PRINCETON CITY SCHOOL DISTRICT
HAMILTON COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2018

Dave Yost · Auditor of State

OHIO AUDITOR OF STATE
KEITH FABER

January 22, 2019

The attached audit report was completed and prepared for release prior to the commencement of my term of office on January 14, 2019. Reports completed prior to that date contain the signature of my predecessor.

Ohio Auditor of State

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PRINCETON CITY SCHOOL DISTRICT
HAMILTON COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	under separate cover
Comprehensive Annual Financial Report	under separate cover
Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*	3
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	5
Schedule of Findings	9

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PRINCETON CITY SCHOOL DISTRICT
HAMILTON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Pass Through Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education:			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	3L60	$302,490
Cash Assistance:			
School Breakfast Program	10.553	3L70	505,061
National School Lunch Program	10.555	3L60	1,484,594
Total Child Nutrition Cluster			2,292,145
Total U.S. Department of Agriculture			2,292,145
U.S. DEPARTMENT OF EDUCATION			
Passed Through Ohio Department of Education:			
Special Education Cluster:			
Special Education-Grants to States	84.027	3M20	1,496,349
Special Education-Preschool Grants	84.173	3C50	18,129
Total Special Education Cluster			1,514,478
Career & Technical Education Basic Grants to States	84.048	N/A	2,983
Title I Grants to Local Educational Agencies	84.010	3M00	1,800,962
English Language Acquisition State Grants	84.365	3Y70	227,677
Supporting Effective Instruction State Grants	84.367	3Y60	288,001
Student Support and Academic Enrichment Program	84.424	3HI0	10,274
Total U.S. Department of Education			3,844,375
Total Federal Assistance			$6,136,520

See accompanying notes to the Schedule of Expenditures of Federal Awards.

PRINCETON CITY SCHOOL DISTRICT
HAMILTON COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Princeton City School District (the District) under programs of the federal government for the year ended June 30, 2018. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - CHILD NUTRITION CLUSTER

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

NOTE D – FOOD DONATION PROGRAM

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Princeton City School District
Hamilton County
3900 Cottingham Drive
Cincinnati, Ohio 45241

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Princeton City School District, Hamilton County, (the District) as of and for the year ended June 30, 2018, 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 14, 2018 wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Dave Yost
Auditor of State

Columbus, Ohio

December 14, 2018

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Princeton City School District
Hamilton County
3900 Cottingham Drive
Cincinnati, Ohio 45241

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited Princeton City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Princeton City School District's major federal program for the year ended June 30, 2018. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

The District's management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, Princeton City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2018.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined 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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 would not necessarily 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.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Princeton City School District, (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's financial statements. We issued our unmodified report thereon dated December 14, 2018. Our opinion also explained that the District adopted *Governmental Accounting Standard No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* during the year. We conducted our audit to opine on the District's financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Dave Yost
Auditor of State

Columbus, Ohio

December 14, 2018

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PRINCETON CITY SCHOOL DISTRICT
HAMILTON COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2018

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control 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 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Child Nutrition Cluster: 10.553 School Breakfast Program 10.555 National School Lunch Program
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2018

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, 2018

PREPARED BY: OFFICE OF THE TREASURER

Christine Cook Poetter – CFO / TREASURER

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TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	vii
List of Principal Officials	xiv
Organizational Chart	xv
GFOA Certificate of Achievement for Excellence in Financial Reporting	xvi
ASBO Certificate of Excellence in Financial Reporting	xvii
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds	17
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	20
Statement of Net Position - Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	22
Statement of Cash Flows - Proprietary Funds	23
Statement of Fiduciary Net Position - Fiduciary Funds	24
Statement of Changes in Fiduciary Net Position - Fiduciary Fund	25
Notes to the Basic Financial Statements	27
Required Supplementary Information:	
Schedule of the District's Proportionate Share of the Net Pension Liability	70
Schedule of District Contributions - NPL	72
Schedule of the District's Proportionate Share of the Net OPEB Liability	74
Schedule of District Contributions - OPEB	76
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	78
Notes to the Required Supplementary Information	79
Combining Statements and Individual Fund Schedules:	
Major Governmental Funds	84
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Bond Retirement	85
Nonmajor Governmental Funds	87
Combining Balance Sheet	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	89
Nonmajor Special Revenue Funds	
Fund Descriptions	90
Combining Balance Sheet	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	96

TABLE OF CONTENTS

	Page
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Food Service	100
Other Grants	101
Athletic	102
Auxiliary Services	103
Public Preschool Subsidy	104
Data Communication	105
Ohio Reads	106
Alternative Schools	107
Miscellaneous State Grants	108
Race to the Top	109
IDEA Special Education	110
Vocational Education	111
Title III	112
Title I	113
Drug Free School Grant	114
Preschool Development Grant	115
Reducing Class Size	116
Miscellaneous Federal Grants	117
Nonmajor Capital Projects Funds	
Fund Descriptions	119
Combining Balance Sheet	120
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	121
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Permanent Improvement	122
Building	123
Nonmajor Permanent Fund	
Fund Description	124
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Permanent	125
Other General Funds	
Fund Descriptions	126
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis):	
Uniform School Supply	127
Public School Support	128
Early Childhood	129
Underground Storage Tank	130
Rotary Internal Service Fund	131
Nonmajor Internal Service Funds	
Fund Descriptions	133
Combining Statement of Net Position	134
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	135
Combining Statement of Cash Flows	136

TABLE OF CONTENTS

	Schedule	Page
Nonmajor Fiduciary Funds		
Fund Descriptions		137
Statement of Changes in Assets and Liabilities		138
STATISTICAL SECTION		
Statistical Narrative		139
Net Position by Component	1	140
Expenses, Program Revenues and Net (Expense)/Revenue	2	141
General Revenues and Total Change in Net Position	3	142
Governmental Funds - Fund Balances	4	143
Governmental Funds - Revenues	5	144
Governmental Funds - Expenditures and Debt Service Ratio	6	145
Governmental Funds - Other Financing Sources and Uses and Net Change in Fund Balances	7	146
Assessed Value and Actual Value of Taxable Property	8	147
Direct and Overlapping Property Tax Rates	9	148
Principal Property Tax Payers	10	149
Property Tax Levies and Collections	11	150
Outstanding Debt by Type	12	151
Direct and Overlapping Governmental Activities Debt - All Counties	13	152
Legal Debt Margin Information	14	153
Demographic and Economic Statistics - Butler County	15	154
Demographic and Economic Statistics - Hamilton County	15	155
Demographic and Economic Statistics - Warren County	15	156
Major Employers - Butler County	16	157
Major Employers - Hamilton County	16	158
Major Employers - Warren County	16	159
Full-Time Equivalent District Employees by Type	17	160
Operating Statistics	18	162
School Building Information	19	164

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3900 Cottingham Drive
Cincinnati, OH 45241

Office of the Treasurer Phone: (513) 864-1040 Fax: (513) 864-1059

December 14, 2018

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

We are pleased to present the sixteenth Comprehensive Annual Financial Report (CAFR) of the Princeton City School District (District) for the fiscal year ended June 30, 2018. 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 2017-18 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 81% of the revenue coming from general property tax, public utility tax, homestead and rollback reimbursements, and TPP reimbursements.

During the 2017-18 school year, the District served 6,036 students enrolled in preschool, eight elementary schools, one junior high school and one high school. The District's enrollment has stabilized with moderate increases in elementary schools.

The student enrollment of the District is a reflection of the diversity of the communities it serves. For the 2017-18 school year, approximately 68% of the students were considered low-income and eligible to participate in the free/reduced lunch program; 98 students were enrolled in a full time or part-time trade program, through vocational education; 1,049 (15.98%) students with disabilities 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, college credit plus and gifted elementary programs.

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, 2018, are:

Board Member	Current Term	Total Years
Mrs. Sandy Leach	Jan. 2016 - Dec. 2019	14 ½
Dr. Lillian Hawkins	Jan. 2018 - Dec. 2021	12 ½
Mrs. Mary Cleveland	Jan. 2018 - Dec. 2021	4 ½
Mrs. Susan Wyder	Jan. 2016 - Dec. 2019	6 ½
Ms. Gina Ruffin Moore	Jan. 2016 - Dec. 2019	2 ½

The Superintendent is the Chief Executive Officer of the District and is directly responsible to the Board for all operations of the District. Mr. Thomas D. Burton is serving as Superintendent effective May 4, 2018 through July 31, 2023.

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. Christine Cook Poetter began her role as Treasurer on July 2, 2016.

FINANCIAL CONDITION

This is the fourteenth 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 2018 and the outlook for the future.

EMPLOYEE RELATIONS

During the 2017-2018 school year, the Board employed staff that totaled a full time equivalency (FTE) of 716.69. Of the Board's current employees, a total FTE of 397 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 23.

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. On April 18, 2016 a new 3 year PACE contract was signed effective 7/1/16 – 6/30/19.

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). On June 9, 2016 a new 3 year PSSA contract was signed effective 7/1/16 – 6/30/19.

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 are leading the implementation effort. As in the past, the plan is based on the District's mission statement.

Princeton City Schools Strategic Plan
Vision, Mission, and Guiding Principles

Drawn from themes initially shared by parents/families and residents, validated by staff and board interviews, and synthesized based on Princeton City School District's goals and momentum, these guiding principles inform the District's path ahead.

These principles set the tone for our strategic plan and are at the heart of everything the District does to ensure its students are prepared for the challenges and opportunities facing them today and tomorrow.

Vision:

The Princeton City School District will be nationally recognized for fostering innovative teaching and learning practices and instilling a passion for life-long learning in all students.

Mission:

Empowering each student for college, career, and life success.

Goal I: Responsibility

All stakeholders will play a role in the success of each student's learning.

Objectives:

- Staff encourage a culture of student ownership and empower student responsibility.
- Families are partners in students' success.
- The District will establish new and strengthen existing business and community partnerships that benefit staff and students.
- The District will hold high standards for fiscal responsibility and stewardship.

Goal II: Performance

Learning will be student-centered, and each student will be challenged to their highest potential, regardless of their starting point.

Objectives:

- Rigorous curriculum and instruction inspire innovative teaching and learning.
- Staff challenge and encourage each student to reach their highest potential throughout all grade-level transitions.
- Systems/processes monitor and respond to evidence of student learning.
- Graduates are equipped for success in college, on the job, and in life.

Goal III: Personalization

We will celebrate diversity and respect the cultural, academic, and social/ emotional uniqueness of each student, and provide them with equitable access to learning opportunities for ongoing and future success.

Objectives:

- Consistent programming/resources highlight inclusion and celebrate the uniqueness of each student.
- Students and staff are equipped to encourage, support, and respond to the uniqueness of each student.
- All staff have professional learning opportunities aligned to their roles/responsibilities.
- All students are encouraged to participate in various extra- and co-curricular activities aligned to their personal interests.

Goal IV: Safety

Students and staff will have safe learning environments where they feel protected and encouraged to voice their needs with confidence.

Objectives:

- Safety and security policies/procedures are communicated and accessible to all.
- Schools have strong partnerships with local law enforcement, physical and mental health care, and social service agencies.
- Staff foster a culture of safety where all students can grow and thrive.

Goal V: Communication

We will foster consistent and transparent communication to build awareness and trust among all stakeholders.

Objectives:

- Stakeholders receive timely and consistent communications from the district and schools.
- Stakeholders view the District and schools as trusted and welcoming sources.
- Leaders encourage staff collaboration and communication within and across schools

Relevant Financial Policies

The State of Ohio developed a new funding formula for funding public education in the state. The new formula allocates funding based on the number and demographic makeup of the District's student population as well as the relative wealth (both property and income based) for a District. In addition to the formula aid, districts are guaranteed to not receive less funding than they did in the base year or are capped on their growth to 7.5% of the formula amounts. For 2018, Princeton's funding was capped. Had there not been a state imposed funding cap in place, Princeton would have received approximately $6.1 million in additional state funding.

Another significant change in the budget bill was the restructuring of Tangible Personal Property and Electric Deregulation Property Tax reimbursements. These reimbursements were restructured such that, for FY18, the reduction in the District's phase out for each reimbursement is limited to 5/8 mil.

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.

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. All special revenue, debt service, and capital project governmental funds have an

annual appropriated budget.

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. The Auditor of the State of Ohio's unmodified 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, 2017. This was the seventeenth 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, 2017, to the District. The award was the nineteenth for the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017, 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 2018 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,

Christine Cook Poetter

Mr. Thomas D. Burton

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Introductory Section

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PRINCETON CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICIALS
June 30, 2018

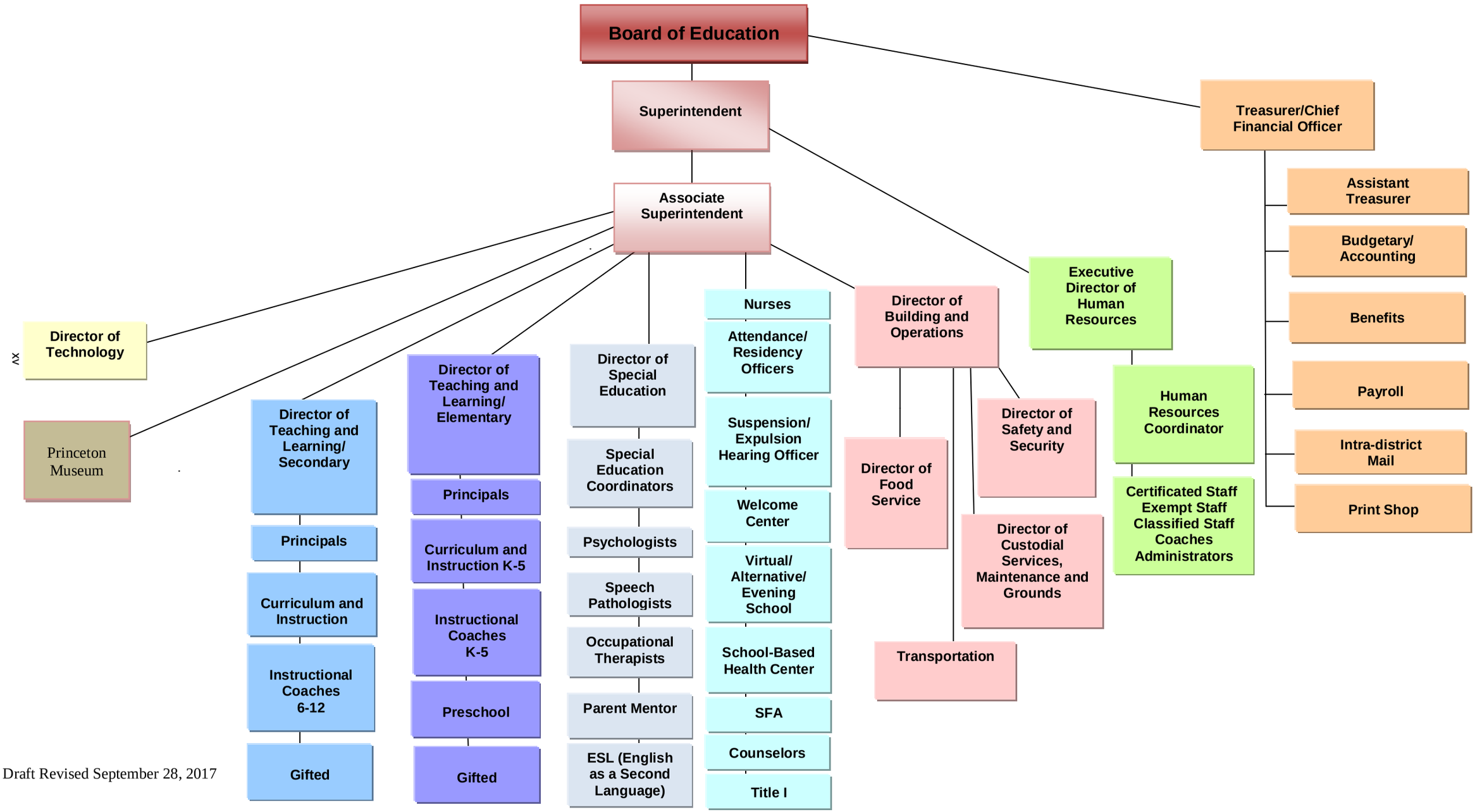
Elected Officials

President, Board of Education	Mrs. Mary Cleveland
Vice-President, Board of Education	Mrs. Sandy Leach
Board Member	Dr. Lillian Hawkins
Board Member	Mrs. Susan Wyder
Board Member	Mrs. Gina Moore

Administrative Officials

Superintendent	Dr. Thomas Tucker
Treasurer	Ms. Christine Cook Poetter

Organizational Chart of the Princeton City School District



Draft Revised September 28, 2017

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, 2017

Christopher P. Morrill

Executive Director/CEO

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting is presented to

Princeton City School District, Ohio

for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2017.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

John D. Musso, CAE
Executive Director

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Princeton City School District
Hamilton County
3900 Cottingham Drive
Cincinnati, Ohio 45242

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Princeton City School District, Hamilton County, Ohio (the District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Princeton City School District, Hamilton County, Ohio, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 20 to the financial statements, during fiscal year 2018, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2018, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Dave Yost
Auditor of State

Columbus, Ohio

December 14, 2018

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, 2018. 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 2018 are as follows:

- Net position of governmental activities increased $42,015,358 which represents a 48% increase from 2017.

- General revenues accounted for $90,570,974 in revenue or 87% of all revenues. Program specific revenues in the form of charges for services and sales, and operating grants and contributions accounted for $13,846,127 or 13% of total revenues of $104,417,101.

- The District had $62,401,743 in expenses related to governmental activities; $13,846,127 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of $90,570,974 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 and Bond Retirement 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 2018?" The Government-wide Financial Statements answer this question. These statements include *all assets and deferred outflows* and *liabilities and deferred inflows* 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.

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.

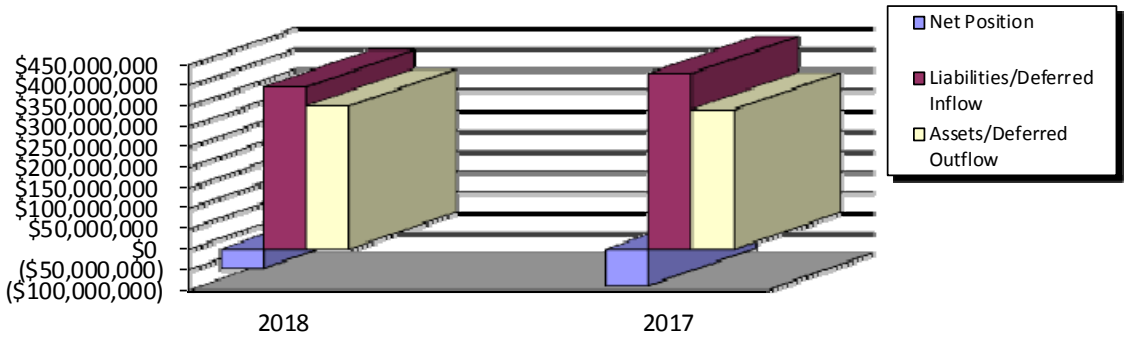
Fiduciary Funds Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Agency 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 2018 compared to 2017:

Table 1
Net Position

	Governmental Activities	
	2018	2017-Restated
Assets:		
Current and Other Assets	$135,940,617	$127,207,487
Capital Assets	183,880,127	188,350,505
Total Assets	319,820,744	315,557,992
Deferred Outflows of Resources:		
Deferred Charge on Refunding	2,122,656	2,313,380
OPEB	835,336	107,219
Pension	26,851,160	23,398,516
Total Deferred Outflows of Resources	29,809,152	25,819,115
Liabilities:		
Other Liabilities	13,153,603	12,535,548
Long-Term Liabilities	326,127,576	368,192,758
Total Liabilities	339,281,179	380,728,306
Deferred Inflows of Resources:		
Property Taxes	40,808,041	38,923,080
Grants and Other Taxes	451,604	123,280
Deferred Gain on Refunding	8,340,314	8,687,827
OPEB	2,708,565	0
Pension	4,343,113	1,232,892
Total Deferred Inflows of Resources	56,651,637	48,967,079
Net Position:		
Net Investment in Capital Assets	(28,935,571)	2,046,856
Restricted	24,051,555	22,338,559
Unrestricted	(41,418,904)	(112,703,693)
Total Net Position	($46,302,920)	($88,318,278)



The net pension liability (NPL) is one of the largest single liabilities reported by the School District at June 30, 2018 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2018, the School District adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the School District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer.* State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the School District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from ($33,059,342) to ($88,318,278).

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2018, the School District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $46,302,920.

At year-end, capital assets represented 57% 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, 2018, was ($28,935,571). These capital assets are used to provide services to the students and are not available for future spending. Although the School 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 School District's net position, $24,051,555 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.

Capital Assets decreased due to current year depreciation being greater than current year additions. Long-term liabilities decreased due to a decrease in the net pension liability. Deferred outflows of resources for pension decreased from the prior year due to a decrease in the other post employment benefits calculation. Deferred inflows of resources for property taxes increased from the prior year due to a decrease in tax advances available in the current year.

Table 2 shows the changes in net position for fiscal years 2018 and 2017.

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Table 2
Changes in Net Position

	Governmental Activities	
	2018	2017
Revenues:		
Program Revenues		
Charges for Services	$4,427,483	$3,495,271
Operating Grants, Contributions	9,418,644	9,700,897
General Revenues:		
Property Taxes	64,736,977	68,435,017
Grants and Entitlements	22,282,875	23,173,598
Revenue in Lieu of Taxes	1,064,202	1,931,017
Other	2,486,920	1,657,058
Total Revenues	104,417,101	108,392,858
Program Expenses:		
Instruction	31,358,212	52,212,556
Support Services:		
Pupil and Instructional Staff	3,629,087	7,432,341
School Administration, General Administration, Fiscal and Business	2,826,818	8,407,302
Operations and Maintenance	4,552,797	8,500,839
Pupil Transportation	6,144,121	5,618,225
Central	559,408	1,257,665
Operation of Non-Instructional Services	3,361,437	4,941,988
Extracurricular Activities	778,825	1,394,198
Interest and Fiscal Charges	9,191,038	9,419,691
Total Program Expenses	62,401,743	99,184,805
Change in Net Position	42,015,358	9,208,053
Net Position - Beginning of Year, Restated	(88,318,278)	N/A
Net Position - End of Year	($46,302,920)	($88,318,278)

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of $107,219 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of $3,146,313. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

Total 2018 operating expenses under GASB 75	$62,401,743
Negative OPEB expense under GASB 75	3,146,313
2018 contractually required contribution	172,815
Adjusted 2018 operating expenses	65,720,871
Total 2017 operating expenses under GASB 45	99,184,805
Change in operating expenses not related to OPEB	($33,463,934)

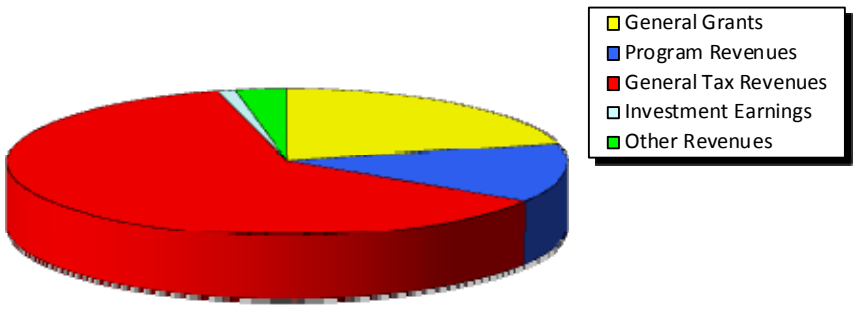
The School District revenues are mainly from three sources. Property taxes levied for general, debt service and capital projects purposes, grants and entitlements and operating grants and contributions comprised most of the School District's revenues for governmental activities.

The School 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 62% of revenue for governmental activities for the School District in fiscal year 2018.

Governmental Activities
Revenue Sources

Revenue Sources	2018	Percent of Total
General Grants	$22,282,875	21.0%
Program Revenues	13,846,127	13.0%
General Tax Revenues	64,736,977	62.0%
Investment Earnings	703,457	1.0%
Other Revenues	2,847,665	3.0%
Total Revenues	$104,417,101	100.0%



Instruction comprises 50% of governmental program expenses. Support services expenses were 29% of governmental program expenses. All other expenses and interest expense was 21% Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Property taxes revenue decreased mainly due to a decrease in taxes advances available in fiscal year 2018 as compared to fiscal year 2017. Total expenses decreased due to changes related to net pension liability and other post employment benefits liability.

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	
	2018	2017	2018	2017
Instruction	$31,358,212	$52,212,556	($23,981,785)	($46,112,766)
Support Services:				
Pupil and Instructional Staff	3,629,087	7,432,341	(2,234,525)	(6,029,892)
School Administration, General Administration, Fiscal and Busines	2,826,818	8,407,302	(2,371,502)	(8,055,045)
Operations and Maintenance	4,552,797	8,500,839	(4,375,411)	(8,268,510)
Pupil Transportation	6,144,121	5,618,225	(6,020,759)	(5,502,851)
Central	559,408	1,257,665	(541,408)	(1,238,793)
Operation of Non-Instructional Service	3,361,437	4,941,988	768,072	(139,339)
Extracurricular Activities	778,825	1,394,198	(607,260)	(1,221,750)
Interest and Fiscal Charges	9,191,038	9,419,691	(9,191,038)	(9,419,691)
Total Expenses	$62,401,743	$99,184,805	($48,555,616)	($85,988,637)

The School District's Funds

The School District has two major governmental funds: the General Fund and the Bond Retirement Fund. Assets of these funds comprise $119,367,005 (88%) of the total $136,163,699 governmental funds' assets.

General Fund: Fund balance at June 30, 2018 was $56,862,740. The primary reason for the increase in fund balance was due to an increase in property tax revenue, and tuition and fees revenue in 2018 compared to 2017.

Bond Retirement Fund: Fund balance at June 30, 2018 was $11,796,860. Fund balance increased due to an increase in taxes in 2018 compared to 2017.

General Fund Budgeting Highlights

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

For the General Fund, final budget basis revenue was $81,135,617. The original budget estimate was $74,847,012. The difference was $6,288,605. Of this difference, most was due to under estimates for taxes and intergovernmental revenues. The final budget basis expenditures were $78,741,938. The original budget estimate was $76,371,573. The difference was $2,370,365. Of this difference, most was due to under estimates for regular and special insdtruction expenditures.

The School District's ending unobligated cash balance was $42,275,677.

Capital Assets and Debt Administration

Capital Assets

At fiscal year end, the School District had $183,880,127 invested in land, construction in progress, buildings and improvements and equipment. Table 4 shows fiscal year 2018 balances compared to fiscal year 2017:

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

	Governmental Activities	
	2018	2017-Restated
Land	$4,908,448	$4,908,448
Construction in Progress	1,722,903	107,137,392
Buildings and Improvements	174,987,645	73,569,864
Equipment	2,261,131	2,734,801
Total Net Capital Assets	$183,880,127	$188,350,505

The decrease in capital assets is mainly due to capital asset additions being less than capital asset depreciation.

See Notes 5 and 20 in the Notes to the Basic Financial Statements for further details on the School District's capital assets.

Debt

At June 30, 2018, the School District had $209,895,376 in debt outstanding, $2,948,658 due within one year. Table 5 summarizes debt outstanding.

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2018	2017
2016 Refunding Bonds	$30,240,000	$32,395,000
2016 Refunding Bonds-Premium	6,086,446	6,123,124
2006 Refunding Bonds	26,000,000	26,000,000
2006 Refunding Bonds - Premium	2,816,016	3,041,298
2010 School Improvement Bonds	11,260,000	11,260,000
2010 School Improvement Capital Appreciation Bonds - Principal Only	357,139	560,137
2010 School Improvement Capital Appreciation Bonds - Accreted Interest	4,022,546	4,398,030
2012 Certificate of Participation	15,225,000	15,225,000
2012 Certificate of Participation - Discount	(186,429)	(194,362)
2013 Energy Conservation Bonds	465,000	505,000
2013 Certificate of Participation	2,160,000	2,180,000
2013 Certificate of Participation - Premium	106,395	110,650
OASBO Loan	2,559,000	2,710,000
2015 Refunding Bonds	90,995,000	90,995,000
2015 School Improvement Capital Appreciation Bonds - Principal Only	6,795,000	6,795,000
2015 School Improvement Capital Appreciation Bonds - Accreted Interest	1,254,790	903,985
2015 Refunding Bonds - Premium	8,224,473	8,567,159
2018 Bleacher Project	1,515,000	0
Total Long-Term Notes, Bonds and Capital Leases	$209,895,376	$211,575,021

See Note 11 in the Notes to the Basic Financial Statements for further details on the School 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. The School District, however, receives about 62% of its general funding from property taxes.

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

In June of 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.

However, in June 2015 and as further revised in November of 2015, the State legislature and the Governor, again changed their stance on tangible personal property and reinstituted the phase out of these revenue streams. At this time, the legislature has passed SB 208 which continues a phase out of tangible personal property tax revenues that unless again altered by the legislature will result in the complete elimination of tangible personal tax reimbursement to the School District. The phase out will occur at a computed rate of approximately 5/8 mill (currently approximately $921,000) each year until eliminated in its entirety. At this time, current estimates are that the phase out will be complete in approximately 14 years.

Contacting the School District's Financial Management

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

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Princeton City School District
Statement of Net Position
June 30, 2018

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	$65,819,762
Restricted Cash and Investments	212,907
Receivables (Net):	
Taxes	67,033,681
Accounts	709,105
Intergovernmental	2,152,829
Inventory	12,333
Nondepreciable Capital Assets	6,631,351
Depreciable Capital Assets, Net	177,248,776
Total Assets	319,820,744
Deferred Outflows of Resources:	
Deferred Charge on Refunding	2,122,656
Pension	26,851,160
OPEB	835,336
Total Deferred Outflows of Resources	29,809,152
Liabilities:	
Accounts Payable	69,482
Accrued Wages and Benefits	8,180,840
Contracts Payable	1,450,278
Accrued Interest Payable	637,654
Claims Payable	835,349
Tax Anticipation Notes Payable	1,980,000
Long-Term Liabilities:	
Due Within One Year	3,642,695
Due In More Than One Year:	
Net Pension Liability	93,066,146
Net OPEB Liability	21,472,645
Other Amounts	207,946,090
Total Liabilities	339,281,179
Deferred Inflows of Resources:	
Property Taxes	40,808,041
OPEB	2,708,565
Grants and Other Taxes	451,604
Deferred Gain on Refunding	8,340,314
Pension	4,343,113
Total Deferred Inflows of Resources	56,651,637
Net Position:	
Net Investment in Capital Assets	(28,935,571)
Restricted for:	
Debt Service	11,868,136
Capital Projects	8,405,703
Athletic	124,320
Auxiliary Services	239,752
State Grants	13,322
Federal Grants	427,508
Food Service	2,857,132
Other Purposes	114,408
Endowment Nonexpendable	1,274
Unrestricted	(41,418,904)
Total Net Position	($46,302,920)

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2018

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:				
Instruction:				
Regular	$22,682,562	$2,939,298	$1,659,668	($18,083,596)
Special	5,660,382	773,133	1,956,692	(2,930,557)
Vocational	7,862	0	3,244	(4,618)
Other	3,007,406	0	44,392	(2,963,014)
Support Services:				
Pupil	2,337,750	0	160,702	(2,177,048)
Instructional Staff	1,291,337	0	1,233,860	(57,477)
General Administration	175,935	0	0	(175,935)
School Administration	1,419,166	0	455,316	(963,850)
Fiscal	1,223,416	0	0	(1,223,416)
Business	8,301	0	0	(8,301)
Operations and Maintenance	4,552,797	177,386	0	(4,375,411)
Pupil Transportation	6,144,121	0	123,362	(6,020,759)
Central	559,408	0	18,000	(541,408)
Operation of Non-Instructional Services	3,361,437	366,101	3,763,408	768,072
Extracurricular Activities	778,825	171,565	0	(607,260)
Interest and Fiscal Charges	9,191,038	0	0	(9,191,038)
Totals	$62,401,743	$4,427,483	$9,418,644	(48,555,616)

General Revenues:	
Property Taxes Levied for:	
General Purposes	50,778,588
Debt Service Purposes	11,899,603
Capital Projects Purposes	2,058,786
Grants and Entitlements, Not Restricted	22,282,875
Revenue in Lieu of Taxes	1,064,202
Unrestricted Contributions	40,511
Investment Earnings	703,457
Other Revenues	1,742,952
Total General Revenues	90,570,974
Change in Net Position	42,015,358
Net Position - Beginning of Year, Restated	(88,318,278)
Net Position - End of Year	($46,302,920)

See accompanying notes to the basic financial statements.

Princeton City School District
Balance Sheet
Governmental Funds
June 30, 2018

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	$44,582,579	$7,696,860	$10,514,899	$62,794,338
Restricted Cash and Investments	212,907	0	0	212,907
Receivables (Net):				
Taxes	52,460,197	12,300,681	2,272,803	67,033,681
Accounts	619,700	0	0	619,700
Intergovernmental	472,933	0	1,679,896	2,152,829
Interfund	1,021,148	0	2,316,763	3,337,911
Inventory	0	0	12,333	12,333
Total Assets	99,369,464	19,997,541	16,796,694	136,163,699
Liabilities:				
Accounts Payable	48,196	0	15,706	63,902
Accrued Wages and Benefits	7,574,939	0	605,901	8,180,840
Compensated Absences	21,972	0	0	21,972
Contracts Payable	0	0	1,450,278	1,450,278
Accrued Interest Payable	0	0	3,806	3,806
Interfund Payable	0	0	1,021,148	1,021,148
Tax Anticipation Notes Payable	0	0	1,980,000	1,980,000
Total Liabilities	7,645,107	0	5,076,839	12,721,946
Deferred Inflows of Resources:				
Property Taxes	34,410,013	8,200,681	1,572,803	44,183,497
Grants and Other Taxes	451,604	0	575,603	1,027,207
Total Deferred Inflows of Resources	34,861,617	8,200,681	2,148,406	45,210,704
Fund Balances:				
Nonspendable	0	0	1,274	1,274
Restricted	212,907	11,796,860	9,803,085	21,812,852
Committed	11,000	0	0	11,000
Assigned	2,209,007	0	0	2,209,007
Unassigned	54,429,826	0	(232,910)	54,196,916
Total Fund Balances	56,862,740	11,796,860	9,571,449	78,231,049
Total Liabilities, Deferred Inflows and Fund Balances	$99,369,464	$19,997,541	$16,796,694	$136,163,699

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, 2018

Total Governmental Fund Balance		$78,231,049
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.		
Capital assets used in the operation of Governmental Funds		183,880,127
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Delinquent Property Taxes	3,375,456	
Intergovernmental	575,603	
		3,951,059
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.		
Internal Service Net Position		(42,863)
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.		(633,848)
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		(1,671,437)
Deferred charges for bond refunding losses and gains are not recognized in the governmental funds, whereas they are capitalized and amortized for net position		
Deferred charge on refunding	2,122,656	
Deferred gain on refunding	(8,340,314)	
		(6,217,658)
Deferred outflows and inflows or resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	26,851,160	
Deferred inflows of resources related to pensions	(4,343,113)	
Deferred outflows of resources related to OPEB	835,336	
Deferred inflows of resources related to OPEB	(2,708,565)	
		20,634,818
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(93,066,146)	
Net OPEB Liability	(21,472,645)	
Other Amounts	(209,895,376)	
		(324,434,167)
Net Position of Governmental Activities		($46,302,920)

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, 2018

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property and Other Taxes	$50,486,524	$11,825,580	$2,047,308	$64,359,412
Tuition and Fees	3,708,910	0	0	3,708,910
Investment Earnings	698,718	0	4,739	703,457
Intergovernmental	22,708,610	1,320,710	7,790,739	31,820,059
Extracurricular Activities	66,682	0	104,883	171,565
Charges for Services	0	0	366,101	366,101
Revenue in Lieu of Taxes	1,060,009	3,562	631	1,064,202
Other Revenues	1,823,616	0	140,755	1,964,371
Total Revenues	80,553,069	13,149,852	10,455,156	104,158,077
Expenditures:				
Current:				
Instruction:				
Regular	32,659,421	0	885,487	33,544,908
Special	10,148,625	0	1,014,467	11,163,092
Vocational	33,359	0	0	33,359
Other	3,172,674	0	51,727	3,224,401
Support Services:				
Pupil	3,933,784	0	280,107	4,213,891
Instructional Staff	1,559,587	0	1,355,262	2,914,849
General Administration	205,927	0	0	205,927
School Administration	5,687,040	0	429,477	6,116,517
Fiscal	1,770,576	163,414	28,647	1,962,637
Business	175,702	0	0	175,702
Operations and Maintenance	7,736,658	0	6,100	7,742,758
Pupil Transportation	5,454,261	0	15,356	5,469,617
Central	1,191,731	0	30,346	1,222,077
Operation of Non-Instructional Services	54,359	0	4,028,260	4,082,619
Extracurricular Activities	313,221	0	1,023,113	1,336,334
Capital Outlay	1,204,649	0	1,986,376	3,191,025
Debt Service:				
Principal Retirement	0	2,357,998	211,000	2,568,998
Interest and Fiscal Charges	0	8,927,406	1,045,585	9,972,991
Total Expenditures	75,301,574	11,448,818	12,391,310	99,141,702
Excess of Revenues Over (Under) Expenditures	5,251,495	1,701,034	(1,936,154)	5,016,375
Other Financing Sources (Uses):				
Issuance of Tax Anticipation Note	0	0	1,515,000	1,515,000
Transfers In	0	0	1,257,660	1,257,660
Transfers (Out)	(720,095)	0	(537,565)	(1,257,660)
Total Other Financing Sources (Uses)	(720,095)	0	2,235,095	1,515,000
Net Change in Fund Balance	4,531,400	1,701,034	298,941	6,531,375
Fund Balance - Beginning of Year	52,331,340	10,095,826	9,272,508	71,699,674
Fund Balance - End of Year	$56,862,740	$11,796,860	$9,571,449	$78,231,049

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, 2018

Net Change in Fund Balance - Total Governmental Funds		$6,531,375
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	1,752,420	
Depreciation Expense	(6,222,798)	
		(4,470,378)
Governmental funds report district pension and OPEB contributions as expenditures. However in the Statement of Activites, the cos of pension and OPEB benefits earned net of employee contributions ar reported as pension and OPEB expense		
District pension contributions	6,660,300	
Cost of benefits earned net of employee contrbutions - Pensions	28,414,163	
District OPEB contributions	172,185	
Cost of benefits earned net of employee contrbutions - OPEB	3,146,313	
		38,392,961
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	377,565	
Intergovernmental	(118,541)	
		259,024
Repayment of bond and lease principal, current bonds refundings, and accretion interest payments are an expenditure governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		4,481,000
In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.		(483)
Some revenues and expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as revenues and expenditures in governmental funds.		
Compensated Absences	208,350	
Amortization of Bond Premium	608,901	
Amortization of Bond Discount	(7,933)	
Bond Accretion	(1,887,323)	
Amortization of Deferred Charge on Refunding	(190,724)	
Amortization of Deferred Gain on Refunding	347,513	
		(921,216)
The internal service fund used by management to charge back costs to individual funds is not reported in the entity-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.		
Change in Net Position - Internal Service Funds		(741,925)
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.		(1,515,000)
Change in Net Position of Governmental Activities		$42,015,358

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Net Position
Proprietary Funds
June 30, 2018

	Governmental Activities- Internal Service Funds
Assets:	
Current Assets:	
Equity in Pooled Cash and Investments	$3,025,424
Receivables (Net):	
Accounts	89,405
Total Assets	3,114,829
Liabilities:	
Current Liabilities:	
Accounts Payable	5,580
Interfund Payable	2,316,763
Claims Payable	835,349
Total Liabilities	3,157,692
Net Position:	
Unrestricted	(42,863)
Total Net Position	($42,863)

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, 2018

	Governmental Activities- Internal Service Funds
Operating Revenues:	
Charges for Services	$8,811,271
Other Revenues	91,870
Total Operating Revenues	8,903,141
Operating Expenses:	
Personal Services	1,117,825
Contactual Services	4,880
Claims	7,235,348
Other Expenses	1,287,038
Total Operating Expenses	9,645,091
Operating Income (Loss)	(741,950)
Non-Operating Revenues (Expenses):	
Investment Earnings	25
Total Non-Operating Revenues (Expenses)	25
Change in Net Position	(741,925)
Net Position - Beginning of Year	699,062
Net Position - End of Year	($42,863)

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, 2018

	Governmental Activities- Internal Service Funds
Cash Flows from Operating Activities:	
Cash Received from Customers	$8,841,089
Cash Payments to Employees	(1,117,825)
Cash Payments to Suppliers	(8,446,180)
Net Cash Provided (Used) by Operating Activities	(722,916)
Cash Flows from Investing Activities:	
Earnings on Investments	25
Net Cash Provided (Used) by Cash Flows from Investing Activities	25
Net Increase (Decrease) in Cash and Cash Equivalent	(722,891)
Cash and Cash Equivalents - Beginning of Year	3,748,315
Cash and Cash Equivalents - End of Year	3,025,424
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(741,950)
Changes in Assets & Liabilities:	
(Increase) Decrease in Receivables	(62,052)
Increase (Decrease) in Payables	4,880
Increase (Decrease) in Claims Payables	76,206
Net Cash Provided (Used) by Operating Activities	($722,916)

See accompanying notes to the basic financial statements.

Princeton City School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	$164,361	$169,978
Receivables (Net):		
Accounts	0	203
Total Assets	164,361	170,181
Liabilities:		
Accounts Payable	0	1,432
Other Liabilities	0	168,749
Total Liabilities	0	$170,181
Net Position:		
Held in Trust	164,361	
Total Net Position	$164,361	

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, 2018

	Private Purpose Trust
Additions:	
Other	$5,026
Total Additions	5,026
Deductions:	
Scholarships	11,055
Total Deductions	11,055
Change in Net Position	(6,029)
Net Position - Beginning of Year	170,390
Net Position - End of Year	$164,361

See accompanying notes to the basic financial statements.

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Note 1 - Summary of Significant Accounting Policies

The financial statements of the Princeton City School District, Ohio (the "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 District's accounting policies are described below.

Reporting Entity

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

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

The following activity is included within the reporting entity:

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

The District is associated with two jointly governed organizations. These organizations are the Southwest Ohio Computer Association and Great Oaks Career Campuses. The organizations are presented in Note 13 to the basic financial statements.

Basis of Presentation

The 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 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 District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements Fund financial statements report detailed information about the District. The focus of governmental 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, current liabilities, and certain deferred inflows and outflows of resources are generally included on the balance sheet. Operating statements of these funds present sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

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

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

Fund Accounting

The 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 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 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 deferred outflows and liabilities and deferred inflows is reported as fund balance. The following are the 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 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.

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

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

Deferred Outflows/Inflows of Resources. In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources includes a deferred charge on refunding, OPEB, and pension. These are reported on the governmental-wide statement of net position. For more pension and OPEB related information, see Notes 7 and 8.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies

to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, OPEB, pension, a deferred gain on refunding, and grants and other taxes. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance year 2019 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Grants and other taxes have been recorded as deferred inflows on the governmental fund financial statements. Deferred inflows related to pension and OPEB are reported on the governmental-wide statement of net position. See Notes 7 and 8 for more pension and OPEB related information.

Equity in Pooled Cash and Cash Equivalents

Cash received by the District is pooled for investment purposes. Individual fund integrity is maintained through 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 2018, the District's investments were limited to STAROhio, Money Market Funds, Negotiable CDs, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, Commercial Paper, and Federal National Mortgage Association.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding $25 million. STAR Ohio reserves the right to limit the transaction to $100 million, requiring the excess amount to be transacted the following business day(s), but only to the $100 million limit. All accounts of the participant will be combined for these purposes.
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 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 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. The 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. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

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 District will compensate the employees for the benefits through paid time off or some other means. The 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 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 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. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable, and the pension/OPEB plan's fiduciary net position is not sufficient for payments of those benefits.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

Fund Balance

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

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in 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 District Board of Education. Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Resources intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts are intended to be used for specific purposes as approved through the District's formal purchase

order procedure by the Superintendent and the Treasurer. The adoption of the board appropriation resolution is the established policy, which gives the authorization to assign resources for a specific purpose.

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

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

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 District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments which for the District includes amounts set-aside for budget stabilization and restricted grants.

The 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 $24,051,555 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 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 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 District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;

2. Bonds, notes, debentures, or any other obligations or securities issued by the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;

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 District, and must be purchased with the expectation that it will be held to maturity.

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2018, $8,206,146 of the District's bank balance of $8,471,882 was exposed to custodial credit risk because it was uninsured and collateralized.

The District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

Investments

The District’s investments at June 30, 2018 are as summarized as follows:

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	Fair Value	Fair Value Hierarchy	Weighted Average Maturity (Years)
STAR Ohio	$10,864,375	N/A	0.12
Money Market Funds	8,326	N/A	0.00
Negotiable CDs	1,462,360	Level 2	2.01
Federal Home Loan Bank	159,792	Level 2	0.07
Federal Home Loan Mortgage Corp	4,700,422	Level 2	1.15
Federal Farm Credit Bank	1,440,882	Level 2	0.58
Federal National Mortgage Association	9,331,051	Level 2	1.36
Commercial Paper	30,146,741	Level 2	0.29
Total Fair Value	$58,113,949		
Portfolio Weighted Average Maturity			0.55

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the District's recurring fair value measurements as of June 30, 2018. STAR Ohio is reported at its share price (Net Asset Value per share).

Credit Risk – It is the 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 District's investments in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, Commercial Paper, and Federal National Mortgage Association were rated AA+ by Standard & Poor's and Aaa by Moody's. Investments in STAR Ohio were rated AAAm by Standard & Poor's. Money Market Funds and Negotiable CDs were not rated.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a failure of a counter party, the 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 District's investment securities are registered in the name of the 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 District's policy places no limit on the amount it may invest in any one issuer. The District has invested 18% in STAR Ohio, 1% in Money Market Funds, 2% in Negotiable CDs, 1% in Federal Home Loan Bank, 8% in Federal Home Loan Mortgage Corporation, 2% in Federal Farm Credit Bank, 52% in Commercial Paper, and 16% in Federal National Mortgage Association.

Interest Rate Risk – In accordance with the investment policy, the 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 and public utility 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 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. 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, 2018, are available to finance fiscal year 2019 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, 2018. 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 inflows of resources for that portion not intended to finance current year operations.

The assessed values upon which fiscal year 2018 taxes were collected are:

	Amount
Agricultural/Residential and Other Real Estate	$1,308,437,790
Public Utility Personal	83,011,810
Total	$1,391,449,600

Note 4 – Interfund Transactions

During the year ended June 30, 2018, the District made the following transfers:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	$1,021,148	$0	$0	$720,095
Internal Service Funds	0	2,316,763	0	0
Nonmajor Governmental Funds	2,316,763	1,021,148	1,257,660	537,565
Total All Funds	$3,337,911	$3,337,911	$1,257,660	$1,257,660

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 $517,650 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.

Note 5 – Capital Assets

Capital assets activity for the year ended June 30, 2018 was as follows. The capital assets at June 30, 2017 have been restated as described in Note 20.

	Restated Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets, not being depreciated:				
Land	$4,908,448	$0	$0	$4,908,448
Construction in Progress	107,137,392	1,722,903	107,137,392	1,722,903
Capital Assets, being depreciated:				
Buildings and Improvements	126,328,755	107,137,392	0	233,466,147
Equipment	11,946,234	29,517	0	11,975,751
Totals at Historical Cost	250,320,829	108,889,812	107,137,392	252,073,249
Less Accumulated Depreciation:				
Buildings and Improvements	52,758,891	5,719,611	0	58,478,502
Equipment	9,211,433	503,187	0	9,714,620
Total Accumulated Depreciation	61,970,324	6,222,798	0	68,193,122
Governmental Activities Capital Assets, Net	$188,350,505	$102,667,014	$107,137,392	$183,880,127

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Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	$5,383,040
Special	3,267
Vocational	1,034
Support Services:	
Instructional Staff	15,094
School Administration	21,615
Fiscal	1,978
Business	10,774
Operations and Maintenance	81,983
Pupil Transportation	433,076
Central	31,688
Operation of Non-Instructional Services	77,912
Extracurricular Activities	161,337
Total Depreciation Expense	$6,222,798

Note 6 – Risk Management

The 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 District carries commercial general liability insurance against these risks and all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change in coverage from last year.

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

	2018	2017	2016
Claims liability at beginning of year	$744,617	$343,182	$509,077
Claims incurred	7,114,474	7,069,849	5,819,291
Claims paid	(7,044,175)	(6,668,414)	(5,985,186)
Claims liability at end of year	$814,916	$744,617	$343,182

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

	2018	2017	2016
Claims liability at beginning of year	$14,526	$42,065	$15,935
Claims incurred	120,874	108,431	190,345
Claims paid	(114,967)	(135,970)	(164,215)
Claims liability at end of year	$20,433	$14,526	$42,065

Note 7 - Defined Benefit Pension Plans

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the employer's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the obligation for this liability to annually required payments. The employer cannot control benefit terms or the manner in which pensions are financed; however, the employer does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in accrued wages and benefits on both the accrual and modified accrual bases of accounting.

Plan Description - School Employees Retirement System (SERS)

Plan Description – Non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit Age 65 with 5 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.20% for the first thirty years of service and 2.50% for years of service credit over 30 or $86.00 multiplied by the years of service credit. Final average salary is the average of the highest three years of salary.

Post-Retirement Increases – Before January 1, 2018; on each anniversary of the initial date of retirement, the allowances of all retirees and survivors are increased by 3% of the base benefit. On or after January 1, 2018; on each anniversary of the initial retirement, the allowance of all retirees and survivors are increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0% nor greater than 2.5%. COLA's shall be suspended for calendar years 2018, 2019, and 2020.

Funding Policy – Plan members are required to contribute 10% of their annual covered salary and the employer is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2018, the allocation to pension, death benefits, and Medicare B was 13.5%. The remaining 0.5% was allocated to the Health Care Fund.

The contractually required contribution to SERS was $1,754,088 for fiscal year 2018.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – Licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or at age 55 with 26 years of service, or 31 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.5% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS Ohio plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS Ohio bearing the risk of investment gain or loss on the account. STRS Ohio therefore has included all three plan options in the GASB 68 schedules of employer allocations and pension amounts by employer.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least 10 years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2018, plan members were required to contribute 14% of their annual covered salary. The employer was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

The contractually required contribution to STRS was $4,906,212for fiscal year 2018. Of this amount $1,596,432 is reported as accrued wages and benefits.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The proportion of the net pension liability was based on the share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability	$23,121,804	$69,944,342	$93,066,146
Proportion of the Net Pension Liability:			
Current Measurement Date	0.38699010%	0.29443785%	
Prior Measurement Date	0.39270710%	0.29592689%	
Change in Proportionate Share	-0.00571700%	-0.00148904%	
Pension Expense	($1,389,423)	($27,024,740)	($28,414,163)

At June 30, 2018, reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$995,082	$2,700,923	$3,696,005
Changes of assumptions	1,195,646	15,297,596	16,493,242
Changes in employer proportionate share of net pension liability	0	1,613	1,613
Contributions subsequent to the measurement date	1,754,088	4,906,212	6,660,300
Total Deferred Outflows of Resources	$3,944,816	$22,906,344	$26,851,160
Differences between expected and actual experience	$0	$563,724	$563,724
Net difference between projected and actual earnings on pension plan investments	109,754	2,308,245	2,417,999
Changes in employer proportionate share of net pension liability	789,670	571,720	1,361,390
Total Deferred Inflows of Resources	$899,424	$3,443,689	$4,343,113

$6,660,300 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2019	$435,476	$2,950,050	$3,385,526
2020	1,117,944	6,090,596	7,208,540
2021	276,901	4,293,906	4,570,807
2022	(539,017)	1,221,891	682,874
Total	$1,291,304	$14,556,443	$15,847,747

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2017, are presented below:

Wage Inflation	3.00%
Future Salary Increases, including inflation	3.50% - 18.20%
COLA or Ad Hoc COLA	2.50%
Investment Rate of Return	7.50% net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumptions Experience Study Date	5 year period ended June 30, 2015

Prior to 2017, an assumption of 3.0% was used for COLA or Ad Hoc COLA.

For 2017, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disable members were based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in the SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00%	0.50%
US Stocks	22.50%	4.75%
Non-US Stocks	22.50%	7.00%
Fixed Income	19.00%	1.50%
Private Equity	10.00%	8.00%
Real Assets	15.00%	5.00%
Multi-Asset Strategies	10.00%	3.00%
Total	100.00%	

Discount Rate

The total pension liability was calculated using the discount rate of 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return 7.50%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.50%, or one percentage point higher 8.50% than the current rate.

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Proportionate share of the net pension liability	$32,087,055	$23,121,804	$15,611,577

Changes in Benefit Terms

The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

Actuarial Assumptions - STRS

The total pension liability in the July 1, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	July 1, 2017	July 1, 2016
Inflation	2.50%	2.75%
Projected salary increases	12.50% at age 20 to 2.50% at age 65	12.25% at age 20 to 2.75% at age 70
Investment Rate of Return	7.45%, net of investment expenses, including inflation	7.75%, net of investment expenses, including inflation
Payroll Increases	3.00%	3.50%
Cost-of-Living Adjustments (COLA)	0%, effective July 1, 2017	2% simple applied as follows: for members retiring before August 1, 2013, 2% per year; for members retiring August 1 2013, or later, 2% COLA commences on fifth anniversary of retirement date.

For the July 1, 2017, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For the July 1, 2016 actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Actuarial assumptions used in the July 1 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016. Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

STRS Ohio's investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity	28.00%	7.35%
International Equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed Income	21.00%	3.00%
Real Estate	10.00%	6.00%
Liquidity Reserves	1.00%	2.25%
Total	100.00%	

*10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate

The discount rate used to measure the total pension liability was 7.45% as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2017. Therefore, the long-term expected rate of return on pension plan investments of 7.45% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2017.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table represents the net pension liability as of June 30, 2017, calculated using the current period discount rate assumption of 7.45%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.45% or one percentage point higher 8.45% than the current assumption:

	1% Decrease 6.45%	Current Discount Rate 7.45%	1% Increase 8.45%
Proportionate share of the net pension liability	$100,262,834	$69,944,342	$44,405,557

Changes in Assumptions

The Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a

decrease of 0.25% due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Changes in Benefit Terms

Effective July 1, 2017, the COLA was reduced to zero.

Note 8 – Defined Benefit Other Postemployment Benefits (OPEB) Plans

Net Other Postemployment Benefits (OPEB) Liability

The net OPEB liability reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred

The net OPEB liability represents the District's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the District's obligation for this liability to annually required payments. The employer cannot control benefit terms or the manner in which OPEB are financed; however, the employer does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term net OPEB liability on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at year-end is included in accrued liabilities on the accrual basis of accounting.

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible

dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established 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.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2018, 0.5% of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2018, this amount was $23,700. Statutes provide that no employer shall pay a health care surcharge greater than 2.0% 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 2018, the surcharge obligation was $107,219.

The surcharge, added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was $172,185 for fiscal year 2018. Of this amount $107,219 is reported as accrued wages and payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly 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. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2018, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the employer's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	SERS	STRS	Total
Proportionate Share of the Net OPEB Liability	$9,984,767	$11,487,878	$21,472,645
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.37204710%	0.29443785%	
Prior Measurement Date	0.38399730%	0.29592689%	
Change in Proportionate Share	-0.01195020%	-0.00148904%	
OPEB Expense	$370,546	($3,516,859)	($3,146,313)

At June 30, 2018, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$0	$663,151	$663,151
Contributions subsequent to the measurement date	172,185	0	172,185
Total Deferred Outflows of Resources	$172,185	$663,151	$835,336
Deferred Inflows of Resources			
Changes of assumptions	$947,503	$925,385	$1,872,888
Net difference between projected and actual earnings on pension plan investments	26,367	491,019	517,386
Changes in employer proportionate share of net penson liability	250,033	68,258	318,291
Total Deferred Inflows of Resources	$1,223,903	$1,484,662	$2,708,565

$172,185 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2019	($440,482)	($177,836)	($618,318)
2020	(440,482)	(177,836)	(618,318)
2021	(336,348)	(177,837)	(514,185)
2022	(6,592)	(177,837)	(184,429)
2023	0	(55,082)	(55,082)
Thereafter	0	(55,082)	(55,082)
Total	($1,223,904)	($821,510)	($2,045,414)

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2017, are presented below:

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Wage Inflation	3.00%
Future Salary Increases, including inflation	3.50% to 18.20%
Investment Rate of Return	7.50% net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.56%
Prior Measurement Date	2.92%
Single Equivalent Interest Rate, net of plan investment expense, including price inflation:	
Measurement Date	3.63%
Prior Measurement Date	2.98%
Medical Trend Assumption	
Medicare	5.50% to 5.00%
Pre-Medicare	7.50% to 5.00%

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized as follows:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00%	0.50%
US Stocks	22.50%	4.75%
Non-US Stocks	22.50%	7.00%
Fixed Income	19.00%	1.50%
Private Equity	10.00%	8.00%
Real Assets	15.00%	5.00%
Multi-Asset Strategies	10.00%	3.00%
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.56 percent, as of June 30, 2017 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates

The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63%) and higher (4.63%) than the current discount rate (3.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.5% decreasing to 4.0%) and higher (8.5% decreasing to 6.0%) than the current rate.

	1% Decrease 2.63%	Current Discount Rate 3.63%	1% Increase 4.63%
Proportionate share of the net OPEB liability	$12,057,877	$9,984,767	$8,342,334

	1% Decrease 6.50% decreasing to 4.00%	Current Trend Rate 7.50% decreasing to 5.00%	1% Increase 8.50% decreasing to 6.00%
Proportionate share of the net OPEB liability	$8,101,890	$9,984,767	$12,476,786

Changes in Assumptions – SERS

Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:
Fiscal year 2018 3.56 percent
Fiscal year 2017 2.92 percent

Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
Fiscal year 2018 3.63 percent
Fiscal year 2017 2.98 percent

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2017, actuarial valuation are presented below:

Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.45%, net of investment expenses, including inflation
Payroll Increases	3.00%
Cost-of-Living Adjustments (COLA)	0.00%, effective July 1, 2017
Blended Discount Rate of Return	4.13%
Health Care Cost Trends	6.00% to 11.00% initial, 4.5% ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Since the prior measurement date, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return*
Domestic Equity	28.00%	7.35%
International Equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed Income	21.00%	3.00%
Real Estate	10.00%	6.00%
Liquidity Reserves	1.00%	2.25%
Total	100.00%	

*10 year annualized geometric nominal returns, which includes the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actual rate of return, without net value added by management.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected

benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58 percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate

The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13%) or one percentage point higher (5.13%) than the current assumption. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
Proportionate share of the net OPEB liability	$15,422,292	$11,487,878	$8,378,406

	1% Decrease	Current Trend Rate	1% Increase
Proportionate share of the net OPEB liability	$7,981,286	$11,487,878	$16,102,965

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

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.

Note 10 – Short-Term Obligations

A summary of the short-term note transaction for the year ended June 30, 2018 follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Funds				
Notes Payable:				
2012 Tax Anticipation Note	$2,445,000	$0	$465,000	$1,980,000
Total Short-Term Liabilities	$2,445,000	$0	$465,000	$1,980,000

The $4,170,000 of Tax Anticipation Notes was issued to pay for construction of buildings.

Note 11 – Long-Term Obligations

The changes in the District's long-term obligations during fiscal year 2018 were as follows:

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	Restated Beginning Balance	Additions	Deletions	Ending Balance	Due In One Year
Governmental Activities:					
Long-term Obligations Payable:					
2016 Refunding Bonds	$32,395,000	$0	($2,155,000)	$30,240,000	$2,415,000
2016 Refunding Bonds-Premium	6,123,124	0	(36,678)	6,086,446	0
2006 Refunding Bonds	26,000,000	0	0	26,000,000	0
2006 Refunding Bonds - Premium	3,041,298	0	(225,282)	2,816,016	0
2010 School Improvement Bonds	11,260,000	0	0	11,260,000	0
2010 School Improvement Capital Appreciation Bonds - Principal Only	560,137	0	(202,998)	357,139	167,658
2010 School Improvement Capital Appreciation Bonds - Accreted Interest	4,398,030	1,536,518	(1,912,002)	4,022,546	0
2012 Certificate of Participation	15,225,000	0	0	15,225,000	0
2012 Certificate of Participation - Discount	(194,362)	0	7,933	(186,429)	0
2013 Energy Conservation Bonds	505,000	0	(40,000)	465,000	40,000
2013 Certificate of Participation	2,180,000	0	(20,000)	2,160,000	25,000
2013 Certificate of Participation - Premium	110,650	0	(4,255)	106,395	0
OASBO Loan	2,710,000	0	(151,000)	2,559,000	156,000
2015 Refunding Bonds	90,995,000	0	0	90,995,000	0
2015 Refunding Bonds - Capital Appreciation Bonds - Principal Only	6,795,000	0	0	6,795,000	0
2015 Refunding Bonds - Capital Appreciation Bonds - Accreted Interest	903,985	350,805	0	1,254,790	0
2015 Refunding Bonds - Premium	8,567,159	0	(342,686)	8,224,473	0
2018 Bleacher Project Debt	0	1,515,000	0	1,515,000	145,000
Total Long-term Obligations Payable	211,575,021	3,402,323	(5,081,968)	209,895,376	2,948,658
Compensated Absences	2,047,960	545,021	(899,572)	1,693,409	694,037
Subtotal Bonds & Other Amounts	213,622,981	3,947,344	(5,981,540)	211,588,785	3,642,695
Net Pension Liability					
STRS	99,055,650	0	(29,111,308)	69,944,342	0
SERS	28,742,536	0	(5,620,732)	23,121,804	0
Total Net Pension Liability	127,798,186	0	(34,732,040)	93,066,146	0
Net OPEB Liability					
STRS	15,826,247	0	(4,338,369)	11,487,878	0
SERS	10,945,344	0	(960,577)	9,984,767	0
Total Net OPEB Liability	26,771,591	0	(5,298,946)	21,472,645	0
Total Governmental Activities Long-Term Liabilities	$368,192,758	$3,947,344	($46,012,526)	$326,127,576	$3,642,695

2006 School Improvement Refunding Bonds – The 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.

2010 School Improvement Bonds - The 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 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 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 District's renovation of buildings and is payable from the General Fund. The Loan matures on December 1, 2030.

2013 Certificate of Participation – The 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 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.

2015 Refunding Bonds – The District issued $91,320,000 in refunding bonds for construction of new buildings and the renovation of existing buildings. These bonds mature on December 1, 2047 and pay interest at 4.00% - 6.39%. The bonds are paid from the Debt Service Fund.

2016 School Improvement Refunding Bonds – The District issued $32,825,000 in refunding bonds for the partial advance refunding of $37,715,000 of school improvement bonds issued in 2006. These bonds mature on December 1, 2026 and pay interest of 2.0% - 5.0%. The bonds are paid from the Debt Service Fund.

2018 Permanent Improvement Tax Anticipation Note – The District issued $1,515,000 for the purpose of financing the acquisition, construction, and equipping of bleachers and related capital improvements for athletic, recreational, and other school-related activities. The note matures on December 1, 2027 and pay interest on sum at 2.88%.

There is no repayment schedule for the net pension liability; however employer pension and OPEB contributions are made from the fund benefitting from their service.

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

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

Fiscal Year	Current Interest Bonds, OASBO Loan and TAN			Capital Appreciation Bonds		
Ending June 30	Principal	Interest	Total	Principal	Interest	Total
2019	$2,781,000	$8,405,674	$11,186,674	$167,658	$2,252,342	$2,420,000
2020	2,927,000	8,299,104	11,226,104	118,024	2,241,976	2,360,000
2021	3,398,000	8,173,023	11,571,023	71,457	1,908,542	1,979,999
2022	5,765,000	7,978,755	13,743,755	0	0	0
2023	6,586,000	7,697,273	14,283,273	0	0	0
2024-2029	41,613,000	33,668,526	75,281,526	0	0	0
2030-2033	42,409,000	22,397,542	64,806,542	0	0	0
2034-2038	49,150,000	12,478,350	61,628,350	0	0	0
2039-2043	25,790,000	1,541,488	27,331,488	6,795,000	15,635,000	22,430,000
Total	$180,419,000	$110,639,735	$291,058,735	$7,152,139	$22,037,860	$29,189,999

Note 12 - Prior Year Defeasance of Debt

In prior years, the 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 District's financial statements. On June 30, 2018, $116,640,000 of bonds is considered defeased.

Note 13 – 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 across six counties in southwest Ohio. 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 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 the Executive Director, Butler County JVS, 3603 Hamilton-Middletown Road, Hamilton, Ohio 45011.

Great Oaks Career Campuses

Great Oaks Career Campuses (Great Oaks), 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 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 Districts, which includes the students of the District. The District has no ongoing financial interest in or responsibility for Great Oaks. To obtain financial information, write to Great Oaks Career Campuses at 3254 East Kemper Road, Cincinnati, Ohio 45241.

Note 14 – Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of 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	Nonmajor Governmental Funds	Total
Nonspendable:				
Endowment	$0	$0	$1,274	$1,274
Total Nonspendable	0	0	1,274	1,274
Restricted for:				
Budget Set Aside	212,907	0	0	212,907
Food Service	0	0	2,874,565	2,874,565
Other Grants	0	0	114,408	114,408
Athletic	0	0	124,320	124,320
Auxiliary Services	0	0	239,752	239,752
Reducing Class Size	0	0	33,693	33,693
Vocational Education	0	0	3,808	3,808
Title III	0	0	23,218	23,218
Bond Retirement	0	11,796,860	0	11,796,860
Permanent Improvement	0	0	5,614,938	5,614,938
Building	0	0	774,383	774,383
Total Restricted	212,907	11,796,860	9,803,085	21,812,852
Committed to:				
Underground Storage Tanks	11,000	0	0	11,000
Total Committed	11,000	0	0	11,000
Assigned to:				
Encumbrances	1,924,100	0	0	1,924,100
Public School	284,907	0	0	284,907
Total Assigned	2,209,007	0	0	2,209,007
Unassigned (Deficit)	54,429,826	0	(232,910)	54,196,916
Total Fund Balance	$56,862,740	$11,796,860	$9,571,449	$78,231,049

Encumbrances (assigned) will be used for instruction, support services and capital improvements throughout the District.

Note 15– Accountability

At June 30, 2018, the following funds had deficit fund balances:

Funds	Deficit
Other Governmental Funds:	
Public Preschool Subsidy	$26,170
Race to the Top	3,548
IDEA Special Education	44,858
Title I	82,502
Miscellaneous Federal Grants	34,389
Miscellaneous State Grants	41,443

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. The District is not required to transfer funds to cover negative balances from state or federal grant funds as long as the District has requested the cash reimbursements.

Note 16 – Contingencies Grants

Foundation Funding

District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2018 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2018 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

Litigation

The District is party to legal proceedings. The 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 District.

Note 17 – Required Set-Asides

The 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 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 Improvements. Disclosure of this information is required by State statute.

	Capital Improvements	Budget Stabilization
Set Aside Reserve Balance as of June 30, 2017	$0	$212,907
Current Year Set Aside Requirements	1,014,197	0
Qualified Disbursements	(2,937,815)	0
Current Year Offsets	0	0
Set Aside Reserve Balance as of June 30, 2018	($1,923,618)	$212,907
Restricted Cash as of June 30, 2018	$0	$212,907

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 18 – Significant Contractual and Other Commitments

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the Districts' commitments for encumbrances in the governmental funds were as follows:

Description	Remaining Commitment
General	$1,971,913
Building	1,733,819
Other Governmental	1,164,670

Note 19 – Tax Abatements entered Into By Other Governments

Other governments entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area ("CRA") and Enterprise Zone Agreement ("EZA") programs with the taxing districts of the District. The CRA program is a directive incentive tax exemption program benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. The EZA program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in the community. Within the taxing districts of the District, other municipalities have entered into CRA and EZA agreements. Under these agreements the District's property taxes were reduced by $1,514,913.

Note 20 – Implementation of New Accounting Principles and Restatement of Net Position

For the fiscal year ended June 30, 2018, the District has implemented GASB Statement No. 81, Irrevocable Split-Interest Agreements, GASB Statement No. 82, Pensions Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73, and GASB No. 86, Certain Debt Extinguishment Issues, and GASB Statement No. 85, Omnibus 2017, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, and related guidance from (GASB) Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting).

GASB Statement No. 81 sets out to improve accounting and financial reporting for irrevocable split interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. This Statement also enhances the decision-usefulness of general purpose external financial reports, and their value for assessing accountability, by more clearly identifying the resources that are available for the government to carry out its mission. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the District.

GASB Statement No. 82 addresses certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement amends Statements 67 and 68 to instead require the presentation of covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure. The implementation of GASB Statement No. 82 was included in the footnote disclosures for 2018.

GASB Statement No. 86 sets out to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. One of the criteria for determining an in-substance defeasance is that the trust hold only monetary assets that are essentially risk-free. If the substitution of essentially risk-free monetary assets with monetary assets that are not essentially risk-free is not prohibited, governments should disclose that fact in the period in which the debt is defeased in substance. In subsequent periods, governments should disclose the amount of debt defeased in substance that remains outstanding for which that risk of substitution exists. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the District.

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the District's fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The District had a restatement of capital assets due to having an appraisal completed during the fiscal year. The implementation of this pronouncement and change in capital asset value due to the appraisal had the following effect on net position as reported June 30, 2017:

Net position June 30, 2017	($33,059,342)
Adjustments:	
Net OPEB Liabililty	(26,771,591)
Deferred Outflow - Payments Subsequent to Measurement Date	107,219
Restatement of Net Capital Assets	(28,594,564)
Restated Net Position June 30, 2017	($88,318,278)

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

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REQUIRED SUPPLEMENTARY INFORMATION

Princeton City School District
Required Supplementary Information
Schedule of the District's Proportionate Share
of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Five Fiscal Years (1)

	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.29443785%	0.29592689%	0.29591741%	0.29786042%	0.29786042%
District's Proportionate Share of the Net Pension Liability	$69,944,342	$99,055,650	$81,782,917	$72,449,962	$86,069,505
District's Covered Payroll	$33,911,071	$30,667,286	$30,403,843	$32,774,115	$31,864,632
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	206.26%	323.00%	268.99%	221.06%	270.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%	74.70%	69.30%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Princeton City School District
Required Supplementary Information
Schedule of the District's Proportionate Share
of the Net Pension Liability
School Employees Retirement System of Ohio
Last Five Fiscal Years (1)

	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.38699010%	0.39270710%	0.40549380%	0.41734900%	0.41734900%
District's Proportionate Share of the Net Pension Liability	$23,121,804	$28,742,536	$23,137,869	$21,121,795	$24,825,844
District's Covered Payroll	$12,464,121	$12,196,021	$14,511,806	$12,249,827	$12,646,285
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	185.51%	235.67%	159.44%	172.43%	196.31%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%	71.70%	65.52%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Princeton City School District
Required Supplementary Information
Schedule of District Contributions
for Net Pension Liability
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Contractually Required Contribution	$4,906,212	$4,747,550	$4,293,420	$4,256,538	$4,260,635	$4,992,533	$4,985,439	$5,145,000	$5,272,000	$5,045,000
Contributions in Relation to the Contractually Required Contribution	(4,906,212)	(4,747,550)	(4,293,420)	(4,256,538)	(4,260,635)	(4,992,533)	(4,985,439)	(5,145,000)	(5,272,000)	(5,045,000)
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
District Covered Payroll	$35,044,371	$33,911,071	$30,667,286	$30,403,843	$32,774,115	$31,864,632	$31,833,766	$34,123,153	$34,354,788	$33,918,257
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.00%	15.67%	15.66%	15.08%	15.35%	14.87%

See accompanying notes to the required supplementary information.

Princeton City School District
Required Supplementary Information
Schedule of District Contributions
for Net Pension Liability
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Contractually Required Contribution	$1,754,088	$1,744,977	$1,707,443	$1,912,656	$1,697,826	$2,429,448	$2,331,912	$2,085,000	$2,082,000	$2,015,000
Contributions in Relation to the Contractually Required Contribution	(1,754,088)	(1,744,977)	(1,707,443)	(1,912,656)	(1,697,826)	(2,429,448)	(2,331,912)	(2,085,000)	(2,082,000)	(2,015,000)
Contribution Deficiency (Excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
District Covered Payroll	$12,993,244	$12,464,121	$12,196,021	$14,511,806	$12,249,827	$12,646,285	$13,512,486	$14,555,676	$14,446,189	$13,303,176
Contributions as a Percentage of Covered Payroll	13.50%	14.00%	14.00%	13.18%	13.86%	19.21%	17.26%	14.32%	14.41%	15.15%

See accompanying notes to the required supplementary information.

Princeton City School District
Required Supplementary Information
Schedule of the District's Proportionate Share
of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
State Teachers Retirement System of Ohio
Last Two Fiscal Years (1)

	2018	2017
District's Proportion of the Net OPEB Liability	0.29443785%	0.29592689%
District's Proportionate Share of the Net OPEB Liability	$11,487,878	$15,826,247
District's Covered Payroll	$33,911,071	$30,667,286
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	33.88%	51.61%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	37.30%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Princeton City School District
Required Supplementary Information
Schedule of the District's Proportionate Share
of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
School Employees Retirement System of Ohio
Last Two Fiscal Years (1)

	2018	2017
District's Proportion of the Net OPEB Liability	0.37204710%	0.38399730%
District's Proportionate Share of the Net OPEB Liability	$9,984,767	$10,945,344
District's Covered Payroll	$12,464,121	$12,196,021
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	80.11%	89.75%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Princeton City School District
Required Supplementary Information
Schedule of District Contributions to
Postemployment Benefits Other Than Pension (OPEB)
State Teachers Retirement System of Ohio
Last Three Fiscal Years (1)

	2018	2017	2016
Contractually Required Contribution to OPEB	$0	$0	$0
Contributions to OPEB in Relation to the Contractually Required Contribution	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0
District Covered Payroll	$35,044,371	$33,911,071	$30,667,286
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.

Princeton City School District
Required Supplementary Information
Schedule of District Contributions to
Postemployment Benefits Other Than Pension (OPEB)
School Employees Retirement System of Ohio
Last Three Fiscal Years (1)

	2018	2017	2016
Contractually Required Contribution to OPEB (2)	$172,185	$107,219	$108,307
Contributions to OPEB in Relation to the Contractually Required Contribution	(172,185)	(107,219)	(108,307)
Contribution Deficiency (Excess)	$0	$0	$0
District Covered Payroll	$12,993,244	$12,464,121	$12,196,021
Contributions to OPEB as a Percentage of Covered Payroll	1.33%	0.86%	0.89%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

(2) - Includes Surcharge.

See accompanying notes to the 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, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	$47,519,405	$51,511,959	$50,826,340	($685,619)
Revenue in lieu of taxes	991,041	1,074,308	1,060,009	(14,299)
Tuition and Fees	2,922,368	3,167,903	3,125,739	(42,164)
Investment Earnings	694,657	753,022	742,999	(10,023)
Intergovernmental	21,211,169	22,993,320	22,687,281	(306,039)
Extracurricular Activities	61,186	66,327	65,444	(883)
Other Revenues	1,447,186	1,568,778	1,547,898	(20,880)
Total Revenues	74,847,012	81,135,617	80,055,710	(1,079,907)
Expenditures:				
Current:				
Instruction:				
Regular	32,564,123	33,574,824	32,944,270	630,554
Special	10,040,743	10,352,380	10,157,956	194,424
Vocational	32,974	33,997	33,359	638
Other	3,136,715	3,234,070	3,173,332	60,738
Support Services:				
Pupil	3,934,447	4,056,562	3,980,377	76,185
Instructional Staff	1,584,871	1,634,061	1,603,372	30,689
General Administration	225,284	232,276	227,914	4,362
School Administration	5,758,668	5,937,401	5,825,893	111,508
Fiscal	1,765,168	1,819,954	1,785,774	34,180
Business	181,247	186,873	183,363	3,510
Operations and Maintenance	8,111,205	8,362,954	8,205,893	157,061
Pupil Transportation	5,564,239	5,736,938	5,629,195	107,743
Central	1,265,358	1,304,632	1,280,130	24,502
Operation of Non-Instructional Services	45,138	46,539	45,665	874
Extracurricular Activities	229,219	236,333	231,895	4,438
Capital Outlay	1,932,174	1,992,144	1,954,730	37,414
Total Expenditures	76,371,573	78,741,938	77,263,118	1,478,820
Excess of Revenues Over (Under) Expenditures	(1,524,561)	2,393,679	2,792,592	398,913
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	362	392	387	(5)
Advances In	1,416,429	1,535,437	1,515,000	(20,437)
Advances (Out)	(1,497,518)	(1,543,997)	(1,515,000)	28,997
Transfers In	182,233	197,544	194,915	(2,629)
Transfers (Out)	(913,308)	(941,655)	(923,970)	17,685
Total Other Financing Sources (Uses)	(811,802)	(752,279)	(728,668)	23,611
Net Change in Fund Balance	(2,336,363)	1,641,400	2,063,924	422,524
Fund Balance Beginning of Year, (includes prior year encumbrances appropriated)	40,211,753	40,211,753	40,211,753	0
Fund Balance - End of Year	$37,875,390	$41,853,153	$42,275,677	$422,524

See accompanying notes to the required supplementary information.

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 2018.

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).

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

Net Change in Fund Balance

	General
GAAP Basis	$4,531,400
Revenue Accruals	(497,359)
Expenditure Accruals	(12,674)
Proceeds of Capital Assets	387
Transfers In	194,915
Transfers Out	(203,875)
Advances (In)	1,515,000
Advances (Out)	(1,515,000)
Encumbrances	(1,948,870)
Budget Basis	$2,063,924

Note 2 - SERS Change in Assumptions-Net Pension Liability

The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

Note 3 - STRS Change in Assumptions and Benefit Terms-Net Pension Liability

Changes in Assumptions

The Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Changes in Benefit Terms

Effective July 1, 2017, the COLA was reduced to zero.

Note 4 - SERS Change in Assumptions-Net OPEB Liability

Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Note 5 - STRS Change in Assumptions-Net OPEB Liability

For fiscal year 2018, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

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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.

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, 2018

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$12,033,386	$12,005,580	($27,806)
Revenue in lieu of taxes	3,570	3,562	(8)
Intergovernmental	1,323,769	1,320,710	(3,059)
Total Revenues	13,360,725	13,329,852	(30,873)
Expenditures:			
Current:			
Support Services:			
Fiscal	173,253	163,414	9,839
Debt Service:			
Principal Retirement	4,527,087	4,270,000	257,087
Interest and Fiscal Charges	7,461,661	7,037,924	423,737
Total Expenditures	12,162,001	11,471,338	690,663
Net Change in Fund Balance	1,198,724	1,858,514	659,790
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	5,815,821	5,815,821	0
Fund Balance - End of Year	$7,014,545	$7,674,335	$659,790

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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 Funds

The Capital Projects Funds are 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, 2018

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	$3,556,833	$6,956,792	$1,274	$10,514,899
Receivables (Net):				
Taxes	0	2,272,803	0	2,272,803
Intergovernmental	1,679,896	0	0	1,679,896
Interfund	0	2,316,763	0	2,316,763
Inventory	12,333	0	0	12,333
Total Assets	5,249,062	11,546,358	1,274	16,796,694
Liabilities:				
Accounts Payable	15,556	150	0	15,706
Accrued Wages and Benefits	605,901	0	0	605,901
Contracts Payable	0	1,450,278	0	1,450,278
Accrued Interest Payable	0	3,806	0	3,806
Interfund Payable	871,148	150,000	0	1,021,148
Tax Anticipation Notes Payable	0	1,980,000	0	1,980,000
Total Liabilities	1,492,605	3,584,234	0	5,076,839
Deferred Inflows of Resources:				
Property Taxes	0	1,572,803	0	1,572,803
Grants and Other Taxes	575,603	0	0	575,603
Total Deferred Inflows of Resources	575,603	1,572,803	0	2,148,406
Fund Balances:				
Nonspendable	0	0	1,274	1,274
Restricted	3,413,764	6,389,321	0	9,803,085
Unassigned	(232,910)	0	0	(232,910)
Total Fund Balances	3,180,854	6,389,321	1,274	9,571,449
Total Liabilities, Deferred Inflows and Fund Balances	$5,249,062	$11,546,358	$1,274	$16,796,694

Princeton City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	$0	$2,047,308	$0	$2,047,308
Investment Earnings	3,980	47	712	4,739
Intergovernmental	7,638,472	152,267	0	7,790,739
Extracurricular Activities	104,883	0	0	104,883
Charges for Services	366,101	0	0	366,101
Revenue in Lieu of Taxes	0	631	0	631
Other Revenues	130,928	9,827	0	140,755
Total Revenues	8,244,364	2,210,080	712	10,455,156
Expenditures:				
Current:				
Instruction:				
Regular	885,487	0	0	885,487
Special	1,014,467	0	0	1,014,467
Other	51,727	0	0	51,727
Support Services:				
Pupil	280,107	0	0	280,107
Instructional Staff	1,355,262	0	0	1,355,262
School Administration	429,477	0	0	429,477
Fiscal	0	28,647	0	28,647
Operations and Maintenance	0	6,100	0	6,100
Pupil Transportation	15,356	0	0	15,356
Central	18,000	12,346	0	30,346
Operation of Non-Instructional Services	4,028,260	0	0	4,028,260
Extracurricular Activities	1,023,113	0	0	1,023,113
Capital Outlay	0	1,986,376	0	1,986,376
Debt Service:				
Principal Retirement	0	211,000	0	211,000
Interest and Fiscal Charges	0	1,045,585	0	1,045,585
Total Expenditures	9,101,256	3,290,054	0	12,391,310
Excess of Revenues Over (Under) Expenditures	(856,892)	(1,079,974)	712	(1,936,154)
Other Financing Sources (Uses):				
Issuance of Long-Term Capital-Related Debt	0	1,515,000	0	1,515,000
Transfers In	740,010	517,650	0	1,257,660
Transfers (Out)	(19,915)	(517,650)	0	(537,565)
Total Other Financing Sources (Uses)	720,095	1,515,000	0	2,235,095
Net Change in Fund Balance	(136,797)	435,026	712	298,941
Fund Balance - Beginning of Year	3,317,651	5,954,295	562	9,272,508
Fund Balance - End of Year	$3,180,854	$6,389,321	$1,274	$9,571,449

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.

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 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, 2018

	Food Service	Other Grants	Athletic	Auxiliary Services
Assets:				
Equity in Pooled Cash and Investments	$3,049,794	$114,465	$124,320	$264,446
Receivables (Net):				
Intergovernmental	0	0	0	0
Inventory	12,333	0	0	0
Total Assets	3,062,127	114,465	124,320	264,446
Liabilities:				
Accounts Payable	0	0	0	3,555
Accrued Wages and Benefits	187,562	0	0	16,942
Interfund Payable	0	57	0	4,197
Total Liabilities	187,562	57	0	24,694
Deferred Inflows of Resources:				
Grants and Other Taxes	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances:				
Restricted	2,874,565	114,408	124,320	239,752
Unassigned	0	0	0	0
Total Fund Balances	2,874,565	114,408	124,320	239,752
Total Liabilities, Deferred Inflows and Fund Balances	$3,062,127	$114,465	$124,320	$264,446

Public Preschool Subsidy	Data Communication	Ohio Reads	Alternative Schools	Miscellaneous State Grants	Race To The Top	IDEA Special Education
$0	$0	$0	$0	$0	$0	$0
168,043	0	0	0	8,869	0	605,162
0	0	0	0	0	0	0
168,043	0	0	0	8,869	0	605,162
0	0	0	0	0	0	2,445
50,613	0	0	0	5,539	0	115,998
104,108	0	0	0	42,120	3,548	386,520
154,721	0	0	0	47,659	3,548	504,963
39,492	0	0	0	2,653	0	145,057
39,492	0	0	0	2,653	0	145,057
0	0	0	0	0	0	0
(26,170)	0	0	0	(41,443)	(3,548)	(44,858)
(26,170)	0	0	0	(41,443)	(3,548)	(44,858)
$168,043	$0	$0	$0	$8,869	$0	$605,162

Continued

Princeton City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018

	Vocational Education	Title III	Title I	Drug Free School Grant
Assets:				
Equity in Pooled Cash and Investments	$3,808	$0	$0	$0
Receivables (Net):				
Intergovernmental	0	183,952	546,622	0
Inventory	0	0	0	0
Total Assets	3,808	183,952	546,622	0
Liabilities:				
Accounts Payable	0	4,484	0	0
Accrued Wages and Benefits	0	11,778	217,469	0
Interfund Payable	0	27,216	236,584	0
Total Liabilities	0	43,478	454,053	0
Deferred Inflows of Resources:				
Grants and Other Taxes	0	117,256	175,071	0
Total Deferred Inflows of Resources	0	117,256	175,071	0
Fund Balances:				
Restricted	3,808	23,218	0	0
Unassigned	0	0	(82,502)	0
Total Fund Balances	3,808	23,218	(82,502)	0
Total Liabilities, Deferred Inflows and Fund Balances	$3,808	$183,952	$546,622	$0

Preschool Development Grant	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
$0	$0	$0	$3,556,833
1,854	135,192	30,202	1,679,896
0	0	0	12,333
1,854	135,192	30,202	5,249,062
0	5,072	0	15,556
0	0	0	605,901
358	29,283	37,157	871,148
358	34,355	37,157	1,492,605
1,496	67,144	27,434	575,603
1,496	67,144	27,434	575,603
0	33,693	0	3,413,764
0	0	(34,389)	(232,910)
0	33,693	(34,389)	3,180,854
$1,854	$135,192	$30,202	$5,249,062

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, 2018

	Food Service	Other Grants	Athletic	Auxiliary Services
Revenues:				
Investment Earnings	0	0	0	3,980
Intergovernmental	2,335,812	0	0	1,267,531
Extracurricular Activities	0	0	104,883	0
Charges for Services	366,101	0	0	0
Other Revenues	0	72,000	52,700	3,687
Total Revenues	2,701,913	72,000	157,583	1,275,198
Expenditures:				
Current:				
Instruction:				
Regular	0	33,482	0	0
Special	0	1,800	0	0
Other	0	0	0	0
Support Services:				
Pupil	0	1,181	0	0
Instructional Staff	0	33,166	0	0
School Administration	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	2,727,876	0	0	1,124,823
Extracurricular Activities	0	0	1,023,113	0
Total Expenditures	2,727,876	69,629	1,023,113	1,124,823
Excess of Revenues Over (Under) Expenditures	(25,963)	2,371	(865,530)	150,375
Other Financing Sources (Uses):				
Transfers In	0	0	740,010	0
Transfers (Out)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	740,010	0
Net Change in Fund Balance	(25,963)	2,371	(125,520)	150,375
Fund Balance - Beginning of Year	2,900,528	112,037	249,840	89,377
Fund Balance - End of Year	$2,874,565	$114,408	$124,320	$239,752

Public Preschool Subsidy	Data Communication	Ohio Reads	Alternative Schools	Miscellaneous State Grants	Race To The Top	IDEA Special Education
0	0	0	0	0	0	0
304,824	18,000	0	0	6,216	0	1,450,427
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	2,541
304,824	18,000	0	0	6,216	0	1,452,968
273,182	0	3,119	0	0	3,145	0
0	0	0	0	0	0	813,748
0	0	0	0	0	0	17,730
0	0	0	87,421	26,886	0	135,962
4,688	0	0	0	0	0	3,597
0	0	0	0	0	0	427,277
0	0	0	0	0	0	0
0	18,000	0	0	0	0	0
0	0	0	0	0	0	113,867
0	0	0	0	0	0	0
277,870	18,000	3,119	87,421	26,886	3,145	1,512,181
26,954	0	(3,119)	(87,421)	(20,670)	(3,145)	(59,213)
0	0	0	0	0	0	0
0	0	0	0	(19,915)	0	0
0	0	0	0	(19,915)	0	0
26,954	0	(3,119)	(87,421)	(40,585)	(3,145)	(59,213)
(53,124)	0	3,119	87,421	(858)	(403)	14,355
($26,170)	$0	$0	$0	($41,443)	($3,548)	($44,858)

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, 2018

	Vocational Education	Title III	Title I	Drug Free School Grant
Revenues:				
Investment Earnings	0	0	0	0
Intergovernmental	0	233,759	1,696,005	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Other Revenues	0	0	0	0
Total Revenues	0	233,759	1,696,005	0
Expenditures:				
Current:				
Instruction:				
Regular	0	0	562,065	2,620
Special	0	180,790	0	0
Other	0	0	33,997	0
Support Services:				
Pupil	1,503	26,954	0	0
Instructional Staff	0	16,496	1,051,316	0
School Administration	0	0	0	0
Pupil Transportation	0	0	15,356	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	1,224	21,349	0
Extracurricular Activities	0	0	0	0
Total Expenditures	1,503	225,464	1,684,083	2,620
Excess of Revenues Over (Under) Expenditures	(1,503)	8,295	11,922	(2,620)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Transfers (Out)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	(1,503)	8,295	11,922	(2,620)
Fund Balance - Beginning of Year	5,311	14,923	(94,424)	2,620
Fund Balance - End of Year	$3,808	$23,218	($82,502)	$0

Preschool Development Grant	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
0	0	0	3,980
11,811	304,921	9,166	7,638,472
0	0	0	104,883
0	0	0	366,101
0	0	0	130,928
11,811	304,921	9,166	8,244,364
0	0	7,874	885,487
18,129	0	0	1,014,467
0	0	0	51,727
0	0	200	280,107
0	245,999	0	1,355,262
0	0	2,200	429,477
0	0	0	15,356
0	0	0	18,000
0	39,121	0	4,028,260
0	0	0	1,023,113
18,129	285,120	10,274	9,101,256
(6,318)	19,801	(1,108)	(856,892)
0	0	0	740,010
0	0	0	(19,915)
0	0	0	720,095
(6,318)	19,801	(1,108)	(136,797)
6,318	13,892	(33,281)	3,317,651
$0	$33,693	($34,389)	$3,180,854

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, 2018

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$2,569,124	$2,271,415	($297,709)
Charges for Services	414,085	366,101	(47,984)
Total Revenues	2,983,209	2,637,516	(345,693)
Expenditures:			
Current:			
Operation of Non-Instructional Services	2,942,262	2,840,395	101,867
Total Expenditures	2,942,262	2,840,395	101,867
Net Change in Fund Balance	40,947	(202,879)	(243,826)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	2,795,134	2,795,134	0
Fund Balance - End of Year	$2,836,081	$2,592,255	($243,826)

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, 2018

	Other Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	$110,242	$72,000	($38,242)
Total Revenues	110,242	72,000	(38,242)
Expenditures:			
Current:			
Instruction:			
Regular	88,556	35,209	53,347
Special	4,527	1,800	2,727
Support Services:			
Pupil	4,686	1,863	2,823
Instructional Staff	107,370	42,689	64,681
Total Expenditures	205,139	81,561	123,578
Net Change in Fund Balance	(94,897)	(9,561)	85,336
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	121,316	121,316	0
Fund Balance - End of Year	$26,419	$111,755	$85,336

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, 2018

	Athletic Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	$110,260	$104,883	($5,377)
Other Revenues	55,402	52,700	(2,702)
Total Revenues	165,662	157,583	(8,079)
Expenditures:			
Current:			
Extracurricular Activities	1,116,792	1,050,323	66,469
Total Expenditures	1,116,792	1,050,323	66,469
Excess of Revenues Over (Under) Expenditures	(951,130)	(892,740)	58,390
Other Financing Sources (Uses):			
Transfers In	777,947	740,010	(37,937)
Total Other Financing Sources (Uses)	777,947	740,010	(37,937)
Net Change in Fund Balance	(173,183)	(152,730)	20,453
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	251,965	251,965	0
Fund Balance - End of Year	$78,782	$99,235	$20,453

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, 2018

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	$4,107	$3,980	($127)
Intergovernmental	1,307,924	1,267,531	(40,393)
Other Revenues	3,804	3,687	(117)
Total Revenues	1,315,835	1,275,198	(40,637)
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,506,812	1,252,805	254,007
Total Expenditures	1,506,812	1,252,805	254,007
Net Change in Fund Balance	(190,977)	22,393	213,370
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	212,378	212,378	0
Fund Balance - End of Year	$21,401	$234,771	$213,370

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, 2018

	Public Preschool Subsidy Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$365,996	$197,953	($168,043)
Total Revenues	365,996	197,953	(168,043)
Expenditures:			
Current:			
Instruction:			
Regular	341,617	278,740	62,877
Support Services:			
Instructional Staff	5,746	4,688	1,058
Total Expenditures	347,363	283,428	63,935
Net Change in Fund Balance	18,633	(85,475)	(104,108)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(18,633)	(18,633)	0
Fund Balance - End of Year	$0	($104,108)	($104,108)

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, 2018

	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:			
Support Services:			
Central	18,000	18,000	0
Total Expenditures	18,000	18,000	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	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, 2018

	Ohio Reads Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	3,119	3,119	0
Total Expenditures	3,119	3,119	0
Net Change in Fund Balance	(3,119)	(3,119)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	3,119	3,119	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, 2018

	Alternative Schools Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Pupil	94,847	94,847	0
Total Expenditures	94,847	94,847	0
Net Change in Fund Balance	(94,847)	(94,847)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	94,847	94,847	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, 2018

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$25,637	$0	($25,637)
Total Revenues	25,637	0	(25,637)
Expenditures:			
Current:			
Support Services:			
Pupil	32,109	20,710	11,399
Total Expenditures	32,109	20,710	11,399
Excess of Revenues Over (Under) Expenditures	(6,472)	(20,710)	(14,238)
Other Financing Sources (Uses):			
Transfers (Out)	(30,877)	(19,915)	10,962
Total Other Financing Sources (Uses)	(30,877)	(19,915)	10,962
Net Change in Fund Balance	(37,349)	(40,625)	(3,276)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	37,350	37,350	0
Fund Balance - End of Year	$1	($3,275)	($3,276)

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, 2018

	Race To The Top Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	3,150	3,150	0
Total Expenditures	3,150	3,150	(0)
Net Change in Fund Balance	(3,150)	(3,150)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	3,150	3,150	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, 2018

	IDEA Special Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$1,834,647	$1,195,372	($639,275)
Other Revenues	3,900	2,541	(1,359)
Total Revenues	1,838,547	1,197,913	(640,634)
Expenditures:			
Current:			
Instruction:			
Special	857,967	756,862	101,105
Other	22,655	19,985	2,670
Support Services:			
Pupil	155,384	137,073	18,311
Instructional Staff	4,826	4,257	569
School Administration	531,574	468,932	62,642
Operation of Non-Instructional Services	142,587	125,784	16,803
Total Expenditures	1,714,993	1,512,893	202,100
Net Change in Fund Balance	123,554	(314,980)	(438,534)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(88,084)	(88,084)	0
Fund Balance - End of Year	$35,470	($403,064)	($438,534)

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, 2018

	Vocational Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Pupil	6,793	6,673	120
Total Expenditures	6,793	6,673	120
Net Change in Fund Balance	(6,793)	(6,673)	120
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	6,793	6,793	0
Fund Balance - End of Year	$0	$120	$120

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, 2018

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$435,790	$251,731	($184,059)
Total Revenues	435,790	251,731	(184,059)
Expenditures:			
Current:			
Instruction:			
Special	301,405	198,659	102,746
Other	343	226	117
Support Services:			
Pupil	45,307	29,862	15,445
Instructional Staff	29,736	19,599	10,137
Operation of Non-Instructional Services	7,622	5,024	2,598
Total Expenditures	384,413	253,370	131,043
Net Change in Fund Balance	51,377	(1,639)	(53,016)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(51,271)	(51,271)	0
Fund Balance - End of Year	$106	($52,910)	($53,016)

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, 2018

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$2,314,713	$1,764,707	($550,006)
Total Revenues	2,314,713	1,764,707	(550,006)
Expenditures:			
Current:			
Instruction:			
Regular	756,935	650,093	106,842
Other	39,584	33,997	5,587
Support Services:			
Instructional Staff	1,235,892	1,061,445	174,447
Pupil Transportation	52,289	44,908	7,381
Operation of Non-Instructional Services	25,298	21,727	3,571
Total Expenditures	2,109,998	1,812,170	297,828
Excess of Revenues Over (Under) Expenditures	204,715	(47,463)	(252,178)
Other Financing Sources (Uses):			
Transfers In	7,982	6,085	(1,897)
Transfers (Out)	(7,085)	(6,085)	1,000
Total Other Financing Sources (Uses)	897	0	(897)
Net Change in Fund Balance	205,612	(47,463)	(253,075)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(200,329)	(200,329)	0
Fund Balance - End of Year	$5,283	($247,792)	($253,075)

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, 2018

	Drug Free School Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	2,619	2,619	0
Total Expenditures	2,619	2,619	0
Net Change in Fund Balance	(2,619)	(2,619)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	2,619	2,619	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, 2018

	Preschool Development Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$19,526	$17,681	($1,845)
Total Revenues	19,526	17,681	(1,845)
Expenditures:			
Current:			
Instruction:			
Special	19,623	19,289	334
Total Expenditures	19,623	19,289	334
Excess of Revenues Over (Under) Expenditures	(97)	(1,608)	(1,511)
Other Financing Sources (Uses):			
Transfers In	99	90	(9)
Transfers (Out)	(92)	(90)	2
Total Other Financing Sources (Uses)	7	0	(7)
Net Change in Fund Balance	(90)	(1,608)	(1,518)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	90	90	0
Fund Balance - End of Year	$0	($1,518)	($1,518)

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, 2018

	Reducing Class Size Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$418,941	$283,748	($135,193)
Total Revenues	418,941	283,748	(135,193)
Expenditures:			
Current:			
Support Services:			
Instructional Staff	344,357	280,870	63,487
Operation of Non-Instructional Services	49,553	40,417	9,136
Total Expenditures	393,910	321,287	72,623
Net Change in Fund Balance	25,031	(37,539)	(62,570)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(25,030)	(25,030)	0
Fund Balance - End of Year	$1	($62,569)	($62,570)

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, 2018

	Miscellaneous Federal Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	$37,047	$6,398	($30,649)
Total Revenues	37,047	6,398	(30,649)
Expenditures:			
Current:			
Instruction:			
Regular	15,961	8,514	7,447
Support Services:			
Pupil	18,426	9,829	8,597
Pupil Transportation	4,124	2,200	1,924
Total Expenditures	38,511	20,543	17,968
Net Change in Fund Balance	(1,464)	(14,145)	(12,681)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	1,911	1,911	0
Fund Balance - End of Year	$447	($12,234)	($12,681)

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NONMAJOR CAPITAL PROJECTS FUNDS

Fund Descriptions

Permanent Improvement - To account for all transactions related to acquisition, construction or improvement of the infrastructure of buildings and grounds through permanent improvements.

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.

Princeton City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2018

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	$5,065,088	$1,891,704	$6,956,792
Receivables (Net):			
Taxes	2,272,803	0	2,272,803
Interfund	0	2,316,763	2,316,763
Total Assets	7,337,891	4,208,467	11,546,358
Liabilities:			
Accounts Payable	150	0	150
Contracts Payable	0	1,450,278	1,450,278
Accrued Interest Payable	0	3,806	3,806
Interfund Payable	150,000	0	150,000
Tax Anticipation Notes Payable	0	1,980,000	1,980,000
Total Liabilities	150,150	3,434,084	3,584,234
Deferred Inflows of Resources:			
Property Taxes	1,572,803	0	1,572,803
Total Deferred Inflows of Resources	1,572,803	0	1,572,803
Fund Balances:			
Restricted	5,614,938	774,383	6,389,321
Total Fund Balances	5,614,938	774,383	6,389,321
Total Liabilities, Deferred Inflows and Fund Balances	$7,337,891	$4,208,467	$11,546,358

Princeton City School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2018

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Property and Other Taxes	$2,047,308	$0	$2,047,308
Investment Earnings	47	0	47
Intergovernmental	152,267	0	152,267
Revenue in Lieu of Taxes	631	0	631
Other Revenues	9,827	0	9,827
Total Revenues	2,210,080	0	2,210,080
Expenditures:			
Current:			
Support Services:			
Fiscal	28,647	0	28,647
Operations and Maintenance	3,600	2,500	6,100
Central	12,346	0	12,346
Capital Outlay	98,588	1,887,788	1,986,376
Debt Service:			
Principal Retirement	211,000	0	211,000
Interest and Fiscal Charges	989,129	56,456	1,045,585
Total Expenditures	1,343,310	1,946,744	3,290,054
Excess of Revenues Over (Under) Expenditures	866,770	(1,946,744)	(1,079,974)
Other Financing Sources (Uses):			
Issuance of Long-Term Capital-Related Debt	0	1,515,000	1,515,000
Transfers In	0	517,650	517,650
Transfers (Out)	(517,650)	0	(517,650)
Total Other Financing Sources (Uses)	(517,650)	2,032,650	1,515,000
Net Change in Fund Balance	349,120	85,906	435,026
Fund Balance - Beginning of Year	5,265,818	688,477	5,954,295
Fund Balance - End of Year	$5,614,938	$774,383	$6,389,321

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, 2018

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	$2,083,151	$2,077,308	($5,843)
Revenue in lieu of taxes	633	631	(2)
Investment Earnings	47	47	0
Intergovernmental	152,695	152,267	(428)
Other Revenues	9,855	9,827	(28)
Total Revenues	2,246,381	2,240,080	(6,301)
Expenditures:			
Current:			
Support Services:			
Fiscal	30,727	28,647	2,080
Operations and Maintenance	3,861	3,600	261
Central	15,637	14,578	1,059
Capital Outlay	448,119	417,782	30,337
Debt Service:			
Principal Retirement	887,025	826,975	60,050
Interest and Fiscal Charges	979,944	913,604	66,340
Total Expenditures	2,365,313	2,205,186	160,127
Net Change in Fund Balance	(118,932)	34,894	153,826
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	4,448,195	4,448,195	0
Fund Balance - End of Year	$4,329,263	$4,483,089	$153,826

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, 2018

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	$0	$0	$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	2,506	2,500	6
Capital Outlay	2,204,041	2,198,733	5,308
Total Expenditures	2,206,547	2,201,233	5,314
Excess of Revenues Over (Under) Expenditures	(2,206,547)	(2,201,233)	5,314
Other Financing Sources (Uses):			
Advances In	1,515,000	1,515,000	0
Advances (Out)	(1,518,658)	(1,515,000)	3,658
Issuance of Debt	1,515,000	1,515,000	0
Transfers In	61,402	61,402	0
Transfers (Out)	(61,550)	(61,402)	148
Total Other Financing Sources (Uses)	1,511,194	1,515,000	3,806
Net Change in Fund Balance	(695,353)	(686,233)	9,120
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	844,122	844,122	0
Fund Balance - End of Year	$148,769	$157,889	$9,120

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, 2018

	Permanent Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	$837	$712	($125)
Total Revenues	837	712	(125)
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,272	0	1,272
Total Expenditures	1,272	0	1,272
Net Change in Fund Balance	(435)	712	1,147
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	561	561	0
Fund Balance - End of Year	$126	$1,273	$1,147

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.

Rotary Internal Service Fund – To account for funds from the Rotary.

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, 2018

	Uniform School Supply Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	$6,153	$1,732	($4,421)
Total Revenues	6,153	1,732	(4,421)
Expenditures:			
Current:			
Instruction:			
Regular	47,000	7,753	39,247
Total Expenditures	47,000	7,753	39,247
Net Change in Fund Balance	(40,847)	(6,021)	34,826
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	43,251	43,251	0
Fund Balance - End of Year	$2,404	$37,230	$34,826

(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, 2018

	Public School Support Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	$3,962	$3,000	($962)
Other Revenues	83,423	63,167	(20,256)
Total Revenues	87,385	66,167	(21,218)
Expenditures:			
Current:			
Instruction:			
Regular	178,393	43,038	135,355
Support Services:			
Instructional Staff	30,926	7,461	23,465
School Administration	72,832	17,571	55,261
Operations and Maintenance	2,649	639	2,010
Central	8,377	2,021	6,356
Extracurricular Activities	4,174	1,007	3,167
Total Expenditures	297,351	71,737	225,614
Net Change in Fund Balance	(209,966)	(5,570)	204,396
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	229,535	229,535	0
Fund Balance - End of Year	$19,569	$223,965	$204,396

(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, 2018

	Early Childhood Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	$331,593	$294,335	($37,258)
Other Revenues	567	503	(64)
Total Revenues	332,160	294,838	(37,322)
Expenditures:			
Current:			
Instruction:			
Regular	378,706	22,127	356,579
Special	50,729	2,964	47,765
Support Services:			
Pupil	61,221	3,577	57,644
Operation of Non-Instructional Services	145,889	8,524	137,365
Total Expenditures	636,545	37,192	599,353
Excess of Revenues Over (Under) Expenditures	(304,385)	257,646	562,031
Other Financing Sources (Uses):			
Transfers In	12,859	11,414	(1,445)
Total Other Financing Sources (Uses)	12,859	11,414	(1,445)
Net Change in Fund Balance	(291,526)	269,060	560,586
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	1,047,562	1,047,562	0
Fund Balance - End of Year	$756,036	$1,316,622	$560,586

(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, 2018

	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.

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, 2018

	Rotary Internal Service Fund(1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	$99	$47	($52)
Extracurricular Activities	2,620	1,238	(1,382)
Other Revenues	111,641	52,761	(58,880)
Total Revenues	114,360	54,046	(60,314)
Expenditures:			
Current:			
Support Services:			
Pupil	45,831	18,828	27,003
School Administration	76,166	31,290	44,876
Operation of Non-Instructional Services	1,826	750	1,076
Extracurricular Activities	206,029	84,640	121,389
Total Expenditures	329,852	135,508	194,344
Net Change in Fund Balance	(215,492)	(81,462)	134,030
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	272,448	272,448	0
Fund Balance - End of Year	$56,956	$190,986	$134,030

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

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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, 2018

	Employee Benefits	Worker's Compensation Self-Insurance	Total Internal Service Funds
Assets:			
Equity in Pooled Cash and Investments	$1,890,963	$1,134,461	$3,025,424
Receivables (Net):			
Accounts	89,405	0	89,405
Total Current Assets	1,980,368	1,134,461	3,114,829
Total Assets	1,980,368	1,134,461	3,114,829
Liabilities:			
Current Liabilities:			
Accounts Payable	5,580	0	5,580
Interfund Payable	0	2,316,763	2,316,763
Claims Payable	814,916	20,433	835,349
Total Liabilities	820,496	2,337,196	3,157,692
Net Position:			
Unrestricted	1,159,872	(1,202,735)	(42,863)
Total Net Position	$1,159,872	($1,202,735)	($42,863)

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, 2018

	Employee Benefits	Worker's Compensation Self-Insurance	Total Internal Service Funds
Operating Revenues:			
Charges for Services	$8,699,294	$111,977	$8,811,271
Other Revenues	91,870	0	91,870
Total Operating Revenues	8,791,164	111,977	8,903,141
Operating Expenses:			
Personal Services	1,117,825	0	1,117,825
Contactual Services	4,880	0	4,880
Claims	7,114,474	120,874	7,235,348
Other Expenses	1,231,250	55,788	1,287,038
Total Operating Expenses	9,468,429	176,662	9,645,091
Operating Income (Loss)	(677,265)	(64,685)	(741,950)
Non-Operating Revenues (Expenses):			
Investment Earnings	25	0	25
Total Non-Operating Revenues (Expenses)	25	0	25
Change in Net Position	(677,240)	(64,685)	(741,925)
Net Position - Beginning of Year	1,837,112	(1,138,050)	699,062
Net Position - End of Year	$1,159,872	($1,202,735)	($42,863)

Princeton City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2018

	Employee Benefits	Worker's Compensation Self-Insurance	Total Internal Service Funds
Cash Flows from Operating Activities:			
Cash Received from Customers	$8,729,112	$111,977	$8,841,089
Cash Payments to Employees	(1,117,825)	0	(1,117,825)
Cash Payments to Suppliers	(8,275,425)	(170,755)	(8,446,180)
Net Cash Provided (Used) by Operating Activities	(664,138)	(58,778)	(722,916)
Cash Flows from Investing Activities:			
Earnings on Investments	25	0	25
Net Cash Provided (Used) by Cash Flows from Investing Activities	25	0	25
Net Increase (Decrease) in Cash and Cash Equivalents	(664,113)	(58,778)	(722,891)
Cash and Cash Equivalents - Beginning of Year	2,555,076	1,193,239	3,748,315
Cash and Cash Equivalents - End of Year	1,890,963	1,134,461	3,025,424
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(677,265)	(64,685)	(741,950)
Adjustments:			
Changes in Assets & Liabilities:			
(Increase) Decrease in Receivables	(62,052)	0	(62,052)
Increase (Decrease) in Payables	4,880	0	4,880
Increase (Decrease) in Claims Payables	70,299	5,907	76,206
Net Cash Provided (Used) by Operating Activities	($664,138)	($58,778)	($722,916)

NONMAJOR FUNDS

Fiduciary funds

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

District Agency Fund – To account for assets held by the District as an agent for individuals, private organizations, other governmental units and/or other funds.

Princeton City School District
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2018

	Student Managed Activity			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	$172,655	$93,130	$100,472	$165,313
Receivables (Net):				
Accounts	203	203	203	203
Total Assets	172,858	93,333	100,675	165,516
Liabilities:				
Accounts Payable	3,795	1,432	3,795	1,432
Other Liabilities	169,063	91,901	96,880	164,084
Total Liabilities	$172,858	$93,333	$100,675	$165,516

	District Agency			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	$2,917	$30,713	$28,965	$4,665
Total Assets	2,917	30,713	28,965	4,665
Liabilities:				
Other Liabilities	2,917	30,713	28,965	4,665
Total Liabilities	$2,917	$30,713	$28,965	$4,665

	Total All Agency Funds			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Equity in Pooled Cash and Investments	$175,572	$123,843	$129,437	$169,978
Receivables (Net):				
Accounts	203	203	203	203
Total Assets	175,775	124,046	129,640	170,181
Liabilities:				
Accounts Payable	3,795	1,432	3,795	1,432
Other Liabilities	171,980	122,614	125,845	168,749
Total Liabilities	$175,775	$124,046	$129,640	$170,181

STATISTICAL SECTION

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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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net Investment in Capital Assets	$16,185,254	$11,939,134	$12,349,072	$1,231,465	$1,346,980	$7,255,387	($618,311)	$822,415	$2,046,856	($28,935,571)
Restricted	6,347,424	7,958,748	4,461,165	9,946,127	12,121,084	12,486,156	20,777,163	20,240,148	22,338,559	24,051,555
Unrestricted	32,529,521	26,567,919	24,350,261	19,356,922	20,911,787	31,173,848	(65,992,418)	(63,389,958)	(57,444,757)	(41,418,904)
Total Governmental Net Position	$55,062,199	$46,465,801	$41,160,498	$30,534,514	$34,379,851	$50,915,391	($45,833,566)	($42,327,395)	($33,059,342)	($46,302,920)

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities:										
Instruction	$43,259,277	$45,105,572	$43,949,741	$46,957,499	$49,289,509	$42,489,229	$47,048,759	$48,617,351	$52,212,556	$31,358,212
Pupil	4,973,405	5,176,839	4,838,552	4,135,169	4,303,537	4,264,176	3,945,463	3,991,900	4,363,747	2,337,750
Instructional Staff	6,930,120	7,268,709	7,408,565	7,301,286	2,134,313	2,893,298	3,026,545	2,640,460	3,068,594	1,291,337
General Administration	288,917	417,868	358,720	224,251	222,072	226,937	364,132	254,320	214,919	175,935
School Administration	8,292,485	7,747,880	3,666,881	5,901,904	5,932,219	5,311,998	4,723,722	5,580,589	6,066,246	1,419,166
Fiscal	2,455,576	2,433,305	2,616,425	2,021,731	2,093,683	1,437,394	1,633,180	1,780,588	1,900,770	1,223,416
Business	526,099	363,532	214,352	181,585	219,646	118,180	67,301	152,047	225,367	8,301
Operation and Maintenance	7,931,346	8,100,618	8,022,850	7,112,340	7,404,673	7,191,825	7,322,086	7,240,926	8,500,839	4,552,797
Pupil Transportation	4,839,807	4,943,041	5,133,648	4,838,681	5,556,446	4,622,493	4,960,671	5,135,966	5,618,225	6,144,121
Central	1,552,170	934,365	1,485,580	1,428,593	936,744	1,168,493	1,046,084	1,004,826	1,257,665	559,408
Operation of Non-Instructional Services	5,341,611	5,331,918	5,406,734	4,271,955	4,053,667	3,331,906	4,200,043	3,742,446	4,941,988	3,361,437
Extracurricular Activities	1,697,938	1,650,476	1,508,941	1,151,974	1,263,001	1,166,289	1,233,773	1,230,530	1,394,198	778,825
Interest and Fiscal Charges	3,557,493	3,592,012	10,093,624	11,417,579	12,167,816	12,599,961	10,931,904	10,163,458	9,419,691	9,191,038
Bond Issuance Cost	0	0	0	0	0	0	662,514	0	0	0
Total Governmental Activities Expenses	91,646,244	93,066,135	94,704,613	96,944,547	95,577,326	86,822,179	91,166,177	91,535,407	99,184,805	62,401,743
Program Revenues										
Governmental Activities:										
Charges for Services and Sales										
Instruction	1,632,505	1,534,119	1,556,734	5,453,093	4,934,196	4,133,248	2,033,190	1,411,008	2,689,830	3,712,431
Business	0	0	0	0	59,058	0	0	0	0	0
Operations and Maintenance	0	0	0	57,127	0	60,096	32,951	48,223	228,574	177,386
Central	0	0	0	423	159	0	0	0	0	0
Operation of Non-Instructional Services	700,415	534,270	467,866	591,920	523,624	361,204	394,741	426,233	404,419	366,101
Extracurricular Activities	141,034	121,412	131,184	126,198	105,600	179,472	184,868	202,916	172,448	171,565
Food Service	822,040	823,267	682,191	0	0	0	0	0	0	0
Operating Grants and Contributions	7,246,048	8,356,788	10,743,225	8,586,992	7,828,636	9,213,891	8,314,442	9,371,078	9,700,897	9,418,644
Capital Grants and Contributions	50,165	0	0	0	0	0	0	0	0	0
Total Governmental Activities Program Revenues	10,592,207	11,369,856	13,581,200	14,815,753	13,451,273	13,947,911	10,960,192	11,459,458	13,196,168	13,846,127
Net (Expense)/Revenue	($81,054,037)	($81,696,279)	($81,123,413)	($82,128,794)	($82,126,053)	($72,874,268)	($80,205,985)	($80,075,949)	($85,988,637)	($48,555,616)

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue										
Total Government Net Expense	($81,054,037)	($81,696,279)	($81,123,413)	($82,128,794)	($82,126,053)	($72,874,268)	($80,205,985)	($80,075,949)	($85,988,637)	($48,555,616)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	51,717,675	45,314,998	45,487,235	42,437,792	57,539,338	62,939,584	59,715,785	56,459,997	68,435,017	64,736,977
Grants and Entitlements Not Restricted	23,242,456	26,779,285	27,489,047	27,503,063	26,600,918	26,859,702	24,383,897	24,574,947	23,173,598	22,282,875
Payment in Lieu of Taxes	0	0	0	318,935	294,599	0	0	0	0	1,064,202
Unrestricted Contributions	0	0	0	51,695	54,317	66,434	56,269	52,537	50,777	40,511
Revenue in Lieu of Taxes	0	0	0	0	0	874,948	851,862	628,120	1,931,017	0
Investment Earnings	1,021,262	116,100	1,603,978	724,883	353,627	(65,250)	2,240,446	259,389	117,231	703,457
Refunds and Reimbursements	0	0	0	0	0	0	661,823	0	0	0
Other Revenues	1,399,776	889,498	1,237,850	466,442	1,128,591	516,796	483,834	1,667,130	1,489,050	1,742,952
Total Governmental Activities	77,381,169	73,099,881	75,818,110	71,502,810	85,971,390	91,192,214	88,393,916	83,642,120	95,196,690	90,570,974
Change in Net Position	($3,672,868)	($8,596,398)	($5,305,303)	($10,625,984)	$3,845,337	$18,317,946	$8,187,931	$3,566,171	$9,208,053	$42,015,358

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									
	2009	2010	2011 (1)	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	$16,733,995	$15,232,447	$0	$0	$0	$0	$0	$0	$0	$0
Unreserved	17,804,570	7,223,096	0	0	0	0	0	0	0	0
Nonspendable			70,088	0	0	0	0	0	0	0
Restricted			212,907	212,907	212,907	212,907	212,907	212,907	212,907	212,907
Committed			11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Assigned			1,762,134	1,665,971	2,502,626	2,112,106	2,003,017	2,468,645	1,030,679	2,209,007
Unassigned			17,279,293	14,513,410	14,662,671	26,915,128	35,946,883	38,508,211	51,076,754	54,429,826
Total General Fund	34,538,565	22,455,543	19,335,422	16,403,288	17,389,204	29,251,141	38,173,807	41,200,763	52,331,340	56,862,740
All Other Governmental Funds										
Reserved	2,831,215	2,041,047	0	0	0	0	0	0	0	0
Unreserved, Reported in:										
Capital Project Funds	(3,603,579)	6,429	0	0	0	0	0	0	0	0
Debt Service Funds	2,746,506	2,983,861	0	0	0	0	0	0	0	0
Special Revenue Funds	749,842	770,823	0	0	0	0	0	0	0	0
Permanent Funds	20,420	19,386	0	0	0	0	0	0	0	0
Nonspendable			305,097	31,428	18,830	19	44	189	562	1,274
Restricted			125,923,822	120,497,590	63,586,311	36,926,583	26,827,458	16,907,000	19,549,862	21,599,945
Unassigned			(845,338)	(23,989)	(626,832)	(660,949)	(291,955)	(140,090)	(182,090)	(232,910)
Total all Other Governmental Funds	$2,744,404	$5,821,546	$125,383,581	$120,505,029	$62,978,309	$36,265,653	$26,535,547	$16,767,099	$19,368,334	$21,368,309

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Taxes	$50,200,683	$44,164,544	$45,225,898	$45,001,017	$57,396,548	$60,924,490	$61,961,388	$56,459,998	$68,563,533	$64,359,412
Revenue in Lieu of Taxes	0	0	0	204,696	266,425	874,948	851,862	628,122	1,931,017	1,064,202
Tuition and Fees	1,639,115	1,539,478	1,570,137	5,447,149	4,917,204	4,126,669	2,022,690	1,404,105	2,684,774	3,708,910
Investment Earnings	1,028,715	116,602	1,603,104	647,201	490,367	(101,361)	2,262,953	272,993	117,231	703,457
Intergovernmental	30,314,195	34,438,786	38,060,361	36,018,462	33,768,487	35,927,474	33,717,788	33,669,713	32,977,816	31,820,059
Extracurricular Activities	0	0	0	124,859	105,584	177,907	184,858	202,855	172,225	171,565
Charges for Services	1,772,493	1,598,430	1,382,156	596,983	540,509	417,306	395,291	435,641	404,419	366,101
Other Revenues	1,276,150	788,858	1,121,294	643,797	523,926	595,369	583,013	1,765,442	1,773,681	1,964,371
Total Revenues	$86,231,351	$82,646,698	$88,962,950	$88,684,164	$98,009,050	$102,942,802	$101,979,843	$94,838,869	$108,624,696	$104,158,077

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instruction	$40,898,687	$43,216,250	$41,325,970	$42,349,983	$47,526,439	$43,801,814	$42,304,942	$44,375,348	$45,815,389	$47,965,760
Pupil	4,933,419	5,146,093	4,879,958	4,113,558	4,292,060	4,308,172	4,043,653	4,081,150	4,197,499	4,213,891
Instructional Staff	6,777,010	7,200,116	7,288,612	6,979,434	2,202,967	2,867,210	3,072,770	2,698,369	2,882,239	2,914,849
General Administration	288,917	417,868	358,720	224,251	222,072	226,937	365,756	254,541	213,281	205,927
School Administration	6,009,337	6,669,776	5,999,568	5,934,410	5,894,558	5,298,769	4,946,962	5,730,223	5,664,998	6,116,517
Fiscal	2,395,328	2,436,579	2,342,938	2,026,008	2,083,024	1,434,580	1,620,895	1,811,931	1,834,655	1,962,637
Business	501,599	381,051	249,815	185,583	215,765	131,485	63,650	145,062	204,551	175,702
Operations and Maintenance	7,916,363	8,552,724	7,934,426	7,072,906	7,391,505	7,203,914	7,436,467	7,370,623	8,008,022	7,742,758
Pupil Transportation	4,522,788	5,829,450	4,756,146	4,482,907	5,299,350	4,435,273	4,781,683	4,929,514	5,411,292	5,469,617
Central	1,479,786	907,802	1,153,797	1,427,616	927,910	1,135,063	1,080,578	1,005,583	1,168,608	1,222,077
Operation of Non-Instructional Services	5,282,104	5,377,052	5,408,244	4,175,626	3,950,224	3,291,183	4,203,855	3,747,356	4,448,131	4,082,619
Extracurricular Activities	1,575,728	1,596,892	1,491,800	1,079,342	1,190,368	1,093,656	1,194,933	1,165,321	1,215,285	1,336,334
Capital Outlay	243,766	151,663	8,200,649	18,814,067	62,972,645	27,260,119	16,513,562	10,966,346	1,077,713	3,191,025
Debt Service:										
Principal Retirement	1,821,000	1,285,000	1,566,517	1,642,570	1,891,348	3,841,363	108,145,203	10,549,799	3,161,572	2,568,998
Interest and Fiscal Charges	3,668,790	3,681,776	9,597,684	10,931,934	11,355,573	11,463,983	11,227,453	2,749,195	10,002,637	9,972,991
Bond Issuance Costs	0	0	1,223,069	236,004	0	0	662,514	0	0	0
Total Expenditures	$88,314,622	$92,850,092	$103,777,913	$111,676,199	$157,415,808	$117,793,521	$211,664,876	$101,580,361	$95,305,872	$99,141,702
Debt Service as a Percentage of Noncapital Expenditures	6.23%	5.51%	11.69%	13.54%	14.01%	17.24%	60.81%	14.51%	13.84%	12.88%

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other Financing Sources (Uses)										
Issuance of Loans	$0	$3,628,000	$0	$0	$0	$0	$0	$0	$0	$1,515,000
Payments to Refunded Bond Escrow Agent	0	0	0	0	0	0	0	0	(38,536,529)	0
Issuance of Refunding Bonds	0	0	0	0	0	0	98,115,000	0	32,825,000	0
Proceeds from Sale of Capital Assets	77,030	69,514	0	48,348	736,784	0	1,167,376	0	0	0
Inception of Capital Leases	0	0	509,975	0	0	0	0	0	0	0
Premium on Bonds and Notes Issued	0	0	10,746,972	145,998	127,670	0	9,595,217	0	6,124,517	0
Issuance of Bonds	0	0	119,999,930	0	645,000	0	0	0	0	0
Issuance of Certificate of Participation	0	0	0	15,225,000	2,300,000	0	0	0	0	0
Discount on Certificate of Participation	0	0	0	(237,997)	0	0	0	0	0	0
Transfers In	1,402,458	1,839,536	11,493,131	1,141,801	2,164,261	1,320,805	133,545,348	1,179,650	1,181,375	1,257,660
Transfers (Out)	(1,902,458)	(4,339,536)	(11,493,131)	(1,141,801)	(3,107,761)	(1,320,805)	(133,545,348)	(1,179,650)	(1,181,375)	(1,257,660)
Total Other Financing Sources (Uses)	(422,970)	1,197,514	131,256,877	15,181,349	2,865,954	0	108,877,593	0	412,988	1,515,000
Net Change in Fund Balances	($2,506,241)	($9,005,880)	$116,441,914	($7,810,686)	($56,540,804)	($14,850,719)	($807,440)	($6,741,492)	$13,731,812	$6,531,375

Source: District Records

Princeton City School District, Ohio
Assessed Value and Actual Value of Taxable Property
Last Ten Calendar Years
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
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
2013	1,415,476,540	0	78,641,030	1,494,117,570	4,268,907,343	61.28
2014	1,392,604,800	0	72,631,790	1,465,236,590	4,186,390,257	62.58
2015	1,275,206,570	0	74,858,080	1,350,064,650	3,857,327,571	62.58
2016	1,280,291,060	0	80,320,320	1,360,611,380	3,887,461,086	62.58
2017	1,308,437,790	0	83,011,810	1,391,449,600	3,975,570,286	62.58

Source: Hamilton County, Butler County and Warren County Auditor

(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 consitent 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	(1) District Direct Rates	Overlapping Rates									
		Hamilton County	City of Blue Ash	City of Springdale	Village of Evendale	Village of Glendale	Village of Lincoln Heights	Village of Woodlawn	Springfield Township	Sycamore Township	Great Oaks Joint Vocational School
2009	48.99	20.48	3.08	3.08	0.00	20.08	35.33	5.08	22.80	8.75	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
2011	50.83	19.03	3.08	3.08	0.00	20.08	40.73	5.08	22.80	8.75	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
2013	61.28	19.03	3.08	3.08	0.00	21.58	48.73	5.08	23.80	8.75	2.70
2014	62.58	18.85	3.08	3.08	0.00	21.58	48.73	10.08	23.80	8.75	2.70
2015	62.58	18.85	3.08	3.08	0.00	21.58	48.73	10.08	23.80	8.75	2.70
2016	62.58	18.85	3.08	3.08	0.00	21.58	48.73	10.08	23.80	8.75	2.70
2017	62.58	18.85	3.08	3.08	0.00	21.58	42.83	10.08	23.80	8.75	2.70
2018	62.58	19.16	3.08	3.08	0.00	21.58	57.83	10.08	23.80	8.75	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.

(1) - Components of the District direct rate are unavailable and will be shown in total only.

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

	2017	
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Duke Energy	$59,115,150	4.25%
Duke Energy	25,173,090	1.81%
LSREF2 Oreo Direct LLC	10,237,520	0.74%
Tri County Mall LLC	9,617,300	0.69%
Tri-County Towne Center 15A LLC	8,505,020	0.61%
Kemper Apartments LTD	7,710,750	0.55%
JL Bates LLC	7,225,760	0.52%
Commons Carmel LLC	6,630,010	0.48%
Mallard Lakes Apartments LLC	6,557,070	0.47%
Springdale-Kemper RE LLC	6,451,890	0.46%
Total Principal Taxpayers	147,223,560	10.59%
All Other Taxpayers	1,244,226,040	89.41%
Total Taxpayers	$1,391,449,600	100.00%

	2008	
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Thor Gallery At Tri County	$50,400,010	2.81%
Duke Energy Ohio	42,748,220	2.39%
MRFC Cinn Investor LLC	19,600,020	1.09%
Merchant Street 27 LLC	11,000,510	0.61%
Springdale-Kemper Assoc	7,726,890	0.43%
KE Tri-County LLC	7,605,510	0.42%
WalMart Real Estate	7,486,960	0.42%
KIMCO 420 Inc	7,385,780	0.41%
Procter & Gamble	6,391,580	0.36%
General Electric Co	6,039,610	0.34%
Total Principal Taxpayers	166,385,090	9.29%
All Other Taxpayers	1,624,952,918	90.71%
Total Taxpayers	$1,791,338,008	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
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%
2013	65,405,130	60,194,697	92.03%	1,652,853	61,847,550	94.56%
2014	59,851,889	57,919,262	96.77%	1,932,627	59,851,889	100.00%
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	64,565,970	59,876,532	92.74%	1,691,546	61,568,078	95.36%
2017	65,995,756	60,763,076	92.07%	1,857,223	62,620,299	94.89%

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

N/A - Information not available.

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

Fiscal Year	Governmental Activities: General Obligation Bonds	Governmental Activities: Tax Anticipation Note	Governmental Activities: OASBO Loan	Governmental Activities: Capital Leases	Restricted for Debt Service Net Position	General Bonded Debt Outstanding: Net General Obligation Bonds	Percentage of Personal Income (1)	Per Capita Ratio of Total General Bonded Debt	Per Capita Ratio of Total Outstanding Debt	Percentage of Estimated Actual Value of Taxable Property
2009	$79,875,868	$0	$0	$0	$4,310,806	$75,565,062	1.33%	$733	$775	1.56%
2010	78,451,192	0	3,628,000	0	4,488,961	73,962,231	0.92%	622	690	1.70%
2011	207,984,994	0	3,506,000	425,458	10,638,613	197,346,381	2.96%	1,907	2,048	4.58%
2012	221,948,219	0	3,385,000	328,888	6,479,654	215,468,565	2.35%	1,706	1,787	5.26%
2013	224,079,958	0	3,260,000	227,540	6,837,072	217,242,886	2.29%	1,624	1,701	5.28%
2014	223,551,220	0	3,130,000	121,177	6,420,463	217,130,757	2.23%	1,599	1,671	5.31%
2015	213,787,422	0	2,995,000	9,548	8,574,116	205,213,306	1.95%	1,453	1,535	5.18%
2016	211,042,168	0	2,855,000	0	7,986,694	203,055,474	1.84%	1,399	1,473	5.55%
2017	208,865,021	0	2,710,000	0	10,089,606	198,775,415	1.75%	1,334	1,420	5.44%
2018	205,821,376	1,515,000	2,559,000	0	11,796,860	194,024,516	1.59%	1,223	1,314	5.24%

Source: District Records

(1) - On the calendar year basis

Princeton City School District, Ohio
Direct and Overlapping Governmental Activities Debt -- All Counties
As of June 30, 2018
Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Counties:			
Butler County	$40,923,580	1.29%	$527,914
Hamilton County	133,845,000	7.19%	9,623,456
Cities:			
Springdale City	9,150,000	100.00%	9,150,000
Villages:			
Woodlawn Village	1,545,000	100.00%	1,545,000
Townships:			
Deerfield Townhip	4,170,000	2.26%	94,242
Springfield Township	7,210,000	1.15%	82,915
Sycamore Township	14,895,000	25.28%	3,765,456
West Chester Township	25,895,000	2.77%	717,292
School Districts:			
Great Oaks Career Center Jt. Voc. School Distric	6,070,000	7.71%	467,997
Subtotal Overlapping Debt	$243,703,580		$25,974,271
Princeton CSD Direct Debt	$209,895,376	100.00%	$209,895,376
Total Direct and Overlapping Debt	$453,598,956		$235,869,647

(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

Princeton City School District, Ohio
Legal Debt Margin Information
Last Ten Fiscal Years
Schedule 14

Legal Debt Margin Calculation for Fiscal Year 2018	
Assessed value (1)	$1,391,449,600
Debt limit (9% of assessed value)	125,230,464
Debt applicable to limit	209,895,376
Legal debt margin (2)	($84,664,912)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	$161,220,421	$151,835,195	$145,650,005	$135,143,371	$135,800,539	$134,470,581	$131,871,293	$121,505,819	$122,455,024	$125,230,464
Total net debt applicable to limit	82,370,723	80,830,007	210,247,769	194,554,930	229,596,747	226,802,397	216,791,970	213,897,168	211,575,021	209,895,376
Legal debt margin	$78,849,698	$71,005,188	($64,597,764)	($59,411,559)	($93,796,208)	($92,331,816)	($84,920,677)	($92,391,349)	($89,119,997)	($84,664,912)
Total net debt applicable to the limit as a percentage of debt limit	51.09%	53.24%	144.35%	143.96%	169.07%	168.66%	164.40%	176.04%	172.78%	167.61%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2018 is calendar year 2017)

(2) - The District has obtained a consent of the State Tax Commissioner and the Superintendent of Public Instruction to issue debt beyond the nine percent debt limitation and has qualified as a "special needs" district.

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)
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%
2013	371,272	14,592,549	39,304	6.9%
2014	373,948	14,985,181	40,073	5.4%
2015	376,353	15,631,343	41,534	4.2%
2016	377,537	16,090,464	42,620	4.2%
2017	380,604	17,089,200	44,900	4.2%

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

N/A - Information not available.

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)
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%
2013	804,520	40,415,100	50,235	7.1%
2014	806,332	41,292,782	51,211	5.3%
2015	807,598	42,060,595	52,081	4.2%
2016	809,099	43,251,503	53,456	4.2%
2017	813,822	46,331,959	56,931	4.0%

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

N/A - Information not available.

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)
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%
2013	219,169	10,131,284	46,226	6.3%
2014	221,816	11,078,563	49,945	4.8%
2015	224,469	11,572,120	51,553	3.9%
2016	227,063	12,024,592	52,957	3.9%
2017	228,882	13,002,293	56,808	3.8%

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

N/A - Information not available.

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

2018

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)
Ft Hamilton Memorial Hospital	Serv	(4)	(5)
GE Aviation	Mfg	(4)	(5)
Koch Foods	Mfg	(4)	(5)
Lakota Local Schools	Govt	(4)	(5)
Liberty Mutual/Ohio Casualty Corp	Ins	(4)	(5)
Mercy Hospital Fairfield	Serv	(4)	(5)
Miami University	Govt	(4)	(5)
Pierre Foods	Mfg	(4)	(5)

2010

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)
BAE Systems	Mfg	(4)	(5)
Butler County Government	Govt	(4)	(5)
Cincinnati Financial Corp	Finance	(4)	(5)
Cornerstone Brands Inc	Trade	(4)	(5)
Fairfield City Bd of Ed	Govt	(4)	(5)
Ft Hamilton Memorial Hospital	Serv	(4)	(5)
GE Aviation	Mfg	(4)	(5)
Hamilton City Board of Education	Govt	(4)	(5)
Lakota Local Board of Education	Govt	(4)	(5)
Liberty Mutal/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 eight 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 Eight Years Ago (2)
Schedule 16

2018

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)

2010

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(4)	(5)
Chiquita Brands International Inc	Trade	(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	Trade	(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 eight 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 Eight Years Ago (2)
Schedule 16

2018

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)
L-3 Cincinnati Electronics	Mfg	(4)	(5)
Luxottica Group SpA	Mfg	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mason Local Schools	Govt	(4)	(5)
Portion Pac Inc	Serv	(4)	(5)
Procter & Gamble Co	R&D	(4)	(5)
State of Ohio	Govt	(4)	(5)
WellPoint Inc/Anthem	Ins	(4)	(5)

2010

Major Employer (3)	Type	Number of Employees	Employer's Percentage 0f 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)
Luxottica 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)

Source: Ohio Department of Development

(1) - For all of Warren County

(2) - Only current fiscal year and fiscal period eight 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 Ten Fiscal Years
Schedule 17

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Regular Instruction	**332.60**	**325.44**	**306.96**	**269.44**	**260.23**	**260.78**	**269.00**	**265.36**	**275.14**	**282.92**
REGULAR TEACHING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PERMANENT SUBSTITUE	1.00	0.00	0.00	0.00	0.00	1.00	0.00	0.50	0.00	1.50
TEACHER/MENTOR/EVALUATOR	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00
GENERAL EDUCATION	288.60	293.00	277.30	239.20	228.50	229.34	239.75	237.12	237.14	255.56
ART EDUCATION K-8	13.00	9.00	8.00	8.50	8.00	9.00	9.00	7.87	11.00	7.87
MUSIC EDUCATION K-8	21.00	14.00	13.00	13.00	13.00	13.00	12.00	11.87	17.00	12.99
PHYSICAL EDUCATION K-8	9.00	9.44	8.66	8.74	8.23	8.44	8.25	8.00	10.00	5.00
Special Instruction	**15.00**	**16.00**	**6.80**	**7.90**	**6.30**	**7.50**	**6.00**	**6.50**	**9.00**	**12.00**
AUDIO-VISUAL STAFF	3.00	4.00	4.00	3.00	2.00	2.00	2.00	2.00	2.00	3.00
EDUC SERVICE PERSONNEL TEACHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GIFTED & TALENTED	10.00	10.00	0.80	2.90	2.30	3.50	2.00	2.50	4.00	7.00
PRESCHOOL SPECIAL EDUCATION	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.00
Vocational Instruction	**3.00**	**3.00**	**0.86**	**0.86**	**2.00**	**2.00**	**2.00**	**2.00**	**9.00**	**1.00**
VACATIONAL EDUCATION TEACHING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	0.00
CAREER-TECHNICAL PROGRAMS/PATHWAYS	3.00	3.00	0.86	0.86	2.00	2.00	2.00	2.00	4.00	1.00
Other Instruction	**11.90**	**6.40**	**8.00**	**5.00**	**3.00**	**3.00**	**2.88**	**2.38**	**5.38**	**6.82**
OTHER PROFESSIONAL	10.50	5.00	7.00	4.00	2.00	2.00	0.00	0.00	3.00	3.00
TEACHING AIDE	0.40	0.40	0.00	0.00	0.00	0.00	2.38	2.38	1.88	2.82
PARENT MENTOR	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.00	0.50	1.00
Pupil Support Services	**119.80**	**123.00**	**116.28**	**106.80**	**105.65**	**103.52**	**104.38**	**82.22**	**74.33**	**84.83**
COUNSELING	13.00	14.00	10.00	7.50	8.00	7.00	7.00	6.00	9.00	6.00
REMEDIAL SPECIALIST	9.00	9.50	9.50	8.00	8.00	4.00	4.00	3.00	4.00	3.00
SPECIAL EDUCAITON TEACHING	0.00	0.00	0.00	17.27	14.12	16.72	18.50	17.30	0.00	10.00
SUPPL SERVICE TEACHER (SPEC ED)	47.00	42.72	46.74	46.85	47.41	49.58	52.08	35.08	37.36	37.36
SPECIAL EDUCATION	22.00	27.00	20.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DIETITIAN/NUTRITIONIST	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PSYCHOLOGIST	10.00	10.00	11.00	9.00	9.00	8.00	7.00	7.00	9.00	8.00
REGISTERED NURSING	3.00	4.00	4.00	2.90	2.90	3.00	3.00	3.40	3.00	3.00
SOCIAL WORK	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SPEECH & LANGUAGE THERAPIST	5.80	6.80	6.80	6.80	6.80	5.80	6.30	4.50	5.50	7.50
OCCUPATIONAL THERAPIST	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
EUCATIONAL INTERPRETER	1.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00
OTHER PROFESSIONAL-OTHER	1.00	1.00	0.00	1.00	0.94	0.94	1.00	0.94	0.00	2.00
PRACTICAL NURSING	3.00	2.00	2.00	3.50	3.50	3.50	2.50	2.00	2.47	4.97
ATTENDANCE OFFICER	2.00	2.98	2.98	1.98	2.98	2.98	2.00	2.00	3.00	2.00
Instructional Staff Support Services	**125.52**	**128.89**	**120.18**	**103.43**	**111.89**	**100.52**	**102.31**	**96.69**	**109.30**	**110.90**
CURRICULUM SPECIALIST	6.00	6.50	6.50	7.50	15.00	12.00	12.00	10.00	10.00	6.00
LIBRARIAN/MEDIA	7.50	5.50	3.00	2.00	2.00	2.00	1.00	1.00	2.00	1.00
TUTOR/SMALL GROUP INSTRUCTOR	7.00	11.50	11.50	11.50	9.50	10.00	9.00	7.00	17.00	15.00
LIBRARY TECHNICIAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.75	0.00	0.00
LIBRARY AIDE	2.00	1.95	0.53	0.00	0.00	0.00	0.75	0.00	0.00	0.00
INSTRUCTIONAL PARAPROFESSIONAL	96.02	98.44	95.65	79.43	82.39	74.52	77.56	75.94	77.30	86.90
OTHER TECHINICAL	7.00	5.00	3.00	3.00	3.00	2.00	2.00	2.00	3.00	2.00
Administration Support Services	**94.30**	**100.01**	**92.45**	**94.94**	**86.82**	**81.82**	**83.79**	**87.42**	**78.44**	**83.87**
ADMIN. ASSISTANT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ASSIST DEPUTY/ASSOC SUPERINTENDENT	1.00	1.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	2.00
ASSIST PRINCIPAL	11.00	8.00	6.00	5.00	5.50	5.50	5.00	14.50	5.50	6.00
PRINCIPAL	10.00	11.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00	9.00
SUPERINTENDENT	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
SUPERVISING/MANAGING/DIRECTING	1.00	1.00	0.00	3.00	2.00	1.00	1.00	1.00	3.00	3.00
COORDINATOR	5.20	6.00	5.00	6.00	4.00	3.00	0.00	0.00	0.00	0.00
EDUCATION ADMINISTRATIVE SPECIALIST	0.00	3.00	3.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00
DIRECTOR	3.00	5.00	5.00	5.00	7.50	6.50	10.00	9.00	9.00	10.50
OTHER OFFICIAL/ADMINISTRATIVE	1.00	2.00	1.00	4.94	4.00	5.00	3.87	1.00	0.00	0.00
PERSONNEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CLERICAL	61.10	62.01	61.65	57.00	51.82	48.82	51.92	49.92	48.94	52.37
Fiscal Services	**4.00**	**5.00**	**4.00**	**4.00**	**4.00**	**2.00**	**3.00**	**1.00**	**3.00**	**5.00**
TREASURER	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
ACCOUNTING	1.00	2.00	2.00	1.00	1.00	1.00	1.00	0.00	2.00	4.00
RECORDS MANAGING	2.00	2.00	1.00	2.00	2.00	0.00	1.00	0.00	0.00	0.00
Business Support Services	**1.00**	**1.00**	**1.00**	**1.00**	**0.00**	**1.00**	**0.00**	**0.00**	**0.00**	**0.00**
PRINTER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MESSENGER	1.00	1.00	1.00	1.00	0.00	1.00	0.00	0.00	0.00	0.00

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

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Operation of Plant	**77.50**	**80.25**	**81.25**	**76.25**	**73.72**	**67.56**	**70.69**	**0.00**	**67.60**	**75.60**
GENERAL MAINTENANCE	11.00	12.00	12.00	12.00	11.00	8.84	10.00	0.00	11.00	13.00
MECHANIC	4.00	4.00	4.00	4.00	5.00	3.00	0.00	0.00	0.00	0.00
FOREMAN	4.00	4.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTODIAN	44.50	47.25	47.25	44.25	41.75	40.75	40.75	0.00	38.75	39.75
ELEVATOR OPERATING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GUARD/WATCHMAN	13.00	7.00	7.00	6.00	6.00	6.00	6.00	0.00	4.50	5.00
MONITORING	0.00	6.00	7.00	10.00	9.97	8.97	13.94	0.00	13.35	17.85
ATTENDANT	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Transportation	**53.11**	**55.22**	**56.53**	**52.30**	**56.96**	**52.59**	**3.00**	**0.00**	**0.00**	**5.00**
DISPATCHING	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
VEHICLE OPERATOR (BUSES)	47.11	50.22	51.53	47.30	51.96	48.59	0.00	0.00	0.00	0.00
EQUIPMENT OPERATING ASSIGNMENT	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00
OTHER OPERATIVE	5.00	4.00	4.00	4.00	3.00	3.00	3.00	0.00	0.00	5.00
Central Suppor Services	**4.00**	**5.00**	**4.00**	**3.00**	**1.00**	**0.00**	**1.00**	**0.00**	**1.00**	**1.00**
PUBLICITY RELATIONS	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COMPUTER OPERATING	3.00	4.00	3.00	3.00	1.00	0.00	1.00	0.00	1.00	1.00
INSPECTOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Food Service Program	**30.21**	**26.87**	**28.02**	**25.94**	**29.91**	**29.91**	**26.02**	**0.00**	**30.39**	**27.80**
FOOD SERVICE	30.21	26.87	28.02	25.94	29.91	29.91	26.02	0.00	30.39	27.80
Grand Total	871.94	876.08	826.33	750.86	741.48	712.20	674.07	543.57	662.58	696.74

Source: State Department of Education

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
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%
2014	5,416	68,274,652	12,606	-7.84%	394	14	65.00%
2015	5,730	71,054,333	12,400	-1.63%	397	14	70.02%
2016	5,847	68,829,693	11,772	-5.07%	429	14	65.00%
2017	5,920	71,407,176	12,062	2.47%	392	15	67.88%
2018	6,036	75,300,424	12,475	3.43%	340	18	63.29%

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
School										
Elementary:										
Evendale (PK-6 / PK-5)										
Square feet	55,040	55,040	55,040	55,040	55,040	55,040	55,040	55,040	55,040	55,040
Capacity	364	364	364	364	364	364	364	364	364	364
Enrollment	238	261	250	281	322	290	273	265	254	237
Glendale (PK-6 / PK-5)										
Square feet	31,676	31,676	31,676	31,676	31,676	31,676	31,676	31,676	31,676	31,676
Capacity	364	364	364	364	364	364	364	364	364	364
Enrollment	203	245	261	289	284	265	266	315	314	315
Heritage Hill (PK-6 / PK-5)										
Square feet	63,093	63,093	63,093	63,093	63,093	63,093	63,093	63,093	63,093	63,093
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	367	320	346	331	368	377	468	517	507	535
Sharonville (PK-6 / PK-5)										
Square feet	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	417	436	469	438	461	486	512	459	443	442
Springdale (K-6)										
Square feet	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526	65,526
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	441	438	469	448	453	462	517	490	474	466
Stewart (PK-3 / PK-4)										
Square feet	62,240	62,240	62,240	62,240	62,240	62,240	62,240	62,240	62,240	62,240
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	427	472	492	464	485	462	500	482	516	529
Woodlawn (Grades K-3)										
Square feet	52,711	52,711	52,711	52,711	52,711	52,711	52,711	52,711	52,711	52,711
Capacity	364	364	364	364	364	364	364	364	364	364
Enrollment	205	210	202	212	245	235	216	206	208	193
Lincoln Heights (PK-6 / PK-5)										
Square feet	63,301	63,301	63,301	63,301	63,301	63,301	63,301	63,301	63,301	63,301
Capacity	546	546	546	546	546	546	546	546	546	546
Enrollment	281	296	287	206	152	123	194	306	300	300

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
RELIS										
Square feet	*	12,500	12,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	*	1,000	1,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	*	36	46	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Middle School										
Princeton Community (Grades 7-8 / 6-8)										
Square feet	176,195	176,195	176,195	176,195	176,195	160,518	160,518	160,518	160,518	160,518
Capacity	1,500	1,500	1,500	1,500	1,500	1,200	1,200	1,200	1,200	1,200
Enrollment	1114	1098	1147	1126	1,187	1,204	1,206	1,201	1,250	1,374
High School										
Princeton HS (Grades 9-12)										
Square feet	347,217	347,217	347,217	347,217	347,217	347,217	209,518	209,518	209,518	209,518
Capacity	2,700	2,700	2,700	2,700	2,700	2,700	2,000	2,000	2,000	2,000
Enrollment	1768	1749	1689	1674	1,613	1,517	1,578	1,606	1,654	1,645

Source: School District Records and Ohio Department of Education

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

Note:
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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OHIO AUDITOR OF STATE
KEITH FABER

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
JANUARY 22, 2019

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370
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