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| SUPERVISING/MANAGING/DIRECTING | 5.00 | 9.00 | 3.00 | 1.00 | 1.00 | 1.00 | 0.00 | 3.00 | 2.00 |
| COORDINATOR | 11.00 | 12.00 | 9.00 | 6.00 | 5.20 | 6.00 | 5.00 | 6.00 | 4.00 |
| EDUCATION ADMINISTRATIVE SPECIALIST | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.00 | 3.00 | 2.00 | 0.00 |
| DIRECTOR | 0.00 | 0.00 | 0.00 | 0.00 | 3.00 | 5.00 | 5.00 | 5.00 | 7.50 |
| OTHER OFFICIAL/ADMINISTRATIVE | 2.00 | 1.00 | 1.00 | 0.00 | 1.00 | 2.00 | 1.00 | 4.94 | 4.00 |
| PERSONNEL | 0.00 | 0.00 | 0.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| CLERICAL | 76.00 | 69.88 | 70.64 | 66.54 | 61.10 | 62.01 | 61.65 | 57.00 | 51.82 |
| Fiscal Services | 1.00 | 1.00 | 3.00 | 6.00 | 4.00 | 5.00 | 4.00 | 4.00 | 4.00 |
| TREASURER | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| ACCOUNTING | 0.00 | 0.00 | 2.00 | 3.00 | 1.00 | 2.00 | 2.00 | 1.00 | 1.00 |
| RECORDS MANAGING | 0.00 | 0.00 | 0.00 | 2.00 | 2.00 | 2.00 | 1.00 | 2.00 | 2.00 |
| Business Support Services | 3.00 | 4.00 | 1.76 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 |
| PRINTER | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| MESSENGER | 2.00 | 3.00 | 1.76 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 |

Princeton City School District, Ohio
 Full-Time - Equivalent District Employees by Type
 Last Nine Fiscal Years (1)
 Schedule 17 (Continued)

| Function/Program | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Operation of Plant | 74.50 | 80.00 | 75.75 | 80.00 | 77.50 | 80.25 | 81.25 | 76.25 | 73.72 |
| GENERAL MAINTENANCE | 13.00 | 13.00 | 12.00 | 11.00 | 11.00 | 12.00 | 12.00 | 12.00 | 11.00 |
| MECHANIC | 2.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 5.00 |
| FOREMAN | 1.00 | 1.00 | 5.00 | 4.00 | 4.00 | 4.00 | 4.00 | 0.00 | 0.00 |
| CUSTODIAN | 47.50 | 48.00 | 45.75 | 47.00 | 44.50 | 47.25 | 47.25 | 44.25 | 41.75 |
| ELEVATOR OPERATING | 0.00 | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| GUARD/WATCHMAN | 9.00 | 12.00 | 5.00 | 13.00 | 13.00 | 7.00 | 7.00 | 6.00 | 6.00 |
| MONITORING | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.00 | 7.00 | 10.00 | 9.97 |
| ATTENDANT | 1.00 | 1.00 | 3.00 | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Pupil Transportation | 69.58 | 72.62 | 62.77 | 53.88 | 53.11 | 55.22 | 56.53 | 52.30 | 56.96 |
| DISPATCHING | 1.00 | 1.00 | 1.86 | 0.86 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| VEHICLE OPERATOR (BUSES) | 62.58 | 66.62 | 55.62 | 49.36 | 47.11 | 50.22 | 51.53 | 47.30 | 51.96 |
| EQUIPMENT OPERATING ASSIGNMENT | 0.00 | 0.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 |
| OTHER OPERATIVE | 6.00 | 5.00 | 4.29 | 3.66 | 5.00 | 4.00 | 4.00 | 4.00 | 3.00 |
| Central Support Services | 9.00 | 4.00 | 4.00 | 5.00 | 4.00 | 5.00 | 4.00 | 3.00 | 1.00 |
| PUBLICITY RELATIONS | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 0.00 |
| COMPUTER OPERATING | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 | 4.00 | 3.00 | 3.00 | 1.00 |
| INSPECTOR | 6.00 | 0.00 | 0.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Food Service Program | 40.42 | 39.50 | 28.51 | 26.15 | 30.21 | 26.87 | 28.02 | 25.94 | 29.91 |
| FOOD SERVICE | 40.42 | 39.50 | 28.51 | 26.15 | 30.21 | 26.87 | 28.02 | 25.94 | 29.91 |
| Grand Total | 892.28 | 924.56 | 886.34 | 858.42 | 871.94 | 876.08 | 826.33 | 750.86 | 741.48 |

Source: State Department of Education

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

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

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

| Fiscal Year | Enrollment (1) | Operating Expenditure (2) | Cost Per Pupil (3) | Percentage Change | Teaching Staff | Pupil-Teacher Ratio | Percentage of Students Receiving Free or Reduced-Price Meals |
|-------------|----------------|---------------------------|--------------------|-------------------|----------------|---------------------|--|
| 2004 | 6,104 | \$70,959,959 | \$11,625 | 7.31% | 497 | 12 | 31.19% |
| 2005 | 5,934 | 67,662,885 | 11,403 | -1.91% | 457 | 13 | 30.00% |
| 2006 | 5,714 | 72,099,035 | 12,618 | 10.66% | 486 | 12 | 45.93% |
| 2007 | 5,645 | 76,201,338 | 13,499 | 6.98% | 479 | 12 | 45.22% |
| 2008 | 5,485 | 85,591,218 | 15,605 | 15.60% | 461 | 12 | 51.00% |
| 2009 | 5,133 | 77,181,975 | 15,036 | -3.64% | 473 | 11 | 52.50% |
| 2010 | 5,525 | 82,652,452 | 14,960 | -0.51% | 466 | 12 | 54.50% |
| 2011 | 5,612 | 80,246,996 | 14,299 | -4.42% | 429 | 13 | 58.60% |
| 2012 | 5,480 | 73,279,119 | 13,372 | -6.48% | 431 | 13 | 58.60% |
| 2013 | 5,575 | 76,260,037 | 13,679 | 2.29% | 405 | 14 | 64.00% |

Source: District Records

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

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

(3) - Operating Expenditure by Enrollment.

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

| School | Fiscal Year | | | | | | | | | |
|-------------------------------|-------------|--------|--------|--------|--------|--------|--------|--------|------|------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Elementary: | | | | | | | | | | |
| Evendale (PK-6 / PK-5) | | | | | | | | | | |
| Square feet | 45,254 | 45,254 | 45,254 | 45,254 | 55,040 | 55,040 | 55,040 | 55,040 | N/A | N/A |
| Capacity | 625 | 625 | 625 | 625 | 364 | 364 | 364 | 364 | N/A | N/A |
| Enrollment | 281 | 297 | 273 | 244 | 250 | 238 | 261 | 250 | N/A | N/A |
| Glendale (PK-6 / PK-5) | | | | | | | | | | |
| Square feet | 31,676 | 31,676 | 31,676 | 31,676 | 31,676 | 31,676 | 31,676 | 31,676 | N/A | N/A |
| Capacity | 575 | 575 | 575 | 575 | 364 | 364 | 364 | 364 | N/A | N/A |
| Enrollment | 203 | 292 | 264 | 164 | 219 | 203 | 245 | 261 | N/A | N/A |
| Heritage Hill (PK-6 / PK-5) | | | | | | | | | | |
| Square feet | 64,895 | 64,895 | 64,895 | Demo'd | 63,093 | 63,093 | 63,093 | 63,093 | N/A | N/A |
| Capacity | 950 | 950 | 950 | | 546 | 546 | 546 | 546 | N/A | N/A |
| Enrollment | 529 | 421 | 447 | | 290 | 367 | 320 | 346 | N/A | N/A |
| Sharonville (PK-6 / PK-5) | | | | | | | | | | |
| Square feet | 54,437 | Demo'd | Demo'd | 65,526 | 65,526 | 65,526 | 65,526 | 65,526 | N/A | N/A |
| Capacity | 875 | | | 546 | 546 | 546 | 546 | 546 | N/A | N/A |
| Enrollment | 329 | | | 395 | 375 | 417 | 436 | 469 | N/A | N/A |
| Springdale (K-6) | | | | | | | | | | |
| Square feet | 57,124 | 57,124 | 57,124 | 63,131 | 65,526 | 65,526 | 65,526 | 65,526 | N/A | N/A |
| Capacity | 523 | 523 | 523 | 546 | 546 | 546 | 546 | 546 | N/A | N/A |
| Enrollment | 459 | 409 | 415 | 484 | 375 | 441 | 438 | 469 | N/A | N/A |
| Stewart (PK-3 / PK-4) | | | | | | | | | | |
| Square feet | 34,150 | 34,150 | 34,150 | 62,420 | 62,240 | 62,240 | 62,240 | 62,240 | N/A | N/A |
| Capacity | 500 | 500 | 500 | 546 | 546 | 546 | 546 | 546 | N/A | N/A |
| Enrollment | 355 | 403 | 412 | 434 | 450 | 427 | 472 | 492 | N/A | N/A |
| Woodlawn (Grades K-3) | | | | | | | | | | |
| Square feet | 23,051 | Demo'd | Demo'd | 52,711 | 52,711 | 52,711 | 52,711 | 52,711 | N/A | N/A |
| Capacity | 375 | | | 364 | 364 | 364 | 364 | 364 | N/A | N/A |
| Enrollment | 185 | | | 255 | 219 | 205 | 210 | 202 | N/A | N/A |
| Lincoln Heights (PK-6 / PK-5) | | | | | | | | | | |
| Square feet | 50,908 | 50,908 | 50,908 | 63,301 | 63,301 | 63,301 | 63,301 | 63,301 | N/A | N/A |
| Capacity | 950 | 950 | 950 | 546 | 546 | 546 | 546 | 546 | N/A | N/A |
| Enrollment | 440 | 399 | 398 | 353 | 324 | 281 | 296 | 287 | N/A | N/A |

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

| | Fiscal Year | | | | | | | | | |
|--|-------------|---------|---------|---------|---------|---------|---------|---------|------|------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| RELIS | | | | | | | | | | |
| Square feet | 74,632 | 74,632 | 74,632 | 74,632 | 74,632 | * | 12,500 | 12,500 | N/A | N/A |
| Capacity | 1,000 | 1,000 | 1,000 | 1,000 | * | * | 1,000 | 1,000 | N/A | N/A |
| Enrollment | 458 | 424 | 370 | 300 | * | * | 36 | 46 | N/A | N/A |
| Middle School | | | | | | | | | | |
| Princeton Community (Grades 7-8 / 6-8) | | | | | | | | | | |
| Square feet | 154,952 | 154,952 | 154,952 | 154,952 | 176,195 | 176,195 | 176,195 | 176,195 | N/A | N/A |
| Capacity | 2,650 | 2,650 | 2,650 | 2,650 | 1,500 | 1,500 | 1,500 | 1,500 | N/A | N/A |
| Enrollment | 971 | 1349 | 1277 | 1182 | 1114 | 1114 | 1098 | 1147 | N/A | N/A |
| High School | | | | | | | | | | |
| Princeton HS (Grades 9-12) | | | | | | | | | | |
| Square feet | 347,217 | 347,217 | 347,217 | 347,217 | 347,217 | 347,217 | 347,217 | 347,217 | N/A | N/A |
| Capacity | 2,700 | 2,700 | 2,700 | 2,700 | 2,700 | 2,700 | 2,700 | 2,700 | N/A | N/A |
| Enrollment | 1894 | 1941 | 1883 | 1834 | 1768 | 1768 | 1749 | 1689 | N/A | N/A |

Source: School District Records and Ohio Department of Education

* - Building was not used in fiscal year 2008 and 2009.

Note:

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

N/A - Information not available.

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Dave Yost • Auditor of State

PRINCETON CITY SCHOOL DISTRICT

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
APRIL 3, 2014**