



Dave Yost • Auditor of State



**PIQUA CITY SCHOOL DISTRICT  
MIAMI COUNTY**

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**PIQUA CITY SCHOOL DISTRICT  
MIAMI COUNTY**

**SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<b>FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Non Cash Receipts</b>	<b>Cash Receipts</b>	<b>Non Cash Expenditures</b>	<b>Cash Expenditures</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>					
<i>Passed Through Ohio Department of Education</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553		\$249,125		\$249,125
National School Lunch Program	10.555	\$108,444	785,535	\$108,444	785,535
Total Child Nutrition Cluster		<u>108,444</u>	<u>1,034,660</u>	<u>108,444</u>	<u>1,034,660</u>
Total U.S. Department of Agriculture		<u>108,444</u>	<u>1,034,660</u>	<u>108,444</u>	<u>1,034,660</u>
<b>U.S. DEPARTMENT OF Education</b>					
<i>Passed Through Ohio Department of Education</i>					
Title I Grants to Local Educational Agencies	84.010		1,227,875		1,251,739
Special Education_Grants to States	84.027		989,924		868,452
Supporting Effective Instruction State Grant	84.367		179,043		190,285
ARRA - State Fiscal Stabilization Fund - Race-to-the-Top, Incentive Grants, Recovery Act	84.395		2,568		10,009
Total U.S. Department of Education			<u>2,399,410</u>		<u>2,320,485</u>
Total Receipts and Expenditures of Federal Awards		<u>\$108,444</u>	<u>\$3,434,070</u>	<u>\$108,444</u>	<u>\$3,355,145</u>

*The accompanying notes are an integral part of this schedule.*

**PIQUA CITY SCHOOL DISTRICT  
MIAMI COUNTY**

**NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Receipts and Expenditures of Federal Awards (the Schedule) includes the federal award activity of Piqua City School District (the District's) under programs of the federal government for the year ended June 30, 2016. 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, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or 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 entitlement value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

**NOTE E – MATCHING REQUIREMENTS**

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



# Dave Yost • Auditor of State

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

Piqua City School District  
Miami County  
719 East Ash Street  
Piqua, Ohio 45356

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, the business-type activities, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County, (the District) as of and for the year ended June 30, 2016, 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 16, 2016, wherein we noted the District restated the July 1, 2015 net position of governmental activities to account for changes in accounting for capital assets.

### ***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 opinions 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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2016-001 to be a material weakness.

***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*.

***District's Response to Finding***

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

***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 communication is not suitable for any other purpose.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 16, 2016





# Dave Yost • Auditor of State

## 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

Piqua City School District  
Miami County  
719 East Ash Street  
Piqua, Ohio 45356

To the Board of Education:

### ***Report on Compliance for the Major Federal Program***

We have audited Piqua 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 Piqua City School District's major federal program for the year ended June 30, 2016. 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, Piqua 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, 2016.

***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 Receipts and Expenditures of Federal Awards Required by the Uniform Guidance***

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Piqua City School District (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 16, 2016. Our opinion also explained that the District restated July 1, 2015 net position of governmental activities. We conducted our audit to opine on the District's' basic financial statements as a whole. The accompanying schedule of receipts and expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic 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 basic financial statements.

We subjected this schedule to the auditing procedures we applied to the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 16, 2016

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**PIQUA CITY SCHOOL DISTRICT  
MIAMI COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2016**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unmodified
<i>(d)(1)(ii)</i>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(ii)</i>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	Special Education_Grants to States - CFDA # 84.027
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee under 2 CFR §200.520?</b>	Yes

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

**FINDING NUMBER 2016-001**

**Material Weakness – Financial Statement Errors**

The District prepared its annual financial statements in accordance with generally accepted accounting principles (GAAP). The District's fiscal year 2016 financial statements contained the following errors that were adjusted in the accompanying financial statements:

- In the Governmental Activities opinion unit, depreciable capital assets, central expense, and opening net position were understated by \$14,484,739, \$298,655, and \$14,783,394, respectively, due to errors in the original opening net position restatement calculation. This change also impacted ending net position, which was understated by \$14,484,739. The District reported construction in progress of \$14,657,913 as of June 30, 2015 and this accounted for the majority of the difference as this construction in progress was not entered into the District's capital asset tracking system during fiscal year 2016. The District did not adjust their underlying capital asset records for this adjustment.

**FINDING NUMBER 2016-001  
(Continued)**

- In the Governmental Activities and Bond Retirement opinion units, restricted assets - investments were understated by \$1,250,000 and pooled cash and investments were overstated by \$1,250,000 due to a debt covenant that required a mandatory sinking fund.
- On the Statement of Fiduciary Net Position in the private purpose trust, investments were understated and investments with fiscal agent were overstated by \$131,366.
- On the Statement of Fiduciary Net Position in the private purpose trust, net position of \$823,708 was reported as unrestricted, but should have been reported as held in trust.

To improve the accuracy and completeness of the District's basic financial statements and to provide for comparative financial statements from year to year, the District should implement procedures to review the basic financial statements. The District should also verify that all capital assets, once placed in use, are recorded in the capital asset tracking system so that the capital asset amounts reported on the financial statements agree to the District's internal capital asset tracking system. This will help support proper reporting and depreciation calculations. Failure to do so could result in materially misstated financial statements and unreliable financial information.

**Officials' Response:**

The district paid for a building valuation to be completed at the end of the construction project. It was the intent of the district to have a report to tie out with from the appraisal company. When values came back lower than costs associated with the buildings the district used the appraisal report rather than the actual costs from the project.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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None

PIQUA CITY SCHOOL DISTRICT  
MIAMI COUNTY

CORRECTIVE ACTION PLAN  
2 CFR § 200.511(c)  
JUNE 30, 2016

<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Responsible Contact Person</b>
2016-001	This information was found during the audit and has been corrected in the CAFR.	Complete	Jeremie Hittle, Treasurer

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# ***PIQUA CITY SCHOOL DISTRICT***

*Miami County, Ohio*



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2016**



***PIQUA CITY SCHOOL DISTRICT***

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*Miami County, Ohio*

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2016**

*Prepared by:*  
Jeremie Hittle  
Treasurer



**PIQUA CITY SCHOOL DISTRICT**

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**PIQUA CITY SCHOOL DISTRICT**

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## *INTRODUCTORY SECTION*

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# **PIQUA CITY SCHOOL DISTRICT**

719 East Ash Street • Piqua, Ohio 45356-2411  
(937) 773-4321



Treasurer's Office: phone (937) 778-4512

fax (937) 778-4518

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December 16, 2016

Board of Education Members and Citizens of the Piqua City School District:

As the Superintendent and Treasurer of the Piqua City School District (the District), we are pleased to submit to you this Comprehensive Annual Financial Report (CAFR) issued by the District. This CAFR for the year ended June 30, 2016 is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position, results of operations and cash flows, where applicable, 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.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Piqua City School District's MD&A can be found immediately following the Independent Auditor's Report.

## **THE DISTRICT AND ITS FACILITIES**

The District serves an area of approximately 55 square miles in and around the City of Piqua. It is located in Miami County in the Southwestern part of the state, comprised of the City of Piqua, Washington Township and Springcreek Township, and is residential, agricultural and industrial. It has a diversified industrial base with over 90 industries and 1,000,000 square feet of commercial space. The City of Piqua is a community of 21,000 people, 45 churches and 200 businesses and manufacturers. It is located on Interstate 75, 50 miles south of Lima, Ohio and 20 miles north of Dayton, Ohio, near the intersection of Interstate 75 and Interstate 70, a significant road intersection in the Midwestern part of the United States.

The District provides a full range of education programs and services to 3,502 students. These include elementary and secondary curriculum offerings at the general, college preparatory, and vocational levels, a broad range of co-curricular and extracurricular activities, gifted, and special education services. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a special revenue fund. The non-public school operations have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Letter of Transmittal For the Fiscal Year Ended June 30, 2016***

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The District's facilities include 2 primary schools (grades K through 3), 1 intermediate schools (grades 4 through 6), 1 junior high school (grades 7 through 8), one high school (grades 9 through 12), a bus garage, the administrative building and several athletic complexes.

The Board of Education of the Piqua City School District (the Board) is a five-member elected body, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars and approves the annual appropriation resolution and tax budget.

Good schools are important to the quality of life in Piqua and also to maintaining property values. But beyond these considerations, the educational program itself is of primary importance.

It is therefore appropriate to review briefly some quality indicators because they are the foundation on which our programs are built.

**CURRICULUM DEVELOPMENT** -- The Piqua City School District provides a comprehensive K-12 academic program abundant with opportunities based on meeting the needs, growing, and challenging the skills of Piqua students. Piqua's curriculum includes a wide range of electives in career and college preparatory, liberal arts and vocational programs. The curriculum is based upon the Ohio Academic Content Standards and national standards. Faculty at each level is supported by a curriculum department with efforts to continuously improve teaching, learning, and student achievement.

**INSTRUCTION MATERIALS** -- Piqua City School District instructional materials are reviewed on a five-year replacement. Materials include print, manipulatives, media, and technology that provide learning activities and opportunities for students.

**STAFF DEVELOPMENT** -- Staff development is planned by the curriculum department and director of student services with input from building level administrators and classroom teachers. Professional development is designed to support state mandates, the District Strategic plan, building level goals and teachers goals. In addition to this, student data is analyzed to target professional development that will provide opportunities for improvement. Designated days at the beginning of the school year are used for professional development at the building and district levels. Staff members are also encouraged to participate in a variety of district supported professional development opportunities throughout the school year and summer. All professional development is evaluated by the staff and administration. It is reinforced with follow-up training, professional discussions, presentations at building meetings, and monitoring of implementation.

## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2016***

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**INTERVENTION AND SPECIAL PROGRAMS** -- The Piqua City Schools recognizes its responsibility to identify students who are not meeting grade level growth benchmarks. The Piqua City School District has developed Response to Intervention (RTI) teams at each grade level in order to provide appropriate intervention for students identified with learning gaps. Students in the Piqua City School District are assessed using the state provided AIR Assessments, the Northwest Evaluation Association tool (NWEA) along with staff developed student growth measures. The RTI teams complete careful data analysis in order to create needed student intervention plans, lesson plans and progress monitoring assessments to guide the process. Students are moved through appropriate interventions as skills are learned. The RTI process contributes to a more meaningful identification of learning and behavioral disabilities, improves instruction quality, and provides all students with the best opportunity to succeed in school.

**GIFTED AND TALENTED PROGRAMMING AND ADVANCED PLACEMENT COURSES** -- The Piqua City School District recognizes its responsibility to provide appropriate programming for its identified gifted and talented students. The program provides enrolled students extended opportunities for advanced thinking skills development and independent research. The gifted services continuum begins with screening for eligibility as outlined by the Ohio Department of Education. Once identified, students are provided services through a Written Education Plan that is updated yearly. Gifted services may include, but are not limited to; whole class instruction, small group instruction, independent studies, gifted tutorials, and advanced placement coursework at the elementary, intermediate, junior high and high school levels. Currently, Piqua High School offers AP courses in Art, Biology, Calculus, Chemistry, Physics, Economics, English, Literature and Composition, Government, Statistics, US History, World History, Music Theory, Spanish, and French.

### **COLLEGE CREDIT PLUS**

Piqua High School Sophomores, Juniors, and Seniors with qualifying GPA and ACT scores can take advantage of earning college credit through the concurrent enrollment program at Piqua High School. Students may take college courses within the high school. College tuition for concurrent enrollment courses is paid by the District.

**SPECIAL EDUCATION** -- The Piqua City School District recognizes its responsibility to provide appropriate educational opportunities and access to the general education curriculum for students who have been determined to have a special education disability. We have a full service staff of Intervention Specialists, School Psychologists, Speech and Language Pathologists, Physical Therapists, Occupational Therapists, and Nurses to meet the needs of student ages preschool through twenty-two, who need specialized instruction in order to meet their educational goals. Each student is provided a comprehensive evaluation as required by state and federal laws and a new Individual Education Plan each year. Our staff is committed to providing the best service possible and does so by meeting special education student needs in a variety of settings. Our District takes pride in the service level our special education students receive and works hard to coordinate appropriate services with local and regional service providers to ensure a high quality of service delivery at all age levels.

# *PIQUA CITY SCHOOL DISTRICT*

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## *Letter of Transmittal For the Fiscal Year Ended June 30, 2016*

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**ECONOMIC CONDITIONS AND OUTLOOK** -- During calendar year 2013, the county's six-year reappraisal of property valuations was completed. In accordance with millage rollback provisions of HB920, the District has assessed millage at the 20 mill-floor, the lowest millage permitted by Ohio Revised Code. As a result of this, the District is able to benefit financially from increased assessed valuations. The Triennial update was performed during 2010 by the Miami County Auditor's office. This took effect during the current calendar year of 2011.

In 1990 a ½% School District Income Tax was approved by the voters of Piqua. In May of 2008 the community approved an additional ¾% to our income tax rate. The income tax rate for Piqua City Schools now stands at 1.25%.

The State's School Foundation Program is another major source of revenue for the District's General Fund. There has been great turmoil over the various formulas that have been used and the way the state legislative bodies chose to fund these various formulas. The Supreme Court of Ohio has directed the Ohio General Assembly to enact a school-funding plan that is thorough and efficient. However, the Court did not indicate any enforcement measures to ensure that the Ohio General Assembly completes the task of the direction given.

**LONG TERM FINANCIAL PLANNING** -- As required by Ohio law, the District approved a five-year financial forecast of operational revenues and expenditures along with assumptions in October 2015. Revenues are expected to exceed expenditures for each of the forecasted fiscal years. A solid level of general fund unassigned fund balance is expected to be held throughout the forecasted fiscal years. Given the uncertainty of future state budgets, as well as local, state and national economic factors, years beyond fiscal year 2016 may deviate significantly from the forecast.

The diligence of the District in managing long-term plans has become evident when you review the recent past fiscal years along with the current forecasted future budgets. Knowing that the State average life of a new levy is three years, we have not been on the ballot for new operating funds since the spring of 2008. It is our intent to continue this initiative into the future by simply asking for renewals. In order for our annual revenue to continue to be above our annual expenditures, we will need to continue to consider further reductions whenever the opportunities rise.

**RECENT SIGNIFICANT ACCOMPLISHMENTS** -- Collaborative leadership teams have targeted the five areas of the strategic plan including students, staff, school/community relations, finance and facilities. The Ohio Improvement Process was incorporated into the district Collaborative Leadership Team process to strengthen the focus of Teacher-Based-Leadership Teams and Building-Based Leadership Teams. District, building and teacher goals have specifically addressed student growth, achievement results, Student Learning Objectives, and student growth measurement to ensure a typical year's growth and focus strategies on Value Added performance. Orton Gillingham reading strategies for all K-3 staff members continue to be a professional development focus.

To address the "facilities" components of the strategic plan, the board of education approved resolutions to place a bond issue on the November 8, 2011 ballot which the community passed. Since passage, District staff, along with the Ohio School Facilities Commission, Gilbane Building Company, and Fanning Howey Architecture Company designed and engaged in the construction of three new elementary buildings including: Springcreek Primary (PreK-3), Washington Primary (PreK-3), and Piqua Central Intermediate (4-6). The primary buildings were completed in January of 2015 and August of 2015 for the intermediate building.

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Letter of Transmittal For the Fiscal Year Ended June 30, 2016***

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Piqua City Schools joined together with Milton-Union Exempted Village Schools and Franklin-Monroe Local Schools to successfully garner a Straight A grant from the Ohio Department of Education in the amount of \$2.1 million to implement REACH-Reading Expands All Children's Horizons. This grant is targeted at improving Kindergarten and First grade literacy through 1:1 technology devices, interactive reading modules developed in conjunction with PBS Learning Media, and engaging parents as their child's learning partner. The pilot for the grant was successfully conducted in the spring of 2015 with full implementation to happen in the fall of 2015.

The District piloted the Canady Scheduling model in the spring of 2015 with the addition of instructional aides to allow for targeted small group instruction. The success of the pilot provided the platform for the full implementation to occur in the fall of 2015 in all three new elementary buildings.

**MAJOR INITIATIVES FOR THE FUTURE** -- Student achievement continues to be the focal point for Piqua City Schools with strategies aimed at increasing rigor and relevance through 21<sup>st</sup> Century Skills focused on college and career readiness. Staff development focus continues on utilizing student achievement data to raise expectations for all students. Our goal continues to have all students reading, writing, and applying math skills at their level. State report card targets Student Achievement, Gap Closing, Performance Index and Value Added. The recent District initiatives implemented to improve these areas include Career/College Readiness, College Board Springboard Language Arts, Response to Intervention (RTI), Orton Gillingham and a general focus on effective teaching strategies. Building level collaborative leadership teams will continue to gain autonomy and provide direction for resources in the instructional and professional areas.

STEM (Science Technology Engineering and Mathematics) continues to be a focus with attention directed at increasing critical thinking, creativity and collaboration. Recently added pre-engineering courses including Robotics, Engineering CAD I, CAD II and Electronics will continue to be developed with other like courses designed to enhance the Pre-Engineering department at Piqua High School. Building on the seventh grade STEM course at Piqua Junior High School expansion with an eighth grade STEM course is also being explored. Our partnership with Edison Community College and Upper Valley Career Center will continue to develop shared pathways for STEM and other opportunities on our shared campus.

### **Piqua City School District Strategic Plan 2015-2018**

#### **MISSION STATEMENT**

The students, parents, staff and community of the Piqua City School District accept the responsibility to provide our students with the best possible opportunities for the intellectual, moral and physical development necessary to become responsible citizens.

#### **STUDENTS**

**GOAL:** By 2018, PK-12 students will be proficient at grade level mastery or higher in language arts, mathematics, social studies and science as measured by district, state and/or national assessments.

#### **OBJECTIVES:**

- \*To use district benchmark assessment system to measure student content mastery
- \*100% of students will demonstrate growth toward grade level mastery on district benchmark assessment
- \*100% of students with disabilities will demonstrate a minimum of 1.5 year growth on district and state assessments
- \*100% of students will have data folders or data collection system that indicate the variety of assessment measures and student progress (full implementation in 16-17)

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Letter of Transmittal For the Fiscal Year Ended June 30, 2016***

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### **STAFF**

**GOAL:** By 2018 Piqua City School District will create a district-wide culture and climate that promotes a proactive and positive learning environment for all students.

#### **OBJECTIVES:**

- \*100% of teachers will log their data in the assessment system
- \*100% of teachers will participate in the district improvement process (CLT/BLT/TBT) to analyze assessment data
- \*100% of teachers will use standards aligned, benchmark assessments to assess student mastery of standards
- \*100% of teachers will utilize classroom formative assessments to determine student mastery on a daily basis to guide instruction
- 100% of teachers plan and sequence instruction to include the important content, concepts, and processes in school and district curriculum priorities using data, as measured by principal walkthroughs and lesson plans
- \*100% of the staff will consistently implement the targeted district expectations for student engagement

### **SCHOOL/**

#### **COMMUNITY RELATIONS**

**GOAL:** By 2017 student, staff, parent & community involvement will be increased in support of student learning

#### **OBJECTIVES:**

- \* To utilize volunteers to provide a wide range of opportunities for students including the Piqua Community Connectors Program
- \* To implement a realignment of school/business/organization partnerships for the new buildings
- \* To encourage staff to be active members of Piqua community
- \*To work with the school community to consistently provide a character education within the structure of the Rachel's Challenge Program
- \* To communicate frequently through a variety of formats

### **FINANCE**

**GOAL:** To provide great schools at a great value and continue to be quality stewards of taxpayer money

#### **OBJECTIVES:**

- \*To maintain focus of spending on classroom instruction and students
- \* To maintain financial transparency
- \* To continue external audits beyond state requirements
- \*To efficiently manage resources through sound conservation practices
- \*Increase revenue through non-traditional resources

### **FACILITIES**

**GOAL:** By 2017 complete the overall restructuring of the district

#### **OBJECTIVES:**

- \*To develop plans for the reuse or sale of abandoned sites
- \*To develop a plan for the location of the board of education offices/transportation compound
- \*To develop and implement long term maintenance plans for all facilities
- \*PJHS HVAC Controls Upgrade
- \*PHS Renovation/Upgrade



# *PIQUA CITY SCHOOL DISTRICT*

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## *Letter of Transmittal For the Fiscal Year Ended June 30, 2016*

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### **ACCOUNTING INFORMATION**

**ACCOUNTING SYSTEM** -- The District's accounting system is organized on a fund basis. Each fund is a separate self-balancing accounting entity. The basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds use the accrual basis of accounting.

**INTERNAL CONTROLS** -- The Treasurer of the District is responsible for establishing 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. The Management Team is responsible for assisting with implementation of the established internal controls.

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

**SINGLE AUDIT** -- As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation and audit by the Treasurer, Management Team and staff of the District.

As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion relating to federal financial assistance programs, as well as to verify that the District has complied with applicable laws and regulations.

**BUDGETARY CONTROLS** – All funds, except agency funds, are subject to annual expenditure budgets. The procedures below outline the District's budgetary procedures:

A tax budget of estimated cash receipts and disbursements is submitted to the county auditor as secretary of the county budget commission by January 20 of each year for the fiscal year commencing the following July 1. The District's Board of Education (the Board) adopts the tax budget at its January Organizational Meeting.

The county budget commission certifies its actions to the District by March 1. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about July 1, this certificate is amended to include any unencumbered balances from the preceding year.

# PIQUA CITY SCHOOL DISTRICT

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## *Letter of Transmittal For the Fiscal Year Ended June 30, 2016*

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An annual appropriations measure is passed upon receipt of the county auditor's final tax revenue estimates in October or November of each year for the period July 1 to June 30. Unencumbered appropriations lapse at year-end and encumbered appropriations are reported as expenditures in the current year. The Board adopts temporary appropriations at its June Board meeting to cover expenditures until the adoption of the permanent appropriations. The appropriations measure may be amended or supplemented during the year as new information becomes available. Individual buildings and/or departments are given building budgeting funds for instructional supplies, custodial supplies, meeting and mileage expenses, and equipment. Buildings and/or departments may move funds within their budgets with approval of the Superintendent and Treasurer. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund.

Additionally, the District maintains an encumbrance accounting system as a useful technique of accomplishing budgetary control. Under encumbrance accounting, purchase orders, contracts and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation.

### **OTHER INFORMATION**

**AUDIT** -- State statutes require an annual audit. The State of Ohio Auditor's office conducted the audit for the fiscal year ended June 30, 2016. The auditor's unmodified opinion on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

**NOTES TO THE BASIC FINANCIAL STATEMENTS** -- The notes to the basic financial statements which follow the basic financial statements contain additional information and are an integral part of such statements.

**AWARDS** -- The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities who qualify.

To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity. A Certificate of Achievement is valid for a period of one year only. The District has received a Certificate of Achievement for the last nineteen consecutive years (fiscal years ended 1997-2015). We believe this current Comprehensive Annual Financial Report meets the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting and we are submitting it to GFOA. The District also submitted the FY15 CAFR to the Association of School Business Officials for review and the document received the Certificate of Excellence award with no comments on the first submission.

## *PIQUA CITY SCHOOL DISTRICT*

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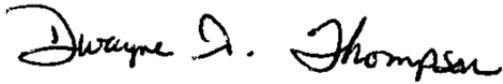
*Letter of Transmittal  
For the Fiscal Year Ended June 30, 2016*

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**ACKNOWLEDGMENTS** -- The preparation of this Comprehensive Annual Financial Report was made possible by the diligence of the Treasurer's staff under the coordination of Sarah Deavours, Assistant to the Treasurer. We are also grateful for the services of Donald J. Schonhardt & Associates, Inc. for their assistance in preparing this report. We truly appreciate the contribution made by each staff member in the preparation of this report.

In closing, without the patience and support of the Treasurer's Office Staff, the Administrative Team and the Board of Education, preparation of this report would not have been possible.

Respectfully submitted,



Dwayne A. Thompson, Superintendent



Jeremie Hittle, Treasurer

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June 30, 2016***

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### ***Members of the Board of Education***

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The members of the Board of Education of the Piqua City School District, during the current fiscal year, are:

<b>December 2015 Board</b>	<b>Began Service as a Board Member</b>	<b>Present Term Expires</b>
Andy Hite, President	January 2006	December 31, 2017
Lori Webster, Vice President	September 2002	December 31, 2015
Bob Luby	January 2006	December 31, 2017
Frank Patrizio	January 2012	December 31, 2015
Steve Greggerson	January 2014	December 31, 2017

<b>December 2016 Board</b>	<b>Began Service as a Board Member</b>	<b>Present Term Expires</b>
Frank Patrizio, President	January 2012	December 31, 2019
Steve Greggerson, Vice President	January 2014	December 31, 2017
Bob Luby	January 2006	December 31, 2017
Andy Hite	January 2006	December 31, 2017
Clint Bostick	January 2016	December 31, 2019

### ***Superintendent of Schools***

The Superintendent is the executive officer of the District and is responsible for administering policies adopted by the Board of Education. The Superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. The Board appointed Mr. Richard A. Hanes, Superintendent of the Piqua City School District effective April 16, 2007. Superintendent Hanes resigned from his position on July 31, 2016. Dwayne Thompson was hired as Superintendent of Piqua City Schools effective August 1, 2016. His current contract is through July 31, 2019.

### ***Treasurer***

The Treasurer serves as the fiscal officer of the District and, with the Board President, executes all conveyances made by the Board of Education. The Treasurer, Jeremie Hittle has held the position since September, 2013. His current contract is through July 31, 2021.

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Management Team Members and Treasurer's Office Staff For the Fiscal Year Ended June 30, 2016***

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### ***Management Team Members***

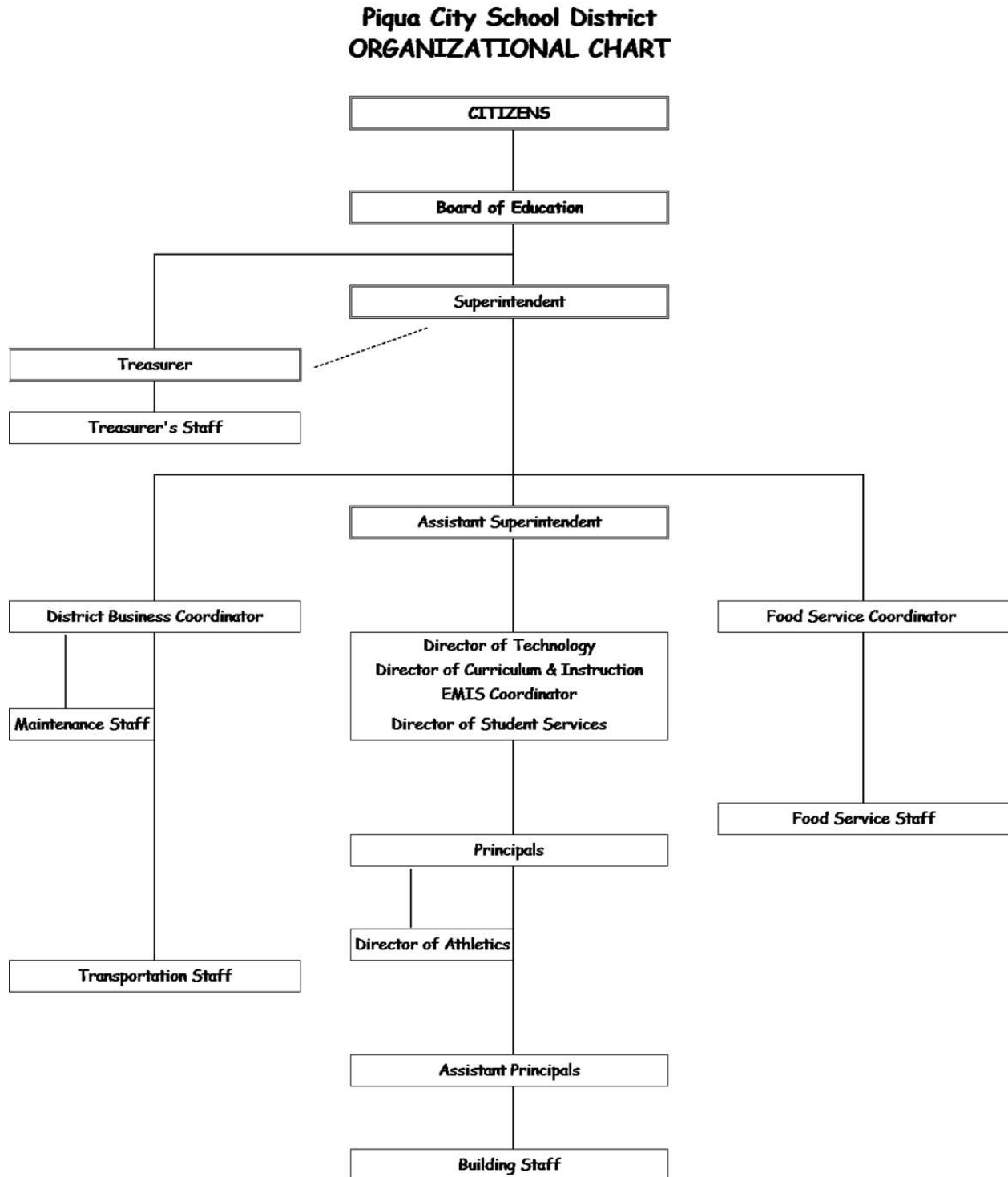
Richard A. Hanes	Superintendent of Schools
Jeremie Hittle	Treasurer
David Larson	Assistant Superintendent
Jean Hill	EMIS Coordinator
Curt South	District Business Coordinator
Chip Hare	Director of Athletics
Jennifer Garland	Food Service Coordinator
Rob Messick, Dwayne Thompson	Director of Curriculum and Instruction
Erich Heidenreich	Director of District Technology
Teresa Anderson	Director of Student Services
Kylee Harrmann	School Psychologist
Alicia Everman	School Psychologist
Andrea Austin	School Psychologist
Tony Lyons	Principal, Piqua High School
Darrell Hite	Assistant Principal, Piqua High School
Lori Sexton	Assistant Principal, Piqua High School
Jeff Clark	Principal, Piqua Junior High School
Chad Albers	Assistant Principal, Piqua Junior High School
Mindy Gearhardt	Principal, Washington Primary School
Shannon Pence	Assistant, Washington Primary School
Connie Strehle	Principal, Springcreek Primary School
John Shoffstall	Principal, Springcreek Primary School
Jonathon Amlin	Principal, Central Intermediate School
Jennie Gearhardt	Assistant, Central Intermediate School
Josh Kauffman	Assistant, Central Intermediate School

### ***Treasurer's Office Staff***

Sarah Deavours	Assistant to the Treasurer
Karen Magoteaux	Budgetary/Financial Clerk
Ami Fashner	Payroll Clerk

# PIQUA CITY SCHOOL DISTRICT

School District Organizational Chart  
For the Fiscal Year Ended June 30, 2016



## ***PIQUA CITY SCHOOL DISTRICT***

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***Job Description Listing  
For the Fiscal Year Ended June 30, 2016***

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<b>Position:</b>	<b>Responsible To:</b>
Superintendent	Board of Education
Treasurer	Board of Education
Assistant Superintendent	Superintendent
EMIS Coordinator	Superintendent
District Business Coordinator	Superintendent
Director of Technology	Superintendent
Director of Curriculum and Instruction	Superintendent and Assistant Superintendent
Director of Student Services	Superintendent and Assistant Superintendent
Food Service Coordinator	Superintendent
Principal (Sr. High, Jr. High, Elem.)	Superintendent
Assistant Senior High School Principal	Senior High School Principal
Assistant Junior High School Principal	Junior High School Principal
Director of Athletics	Superintendent and Senior/Junior High Principals
School Psychologist	Assistant Superintendent and Director of Student Services
Speech, Language and Hearing Therapist	Assistant Superintendent and Director of Student Services
Teacher	Building Principal
Guidance Counselor	Building Principal and Director of Student Services
School Nurse	Assistant Superintendent and Director of Student Services
Substitute Teacher	Building Principal
Assistant to Treasurer, Payroll Clerk	Treasurer
Budgetary Clerk, Financial Clerk	Treasurer
Secretary	Immediate Supervisor
Head Cook	Building Principal, Food Service Director
Assistant Head Cook, Cook, Sub Cook	Head Cook
Bus Driver, Substitute Bus Driver	District Business Coordinator
Bus Mechanic	District Business Coordinator
Custodian, Sub Custodian	District Business Coordinator/Building Principal
Library Aide	Building Principal/Director of Technology
Classroom Aide	Building Principal/Assigned Teacher
Study Hall Aide	Building Principal/Assistant Principal

**PIQUA CITY SCHOOL DISTRICT**

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*Government Finance Officers Association of the United States and Canada  
Certificate of Achievement for Excellence in Financial Reporting*

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Government Finance Officers Association

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

Presented to

**Piqua City Schools  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO



**PIQUA CITY SCHOOL DISTRICT**

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*Association of School Business Officials International  
Certificate of Excellence in Financial Reporting*

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

**Piqua City Schools**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2015.**

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



*Brenda Burkett*

Brenda R. Burkett, CPA, CSBA, SFO  
President

*John D. Musso*

John D. Musso, CAE, RSBA  
Executive Director



## *FINANCIAL SECTION*

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Piqua City School District  
Miami County  
719 East Ash Street  
Piqua, Ohio 45356

To the Board of Education:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County, Ohio (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County, Ohio, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 3 to the financial statements, the District restated the July 1, 2015 net position of governmental activities to account for changes in accounting for capital assets. 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*, and schedules of net pension liabilities and pension 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 these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2016, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 16, 2016





# PIQUA CITY SCHOOL DISTRICT

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016*

*Unaudited*

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The discussion and analysis of Piqua City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2016. 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 financial performance.

## **FINANCIAL HIGHLIGHTS**

Key financial highlights for fiscal year 2016 are as follows:

- ❑ In total, net position increased \$5,094. Net position of governmental activities decreased \$9,823, which represents less than a 1% change from fiscal year 2015. Net position of business-type activities increased \$14,917, which represents a 1% increase from fiscal year 2015.
- ❑ General revenues accounted for \$37,545,966, or 85% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for \$6,497,655 or 15% of total revenues of \$44,043,621.
- ❑ The District had \$42,420,112 in expenses related to governmental activities; only \$4,864,323 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes) of \$37,545,966 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$35,144,781 in revenues and \$31,518,602 in expenditures. The general fund's fund balance increased from a balance of \$12,505,659 to an ending balance of \$16,267,908.
- ❑ Net position of the enterprise fund increased \$19,450.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

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

# PIQUA CITY SCHOOL DISTRICT

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016*

*Unaudited*

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## **Government-wide Statements**

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

The two government-wide statements report the District's net position and how it has changed. Net position is one way to measure the District's financial health.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, student enrollment growth and facility conditions.

The government-wide financial statements of the District are divided into two categories:

- Governmental Activities – Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District's food service fund is reported as business-type activities.

## **Fund Financial Statements**

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

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

## **PIQUA CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016**

**Unaudited**

**Proprietary Funds** – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

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

### **FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

The following table provides a summary of the District's net position for fiscal year 2016 compared to fiscal year 2015:

	Governmental Activities		Business-type Activities		Total	
	2016	Restated 2015	2016	2015	2016	2015
Current and other Assets	\$43,040,225	\$44,580,882	\$1,515,981	\$1,425,024	\$44,556,206	\$46,005,906
Capital Assets, Net	69,846,587	71,586,851	431,625	483,878	70,278,212	72,070,729
Total Assets	<u>112,886,812</u>	<u>116,167,733</u>	<u>1,947,606</u>	<u>1,908,902</u>	<u>114,834,418</u>	<u>118,076,635</u>
Deferred Outflows of Resources	<u>5,592,394</u>	<u>2,612,491</u>	<u>166,314</u>	<u>51,763</u>	<u>5,758,708</u>	<u>2,664,254</u>
Net Pension Liability	41,215,126	34,912,318	773,306	582,850	41,988,432	35,495,168
Other Long-term Liabilities	36,706,587	38,420,702	82,084	75,962	36,788,671	38,496,664
Other Liabilities	3,054,331	5,337,237	113,217	102,480	3,167,548	5,439,717
Total Liabilities	<u>80,976,044</u>	<u>78,670,257</u>	<u>968,607</u>	<u>761,292</u>	<u>81,944,651</u>	<u>79,431,549</u>
Deferred Inflows of Resources	<u>14,494,924</u>	<u>17,091,906</u>	<u>25,622</u>	<u>94,599</u>	<u>14,520,546</u>	<u>17,186,505</u>
Net Position						
Net Investment in Capital Assets	35,233,032	35,412,859	431,625	483,878	35,664,657	35,896,737
Restricted	9,351,558	12,619,152	0	0	9,351,558	12,619,152
Unrestricted	<u>(21,576,352)</u>	<u>(25,013,950)</u>	<u>688,066</u>	<u>620,896</u>	<u>(20,888,286)</u>	<u>(24,393,054)</u>
Total Net Position	<u>\$23,008,238</u>	<u>\$23,018,061</u>	<u>\$1,119,691</u>	<u>\$1,104,774</u>	<u>\$24,127,929</u>	<u>\$24,122,835</u>

## ***PIQUA CITY SCHOOL DISTRICT***

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***Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016***

***Unaudited***

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The implementation of GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," in fiscal year 2015, significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the District's proportionate share of each plan's collective:

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

GASB notes that pension 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. GASB noted that the unfunded portion of this pension 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 District is not responsible for certain key factors affecting the balance of this liability. 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 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 pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system 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 pension system is responsible for the administration of the plan.

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. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, 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 pension 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 is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

## PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis  
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**Unaudited**

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

Changes in Net Position – The following table shows the changes in net position for fiscal year 2016 compared to fiscal year 2015:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,154,283	\$1,248,100	\$469,789	\$384,424	\$1,624,072	\$1,632,524
Operating Grants	3,710,040	5,283,836	1,163,543	1,237,888	4,873,583	6,521,724
Capital Grants	0	6,000	0	0	0	6,000
Total Program Revenues	<u>4,864,323</u>	<u>6,537,936</u>	<u>1,633,332</u>	<u>1,622,312</u>	<u>6,497,655</u>	<u>8,160,248</u>
General Revenues:						
Property Taxes	12,282,987	12,427,770	0	0	12,282,987	12,427,770
Income Taxes	5,947,908	5,624,996	0	0	5,947,908	5,624,996
Intergovernmental, Unrestricted	18,509,553	17,551,947	0	0	18,509,553	17,551,947
Other	805,518	631,713	0	0	805,518	631,713
Total General Revenues	<u>37,545,966</u>	<u>36,236,426</u>	<u>0</u>	<u>0</u>	<u>37,545,966</u>	<u>36,236,426</u>
Total Revenues	<u>42,410,289</u>	<u>42,774,362</u>	<u>1,633,332</u>	<u>1,622,312</u>	<u>44,043,621</u>	<u>44,396,674</u>
Program Expenses						
Instruction	23,331,406	23,167,197	0	0	23,331,406	23,167,197
Support Services:						
Pupils	1,281,827	1,105,305	0	0	1,281,827	1,105,305
Instructional Staff	2,019,011	2,929,248	0	0	2,019,011	2,929,248
Board of Education	41,484	40,010	0	0	41,484	40,010
Administration	2,380,233	2,695,336	0	0	2,380,233	2,695,336
Fiscal Services	672,639	687,199	0	0	672,639	687,199
Business	491	503	0	0	491	503
Operation and Maintenance of Plant	6,566,039	3,166,532	0	0	6,566,039	3,166,532
Pupil Transportation	1,653,836	1,580,322	0	0	1,653,836	1,580,322
Central	2,106,009	1,369,176	0	0	2,106,009	1,369,176
Operation of Non-Instructional Services	180,753	191,076	0	0	180,753	191,076
Extracurricular Activities	898,912	985,661	0	0	898,912	985,661
Interest and Fiscal Charges	1,287,472	1,419,981	0	0	1,287,472	1,419,981
Food Service	0	0	1,618,415	1,772,835	1,618,415	1,772,835
Total Expenses	<u>42,420,112</u>	<u>39,337,546</u>	<u>1,618,415</u>	<u>1,772,835</u>	<u>44,038,527</u>	<u>41,110,381</u>
Change in Net Position Before Transfers	(9,823)	3,436,816	14,917	(150,523)	5,094	3,286,293
Transfers	0	(431,580)	0	431,580	0	0
Change in Net Position	(9,823)	3,005,236	14,917	281,057	5,094	3,286,293
Beginning Net Position - Restated	23,018,061	20,012,825	1,104,774	823,717	24,122,835	20,836,542
Ending Net Position	<u>\$23,008,238</u>	<u>\$23,018,061</u>	<u>\$1,119,691</u>	<u>\$1,104,774</u>	<u>\$24,127,929</u>	<u>\$24,122,835</u>

# ***PIQUA CITY SCHOOL DISTRICT***

***Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016***

***Unaudited***

***Governmental Activities***

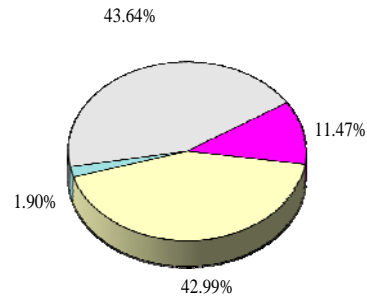
Net position of the District's governmental activities decreased \$9,823. A decrease in operating grants and contributions can be attributed to a decrease in Straight A Grant Funding. An increase in State school foundation monies contributed to an increase in unrestricted intergovernmental revenues. An increase in expenses can be attributed to costs associated with the demolition of several school buildings.

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the 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. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. The District's assessed millage has already been reduced to the 20 mill floor. Consequently, the District will receive some increased revenues as property values increase with reappraisals.

The District also receives an income tax, which is based on 1.25% of all salaries, wages, commissions and other compensation and on net profits earned from residents living within the District.

Property taxes and income taxes made up 29% and 14% respectively of revenues for governmental activities in fiscal year 2016. The District's reliance upon tax revenues is demonstrated by the following graph indicating 43% of total revenues from general tax revenues:

Revenue Sources	2016	Percent of Total
General Grants	\$18,509,553	43.64%
Program Revenues	4,864,323	11.47%
General Tax Revenues	18,230,895	42.99%
General Other	805,518	1.90%
Total Revenue	<u>\$42,410,289</u>	<u>100.00%</u>



***Business-Type Activities***

Net position of the business-type activities increased \$14,917 or approximately 1%. These programs had revenues of \$1,633,332 and expenses of \$1,618,415 for fiscal year 2016. Business-type activities receive no support from tax revenues and remain self-supporting.

## ***PIQUA CITY SCHOOL DISTRICT***

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016*

*Unaudited*

### **FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

The District's governmental funds reported a combined fund balance of \$24,703,606, which is above last year's total of \$24,694,574. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2016 and 2015.

	Fund Balance June 30, 2016	Fund Balance June 30, 2015	Increase (Decrease)
General	\$16,267,908	\$12,505,659	\$3,762,249
Bond Retirement	3,023,881	2,908,916	114,965
Other Governmental	5,411,817	9,279,999	(3,868,182)
Total	\$24,703,606	\$24,694,574	\$9,032

*Bond Retirement Fund* – The Bond Retirement Fund balance increased approximately 4% during fiscal year 2016. Revenues and expenditures remained consistent with the previous year.

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

	2016 Revenues	2015 Revenues	Increase (Decrease)
Taxes	\$14,876,138	\$14,767,803	\$108,335
Tuition	499,535	463,230	36,305
Transportation Fees	45,393	49,931	(4,538)
Investment Earnings	298,285	16,480	281,805
Extracurricular Activities	81,876	90,589	(8,713)
Class Materials and Fees	122,830	126,744	(3,914)
Intergovernmental - State	18,482,957	17,623,309	859,648
Intergovernmental - Federal	390,331	256,116	134,215
All Other Revenue	347,436	72,612	274,824
Total	\$35,144,781	\$33,466,814	\$1,677,967

General Fund revenues in fiscal year 2016 increased approximately 5% when compared with revenues in fiscal year 2015. The increase in intergovernmental state revenues can be attributed to increases in State school foundation monies. An increase in intergovernmental federal revenues can be attributed to increased Medicaid reimbursements. Changes in the fair value of investments resulted in the increase in investment earnings.

## *PIQUA CITY SCHOOL DISTRICT*

*Management's Discussion and Analysis  
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*Unaudited*

	2016 Expenditures	2015 Expenditures	Increase (Decrease)
Current:			
Instruction	\$20,615,504	\$20,514,035	\$101,469
Supporting Services:			
Pupils	1,306,091	1,135,964	170,127
Instructional Staff	1,872,201	1,702,365	169,836
Board of Education	41,484	40,010	1,474
Administration	2,369,741	2,742,711	(372,970)
Fiscal Services	619,473	630,765	(11,292)
Operation and Maintenance of Plant	2,690,060	3,166,472	(476,412)
Pupil Transportation	1,337,013	1,435,769	(98,756)
Central	233,052	207,876	25,176
Extracurricular Activities	407,453	406,865	588
Debt Service:			
Principal Retirement	21,555	0	21,555
Interest and Fiscal Charges	4,975	0	4,975
Total	\$31,518,602	\$31,982,832	(\$464,230)

General Fund expenditures remained stable, decreasing \$464,230 or approximately 1%. A decrease in expenditures for administration can partly be attributed to decreases in insurance costs, due to lower claims and rates. Operation and maintenance of plant decreased due to a decrease in the overall number of school buildings, as well as decreases in gas prices.

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

During the course of fiscal year 2016 the District amended its General Fund budget several times. Final budgeted revenue estimates were 3% more than original estimates due to increases in investment earnings, State foundation monies, and Federal reimbursements. Actual budget basis revenue of \$35.0 million was equal to final budget estimates. Original budgeted expenditures, final budgeted expenditures and actual budget basis expenditures were not significantly different.



## PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis  
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*Unaudited*

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### *Capital Assets*

At the end of fiscal year 2016 the District had \$70,278,212 net of accumulated depreciation invested in land, buildings, improvements, equipment and vehicles. Of this total, \$69,846,587 was related to governmental activities and \$431,625 to the business-type activities. The following tables show fiscal year 2016 and 2015 balances:

	Governmental Activities		Increase (Decrease)
	2016	Restated 2015	
	Land	\$314,811	\$314,811
Land Improvements	6,321,195	6,233,412	87,783
Buildings and Improvements	75,534,085	75,534,085	0
Machinery and Equipment	2,599,431	2,376,189	223,242
Vehicles	2,341,880	2,341,880	0
Less: Accumulated Depreciation	(17,264,815)	(15,213,526)	(2,051,289)
Totals	\$69,846,587	\$71,586,851	(\$1,740,264)

	Business-Type Activities		Increase (Decrease)
	2016	2015	
	Machinery and Equipment	\$814,300	\$814,300
Less: Accumulated Depreciation	(382,675)	(330,422)	(52,253)
Totals	\$431,625	\$483,878	(\$52,253)

Additions to capital assets in fiscal year 2016 included a concert grand piano, LED exterior displays, and various maintenance and cleaning equipment. Additional information on the District's capital assets can be found in Note 9.

## **PIQUA CITY SCHOOL DISTRICT**

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**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016**

**Unaudited**

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### **Debt**

At June 30, 2016, the District had \$30.8 million in bonds outstanding, \$1,635,000 due within one year. In addition, the District had \$3.8 million in certificates of participation outstanding. The following table summarizes the District's long term obligations as of June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Governmental Activities:		
General Obligation Bonds:		
2015 School Improvement Refunding	\$4,106,146	\$5,110,182
2012 School Facility Construction	26,699,657	27,397,559
Certificates of Participation	3,770,000	3,770,000
Capital Leases Payable	120,751	0
Net Pension Liability	41,215,126	34,912,318
Compensated Absences	2,010,033	2,142,961
Total Governmental Activities	<u>77,921,713</u>	<u>73,333,020</u>
Business-Type Activities:		
Net Pension Liability	773,306	582,850
Compensated Absences	82,084	75,962
Total Business-Type Activities	<u>855,390</u>	<u>658,812</u>
Totals	<u>\$78,777,103</u>	<u>\$73,991,832</u>

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2016, the District's overall legal debt margin was below the legal limit. Additional information on the District's long-term debt can be found in Note 13.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Like most public school districts in Ohio, the Piqua City School District relies on its property and income taxes along with state and federal aid to provide the funds necessary to maintain its educational programs. In recent years residential growth in Piqua has been for the most part nonexistent, the economy of the community has been impacted by the national, state and local economic pressures and the school district income tax has been affected by a stagnant economy. As a result, the school district has been forced to reduce costs. The Board of Education's willingness to confront difficult decisions regarding the instructional programs and staffing coupled with the community's willingness to provide additional funding has resulted in the stabilization of the District's financial condition.

In order to maintain the District's commitment to a strong educational program, we asked our community to renew our expiring 5 year emergency levy on May 7, 2013. The approval of this levy renewal allows Piqua City Schools to maintain our Commitment to Excellence. The Board placed a renewal of its 5 year permanent improvement levy on the ballot on May 6, 2014. The community continued to show its support toward the District with the approval of both of these issues. On November 8, 2011 voters passed a 4.92 mill levy which will provide the local share needed to construct two new pre-kindergarten to third grade buildings and one fourth through sixth grade building.

## ***PIQUA CITY SCHOOL DISTRICT***

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***Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016***

***Unaudited***

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We are in the second year of a new State of Ohio biannual budget. The budget and school funding formula has helped produce more revenue to the District through state aid. However, this aid is only for a two year period of time and the formula is not fully funded. We will continue to monitor developments on school funding and hope for a long term solution to school funding in Ohio.

In conclusion, the Piqua City School District has committed itself to financial excellence for many years. We will continue to make management decisions that will keep the District out of deficit spending, while at the same time making sure every dollar possible goes to classroom instruction.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jeremie Hittle, Treasurer of Piqua City School District.

**PIQUA CITY SCHOOL DISTRICT**

**Statement of Net Position**  
**June 30, 2016**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Pooled Cash and Investments	\$ 25,675,671	\$ 1,167,678	\$ 26,843,349
Receivables:			
Taxes	15,809,135	0	15,809,135
Accounts	3,394	0	3,394
Intergovernmental	565,788	0	565,788
Interest	631	0	631
Internal Balance	(265,156)	265,156	0
Inventory of Supplies at Cost	0	83,147	83,147
Restricted Assets:			
Cash with Fiscal Agent	762	0	762
Investments	1,250,000	0	1,250,000
Non-Depreciable Capital Assets	314,811	0	314,811
Depreciable Capital Assets, Net	69,531,776	431,625	69,963,401
<b>Total Assets</b>	<b>112,886,812</b>	<b>1,947,606</b>	<b>114,834,418</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Loss on Early Retirement of Debt	82,999	0	82,999
Pension:			
STRS	4,743,035	0	4,743,035
SERS	766,360	166,314	932,674
<b>Total Deferred Outflows of Resources</b>	<b>5,592,394</b>	<b>166,314</b>	<b>5,758,708</b>
<b>Liabilities:</b>			
Accounts Payable	106,795	2,450	109,245
Accrued Wages and Benefits	2,288,595	94,950	2,383,545
Intergovernmental Payable	437,110	15,817	452,927
Contracts Payable	47,835	0	47,835
Matured Bonds and Interest Payable	762	0	762
Accrued Interest Payable	173,234	0	173,234
Long Term Liabilities:			
Due Within One Year	1,746,899	0	1,746,899
Due in More Than One Year:			
Net Pension Liability	41,215,126	773,306	41,988,432
Other Amounts Due in More Than One Year	34,959,688	82,084	35,041,772
<b>Total Liabilities</b>	<b>80,976,044</b>	<b>968,607</b>	<b>81,944,651</b>
<b>Deferred Inflows of Resources:</b>			
Property Tax Levy for Next Fiscal Year	11,716,558	0	11,716,558
Pension:			
STRS	2,471,827	0	2,471,827
SERS	306,539	25,622	332,161
<b>Total Deferred Inflows of Resources</b>	<b>14,494,924</b>	<b>25,622</b>	<b>14,520,546</b>

**PIQUA CITY SCHOOL DISTRICT**

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	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	35,233,032	431,625	35,664,657
Restricted For:			
Capital Projects	4,659,193	0	4,659,193
Debt Service	2,957,907	0	2,957,907
Other Purposes	1,670,987	0	1,670,987
Permanent Fund:			
Expendable	15,552	0	15,552
Nonexpendable	47,919	0	47,919
Unrestricted (Deficit)	(21,576,352)	688,066	(20,888,286)
<b>Total Net Position</b>	<u>\$ 23,008,238</u>	<u>\$ 1,119,691</u>	<u>\$ 24,127,929</u>

See accompanying notes to the basic financial statements

# PIQUA CITY SCHOOL DISTRICT

## Statement of Activities For the Fiscal Year Ended June 30, 2016

	Expenses	Program Revenues	
		Charges for Services and Sales	Operating Grants and Contributions
<b>Governmental Activities:</b>			
Instruction	\$ 23,331,406	\$ 704,407	\$ 3,211,898
Support Services:			
Pupils	1,281,827	82	439
Instructional Staff	2,019,011	0	100,067
Board of Education	41,484	0	0
Administration	2,380,233	0	4,564
Fiscal Services	672,639	0	0
Business	491	0	0
Operation and Maintenance of Plant	6,566,039	0	0
Pupil Transportation	1,653,836	45,393	2,412
Central	2,106,009	0	0
Operation of Non-Instructional Services	180,753	0	202,133
Extracurricular Activities	898,912	404,401	0
Interest and Fiscal Charges	1,287,472	0	188,527
<b>Total Governmental Activities</b>	42,420,112	1,154,283	3,710,040
<b>Business-Type Activities:</b>			
Food Service	1,618,415	469,789	1,163,543
<b>Total Business-Type Activities</b>	1,618,415	469,789	1,163,543
<b>Totals</b>	\$ 44,038,527	\$ 1,624,072	\$ 4,873,583

### General Revenues

#### Taxes:

- Property Taxes levied for: General Purposes
- Property Taxes levied for: Facilities Maintenance
- Property Taxes levied for: Debt Service
- Property Taxes levied for: Capital Outlay

Income Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year - Restated

Net Position End of Year

See accompanying notes to the basic financial statements

## *PIQUA CITY SCHOOL DISTRICT*

Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (19,415,101)	\$ 0	\$ (19,415,101)
(1,281,306)	0	(1,281,306)
(1,918,944)	0	(1,918,944)
(41,484)	0	(41,484)
(2,375,669)	0	(2,375,669)
(672,639)	0	(672,639)
(491)	0	(491)
(6,566,039)	0	(6,566,039)
(1,606,031)	0	(1,606,031)
(2,106,009)	0	(2,106,009)
21,380	0	21,380
(494,511)	0	(494,511)
(1,098,945)	0	(1,098,945)
(37,555,789)	0	(37,555,789)
0	14,917	14,917
0	14,917	14,917
\$ (37,555,789)	\$ 14,917	\$ (37,540,872)
9,016,592	0	9,016,592
158,350	0	158,350
2,224,789	0	2,224,789
883,256	0	883,256
5,947,908	0	5,947,908
18,509,553	0	18,509,553
270,484	0	270,484
535,034	0	535,034
37,545,966	0	37,545,966
(9,823)	14,917	5,094
23,018,061	1,104,774	24,122,835
\$ 23,008,238	\$ 1,119,691	\$ 24,127,929

## PIQUA CITY SCHOOL DISTRICT

**Balance Sheet**  
**Governmental Funds**  
**June 30, 2016**

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Pooled Cash and Investments	\$ 15,553,438	\$ 1,500,847	\$ 5,789,796	\$ 22,844,081
Receivables:				
Taxes	12,145,796	2,498,951	1,164,388	15,809,135
Accounts	160	0	3,234	3,394
Intergovernmental	72,491	0	493,297	565,788
Interest	0	0	631	631
Interfund Loans Receivable	203,975	0	0	203,975
Restricted Assets:				
Cash with Fiscal Agent	0	762	0	762
Investments	0	1,250,000	0	1,250,000
<b>Total Assets</b>	<b>\$ 27,975,860</b>	<b>\$ 5,250,560</b>	<b>\$ 7,451,346</b>	<b>\$ 40,677,766</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 84,939	\$ 0	\$ 21,856	\$ 106,795
Accrued Wages and Benefits	2,095,972	0	192,623	2,288,595
Intergovernmental Payable	405,722	0	31,388	437,110
Contracts Payable	0	0	47,835	47,835
Matured Bonds and Interest Payable	0	762	0	762
Interfund Loans Payable	0	0	203,975	203,975
Compensated Absences Payable	73,705	0	11,240	84,945
<b>Total Liabilities</b>	<b>2,660,338</b>	<b>762</b>	<b>508,917</b>	<b>3,170,017</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	437,047	107,260	543,278	1,087,585
Property Tax Levy for Next Fiscal Year	8,610,567	2,118,657	987,334	11,716,558
<b>Total Deferred Inflows of Resources</b>	<b>9,047,614</b>	<b>2,225,917</b>	<b>1,530,612</b>	<b>12,804,143</b>
<b>Fund Balance:</b>				
Nonspendable	0	0	47,919	47,919
Restricted	0	3,023,881	5,802,454	8,826,335
Assigned	1,062,004	0	0	1,062,004
Unassigned	15,205,904	0	(438,556)	14,767,348
<b>Total Fund Balance</b>	<b>16,267,908</b>	<b>3,023,881</b>	<b>5,411,817</b>	<b>24,703,606</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 27,975,860</b>	<b>\$ 5,250,560</b>	<b>\$ 7,451,346</b>	<b>\$ 40,677,766</b>

See accompanying notes to the basic financial statements



## *PIQUA CITY SCHOOL DISTRICT*

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### *Reconciliation of Total Governmental Fund Balances To Net Position of Governmental Activities June 30, 2016*

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<b>Total Governmental Fund Balances</b>		\$ 24,703,606
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		69,846,587
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		1,087,585
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	5,509,395	
Deferred Inflows - Pension	(2,778,366)	
Net Pension Liability	<u>(41,215,126)</u>	(38,484,097)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		2,566,434
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds Payable	(30,805,803)	
Certificates of Participation	(3,770,000)	
Deferred Loss on Early Retirement of Debt	82,999	
Capital Leases Payable	(120,751)	
Compensated Absences Payable	(1,925,088)	
Accrued Interest Payable	<u>(173,234)</u>	<u>(36,711,877)</u>
<b><i>Net Position of Governmental Activities</i></b>		<b><u><u>\$ 23,008,238</u></u></b>

See accompanying notes to the basic financial statements

## PIQUA CITY SCHOOL DISTRICT

### Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Fiscal Year Ended June 30, 2016

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 14,876,138	\$ 2,203,036	\$ 1,032,180	\$ 18,111,354
Tuition	499,535	0	0	499,535
Transportation Fees	45,393	0	0	45,393
Investment Earnings	298,285	3,934	(31,653)	270,566
Extracurricular Activities	81,876	0	404,401	486,277
Class Materials and Fees	122,830	0	166	122,996
Intermediate Sources	0	0	9,829	9,829
Intergovernmental - State	18,482,957	416,241	763,650	19,662,848
Intergovernmental - Federal	390,331	188,527	1,969,064	2,547,922
All Other Revenue	347,436	0	187,598	535,034
<b>Total Revenues</b>	<b>35,144,781</b>	<b>2,811,738</b>	<b>4,335,235</b>	<b>42,291,754</b>
<b>Expenditures:</b>				
Current:				
Instruction	20,615,504	0	2,710,787	23,326,291
Supporting Services:				
Pupils	1,306,091	0	11,507	1,317,598
Instructional Staff	1,872,201	0	104,243	1,976,444
Board of Education	41,484	0	0	41,484
Administration	2,369,741	0	7,579	2,377,320
Fiscal Services	619,473	38,441	18,072	675,986
Operation and Maintenance of Plant	2,690,060	0	51,575	2,741,635
Pupil Transportation	1,337,013	0	236,081	1,573,094
Central	233,052	0	0	233,052
Operation of Non-Instructional Services	0	0	170,791	170,791
Extracurricular Activities	407,453	0	475,096	882,549
Capital Outlay	0	0	4,109,029	4,109,029
Debt Service:				
Principal Retirement	21,555	1,640,000	0	1,661,555
Interest and Fiscal Charges	4,975	1,331,781	0	1,336,756
<b>Total Expenditures</b>	<b>31,518,602</b>	<b>3,010,222</b>	<b>7,894,760</b>	<b>42,423,584</b>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	3,626,179	(198,484)	(3,559,525)	(131,830)

**PIQUA CITY SCHOOL DISTRICT**

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	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources-Capital Leases	142,306	0	0	142,306
Transfers In	1,264	314,746	102,022	418,032
Transfers Out	(6,056)	(1,297)	(410,679)	(418,032)
<b>Total Other Financing Sources (Uses)</b>	<u>137,514</u>	<u>313,449</u>	<u>(308,657)</u>	<u>142,306</u>
Net Change in Fund Balance	3,763,693	114,965	(3,868,182)	10,476
<b>Fund Balance at Beginning of Year</b>	12,505,659	2,908,916	9,279,999	24,694,574
Decrease in Inventory	(1,444)	0	0	(1,444)
<b>Fund Balance End of Year</b>	<u>\$ 16,267,908</u>	<u>\$ 3,023,881</u>	<u>\$ 5,411,817</u>	<u>\$ 24,703,606</u>

See accompanying notes to the basic financial statements

## ***PIQUA CITY SCHOOL DISTRICT***

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***Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds  
To the Statement of Activities  
For the Fiscal Year Ended June 30, 2016***

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$ 10,476
<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(1,740,264)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	118,535
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	2,436,888
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities	(2,194,944)
The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,560,437
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	8,096
Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(119,200)
The internal service funds are used by management to charge the costs of services to individual funds and is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.	<u>(89,847)</u>
<b><i>Change in Net Position of Governmental Activities</i></b>	<b><u>\$ (9,823)</u></b>

See accompanying notes to the basic financial statements



## PIQUA CITY SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 14,994,504	\$ 15,073,471	\$ 15,073,471	\$ 0
Tuition	401,825	499,535	499,535	0
Transportation Fees	47,500	45,478	45,478	0
Investment Earnings	15,000	279,077	279,077	0
Class Material and Fees	134,138	122,975	122,975	0
Intergovernmental - State	18,057,483	18,482,957	18,482,957	0
Intergovernmental - Federal	200,000	369,319	369,319	0
All Other Revenues	199,782	169,818	169,818	0
Total Revenues	34,050,232	35,042,630	35,042,630	0
<b>Expenditures:</b>				
Current:				
Instructional Services:				
Regular	14,889,217	14,823,865	14,822,255	1,610
Special	6,479,897	5,296,360	5,296,360	0
Other	676,082	774,708	774,708	0
Support Services:				
Pupils	1,657,760	1,519,366	1,519,366	0
Instructional Staff	1,772,621	2,040,166	2,039,011	1,155
Board of Education	40,139	43,140	43,140	0
Administration	2,695,883	2,599,478	2,593,659	5,819
Fiscal Services	423,660	653,739	651,500	2,239
Operation and Maintenance of Plant	3,266,112	3,009,426	3,009,426	0
Pupil Transportation	1,445,200	1,406,477	1,404,621	1,856
Central	215,302	241,254	241,254	0
Extracurricular Activities	417,757	409,099	409,099	0
Total Expenditures	33,979,630	32,817,078	32,804,399	12,679
Excess (Deficiency) of Revenues Over (Under) Expenditures	70,602	2,225,552	2,238,231	12,679

**PIQUA CITY SCHOOL DISTRICT**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	1,264	1,264	0
Transfers Out	0	(6,056)	(6,056)	0
Advances In	0	1,103,926	1,103,926	0
Advances Out	0	(203,975)	(203,975)	0
Refund of Prior Year's Expenditures	22,650	569,386	569,386	0
Refund of Prior Year's Receipts	(1,500)	0	0	0
Total Other Financing Sources (Uses):	<u>21,150</u>	<u>1,464,545</u>	<u>1,464,545</u>	<u>0</u>
 Net Change in Fund Balance	 91,752	 3,690,097	 3,702,776	 12,679
 Fund Balance at Beginning of Year	 10,335,547	 10,335,547	 10,335,547	 0
Prior Year Encumbrances	318,015	318,015	318,015	0
Fund Balance at End of Year	<u>\$ 10,745,314</u>	<u>\$ 14,343,659</u>	<u>\$ 14,356,338</u>	<u>\$ 12,679</u>

See accompanying notes to the basic financial statements

**PIQUA CITY SCHOOL DISTRICT**

**Statement of Net Position  
Proprietary Funds  
June 30, 2016**

	Business-Type Activities Enterprise Fund Food Service	Governmental Activities Internal Service Fund
<b>Assets:</b>		
<i>Current Assets:</i>		
Pooled Cash and Investments	\$ 1,167,678	\$ 2,831,590
Inventory of Supplies at Cost	83,147	0
<i>Total Current Assets</i>	1,250,825	2,831,590
<i>Non Current Assets:</i>		
Capital Assets, Net	431,625	0
<b>Total Assets</b>	1,682,450	2,831,590
<b>Deferred Outflows of Resources:</b>		
Pension:		
SERS	166,314	0
<b>Total Deferred Outflows of Resources</b>	166,314	0
<b>Liabilities:</b>		
<i>Current Liabilities:</i>		
Accounts Payable	2,450	0
Accrued Wages and Benefits	94,950	0
Intergovernmental Payable	15,817	0
<i>Total Current Liabilities</i>	113,217	0
<i>Long Term Liabilities:</i>		
Compensated Absences Payable	82,084	0
Net Pension Liability	773,306	0
<i>Total Long Term Liabilities</i>	855,390	0
<b>Total Liabilities</b>	968,607	0
<b>Deferred Inflows of Resources:</b>		
Pension:		
SERS	25,622	0
<b>Total Deferred Inflows of Resources</b>	25,622	0
<b>Net Position:</b>		
Investment in Capital Assets	431,625	0
Unrestricted	422,910	2,831,590
<b>Total Net Position</b>	\$ 854,535	\$ 2,831,590
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund.		
	265,156	
Net Position of Business-type Activities	\$ 1,119,691	

See accompanying notes to the basic financial statements



**PIQUA CITY SCHOOL DISTRICT**

**Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2016**

	Business-Type Activities	Governmental Activities
	Enterprise Fund Food Service	Internal Service Fund
<b>Operating Revenues:</b>		
Sales	\$ 468,416	\$ 0
Interfund Charges	0	225,473
<b>Total Operating Revenues</b>	<b>468,416</b>	<b>225,473</b>
<b>Operating Expenses:</b>		
Salaries and Wages	595,043	0
Fringe Benefits	293,636	293,807
Contractual Services	32,127	24,823
Supplies and Materials	640,823	1,223
Depreciation	52,253	0
<b>Total Operating Expenses</b>	<b>1,613,882</b>	<b>319,853</b>
Operating Loss	(1,145,466)	(94,380)
<b>Nonoperating Revenues (Expenses):</b>		
Operating Grants	1,163,543	0
Investment Earnings	1,373	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>1,164,916</b>	<b>0</b>
<b>Change in Net Position</b>	<b>19,450</b>	<b>(94,380)</b>
Net Position Beginning of Year	835,085	2,925,970
Net Position End of Year	<b>\$ 854,535</b>	<b>\$ 2,831,590</b>
Change in Net Position - Total Enterprise Funds	19,450	
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund.	(4,533)	
Change in Net Position - Total Business-type Activities	<b>\$ 14,917</b>	

See accompanying notes to the basic financial statements

**PIQUA CITY SCHOOL DISTRICT**

**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Business-Type</u> <u>Activities</u>	<u>Governmental</u> <u>Activities</u>
	<u>Enterprise Fund</u>	<u>Internal</u>
	<u>Food Service</u>	<u>Service Fund</u>
<u>Cash Flows from Operating Activities:</u>		
Cash Received from Customers	\$468,416	\$0
Cash Received from Interfund Charges	0	225,473
Cash Payments for Goods and Services	(618,082)	(26,046)
Cash Payments to Employees for Services and Benefits	(866,975)	(293,807)
Net Cash Used by Operating Activities	(1,016,641)	(94,380)
<u>Cash Flows from Noncapital Financing Activities:</u>		
Operating Grants Received	1,055,099	0
Net Cash Provided by Noncapital Financing Activities	1,055,099	0
<u>Cash Flows from Investing Activities:</u>		
Receipts of Interest	1,373	0
Net Cash Provided by Investing Activities	1,373	0
Net Increase (Decrease) in Cash and Cash Equivalents	39,831	(94,380)
Cash and Cash Equivalents at Beginning of Year	1,127,847	2,925,970
Cash and Cash Equivalents at End of Year	\$1,167,678	\$2,831,590
<u>Reconciliation of Operating Loss to Net Cash</u>		
<u>Used by Operating Activities:</u>		
Operating Loss	(\$1,145,466)	(\$94,380)
Adjustments to Reconcile Operating Loss to		
Net Cash Used by Operating Activities:		
Depreciation Expense	52,253	0
Donated Commodities Used During the Year	108,444	0
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:		
Increase in Inventory	(55,659)	0
Increase in Deferred Outflows	(114,551)	0
Increase in Accounts Payable	2,083	0
Increase in Accrued Wages and Benefits	8,870	0
Decrease in Intergovernmental Payables	(216)	0
Increase in Compensated Absences	6,122	0
Decrease in Deferred Inflows	(68,977)	0
Increase in Net Pension Liability	190,456	0
Total Adjustments	128,825	0
Net Cash Used by Operating Activities	(\$1,016,641)	(\$94,380)

See accompanying notes to the basic financial statements

**PIQUA CITY SCHOOL DISTRICT**

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**Statement of Net Position**  
**Fiduciary Funds**  
**June 30, 2016**

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	Private Purpose Trust	
	Special Trust Fund	Agency
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 304,217	\$ 54,879
Investments	158,732	0
Investments with Fiscal Agent	359,551	0
Receivables:		
Interest	1,208	0
<b>Total Assets</b>	<u>823,708</u>	<u>54,879</u>
<b>Liabilities:</b>		
Due to Students	<u>0</u>	<u>54,879</u>
<b>Total Liabilities</b>	<u>0</u>	<u>54,879</u>
<b>Net Position:</b>		
Held in Trust	823,708	0
<b>Total Net Position</b>	<u>\$ 823,708</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

**PIQUA CITY SCHOOL DISTRICT**

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**Statement of Changes in Net Position**  
**Fiduciary Fund**  
**For the Fiscal Year Ended June 30, 2016**

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	Private Purpose Trust <u>Special Trust</u> <u>Fund</u>
<b>Additions:</b>	
Contributions:	
Sales	\$ 480
Private Donations	4,195
Total Contributions	<u>4,675</u>
Investment Earnings:	
Interest	8,799
Net Decrease in the Fair Value of Investments	<u>(46,331)</u>
Total Investment Earnings	<u>(37,532)</u>
Total Additions	<u>(32,857)</u>
<b>Deductions:</b>	
Community Gifts, Awards and Scholarships	<u>15,077</u>
Total Deductions	<u>15,077</u>
Change in Net Position	(47,934)
Net Position at Beginning of Year	<u>871,642</u>
Net Position End of Year	<u>\$ 823,708</u>

See accompanying notes to the basic financial statements

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Reporting Entity**

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

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 122 noncertified and approximately 228 certified teaching personnel and administrative employees providing education to 3,502 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," and Statement No. 39, "*Determining Whether Certain Organizations are Component Units*," in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing board and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on the District. Additionally, the primary government is required to consider other organizations for which the primary government is not financially accountable to determine whether the relationship is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on the foregoing, the District's reporting entity has no component units, and includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings.

The District is a member of the Metropolitan Educational Technology Association, the Southwestern Ohio Educational Purchasing Council, the Southwestern Ohio Instructional Technology Association, the Upper Valley Career Center, and the Educational Regional Service System Region 10. All of the aforementioned entities are jointly governed organizations that provide various services to member school districts, see Note 17 "Jointly Governed Organizations." Sometimes a government may appoint the voting majority of board members for another entity without establishing a bond of financial accountability with that entity that would justify its inclusion as a component unit. Generally accepted accounting principles refer to entities that meet this description as related organizations. The Piqua Public Library was determined to be a related organization, see Note 18.

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **A. Reporting Entity (Continued)**

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

##### **B. Basis of Presentation - Fund Accounting**

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

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

**General Fund** - This fund is the general operating fund of the District and is used to account for all financial resources except those 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** - To account for resources that are used for payment of principal, interest, and fiscal charges on general obligation debt.

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

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **B. Basis of Presentation - Fund Accounting** (Continued)

***Proprietary Funds*** - The proprietary funds are accounted for on an “economic resources” measurement focus. This measurement focus provides that all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of the proprietary funds are included on the statement of net position. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

**Enterprise Funds** - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The District’s major enterprise fund is:

**Food Service Fund** – This fund accounts for the financial transactions related to the food service operations of the District.

**Internal Service Fund** - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis. The Liability Self Insurance Fund accounts for the 10% risk premium applicable to the employee health and dental plans.

***Fiduciary Funds*** – Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary category is split into two classifications: private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District’s own programs. The District’s only trust fund is a private purpose trust that accounts for scholarship programs, gifts and awards for specific students. State law permits the District to appropriate for purposes consistent with the endowment’s intent, net appreciation, both realized and unrealized. The agency funds, which account for student managed activities and athletic tournament monies, are custodial in nature (assets equal liabilities), and do not involve the measurement of results of operation.

#### **C. Basis of Presentation – Financial Statements**

**Government-wide Financial Statements** – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. Other interfund services provided and used are not eliminated. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **C. Basis of Presentation – Financial Statements (Continued)**

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or 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 enterprise fund 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. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

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

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

Private purpose trust funds are reported using the economic resources measurement focus.



## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **D. Basis of Accounting**

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

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

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

Current property taxes measurable at June 30, 2016, and which are not intended to finance fiscal year 2016 operations, have been recorded as deferred inflows of resources. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end.

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

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# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **D. Basis of Accounting (Continued)**

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

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

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

#### **E. Budgetary Process**

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

All funds other than agency funds are legally required to be budgeted and appropriated; however, only the General Fund and Major Special Revenue Funds are required to be reported. The primary level of budgetary control is at the fund level. Supplemental budgetary modifications may only be made by resolution of the Board of Education.

##### **1. Tax Budget**

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

# *PIQUA CITY SCHOOL DISTRICT*

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016*

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **E. Budgetary Process** (Continued)

##### 2. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement as final budget reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2016.

##### 3. Appropriations

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations may be modified during the year. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the final budget. All amendments and modifications are included in final budget amounts presented.

##### 4. Lapsing of Appropriations

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

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**5. Basis of Budgeting**

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

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

	General Fund
GAAP Basis (as reported)	\$3,763,693
Increase (Decrease):	
Accrued Revenues	
at June 30, 2016,	
received during FY 2017	(3,455,079)
Accrued Revenues	
at June 30, 2015,	
received during FY 2016	4,542,235
Accrued Expenditures	
at June 30, 2016,	
paid during FY 2017	2,660,338
Accrued Expenditures	
at June 30, 2015,	
paid during FY 2016	(3,204,097)
Encumbrances Outstanding	(541,000)
Perspective Difference:	
Activity of Funds Reclassified	
for GAAP Reporting Purposes	(63,314)
Budget Basis	\$3,702,776

**F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits and investments with original maturities of less than three months.

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 6, "Cash, Cash Equivalents and Investments."

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District reports its investments at fair value, except for nonparticipating investment contracts (repurchase agreements and certificates of deposit) which are reported at cost. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 6, "Cash, Cash Equivalents and Investments."

#### **H. Inventory**

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased and in the proprietary funds when used.

#### **I. Capital Assets and Depreciation**

Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,500 and an estimated useful life threshold of five or more years.

##### **1. Property, Plant and Equipment - Governmental Activities**

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at fair market value at the date received. The District does not possess any infrastructure. Estimated historical costs for governmental activities capital asset values were initially determined in 1993 by utilizing the services of Industrial Appraisal Company or by identifying historical costs where such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Capital Assets and Depreciation** (Continued)

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Land Improvements	25
Buildings and Improvements	25 - 75
Machinery, Equipment, Vehicles, Furniture and Fixtures	5 - 25

**J. Long-Term Obligations**

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

Obligation	Fund
General Obligation Bonds	Bond Retirement Fund
Certificates of Participation	Bond Retirement Fund*
Capital Leases	General Fund
Compensated Absences	General Fund, Food Service Fund, IDEA-B Fund, Title I Fund, Title II-A Fund

\*Principal and interest payments on the Certificates of Participation are being funded by a transfer from the Permanent Improvement Fund to the Bond Retirement Fund.

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **K. Compensated Absences**

In accordance with GASB Statement No. 16, “*Accounting for Compensated Absences*,” vacation benefits are accrued as a liability when an employee’s right to receive compensation is attributable to services already rendered, and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Administrators and classified staff who work twelve month contracts are granted vacation leave based on length of service and position. Sick leave benefits are accrued as a liability using the vesting method. Employees may earn 15 days of sick leave per year up to a maximum of 270 days. Upon retirement, employees will receive twenty-five percent of the accumulated sick leave up to a maximum of 60 days. The employees are also eligible to receive payment for “earned days”, one additional day of pay for each fiscal year the employee has perfect attendance. The payment for these “earned days” are in addition to the maximum of 60 days. Employees who retire at the end of the year in which they reach a total of thirty years with the state retirement system will receive a bonus equal to 23% of their base salary. The aforementioned severance is added to the bonus and paid over three years. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account “Compensated Absences Payable.” For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. In the government wide statement of net position, “Compensated Absences Payable” is recorded within the “Due within one year” account and the long-term portion of the liability is recorded within the “Due in more than one year” account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

##### **L. Net Position**

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

Of the District’s \$9,351,558 in restricted net position, none is restricted by enabling legislation.

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

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **M. Pensions**

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

#### **N. Interfund Activity**

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

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

#### **O. Restricted Assets**

Restricted assets in the bond retirement fund represent cash and investments set aside for outstanding bonds and coupons not yet redeemed as well as other debt retirement.

#### **P. Fund Balance**

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

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



# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **P. Fund Balance (Continued)**

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

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

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

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

#### **Q. Estimates**

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

# PIQUA CITY SCHOOL DISTRICT

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016*

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **R. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 11.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, pension, and unavailable revenue. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position and explained in Note 11.

#### **S. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales for food service and interfund charges for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **T. Fair Value**

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.

**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**U. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during fiscal year 2016.

**NOTE 2 – COMPLIANCE AND ACCOUNTABILITY**

***Fund Deficits*** - The fund deficits at June 30, 2016 of \$106,663 in the IDEA-B Fund, \$300,459 in the Title I Fund, and \$31,434 in the Title II-A Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

**NOTE 3 – RESTATEMENT OF NET POSITION**

Certain adjustments were necessary to beginning of year net position to account for changes in accounting for capital assets.

The adjustments to capital assets had the following effect on net position as reported June 30, 2015:

	Governmental Activities
Net position June 30, 2015	\$23,528,449
Capital Asset Adjustments	(510,388)
Restated Net Position June 30, 2015	<u>\$23,018,061</u>

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**PIQUA CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2016**

**NOTE 4 – FUND BALANCES**

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

Fund Balances	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Endowments	\$0	\$0	\$47,919	\$47,919
Total Nonspendable	<u>0</u>	<u>0</u>	<u>47,919</u>	<u>47,919</u>
Restricted:				
Endowments	0	0	15,552	15,552
Classroom Facilities Maintenance	0	0	863,993	863,993
Conflict Management	0	0	704	704
Auxiliary Services	0	0	42,594	42,594
Extracurricular Activities	0	0	330,900	330,900
Technology Improvements	0	0	500	500
Targeted Academic Assistance	0	0	45,752	45,752
Debt Service Payments	0	3,023,881	0	3,023,881
Capital Acquisition and Improvement	0	0	4,502,459	4,502,459
Total Restricted	<u>0</u>	<u>3,023,881</u>	<u>5,802,454</u>	<u>8,826,335</u>
Assigned:				
Public School Support	569,270	0	0	569,270
Services and Supplies	492,734	0	0	492,734
Total Assigned:	<u>1,062,004</u>	<u>0</u>	<u>0</u>	<u>1,062,004</u>
Unassigned	15,205,904	0	(438,556)	14,767,348
Total Fund Balances	<u>\$16,267,908</u>	<u>\$3,023,881</u>	<u>\$5,411,817</u>	<u>\$24,703,606</u>

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 5 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

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

*Amount by which depreciation exceeded capital outlay in the current period:*

Capital Outlay	\$311,025
Depreciation Expense	(2,051,289)
	<u>(\$1,740,264)</u>

*Governmental revenues not reported in the funds:*

Decrease in Delinquent Tax Revenue	(\$95,800)
Increase in Grants Receivable	214,335
	<u>\$118,535</u>

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

Bond Principal Payment	\$1,640,000
Deferred Loss on Early Retirement of Debt	(20,750)
Bond Premium Amortization	61,938
Capital Lease Issuance	(142,306)
Capital Lease Principal Retirement	21,555
	<u>\$1,560,437</u>

*Expenses not requiring the use of current financial resources:*

Increase in Compensated Absences Payable	(\$117,756)
Decrease in Supplies Inventory	(1,444)
	<u>(\$119,200)</u>

## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

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

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

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

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

## **PIQUA CITY SCHOOL DISTRICT**

### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

#### **NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

##### **A. Deposits**

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

At fiscal year end the carrying amount of the District's deposits was \$16,542,487 and the bank balance was \$17,076,731. Federal depository insurance covered \$15,300,694 of the bank balance and \$1,776,037 was collateralized by the financial institutions' public entity deposit pools in the manner described above.

##### **B. Investments**

The District's investments at June 30, 2016 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years)		
			less than 1	1-3	3-5
Common Stocks	\$158,732	N/A	\$158,732	\$0	\$0
Money Market Fund	21,573	AAAm/Aaa <sup>1,2</sup>	21,573	0	0
Corporate Bond Fund	64,069	AAA-BB <sup>1</sup>	64,069	0	0
Corporate Equities Fund	240,660	NA	240,660	0	0
REIT Fund	44,860	NA	44,860	0	0
Marketable CD's	8,547,268	AAA <sup>3</sup>	1,359,767	3,462,653	3,724,848
FNMA	559,502	AA+/aa3 <sup>1,2</sup>	0	202,193	357,309
FFCB	1,891,414	AA+/aa3 <sup>1,2</sup>	101,240	500,005	1,290,169
FHLB	650,902	AA+/aa3 <sup>1,2</sup>	0	150,002	500,900
FHLMC	250,023	AA+/aa3 <sup>1,2</sup>	0	0	250,023
Total Investments	<u>\$12,429,003</u>		<u>\$1,990,901</u>	<u>\$4,314,853</u>	<u>\$6,123,249</u>

<sup>1</sup> Standard & Poor's

<sup>2</sup> Moody's Investor Service

<sup>3</sup> All are fully FDIC insured and therefore have an implied AAA credit rating

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

##### **B. Investments** (Continued)

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

*Investment Credit Risk* – The District has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

*Concentration of Credit Risk* – The District places no limit on the amount the District may invest in one issuer. Of the District’s total investments, 69% are in Marketable CD’s, 15% are FFCB, 5% are FHLB, and 11% are in other investments.

*Custodial Credit Risk* – The District’s balance of investments are held by the trust department of its banking institution in the District’s name. The District has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

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# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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### **NOTE 7 - TAXES**

#### **A. Property Tax**

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

Property taxes include amounts levied against all real and public utility property located in the District. Real property tax revenue received in calendar year 2016 represents collections of calendar year 2015 taxes. Real property taxes received in calendar year 2016 were levied after April 1, 2015, on the assessed value listed as of January 1, 2015, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2016 represents collections of calendar year 2015 taxes. Public utility real and tangible personal property taxes received in calendar year 2016 became a lien December 31, 2014, were levied after April 1, 2015 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Piqua City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in fiscal year 2016 were as follows:

	<u>2015 Second Half Collections</u>	<u>2016 First Half Collections</u>
Agricultural/Residential and Other Real Estate	\$369,583,590	\$377,749,340
Public Utility Personal	6,167,950	6,902,690
Total Assessed Value	<u>\$375,751,540</u>	<u>\$384,652,030</u>
Tax rate per \$1,000 of assessed valuation	\$50.46	\$50.52

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

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**NOTE 7 - TAXES (Continued)**

**B. Income Tax**

Effective January 1, 1991 the District levied a voted tax of 0.5 percent for general operations on the income of residents and of estates. In March 2008 the voters approved an additional 0.75 percent tax. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

**NOTE 8 – INTERFUND TRANSACTIONS**

On the Statement of Net Position, the Business-Type Activities reported an internal balance at June 30, 2016 of \$265,156 which is offset in the Governmental Activities by the same amount.

**A. Interfund Loans**

Following is a summary of interfund receivables/payables for all funds at June 30, 2016:

	Interfund Loans Receivable	Interfund Loans Payable
General Fund	\$203,975	\$0
Other Governmental Funds	0	203,975
Totals	\$203,975	\$203,975

These Interfund Loans are short-term loans to cover a temporary cash deficit.

**B. Transfers**

Following is a summary of transfers in and out for all funds for the fiscal year ended June 30, 2016:

Fund	Transfer In	Transfer Out
General Fund	\$1,264	\$6,056
Bond Retirement Fund	314,746	1,297
Other Governmental Funds	102,022	410,679
Total All Funds	\$418,032	\$418,032

During fiscal year 2016 the Permanent Improvement Fund transferred \$314,746 to the Bond Retirement Fund for debt retirement on HVAC improvement bonds. In addition, the residual fund balance in the Replacement Fund was transferred to the Permanent Improvement Fund.

**PIQUA CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

**NOTE 9 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at June 30, 2016:

<i>Historical Cost:</i>	Restated			
<u>Class</u>	<u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
<i>Capital assets not being depreciated:</i>				
Land	\$314,811	\$0	\$0	\$314,811
<i>Capital assets being depreciated:</i>				
Land Improvements	6,233,412	87,783	0	6,321,195
Buildings and Improvements	75,534,085	0	0	75,534,085
Machinery and Equipment	2,376,189	223,242	0	2,599,431
Vehicles	2,341,880	0	0	2,341,880
Total Cost	<u>\$86,800,377</u>	<u>\$311,025</u>	<u>\$0</u>	<u>\$87,111,402</u>
 <i>Accumulated Depreciation:</i>				
<u>Class</u>	<u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
Land Improvements	(\$3,262,701)	(\$274,958)	\$0	(\$3,537,659)
Buildings and Improvements	(9,064,729)	(1,494,125)	0	(10,558,854)
Machinery and Equipment	(1,049,866)	(183,822)	0	(1,233,688)
Vehicles	(1,836,230)	(98,384)	0	(1,934,614)
Total Depreciation	<u>(\$15,213,526)</u>	<u>(\$2,051,289) *</u>	<u>\$0</u>	<u>(\$17,264,815)</u>
 <i>Net Value:</i>	 <u>\$71,586,851</u>			 <u>\$69,846,587</u>

\* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$12,027
Support Services:	
Instructional Staff	204
Administration	4,858
Fiscal	2,232
Business	491
Operation and Maintenance of Plant	24,702
Pupil Transportation	98,384
Central	1,875,896
Operation of Non-Instructional Services	2,023
Extracurricular Activities	30,472
Total Depreciation Expense	<u>\$2,051,289</u>

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

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**NOTE 9 - CAPITAL ASSETS (Continued)**

**B. Business-Type Activities Capital Assets**

Summary by Category at June 30, 2016:

***Historical Cost:***

Class	June 30, 2015	Additions	Deletions	June 30, 2016
Machinery and Equipment	\$814,300	\$0	\$0	\$814,300
Total Cost	<u>\$814,300</u>	<u>\$0</u>	<u>\$0</u>	<u>\$814,300</u>

***Accumulated Depreciation:***

Class	June 30, 2015	Additions	Deletions	June 30, 2016
Machinery and Equipment	(\$330,422)	(\$52,253)	\$0	(\$382,675)
Total Depreciation	<u>(\$330,422)</u>	<u>(\$52,253)</u>	<u>\$0</u>	<u>(\$382,675)</u>
<b><i>Net Value:</i></b>	<u>\$483,878</u>			<u>\$431,625</u>

**NOTE 10 - RECEIVABLES**

Receivables at June 30, 2016 consisted of taxes, accounts, interest, and intergovernmental receivables.

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## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 11 - DEFINED BENEFIT PENSION PLANS**

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

##### **A. 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 District'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 District's obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions are financed; however, the District 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 intergovernmental payable on both the accrual and modified accrual bases of accounting.

**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016***

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

**B. Plan Description**

***School Employees Retirement System (SERS)***

Plan Description –District 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](http://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 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; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary. One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2016, the allocation to pension, death benefits, and Medicare B was 14.00 percent. None of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$586,889 for fiscal year 2016. Of this amount \$27,847 is reported as an intergovernmental payable.

## *PIQUA CITY SCHOOL DISTRICT*

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### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016*

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#### **NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

##### **B. Plan Description (Continued)**

###### *State Teachers Retirement System (STRS)*

Plan Description –District 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](http://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 will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent 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, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

##### **B. Plan Description** (Continued)

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 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 bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

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 ten years of qualifying service credit that 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. The statutory maximum employee contribution rate was increased one percent July 1, 2015, and will be increased one percent until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2016, plan members were required to contribute 13 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2016 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$1,909,583 for fiscal year 2016. Of this amount \$332,236 is reported as an intergovernmental payable.

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**PIQUA CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

**NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

**C. 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, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's 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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$7,618,781	\$34,369,651	\$41,988,432
Proportion of the Net Pension Liability -2016	0.1335200%	0.1243607%	
Proportion of the Net Pension Liability -2015	<u>0.1302800%</u>	<u>0.1188226%</u>	
Percentage Change	<u>0.0032400%</u>	<u>0.00553807%</u>	
Pension Expense	\$527,295	\$1,734,161	\$2,261,456

At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$122,677	\$1,566,821	\$1,689,498
School District contributions subsequent to the measurement date	586,889	1,909,583	2,496,472
Changes in proportion share	<u>223,108</u>	<u>1,266,631</u>	<u>1,489,739</u>
Total Deferred Outflows of Resources	<u>\$932,674</u>	<u>\$4,743,035</u>	<u>\$5,675,709</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$252,435	\$2,471,827	\$2,724,262
Changes in proportion share	<u>79,726</u>	<u>0</u>	<u>79,726</u>
Total Deferred Inflows of Resources	<u>\$332,161</u>	<u>\$2,471,827</u>	<u>\$2,803,988</u>

\$2,496,472 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2017	(\$45,863)	(\$241,152)	(\$287,015)
2018	(45,863)	(241,152)	(287,015)
2019	(46,443)	(241,153)	(287,596)
2020	<u>151,793</u>	<u>1,085,082</u>	<u>1,236,875</u>
Total	<u>\$13,624</u>	<u>\$361,625</u>	<u>\$375,249</u>

# *PIQUA CITY SCHOOL DISTRICT*

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016*

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### **NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

#### **D. Actuarial Assumptions**

##### *School Employees Retirement System (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, 2015, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation.

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

**D. Actuarial Assumptions (Continued)**

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 a weighted averaged 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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	15.00	7.50
Total	<u>100.00 %</u>	

**Discount Rate** - The total pension liability was calculated using the discount rate of 7.75 percent. 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 (7.75 percent). 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 District's 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 7.75 percent, 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 (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$10,564,511	\$7,618,781	\$5,138,233

**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016***

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

**D. Actuarial Assumptions (Continued)**

***State Teachers Retirement System (STRS)***

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

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 not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2015 valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	<u>100.00 %</u>	

# *PIQUA CITY SCHOOL DISTRICT*

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016*

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### **NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)**

#### **D. Actuarial Assumptions (Continued)**

**Discount Rate** - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2015. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not 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, 2015. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2015.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$47,742,039	\$34,369,651	\$23,061,305

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## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 12 - POSTEMPLOYMENT BENEFITS**

##### **A. School Employee Retirement System**

Plan Description – The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The 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](http://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. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2016, no percentage of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount (\$23,000 for 2016), pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge.

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

The District's contributions for health care for the fiscal years ended June 30, 2016, 2015, and 2014 were \$67,915, \$112,897, and \$72,238 respectively; which were equal to the required contributions for each year.

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 12 - POSTEMPLOYMENT BENEFITS (Continued)**

##### **B. State Teachers Retirement System**

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2016, STRS Ohio allocated employer contributions equal to zero percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2016, 2015, and 2014 were \$0, \$0, and \$121,645 respectively; which were equal to the required contributions for each year.

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**PIQUA CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

**NOTE 13 - LONG-TERM DEBT AND OTHER OBLIGATIONS**

Detail of the changes in the long term debt of the District for the fiscal year ended June 30, 2016 is as follows:

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016	Amount Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Bonds:					
2015 School Improvement Refunding 2.0-4.0%	\$4,865,000	\$0	(\$955,000)	\$3,910,000	\$935,000
Bond Premium	245,182	0	(49,036)	196,146	0
Total 2015 School Improvement Refunding Bonds	<u>5,110,182</u>	<u>0</u>	<u>(1,004,036)</u>	<u>4,106,146</u>	<u>935,000</u>
2012 School Facility Construction 1.5-5.0%	27,075,000	0	(685,000)	26,390,000	700,000
Bond Premium	322,559	0	(12,902)	309,657	0
Total 2012 School Facility Construction Bonds	<u>27,397,559</u>	<u>0</u>	<u>(697,902)</u>	<u>26,699,657</u>	<u>700,000</u>
Total General Obligation Bonds	<u>32,507,741</u>	<u>0</u>	<u>(1,701,938)</u>	<u>30,805,803</u>	<u>1,635,000</u>
Certificates of Participation:					
Energy Conservation Improvement 6.75%	3,770,000	0	0	3,770,000	0
Capital Leases Payable	0	142,306	(21,555)	120,751	26,954
Net Pension Liability:					
State Teachers Retirement System	28,901,770	5,467,881	0	34,369,651	0
School Employees Retirement System	6,010,548	834,927	0	6,845,475	0
Total Net Pension Liability	<u>34,912,318</u>	<u>6,302,808</u>	<u>0</u>	<u>41,215,126</u>	<u>0</u>
Compensated Absences	2,142,961	362,116	(495,044)	2,010,033	84,945
Total Governmental Activities	<u>73,333,020</u>	<u>6,807,230</u>	<u>(2,218,537)</u>	<u>77,921,713</u>	<u>1,746,899</u>
<b>Business-Type Activities:</b>					
Net Pension Liability					
School Employees Retirement System	582,850	190,456	0	773,306	0
Compensated Absences	75,962	7,773	(1,651)	82,084	0
Total Business-Type Activities	<u>658,812</u>	<u>198,229</u>	<u>(1,651)</u>	<u>855,390</u>	<u>0</u>
Total Long-Term Debt and Other Obligations	<u>\$73,991,832</u>	<u>\$7,005,459</u>	<u>(\$2,220,188)</u>	<u>\$78,777,103</u>	<u>\$1,746,899</u>

The District's overall debt margin was \$6,770,787 with an unvoted debt margin of \$384,652 at June 30, 2016.



**PIQUA CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016**

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

**A. Principal and Interest Requirements**

A summary of the District's future long-term debt funding requirements including principal and interest payments as of June 30, 2016, follows:

Years	General Obligation Bonds			Certificates of Participation		
	Principal	Interest	Total	Principal	Interest	Total
2017	\$1,635,000	\$1,055,657	\$2,690,657	\$0	\$254,476	\$254,476
2018	1,680,000	1,015,207	2,695,207	0	254,476	254,476
2019	1,725,000	971,807	2,696,807	0	254,476	254,476
2020	1,765,000	941,144	2,706,144	0	254,476	254,476
2021	760,000	876,906	1,636,906	0	254,476	254,476
2022-2026	4,250,000	3,918,497	8,168,497	0	1,272,380	1,272,380
2027-2031	5,115,000	3,052,312	8,167,312	3,770,000	254,476	4,024,476
2032-2036	6,045,000	2,077,306	8,122,306	0	0	0
2037-2041	7,325,000	756,300	8,081,300	0	0	0
Totals	<u>\$30,300,000</u>	<u>\$14,665,136</u>	<u>\$44,965,136</u>	<u>\$3,770,000</u>	<u>\$2,799,236</u>	<u>\$6,569,236</u>

**B. Defeased Debt**

In April 2005, the District defeased \$8,390,000 of General Obligation Bonds for School Building Improvements, dated November 15, 1997, through the issuance of \$8,389,990 of General Obligation Bonds. The net proceeds of the 2005 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$3,605,000 at June 30, 2016, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016***

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**NOTE 14 - CAPITAL LEASE COMMITMENTS**

The District leases copiers under a capital lease. The cost of the equipment obtained under capital lease is \$142,306, the accumulated depreciation is \$28,461 and the net book value is \$113,845, which is included in the Governmental Activities Capital Assets and the related liability is included in the Governmental Activities Long-Term Liabilities.

The following is a schedule of the future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of June 30, 2016:

<u>Year Ending June 30,</u>	<u>Capital Lease</u>
2017	\$31,836
2018	31,836
2019	31,836
2020	31,836
2021	<u>5,307</u>
Minimum Lease Payments	132,651
Less: Amount representing interest at the District's incremental borrowing rate of interest	<u>(11,900)</u>
Present Value of minimum lease payments	<u><u>\$120,751</u></u>

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## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 15 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters.

The District purchases property and liability insurance through Liberty Mutual.

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

Workers' compensation claims are covered through the District's participation in the State of Ohio's program. The District pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

The District established the Self Insurance Fund during fiscal year 1997 to account for the proceeds of the contingent premium program administered by Anthem Blue Cross and Blue Shield. The program allows the District to limit the risk of loss to a pre-determined level while benefiting from cash flow advantages and sharing in gains for positive claims experience. Under the contingent premium program, the District remits to Anthem a reduced insurance premium, 90% of the normal fully insured premium, during the twelve month rating period. The District deposits the difference between the contingent premium and the risk premium, 112% of the normal fully insured premium, into the Self Insurance Fund. The risk premium is the maximum liability rate established at the beginning of the contract year. Incurred claims and administrative expenses are calculated at the end of every twelve month period. If the total expenses for the year are equal to or below the amount paid in the contingent premium, no additional payment is due. If total expenses exceed the contingent premium, the District must pay the excess, but only up to the risk premium. Settlement has not yet occurred for plan year 2016, but there is no expectation of additional premium. The district loss ratio was approximately 96% for the year.

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**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016***

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**NOTE 16 – SET-ASIDES**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into reserve. During the fiscal year ended June 30, 2016, the reserve activity (cash-basis) was as follows:

	<u>Capital Acquisition</u>
Set-aside Cash Balance as of June 30, 2015	\$0
Current Year Set-Aside Requirement	607,789
Current Year Offset Credits	(913,443)
Qualifying Disbursements	<u>(257,678)</u>
Total	<u>(\$563,332)</u>
Set-aside Cash Balance	<u><u>\$0</u></u>

Although the District had offsets and qualifying disbursements during the year that reduced the set-aside amounts below zero, the extra amount for capital acquisition may not be used to reduce the set-aside requirements of future years. Negative amounts for capital acquisition are therefore not presented as being carried forward to the next fiscal year.

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## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS**

##### **A. Metropolitan Educational Technology Association**

On July 1, 2015 the District was a participant in the Metropolitan Dayton Educational Cooperative Association (MDECA). On January 1, 2016 MDECA merged with the Metropolitan Educational Technology Association (META), which is a computer consortium. META is an educational solutions partner providing services across Ohio. META provides cost-effective fiscal, network, technology and student services, a purchasing cooperative, and other individual services based on each client's needs.

The governing board of META consists of a president, vice president and six board members who represent the members of META. The Board works with META's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organization's mission, vision, and values. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. The District paid META \$88,023 for services provided during the fiscal year. Financial information can be obtained from David Varda, who serves as Chief Financial Officer, at 100 Executive Drive, Marion, Ohio 43302.

##### **B. Southwestern Ohio Educational Purchasing Council**

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing cooperative made up of over 126 public school districts in 18 counties. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges or other assessments as established by the SOEPC.

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to the SOEPC are made from the General Fund. During fiscal year 2016, the Piqua City School District paid \$1,740 to SOEPC. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Cooperative, Ken Swink, Director, 303 Corporate Center Drive, Suite 208 Vandalia, Ohio 45377.

## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS (Continued)**

##### **C. Southwestern Ohio Instructional Technology Association**

The Southwestern Ohio Instructional Technology Association (SOITA) is a not-for-profit corporation formed under Section 1702.01 of the Ohio Revised Code. The purpose of this corporation is to serve the educational needs of the area through television programming for the advancement of educational programs.

The Board of Trustees is comprised of twenty-one representatives of SOITA member schools or institutions. Twenty-one representatives are elected from within the counties, i.e. Auglaize, Brown, Butler, Champaign, Clark, Clermont, Clinton, Darke, Fayette, Greene, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby and Warren. Montgomery, Greene and Butler Counties shall elect two representatives per area. All superintendents except for those from educational service centers vote on the representatives after the remaining committee nominees run. One at-large non-public representative shall be elected by the non-public school SOITA members from the State assigned SOITA service area. One at-large higher educational representative shall be elected by higher education SOITA members from within the State assigned SOITA service area.

All member districts are obligated to pay fees, charges or other assessments as established by the SOITA. Upon dissolution, the net position shall be distributed to the federal government, or to a state or local government, for a public purpose. Payments to SOITA are made from the General Fund. During fiscal year 2016, the Piqua City School District paid \$13,058 to the SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Frank DePalma, Interim Director, 1205 East Fifth Street, Dayton, Ohio 45402.

##### **D. Upper Valley Career Center**

The Upper Valley Career Center (Career Center) is a distinct political subdivision of the State of Ohio which provides vocational education. The Career Center operates under the direction of a Board consisting of one representative from each participating School District's elected board. The Board possesses its own budgeting and taxing authority. The degree of control exercised by the District is limited to its representation on the Board. Financial information can be obtained from Anthony Fraley, who serves as Treasurer, 8811 Career Drive, Piqua, Ohio 45356.

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2016***

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#### **NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS (Continued)**

##### **E. Educational Regional Service System Region 10**

The School District participates in the Educational Regional Service System (ERSS) Region 10, a jointly governed organization consisting of educational entities within Clark, Darke, Greene, Miami, Montgomery, and Preble counties. The purpose of the ERSS is to provide support services to school districts, community schools, and chartered nonpublic schools within the region by supporting State and school initiatives and efforts to improve school effectiveness and student achievement with a specific reference to the provision of special education and related services. The ERSS is governed by an advisory council, which is the policymaking body for the educational entities within the region, who identifies regional needs and priorities for educational services and develops corresponding policies to coordinate the delivery of services. They are also charged with the responsibility of monitoring the implementation of State and regional initiatives and school improvement efforts. The Advisory Council is made up of the director of the ERSS, the superintendent of each educational service center within the region, the superintendent of the region's largest and smallest school district, the director and an employee from each education technology center, one representative of a four-year institution of higher education and appointed by the Ohio Board of Regents, one representative of a two-year institution of higher education and appointed by the Ohio Association of Community Colleges, three board of education members (one each from a city, exempted village, and local school district within the region), and one business representative. The degree of control exercised by any participating educational entity is limited to its representation on the Advisory Council. Financial information can be obtained from the Montgomery County Educational Service Center, 200 South Keowee Street, Dayton, Ohio, 45402.

#### **NOTE 18 – RELATED ORGANIZATION**

The Piqua Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Piqua City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Piqua Public Library, William H. Stump, Financial Officer, 116 W. High Street, Piqua, Ohio 45356.

**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2016***

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**NOTE 19 - CONTINGENCIES**

**A. Grants**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2016.

**B. Litigation**

The District is not a party to any legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2016.

**C. School Foundation**

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2016 Foundation funding for the school district; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

**NOTE 20 – SIGNIFICANT COMMITMENTS**

At June 30, 2016 the District had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$886,369
Other Governmental Funds	<u>936,131</u>
Total Governmental Funds	<u><u>\$1,822,500</u></u>



*PIQUA CITY SCHOOL DISTRICT*

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*REQUIRED SUPPLEMENTAL INFORMATION*

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**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of District's Proportionate Share of the Net Pension Liability  
Last Two Fiscal Years***

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**State Teachers Retirement System**

Fiscal Year	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	0.1188226%	0.1243607%
District's proportionate share of the net pension liability (asset)	\$28,901,770	\$34,369,651
District's covered-employee payroll	\$12,156,608	\$12,118,571
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	237.75%	283.61%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	72.10%

Source: District Treasurer's Office and State Teachers Retirement System

**School Employees Retirement System**

Fiscal Year	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	0.1302800%	0.1335200%
District's proportionate share of the net pension liability (asset)	\$6,593,398	\$7,618,781
District's covered-employee payroll	\$3,807,165	\$4,017,800
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	173.18%	189.63%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	69.16%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statements 68 in 2015.

Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability.

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of District Contributions  
Last Three Fiscal Years***

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**State Teachers Retirement System**

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$1,580,359	\$1,696,600	\$1,909,583
Contributions in relation to the contractually required contribution	<u>1,580,359</u>	<u>1,696,600</u>	<u>1,909,583</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered-employee payroll	\$12,156,608	\$12,118,571	\$13,639,879
Contributions as a percentage of covered-employee payroll	13.00%	14.00%	14.00%

Source: District Treasurer's Office and State Teachers Retirement System

**School Employees Retirement System**

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$527,673	\$529,546	\$586,889
Contributions in relation to the contractually required contribution	<u>527,673</u>	<u>529,546</u>	<u>586,889</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered-employee payroll	\$3,807,165	\$4,017,800	\$4,192,064
Contributions as a percentage of covered-employee payroll	13.86%	13.18%	14.00%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.  
Information prior to 2014 is not available.

**PIQUA CITY SCHOOL DISTRICT**

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

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

# *PIQUA CITY SCHOOL DISTRICT*

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## *Nonmajor Governmental Funds*

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### *Special Revenue Funds*

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

#### **Public School Support Fund**

To account for specific local revenue sources, other than taxes that are restricted to expenditures for specified purposes, curricular and extracurricular, approved by board resolutions. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

#### **Other Grant Fund**

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

#### **District Managed Activity Fund**

To account for student activity programs which have student participation in the activity without involvement in the management of the program. Typically this includes athletic programs, band, cheerleaders and other similar activities.

#### **Auxiliary Services Fund**

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

#### **Race to the Top Fund**

To account for monies received to provide either a new program or expansion of an existing program in specific educational areas. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

(Continued)

# *PIQUA CITY SCHOOL DISTRICT*

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## *Special Revenue Funds*

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### **School Conflict Management Grant Fund**

To account for monies received to provide programs in the junior high schools dealing with conflict resolution.

### **IDEA-B Fund**

To account for monies received through grants to assist in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

### **Title I Fund**

To account for financial assistance received from federal program to meet the special needs of educationally deprived children.

### **Public Schools Connectivity Fund**

To account for grant monies to help implement internet technologies into the teaching and learning process.

### **Classroom Facilities Maintenance Fund**

To account for levy proceeds for the maintenance of District facilities.

### **Title II-A Fund**

To account for federal revenues which support class reduction in grades 1-3 through employment of teachers.

### **Straight A Grant Fund**

To account for state grants to be used for increased student achievement, improved fiscal performance, and improved efficiency and effectiveness through the use of shared services. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

# *PIQUA CITY SCHOOL DISTRICT*

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## *Capital Projects Funds*

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

### **Permanent Improvement Fund**

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

### **Building Acquisition and Construction Fund**

This fund accounts for the proceeds of debt and construction costs for energy efficiency improvements. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

### **Replacement Fund**

To account for monies used in the rebuilding, restoration or improvement of property which has been totally or partially destroyed due to any cause. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

### **Ohio School Facilities Commission (OSFC) Construction Fund**

To account for state grant monies and debt proceeds to be used for the construction of new school facilities.

## *Permanent Fund*

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

### **Permanent Fund**

To account for monies, securities or lands which have been set aside as an investment for public school purposes. The income from this fund is used for purposes as designated by the donor.

**PIQUA CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2016**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Pooled Cash and Investments	\$ 1,275,839	\$ 4,450,486	\$ 63,471	\$ 5,789,796
Receivables:				
Taxes	176,981	987,407	0	1,164,388
Accounts	3,234	0	0	3,234
Intergovernmental	378,947	114,350	0	493,297
Interest	0	631	0	631
<b>Total Assets</b>	<b>\$ 1,835,001</b>	<b>\$ 5,552,874</b>	<b>\$ 63,471</b>	<b>\$ 7,451,346</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 13,297	\$ 8,559	\$ 0	\$ 21,856
Accrued Wages and Benefits	192,623	0	0	192,623
Intergovernmental Payable	31,388	0	0	31,388
Contracts Payable	0	47,835	0	47,835
Interfund Loans Payable	203,975	0	0	203,975
Compensated Absences Payable	11,240	0	0	11,240
<b>Total Liabilities</b>	<b>452,523</b>	<b>56,394</b>	<b>0</b>	<b>508,917</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	386,544	156,734	0	543,278
Property Tax Levy for Next Fiscal Year	150,047	837,287	0	987,334
<b>Total Deferred Inflows of Resources</b>	<b>536,591</b>	<b>994,021</b>	<b>0</b>	<b>1,530,612</b>
<b>Fund Balance:</b>				
Nonspendable	0	0	47,919	47,919
Restricted	1,284,443	4,502,459	15,552	5,802,454
Unassigned	(438,556)	0	0	(438,556)
<b>Total Fund Balance</b>	<b>845,887</b>	<b>4,502,459</b>	<b>63,471</b>	<b>5,411,817</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 1,835,001</b>	<b>\$ 5,552,874</b>	<b>\$ 63,471</b>	<b>\$ 7,451,346</b>



**PIQUA CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2016**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 156,923	\$ 875,257	\$ 0	\$ 1,032,180
Investment Earnings	1,467	(33,202)	82	(31,653)
Extracurricular Activities	404,401	0	0	404,401
Class Materials and Fees	0	166	0	166
Intermediate Sources	9,829	0	0	9,829
Intergovernmental - State	269,466	494,184	0	763,650
Intergovernmental - Federal	1,969,064	0	0	1,969,064
All Other Revenue	104,066	82,532	1,000	187,598
<b>Total Revenues</b>	<b>2,915,216</b>	<b>1,418,937</b>	<b>1,082</b>	<b>4,335,235</b>
<b>Expenditures:</b>				
Current:				
Instruction	2,235,071	475,716	0	2,710,787
Supporting Services:				
Pupils	9,357	0	2,150	11,507
Instructional Staff	104,243	0	0	104,243
Administration	5,172	2,407	0	7,579
Fiscal Services	2,780	15,292	0	18,072
Operation and Maintenance of Plant	45,237	6,338	0	51,575
Pupil Transportation	8,841	227,240	0	236,081
Operation of Non-Instructional Services	170,791	0	0	170,791
Extracurricular Activities	475,096	0	0	475,096
Capital Outlay	28,717	4,080,312	0	4,109,029
<b>Total Expenditures</b>	<b>3,085,305</b>	<b>4,807,305</b>	<b>2,150</b>	<b>7,894,760</b>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(170,089)	(3,388,368)	(1,068)	(3,559,525)
<b>Other Financing Sources (Uses):</b>				
Transfers In	6,056	95,966	0	102,022
Transfers Out	(1,264)	(409,415)	0	(410,679)
<b>Total Other Financing Sources (Uses)</b>	<b>4,792</b>	<b>(313,449)</b>	<b>0</b>	<b>(308,657)</b>
Net Change in Fund Balance	(165,297)	(3,701,817)	(1,068)	(3,868,182)
<b>Fund Balance at Beginning of Year</b>	<b>1,011,184</b>	<b>8,204,276</b>	<b>64,539</b>	<b>9,279,999</b>
<b>Fund Balance End of Year</b>	<b>\$ 845,887</b>	<b>\$ 4,502,459</b>	<b>\$ 63,471</b>	<b>\$ 5,411,817</b>

**PIQUA CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2016**

	Other Grant	District Managed Activity	Auxiliary Services	School Conflict Management Grant
<b>Assets:</b>				
Pooled Cash and Investments	\$ 48,341	\$ 337,114	\$ 43,937	\$ 704
Receivables:				
Taxes	0	0	0	0
Accounts	1,000	2,234	0	0
Intergovernmental	0	0	0	0
<b>Total Assets</b>	<b>\$ 49,341</b>	<b>\$ 339,348</b>	<b>\$ 43,937</b>	<b>\$ 704</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 3,589	\$ 8,448	\$ 673	\$ 0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	670	0
Interfund Loans Payable	0	0	0	0
Compensated Absences Payable	0	0	0	0
<b>Total Liabilities</b>	<b>3,589</b>	<b>8,448</b>	<b>1,343</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	0	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balance:</b>				
Restricted	45,752	330,900	42,594	704
Unassigned	0	0	0	0
<b>Total Fund Balance (Deficit)</b>	<b>45,752</b>	<b>330,900</b>	<b>42,594</b>	<b>704</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 49,341</b>	<b>\$ 339,348</b>	<b>\$ 43,937</b>	<b>\$ 704</b>

**PIQUA CITY SCHOOL DISTRICT**

IDEA-B	Title I	Public Schools Connectivity	Classroom Facilities Maintenance	Title II-A	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 500	\$ 845,243	\$ 0	\$ 1,275,839
0	0	0	176,981	0	176,981
0	0	0	0	0	3,234
92,807	279,292	0	0	6,848	378,947
<u>\$ 92,807</u>	<u>\$ 279,292</u>	<u>\$ 500</u>	<u>\$ 1,022,224</u>	<u>\$ 6,848</u>	<u>\$ 1,835,001</u>
\$ 0	\$ 0	\$ 0	\$ 587	\$ 0	\$ 13,297
55,435	120,378	0	0	16,810	192,623
8,555	18,781	0	0	3,382	31,388
42,673	150,060	0	0	11,242	203,975
0	11,240	0	0	0	11,240
<u>106,663</u>	<u>300,459</u>	<u>0</u>	<u>587</u>	<u>31,434</u>	<u>452,523</u>
92,807	279,292	0	7,597	6,848	386,544
0	0	0	150,047	0	150,047
<u>92,807</u>	<u>279,292</u>	<u>0</u>	<u>157,644</u>	<u>6,848</u>	<u>536,591</u>
0	0	500	863,993	0	1,284,443
(106,663)	(300,459)	0	0	(31,434)	(438,556)
<u>(106,663)</u>	<u>(300,459)</u>	<u>500</u>	<u>863,993</u>	<u>(31,434)</u>	<u>845,887</u>
<u>\$ 92,807</u>	<u>\$ 279,292</u>	<u>\$ 500</u>	<u>\$ 1,022,224</u>	<u>\$ 6,848</u>	<u>\$ 1,835,001</u>

**PIQUA CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016**

	Other Grant	District Managed Activity	Auxiliary Services	Race to the Top
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Investment Earnings	0	443	64	0
Extracurricular Activities	0	404,401	0	0
Intermediate Sources	9,829	0	0	0
Intergovernmental - State	0	0	141,310	0
Intergovernmental - Federal	0	0	0	7,847
All Other Revenue	77	103,989	0	0
<b>Total Revenues</b>	9,906	508,833	141,374	7,847
<b>Expenditures:</b>				
Current:				
Instruction	1,787	2,787	50	0
Supporting Services:				
Pupils	0	8,913	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Fiscal Services	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	7,000	1,841	0	0
Operation of Non-Instructional Services	0	0	134,907	0
Extracurricular Activities	0	475,096	0	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	8,787	488,637	134,957	0
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,119	20,196	6,417	7,847
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	6,056	0
Transfers Out	0	0	(1,264)	0
<b>Total Other Financing Sources (Uses)</b>	0	0	4,792	0
Net Change in Fund Balance	1,119	20,196	11,209	7,847
<b>Fund Balance (Deficit) at Beginning of Year</b>	44,633	310,704	31,385	(7,847)
<b>Fund Balance (Deficit) End of Year</b>	\$ 45,752	\$ 330,900	\$ 42,594	\$ 0

**PIQUA CITY SCHOOL DISTRICT**

School Conflict Management Grant	IDEA-B	Title I	Public Schools Connectivity	Classroom Facilities Maintenance	Title II-A	Straight A Grant	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 156,923	\$ 0	\$ 0	\$ 156,923
0	0	0	0	960	0	0	1,467
0	0	0	0	0	0	0	404,401
0	0	0	0	0	0	0	9,829
5,052	0	0	0	73,122	0	49,982	269,466
1	776,994	1,005,179	0	0	179,043	0	1,969,064
0	0	0	0	0	0	0	104,066
<u>5,053</u>	<u>776,994</u>	<u>1,005,179</u>	<u>0</u>	<u>231,005</u>	<u>179,043</u>	<u>49,982</u>	<u>2,915,216</u>
0	821,734	1,226,523	0	0	182,190	0	2,235,071
0	444	0	0	0	0	0	9,357
0	25,157	29,913	0	0	0	49,173	104,243
0	0	5,172	0	0	0	0	5,172
0	0	0	0	2,780	0	0	2,780
0	0	0	0	45,237	0	0	45,237
0	0	0	0	0	0	0	8,841
0	25,955	9,929	0	0	0	0	170,791
0	0	0	0	0	0	0	475,096
0	0	0	0	28,717	0	0	28,717
<u>0</u>	<u>873,290</u>	<u>1,271,537</u>	<u>0</u>	<u>76,734</u>	<u>182,190</u>	<u>49,173</u>	<u>3,085,305</u>
5,053	(96,296)	(266,358)	0	154,271	(3,147)	809	(170,089)
0	0	0	0	0	0	0	6,056
0	0	0	0	0	0	0	(1,264)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,792</u>
5,053	(96,296)	(266,358)	0	154,271	(3,147)	809	(165,297)
(4,349)	(10,367)	(34,101)	500	709,722	(28,287)	(809)	1,011,184
<u>\$ 704</u>	<u>\$ (106,663)</u>	<u>\$ (300,459)</u>	<u>\$ 500</u>	<u>\$ 863,993</u>	<u>\$ (31,434)</u>	<u>\$ 0</u>	<u>\$ 845,887</u>

**PIQUA CITY SCHOOL DISTRICT**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2016**

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	Permanent Improvement	OSFC Construction	Total Nonmajor Capital Projects Funds
<b>Assets:</b>			
Pooled Cash and Investments	\$ 2,464,344	\$ 1,986,142	\$ 4,450,486
Receivables:			
Taxes	987,407	0	987,407
Intergovernmental	0	114,350	114,350
Interest	0	631	631
<b>Total Assets</b>	<u>\$ 3,451,751</u>	<u>\$ 2,101,123</u>	<u>\$ 5,552,874</u>
<b>Liabilities:</b>			
Accounts Payable	\$ 8,559	\$ 0	\$ 8,559
Contracts Payable	0	47,835	47,835
<b>Total Liabilities</b>	<u>8,559</u>	<u>47,835</u>	<u>56,394</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable Amounts	42,384	114,350	156,734
Property Tax Levy for Next Fiscal Year	837,287	0	837,287
<b>Total Deferred Inflows of Resources</b>	<u>879,671</u>	<u>114,350</u>	<u>994,021</u>
<b>Fund Balance:</b>			
Restricted	<u>2,563,521</u>	<u>1,938,938</u>	<u>4,502,459</u>
<b>Total Fund Balance</b>	<u>2,563,521</u>	<u>1,938,938</u>	<u>4,502,459</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 3,451,751</u>	<u>\$ 2,101,123</u>	<u>\$ 5,552,874</u>

## PIQUA CITY SCHOOL DISTRICT

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Projects Funds For the Fiscal Year Ended June 30, 2016

	Permanent Improvement	Building Acquisition and Construction	Replacement	OSFC Construction	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>					
Local Sources:					
Taxes	\$ 875,257	\$ 0	\$ 0	\$ 0	\$ 875,257
Investment Earnings	(34,562)	(35)	111	1,284	(33,202)
Class Materials and Fees	166	0	0	0	166
Intergovernmental - State	174,067	0	0	320,117	494,184
All Other Revenue	82,532	0	0	0	82,532
<b>Total Revenues</b>	<u>1,097,460</u>	<u>(35)</u>	<u>111</u>	<u>321,401</u>	<u>1,418,937</u>
<b>Expenditures:</b>					
Current:					
Instruction	475,716	0	0	0	475,716
Supporting Services:					
Administration	2,407	0	0	0	2,407
Fiscal Services	15,292	0	0	0	15,292
Operation and Maintenance of Plant	6,338	0	0	0	6,338
Pupil Transportation	227,240	0	0	0	227,240
Capital Outlay	258,048	0	0	3,822,264	4,080,312
<b>Total Expenditures</b>	<u>985,041</u>	<u>0</u>	<u>0</u>	<u>3,822,264</u>	<u>4,807,305</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	112,419	(35)	111	(3,500,863)	(3,388,368)
<b>Other Financing Sources (Uses):</b>					
Transfers In	94,669	0	0	1,297	95,966
Transfers Out	(314,746)	0	(94,669)	0	(409,415)
<b>Total Other Financing Sources (Uses)</b>	<u>(220,077)</u>	<u>0</u>	<u>(94,669)</u>	<u>1,297</u>	<u>(313,449)</u>
Net Change in Fund Balance	(107,658)	(35)	(94,558)	(3,499,566)	(3,701,817)
<b>Fund Balance at Beginning of Year</b>	<u>2,671,179</u>	<u>35</u>	<u>94,558</u>	<u>5,438,504</u>	<u>8,204,276</u>
<b>Fund Balance End of Year</b>	<u>\$ 2,563,521</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,938,938</u>	<u>\$ 4,502,459</u>

## PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - General Fund  
For the Fiscal Year Ended June 30, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 14,994,504	\$ 15,073,471	\$ 15,073,471	\$ 0
Tuition	401,825	499,535	499,535	0
Transportation Fees	47,500	45,478	45,478	0
Investment Earnings	15,000	279,077	279,077	0
Class Material and Fees	134,138	122,975	122,975	0
Intergovernmental - State	18,057,483	18,482,957	18,482,957	0
Intergovernmental - Federal	200,000	369,319	369,319	0
All Other Revenues	199,782	169,818	169,818	0
Total Revenues	34,050,232	35,042,630	35,042,630	0
<b>Expenditures:</b>				
Instructional Services:				
Regular:				
Salaries and Wages	9,445,823	9,158,574	9,158,574	0
Fringe Benefits	3,180,214	3,441,716	3,441,716	0
Purchased Services	1,635,746	1,838,709	1,838,709	0
Supplies and Materials	622,184	284,897	283,287	1,610
Capital Outlay	5,250	99,969	99,969	0
Total Regular	14,889,217	14,823,865	14,822,255	1,610
Special:				
Salaries and Wages	1,065,092	918,809	918,809	0
Fringe Benefits	447,719	380,554	380,554	0
Purchased Services	4,959,051	3,985,068	3,985,068	0
Supplies and Materials	1,785	1,173	1,173	0
Other Expenditures	3,750	0	0	0
Capital Outlay	2,500	10,756	10,756	0
Total Special	6,479,897	5,296,360	5,296,360	0
Other:				
Salaries and Wages	420	275	275	0
Fringe Benefits	112	45	45	0
Purchased Services	675,000	774,129	774,129	0
Supplies and Materials	550	259	259	0
Total Other	676,082	774,708	774,708	0
Total Instructional Services	22,045,196	20,894,933	20,893,323	1,610

(Continued)



## PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - General Fund  
For the Fiscal Year Ended June 30, 2016***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Support Services:				
Pupils:				
Salaries and Wages	1,225,616	962,344	962,344	0
Fringe Benefits	396,294	508,954	508,954	0
Purchased Services	750	23,796	23,796	0
Supplies and Materials	35,100	24,272	24,272	0
Total Pupils	1,657,760	1,519,366	1,519,366	0
Instructional Staff:				
Salaries and Wages	1,087,780	1,109,508	1,109,508	0
Fringe Benefits	609,602	604,279	604,279	0
Purchased Services	65,364	309,159	308,004	1,155
Supplies and Materials	6,875	14,220	14,220	0
Other Expenditures	3,000	3,000	3,000	0
Total Instructional Staff	1,772,621	2,040,166	2,039,011	1,155
Board of Education:				
Salaries and Wages	8,531	8,125	8,125	0
Fringe Benefits	1,922	1,803	1,803	0
Purchased Services	29,686	33,212	33,212	0
Total Board of Education	40,139	43,140	43,140	0
Administration:				
Salaries and Wages	1,608,952	1,532,542	1,532,542	0
Fringe Benefits	661,047	631,507	631,507	0
Purchased Services	378,210	396,231	390,443	5,788
Supplies and Materials	28,614	23,952	23,921	31
Other Expenditures	15,810	14,751	14,751	0
Capital Outlay	3,250	495	495	0
Total Administration	2,695,883	2,599,478	2,593,659	5,819
Fiscal Services:				
Salaries and Wages	237,696	267,202	267,202	0
Fringe Benefits	122,541	124,148	124,148	0
Purchased Services	36,560	80,149	78,179	1,970
Supplies and Materials	391	2,961	2,692	269
Other Expenditures	18,769	170,731	170,731	0
Capital Outlay	7,703	8,548	8,548	0
Total Fiscal Services	423,660	653,739	651,500	2,239

(Continued)

**PIQUA CITY SCHOOL DISTRICT**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - General Fund  
For the Fiscal Year Ended June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation and Maintenance of Plant:				
Salaries and Wages	1,070,187	1,031,053	1,031,053	0
Fringe Benefits	550,728	498,009	498,009	0
Purchased Services	1,566,689	1,351,812	1,351,812	0
Supplies and Materials	76,311	126,276	126,276	0
Capital Outlay	2,197	2,276	2,276	0
Total Operation and Maintenance of Plant	3,266,112	3,009,426	3,009,426	0
 Pupil Transportation:				
Salaries and Wages	731,978	746,426	746,426	0
Fringe Benefits	404,604	340,867	340,867	0
Purchased Services	53,763	46,741	46,741	0
Supplies and Materials	228,175	256,074	254,218	1,856
Capital Outlay	26,680	16,369	16,369	0
Total Pupil Transportation	1,445,200	1,406,477	1,404,621	1,856
 Central:				
Salaries and Wages	126,291	134,029	134,029	0
Fringe Benefits	74,011	77,889	77,889	0
Purchased Services	15,000	29,336	29,336	0
Total Central	215,302	241,254	241,254	0
Total Support Services	11,516,677	11,513,046	11,501,977	11,069
 Extracurricular Activities:				
Salaries and Wages	357,268	347,542	347,542	0
Fringe Benefits	59,347	59,257	59,257	0
Purchased Services	1,142	2,300	2,300	0
Total Extracurricular Activities	417,757	409,099	409,099	0
Total Expenditures	33,979,630	32,817,078	32,804,399	12,679
 Excess (Deficiency) of Revenues Over (Under) Expenditures	70,602	2,225,552	2,238,231	12,679

(Continued)

**PIQUA CITY SCHOOL DISTRICT**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - General Fund  
For the Fiscal Year Ended June 30, 2016***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	1,264	1,264	0
Transfers Out	0	(6,056)	(6,056)	0
Advances In	0	1,103,926	1,103,926	0
Advances Out	0	(203,975)	(203,975)	0
Refund of Prior Year's Expenditures	22,650	569,386	569,386	0
Refund of Prior Year's Receipts	(1,500)	0	0	0
Total Other Financing Sources (Uses):	<u>21,150</u>	<u>1,464,545</u>	<u>1,464,545</u>	<u>0</u>
 Net Change in Fund Balance	 91,752	 3,690,097	 3,702,776	 12,679
 Fund Balance at Beginning of Year	 10,335,547	 10,335,547	 10,335,547	 0
Prior Year Encumbrances	318,015	318,015	318,015	0
Fund Balance at End of Year	<u>\$ 10,745,314</u>	<u>\$ 14,343,659</u>	<u>\$ 14,356,338</u>	<u>\$ 12,679</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - Debt Service Fund  
For the Fiscal Year Ended June 30, 2016***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 3,216,481	\$ 3,216,481	\$ 0
Total Expenditures and Other Financing Uses	<u>3,011,519</u>	<u>3,011,519</u>	<u>0</u>
Net Change in Fund Balance	204,962	204,962	0
Fund Balance at Beginning of Year	<u>2,545,885</u>	<u>2,545,885</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,750,847</u>	<u>\$ 2,750,847</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 168,490	\$ 168,491	\$ 1
Total Expenditures and Other Financing Uses	451,495	450,544	951
Net Change in Fund Balance	(283,005)	(282,053)	952
Fund Balance at Beginning of Year	507,511	507,511	0
Prior Year Encumbrances	5,004	5,004	0
Fund Balance at End of Year	<u>\$ 229,510</u>	<u>\$ 230,462</u>	<u>\$ 952</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

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	<b>OTHER GRANT FUND</b>		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	\$ 28,327	\$ 28,322	\$ (5)
Total Expenditures and Other Financing Uses	<u>36,040</u>	<u>35,748</u>	<u>292</u>
Net Change in Fund Balance	(7,713)	(7,426)	287
Fund Balance at Beginning of Year	44,376	44,376	0
Prior Year Encumbrances	8,240	8,240	0
Fund Balance at End of Year	<u>\$ 44,903</u>	<u>\$ 45,190</u>	<u>\$ 287</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 513,347</u>	<u>\$ 513,345</u>	<u>\$ (2)</u>
Total Expenditures and Other Financing Uses	<u>538,106</u>	<u>524,198</u>	<u>13,908</u>
Net Change in Fund Balance	(24,759)	(10,853)	13,906
Fund Balance at Beginning of Year	303,900	303,900	0
Prior Year Encumbrances	<u>12,526</u>	<u>12,526</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 291,667</u>	<u>\$ 305,573</u>	<u>\$ 13,906</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 149,113	\$ 147,430	\$ (1,683)
Total Expenditures and Other Financing Uses	149,163	148,748	415
Net Change in Fund Balance	(50)	(1,318)	(1,268)
Fund Balance at Beginning of Year	50	50	0
Prior Year Encumbrances	42,184	42,184	0
Fund Balance at End of Year	<u>\$ 42,184</u>	<u>\$ 40,916</u>	<u>\$ (1,268)</u>



**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 11,472	\$ 11,472	\$ 0
Total Expenditures and Other Financing Uses	11,472	11,472	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	(8,317)	(8,317)	0
Prior Year Encumbrances	8,317	8,317	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 5,052	\$ 5,052	\$ 0
Total Expenditures and Other Financing Uses	<u>5,052</u>	<u>5,052</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	(4,348)	(4,348)	0
Prior Year Encumbrances	<u>5,052</u>	<u>5,052</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 704</u>	<u>\$ 704</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

<b>IDEA-B FUND</b>			
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 1,106,989	\$ 1,032,598	\$ (74,391)
 Total Expenditures and Other Financing Uses	<u>1,044,409</u>	<u>1,044,360</u>	<u>49</u>
 Net Change in Fund Balance	62,580	(11,762)	(74,342)
 Fund Balance at Beginning of Year	(19,907)	(19,907)	0
Prior Year Encumbrances	19,907	19,907	0
Fund Balance at End of Year	<u>\$ 62,580</u>	<u>\$ (11,762)</u>	<u>\$ (74,342)</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

	TITLE I FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	\$ 1,534,647	\$ 1,377,935	\$ (156,712)
Total Expenditures and Other Financing Uses	<u>1,384,590</u>	<u>1,384,589</u>	<u>1</u>
Net Change in Fund Balance	150,057	(6,654)	(156,711)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 150,057</u>	<u>\$ (6,654)</u>	<u>\$ (156,711)</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

**PUBLIC SCHOOLS CONNECTIVITY FUND**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	<u>500</u>	<u>500</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

---

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

**CLASSROOM FACILITIES MAINTENANCE FUND**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 237,860	\$ 237,860	\$ 0
Total Expenditures and Other Financing Uses	97,880	97,541	339
Net Change in Fund Balance	139,980	140,319	339
Fund Balance at Beginning of Year	673,780	673,780	0
Prior Year Encumbrances	9,750	9,750	0
Fund Balance at End of Year	<u>\$ 823,510</u>	<u>\$ 823,849</u>	<u>\$ 339</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

	TITLE II-A FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Total Revenues and Other Financing Sources	\$ 201,527	\$ 190,285	\$ (11,242)
Total Expenditures and Other Financing Uses	190,285	190,285	0
Net Change in Fund Balance	11,242	0	(11,242)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 11,242	\$ 0	\$ (11,242)

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 910,955	\$ 910,955	\$ 0
Total Expenditures and Other Financing Uses	910,955	910,955	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	(94,261)	(94,261)	0
Prior Year Encumbrances	94,261	94,261	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 1,279,140	\$ 1,279,140	\$ 0
Total Expenditures and Other Financing Uses	1,903,118	1,898,950	4,168
Net Change in Fund Balance	(623,978)	(619,810)	4,168
Fund Balance at Beginning of Year	2,236,961	2,236,961	0
Prior Year Encumbrances	230,588	230,588	0
Fund Balance at End of Year	<u>\$ 1,843,571</u>	<u>\$ 1,847,739</u>	<u>\$ 4,168</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ (35)</u>	<u>\$ (35)</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(35)	(35)	0
Fund Balance at Beginning of Year	<u>35</u>	<u>35</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2016***

---

	<b>REPLACEMENT FUND</b>		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	<u>\$ 111</u>	<u>\$ 111</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>94,669</u>	<u>94,669</u>	<u>0</u>
Net Change in Fund Balance	(94,558)	(94,558)	0
Fund Balance at Beginning of Year	<u>94,558</u>	<u>94,558</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

## **PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2016***

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### **OHIO SCHOOL FACILITIES COMMISSION CONSTRUCTION FUND**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 440,650	\$ 440,650	\$ 0
Total Expenditures and Other Financing Uses	6,003,732	6,003,732	0
Net Change in Fund Balance	(5,563,082)	(5,563,082)	0
Fund Balance at Beginning of Year	3,769,114	3,769,114	0
Prior Year Encumbrances	3,512,658	3,512,658	0
Fund Balance at End of Year	<u>\$ 1,718,690</u>	<u>\$ 1,718,690</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

---

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Fund  
For the Fiscal Year Ended June 30, 2016***

---

	<b>PERMANENT FUND</b>		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	<u>\$ 1,082</u>	<u>\$ 1,082</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>4,150</u>	<u>4,150</u>	<u>0</u>
Net Change in Fund Balance	(3,068)	(3,068)	0
Fund Balance at Beginning of Year	62,539	62,539	0
Prior Year Encumbrances	<u>2,000</u>	<u>2,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 61,471</u>	<u>\$ 61,471</u>	<u>\$ 0</u>

## *PIQUA CITY SCHOOL DISTRICT*

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### *Fiduciary Funds*

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

### *Agency Funds*

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#### **Student Managed Activity Fund**

To account for resources that belong to the student bodies of the various schools for sales and other revenue generating activities.

#### **Ohio High School Athletic Association (OHSAA) Tournament Fund**

To account for athletic tournament monies held by the District in a custodial capacity.

**PIQUA CITY SCHOOL DISTRICT**

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**Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2016**

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	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
<b><u>Student Managed Activity Fund</u></b>				
Assets:				
Cash and Cash Equivalents	\$65,168	\$43,602	(\$53,891)	\$54,879
Total Assets	<u>\$65,168</u>	<u>\$43,602</u>	<u>(\$53,891)</u>	<u>\$54,879</u>
Liabilities:				
Due to Students	\$65,168	\$43,602	(\$53,891)	\$54,879
Total Liabilities	<u>\$65,168</u>	<u>\$43,602</u>	<u>(\$53,891)</u>	<u>\$54,879</u>
<b><u>OHSAA Tournament Fund</u></b>				
Assets:				
Cash and Cash Equivalents	\$7,154	\$122,730	(\$129,884)	\$0
Total Assets	<u>\$7,154</u>	<u>\$122,730</u>	<u>(\$129,884)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$7,154	\$122,730	(\$129,884)	\$0
Total Liabilities	<u>\$7,154</u>	<u>\$122,730</u>	<u>(\$129,884)</u>	<u>\$0</u>
<b><u>Totals - All Agency Funds</u></b>				
Assets:				
Cash and Cash Equivalents	\$72,322	\$166,332	(\$183,775)	\$54,879
Total Assets	<u>\$72,322</u>	<u>\$166,332</u>	<u>(\$183,775)</u>	<u>\$54,879</u>
Liabilities:				
Due to Others	\$7,154	\$122,730	(\$129,884)	\$0
Due to Students	65,168	43,602	(53,891)	54,879
Total Liabilities	<u>\$72,322</u>	<u>\$166,332</u>	<u>(\$183,775)</u>	<u>\$54,879</u>





*STATISTICAL SECTION*

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*STATISTICAL TABLES*

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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*

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<b>Financial Trends</b>	S 2 – S 13
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
<b>Revenue Capacity</b>	S 14 – S 21
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	S 22 – S 29
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<b>Economic and Demographic Information</b>	S 30 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	S 34 – S 47
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

**Sources Note:**

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

## *Piqua City School District*

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

	2007	2008	2009	2010
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$18,301,335	\$17,911,256	\$17,985,350	\$18,168,187
Restricted for:				
Capital Projects	937,024	1,560,221	1,913,605	2,082,762
Debt Service	730,481	788,458	840,185	857,711
Other Purposes	490,122	416,859	0	580,141
Permanent Fund:				
Expendable	31,044	28,582	27,126	23,050
Nonexpendable	36,309	38,609	40,049	43,919
Unrestricted	3,192,601	4,263,735	7,421,574	7,370,622
Total Governmental Activities Net Position	<u>\$23,718,916</u>	<u>\$25,007,720</u>	<u>\$28,227,889</u>	<u>\$29,126,392</u>
<b>Business-type Activities:</b>				
Net Investment in Capital Assets	\$366,053	\$342,971	\$314,533	\$327,699
Unrestricted	744,863	877,825	889,595	801,579
Total Business-type Activities Net Position	<u>\$1,110,916</u>	<u>\$1,220,796</u>	<u>\$1,204,128</u>	<u>\$1,129,278</u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	\$18,667,388	\$18,254,227	\$18,299,883	\$18,495,886
Restricted	2,224,980	2,832,729	2,820,965	3,587,583
Unrestricted	3,937,464	5,141,560	8,311,169	8,172,201
Total Primary Government Net Position	<u>\$24,829,832</u>	<u>\$26,228,516</u>	<u>\$29,432,017</u>	<u>\$30,255,670</u>

\* As Restated

Source: District Treasurer's Office

*Piqua City School District*

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2011	2012	2013	* 2014	* 2015	2016
\$18,928,936	\$19,340,046	\$21,394,368	\$16,365,362	\$35,412,859	\$35,233,032
2,589,369	27,756,367	26,783,068	28,663,014	8,580,230	4,659,193
942,770	2,070,747	2,198,752	2,224,714	2,813,093	2,957,907
912,316	328,593	581,067	1,273,869	1,161,290	1,670,987
21,902	21,002	20,841	18,712	17,620	15,552
44,184	44,919	44,919	45,919	46,919	47,919
7,867,316	8,964,093	9,149,244	(28,068,377)	(25,013,950)	(21,576,352)
<u>\$31,306,793</u>	<u>\$58,525,767</u>	<u>\$60,172,259</u>	<u>\$20,523,213</u>	<u>\$23,018,061</u>	<u>\$23,008,238</u>
\$315,934	\$297,028	\$268,486	\$207,011	\$483,878	\$431,625
1,081,342	1,271,588	1,271,971	616,706	620,896	688,066
<u>\$1,397,276</u>	<u>\$1,568,616</u>	<u>\$1,540,457</u>	<u>\$823,717</u>	<u>\$1,104,774</u>	<u>\$1,119,691</u>
\$19,244,870	\$19,637,074	\$21,662,854	\$16,572,373	\$35,896,737	\$35,664,657
4,510,541	30,221,628	29,628,647	32,226,228	12,619,152	9,351,558
8,948,658	10,235,681	10,421,215	(27,451,671)	(24,393,054)	(20,888,286)
<u>\$32,704,069</u>	<u>\$60,094,383</u>	<u>\$61,712,716</u>	<u>\$21,346,930</u>	<u>\$24,122,835</u>	<u>\$24,127,929</u>

**Piqua City School District**

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

	2007	2008	2009	2010
<b>Expenses</b>				
Governmental Activities:				
Instruction	\$19,061,767	\$19,105,320	\$19,185,487	\$20,847,397
Support Services:				
Pupils	1,505,043	1,549,456	1,563,984	1,526,170
Instructional Staff	2,061,205	2,085,124	1,954,338	2,064,970
Board of Education	23,042	20,339	32,189	29,714
Administration	2,454,192	2,361,191	2,330,316	2,377,327
Fiscal Services	390,832	401,055	382,588	400,031
Business	101,989	52,433	56,246	26,713
Operation and Maintenance of Plant	3,065,299	2,882,505	2,903,991	2,883,562
Pupil Transportation	1,545,489	1,442,206	1,262,006	1,432,056
Central	162,793	192,486	211,194	314,184
Operation of Non-Instructional Services	375,228	289,838	295,329	148,034
Extracurricular Activities	861,632	717,482	790,688	845,301
Interest and Fiscal Charges	481,096	607,378	552,623	493,693
<i>Total Governmental Activities Expenses</i>	<u>32,089,607</u>	<u>31,706,813</u>	<u>31,520,979</u>	<u>33,389,152</u>
Business-type Activities:				
Food Service	1,684,194	1,682,680	1,808,378	1,762,234
<i>Total Business-type Activities Expenses</i>	<u>1,684,194</u>	<u>1,682,680</u>	<u>1,808,378</u>	<u>1,762,234</u>
<i>Total Primary Government Expenses</i>	<u>\$33,773,801</u>	<u>\$33,389,493</u>	<u>\$33,329,357</u>	<u>\$35,151,386</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
Instruction	\$224,647	\$286,554	\$243,635	\$294,387
Support Services:				
Pupils	1,525	1,151	144	124
Pupil Transportation	54,717	37,531	37,192	49,100
Extracurricular Activities	432,912	321,306	388,078	425,665
Operating Grants and Contributions	2,888,699	2,711,846	2,511,226	4,265,347
Capital Grants and Contributions	27,060	22,757	46,110	0
<i>Total Governmental Activities</i>	<u>3,629,560</u>	<u>3,381,145</u>	<u>3,226,385</u>	<u>5,034,623</u>

*Piqua City School District*

2011	2012	2013	2014	2015	2016
\$21,406,030	\$22,684,939	\$22,155,945	\$21,934,785	\$23,167,197	\$23,331,406
1,491,789	1,335,557	870,161	972,157	1,105,305	1,281,827
2,034,765	2,120,361	2,164,903	1,715,488	2,929,248	2,019,011
23,825	24,845	30,160	40,625	40,010	41,484
2,390,523	2,291,914	2,318,480	2,480,794	2,695,336	2,380,233
629,529	658,690	682,210	660,369	687,199	672,639
2,338	6,432	261	263	503	491
3,018,583	2,775,724	2,912,605	2,812,103	3,166,532	6,566,039
1,522,099	1,722,426	1,677,670	1,679,345	1,580,322	1,653,836
269,213	302,710	228,016	236,868	1,369,176	2,106,009
301,869	257,682	189,833	136,472	191,076	180,753
915,886	875,739	919,219	937,821	985,661	898,912
493,346	1,223,052	1,839,145	1,554,211	1,419,981	1,287,472
<u>34,499,795</u>	<u>36,280,071</u>	<u>35,988,608</u>	<u>35,161,301</u>	<u>39,337,546</u>	<u>42,420,112</u>
<u>1,677,921</u>	<u>1,774,101</u>	<u>1,809,390</u>	<u>1,697,492</u>	<u>1,772,835</u>	<u>1,618,415</u>
<u>1,677,921</u>	<u>1,774,101</u>	<u>1,809,390</u>	<u>1,697,492</u>	<u>1,772,835</u>	<u>1,618,415</u>
<u>\$36,177,716</u>	<u>\$38,054,172</u>	<u>\$37,797,998</u>	<u>\$36,858,793</u>	<u>\$41,110,381</u>	<u>\$44,038,527</u>
\$291,930	\$293,716	\$540,703	\$836,070	\$680,563	\$704,407
52	35	39	71	108	82
49,763	51,565	45,884	46,213	49,931	45,393
425,579	344,182	379,305	362,582	517,498	404,401
4,526,847	3,452,569	2,825,291	3,097,272	5,283,836	3,710,040
<u>0</u>	<u>25,793,854</u>	<u>0</u>	<u>0</u>	<u>6,000</u>	<u>0</u>
<u>5,294,171</u>	<u>29,935,921</u>	<u>3,791,222</u>	<u>4,342,208</u>	<u>6,537,936</u>	<u>4,864,323</u>

(Continued)

**Piqua City School District**

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

	2007	2008	2009	2010
Business-type Activities:				
Charges for Services				
Food Service	702,248	679,999	685,399	613,175
Operating Grants and Contributions	861,842	1,112,561	1,106,311	1,074,209
<i>Total Business-type     Activities Program Revenues</i>	<u>1,564,090</u>	<u>1,792,560</u>	<u>1,791,710</u>	<u>1,687,384</u>
<i>Total Primary Government     Program Revenues</i>	<u>5,193,650</u>	<u>5,173,705</u>	<u>5,018,095</u>	<u>6,722,007</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(28,460,047)	(28,325,668)	(28,294,594)	(28,354,529)
Business-type Activities	(120,104)	109,880	(16,668)	(74,850)
<i>Total Primary Government     Net (Expense)/Revenue</i>	<u>(\$28,580,151)</u>	<u>(\$28,215,788)</u>	<u>(\$28,311,262)</u>	<u>(\$28,429,379)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$10,065,680	\$10,045,856	\$10,064,281	\$8,884,069
Facilities Maintenance	0	0	0	0
Debt Service	1,060,120	874,031	926,598	840,002
Capital Outlay	1,026,558	1,027,335	1,039,595	929,187
Income Taxes	2,253,023	2,260,523	3,382,521	4,494,674
Intergovernmental, Unrestricted	13,915,936	14,538,480	15,554,509	13,925,534
Investment Earnings	451,410	370,748	179,416	(134,954)
Miscellaneous	287,562	497,499	367,843	314,520
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	<u>29,060,289</u>	<u>29,614,472</u>	<u>31,514,763</u>	<u>29,253,032</u>
Business-type Activities:				
Transfers	0	0	0	0
<i>Total Business-type Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$29,060,289</u>	<u>\$29,614,472</u>	<u>\$31,514,763</u>	<u>\$29,253,032</u>
<b>Change in Net Position</b>				
Governmental Activities	600,242	1,288,804	3,220,169	898,503
Business-type Activities	(120,104)	109,880	(16,668)	(74,850)
<i>Total Primary Government     Change in Net Position</i>	<u>\$480,138</u>	<u>\$1,398,684</u>	<u>\$3,203,501</u>	<u>\$823,653</u>

Source: District Treasurer's Office



*Piqua City School District*

2011	2012	2013	2014	2015	2016
546,857	536,698	474,457	405,110	384,424	469,789
<u>1,399,062</u>	<u>1,408,743</u>	<u>1,306,774</u>	<u>1,262,409</u>	<u>1,237,888</u>	<u>1,163,543</u>
<u>1,945,919</u>	<u>1,945,441</u>	<u>1,781,231</u>	<u>1,667,519</u>	<u>1,622,312</u>	<u>1,633,332</u>
<u>7,240,090</u>	<u>31,881,362</u>	<u>5,572,453</u>	<u>6,009,727</u>	<u>8,160,248</u>	<u>6,497,655</u>
(29,205,624)	(6,344,150)	(32,197,386)	(30,819,093)	(32,799,610)	(37,555,789)
<u>267,998</u>	<u>171,340</u>	<u>(28,159)</u>	<u>(29,973)</u>	<u>(150,523)</u>	<u>14,917</u>
<u>(\$28,937,626)</u>	<u>(\$6,172,810)</u>	<u>(\$32,225,545)</u>	<u>(\$30,849,066)</u>	<u>(\$32,950,133)</u>	<u>(\$37,540,872)</u>
\$9,751,326	\$9,013,333	\$8,829,511	\$9,384,129	\$9,135,206	\$9,016,592
0	144,359	195,212	169,789	161,123	158,350
900,216	2,065,576	2,281,813	2,331,814	2,233,206	2,224,789
1,015,252	930,571	917,366	938,183	898,235	883,256
4,724,090	4,922,054	5,390,586	5,457,157	5,624,996	5,947,908
14,444,884	15,954,919	15,601,233	16,297,871	17,551,947	18,509,553
302,254	95,818	156,983	239,157	434,987	270,484
248,003	436,494	471,174	306,281	196,726	535,034
0	0	0	0	(431,580)	0
<u>31,386,025</u>	<u>33,563,124</u>	<u>33,843,878</u>	<u>35,124,381</u>	<u>35,804,846</u>	<u>37,545,966</u>
0	0	0	0	431,580	0
0	0	0	0	431,580	0
<u>\$31,386,025</u>	<u>\$33,563,124</u>	<u>\$33,843,878</u>	<u>\$35,124,381</u>	<u>\$36,236,426</u>	<u>\$37,545,966</u>
2,180,401	27,218,974	1,646,492	4,305,288	3,005,236	(9,823)
<u>267,998</u>	<u>171,340</u>	<u>(28,159)</u>	<u>(29,973)</u>	<u>281,057</u>	<u>14,917</u>
<u>\$2,448,399</u>	<u>\$27,390,314</u>	<u>\$1,618,333</u>	<u>\$4,275,315</u>	<u>\$3,286,293</u>	<u>\$5,094</u>

**Piqua City School District**

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

	2007	2008	2009	* 2010	2011
General Fund					
Nonspendable	\$0	\$0	\$0	\$0	\$16,476
Restricted	0	0	0	0	834,143
Assigned	0	0	0	0	596,081
Unassigned	0	0	0	0	5,463,244
Reserved	1,946,237	1,081,482	1,680,710	1,666,828	0
Unreserved	(754,678)	753,375	3,216,012	3,889,465	0
<i>Total General Fund</i>	<u>1,191,559</u>	<u>1,834,857</u>	<u>4,896,722</u>	<u>5,556,293</u>	<u>6,909,944</u>
All Other Governmental Funds					
Nonspendable	0	0	0	0	43,919
Restricted	0	0	0	0	7,072,488
Assigned	0	0	0	0	94,184
Unassigned	0	0	0	0	(194,496)
Reserved	1,267,544	979,919	1,173,221	1,286,033	0
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	604,671	705,088	552,290	366,883	0
Capital Projects Funds	530,095	1,418,931	1,638,364	1,851,071	0
<i>Total All Other Governmental Funds</i>	<u>2,402,310</u>	<u>3,103,938</u>	<u>3,363,875</u>	<u>3,503,987</u>	<u>7,016,095</u>
<i>Total Governmental Funds</i>	<u>\$3,593,869</u>	<u>\$4,938,795</u>	<u>\$8,260,597</u>	<u>\$9,060,280</u>	<u>\$13,926,039</u>

Source: District Treasurer's Office

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

\* As restated due to GASB 54 implementation

*Piqua City School District*

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2012	2013	2014	2015	2016
\$1,533	\$1,365	\$1,218	\$1,444	\$0
0	0	0	0	0
582,016	757,641	969,061	710,243	1,062,004
7,199,254	7,927,306	9,974,884	11,793,972	15,205,904
0	0	0	0	0
0	0	0	0	0
<u>7,782,803</u>	<u>8,686,312</u>	<u>10,945,163</u>	<u>12,505,659</u>	<u>16,267,908</u>
44,919	44,919	45,919	46,919	47,919
35,123,558	38,662,999	26,964,030	12,133,198	8,826,335
94,237	94,295	94,398	94,558	0
(144,671)	(85,589)	(486,311)	(85,760)	(438,556)
0	0	0	0	0
0	0	0	0	0
<u>35,118,043</u>	<u>38,716,624</u>	<u>26,618,036</u>	<u>12,188,915</u>	<u>8,435,698</u>
<u>\$42,900,846</u>	<u>\$47,402,936</u>	<u>\$37,563,199</u>	<u>\$24,694,574</u>	<u>\$24,703,606</u>

## *Piqua City School District*

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

	2007	2008	2009	2010
<b>Revenues:</b>				
Local Sources:				
Taxes	\$14,419,517	\$14,150,431	\$15,387,973	\$15,142,143
Tuition	3,196	7,460	5,030	3,625
Transportation Fees	54,717	37,531	37,192	49,100
Investment Earnings	239,887	214,974	102,858	(165,964)
Extracurricular Activities	504,759	457,060	491,461	588,007
Class Materials and Fees	149,604	143,340	135,222	128,420
Intermediate Sources	10,710	30,562	69,506	46,692
Intergovernmental - State	14,424,266	14,856,722	15,843,854	14,051,556
Intergovernmental - Federal	2,523,093	2,421,712	2,386,862	3,993,343
All Other Revenue	287,562	497,499	367,843	314,520
<b>Total Revenues</b>	<u>32,617,311</u>	<u>32,817,291</u>	<u>34,827,801</u>	<u>34,151,442</u>
<b>Expenditures:</b>				
Current:				
Instruction	18,570,721	18,247,045	18,235,730	19,869,739
Supporting Services:				
Pupils	1,496,885	1,574,056	1,596,274	1,474,825
Instructional Staff	2,067,550	2,075,287	1,955,021	1,999,864
Board of Education	23,042	20,339	32,189	29,714
Administration	2,416,263	2,274,443	2,199,678	2,258,046
Fiscal Services	375,270	404,047	376,558	393,654
Business	100,888	54,748	54,058	30,502
Operation and Maintenance of Plant	2,982,253	2,823,351	2,854,147	2,873,207
Pupil Transportation	1,463,409	1,369,429	1,597,794	1,638,063
Central	161,456	191,322	211,419	313,907
Operation of Non-Instructional Services	371,664	286,744	294,428	165,805
Extracurricular Activities	807,362	664,053	737,425	792,759
Capital Outlay	661,705	349,557	208,690	437,616
Debt Service:				
Principal Retirement	799,456	807,637	829,274	753,801
Interest and Fiscal Charges	350,135	337,922	324,805	313,420
<b>Total Expenditures</b>	<u>32,648,059</u>	<u>31,479,980</u>	<u>31,507,490</u>	<u>33,344,922</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,748)	1,337,311	3,320,311	806,520

*Piqua City School District*

2011	2012	2013	2014	2015	2016
\$16,378,456	\$17,066,075	\$17,828,558	\$18,257,962	\$18,064,013	\$18,111,354
3,980	2,980	258,696	536,811	463,230	499,535
49,763	51,565	45,884	46,213	49,931	45,393
281,495	70,250	145,746	227,194	425,359	270,566
588,873	516,971	538,415	533,590	608,087	486,277
124,656	117,947	122,897	128,251	126,744	122,996
33,062	18,594	50,857	48,494	51,900	9,829
14,590,761	17,007,252	22,106,018	30,560,017	24,443,198	19,662,848
4,394,062	3,270,878	2,662,927	2,081,121	3,122,369	2,547,922
248,003	436,494	471,174	306,281	196,726	535,034
<u>36,693,111</u>	<u>38,559,006</u>	<u>44,231,172</u>	<u>52,725,934</u>	<u>47,551,557</u>	<u>42,291,754</u>
21,059,021	21,694,021	21,616,288	22,024,698	23,352,039	23,326,291
1,498,317	1,331,123	934,030	976,990	1,146,716	1,317,598
2,004,830	2,084,488	2,130,850	1,708,970	2,982,462	1,976,444
23,825	24,845	30,160	40,625	40,010	41,484
2,404,543	2,293,806	2,269,621	2,383,929	2,746,871	2,377,320
625,762	654,313	678,113	661,744	690,556	675,986
2,338	6,432	261	263	0	0
2,966,605	2,732,303	2,618,058	2,770,650	3,171,345	2,741,635
1,368,692	1,563,661	1,535,300	1,571,452	1,654,442	1,573,094
268,299	294,528	217,670	246,910	207,876	233,052
300,829	255,659	187,306	133,943	196,312	170,791
838,102	792,826	836,366	855,359	981,075	882,549
1,235,638	3,532,815	3,603,325	26,266,836	20,408,370	4,109,029
710,000	29,831,000	1,395,000	1,480,000	6,528,749	1,661,555
292,868	954,701	1,676,566	1,444,155	1,430,754	1,336,756
<u>35,599,669</u>	<u>68,046,521</u>	<u>39,728,914</u>	<u>62,566,524</u>	<u>65,537,577</u>	<u>42,423,584</u>
1,093,442	(29,487,515)	4,502,258	(9,840,590)	(17,986,020)	(131,830)

(Continued)

**Piqua City School District**

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

	2007	2008	2009	2010
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	7,560	900	1,400	0
Certificates of Participation Issued	0	0	0	0
General Obligation Notes Issued	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Bonds Issued	0	0	0	0
Refunding Bonds Issued	0	0	0	0
Other Financing Sources - Capital Leases	0	0	0	0
Transfers In	42,212	0	0	0
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>49,772</u>	<u>900</u>	<u>1,400</u>	<u>0</u>
<b>Net Change in Fund Balance</b>	<u>\$19,024</u>	<u>\$1,338,211</u>	<u>\$3,321,711</u>	<u>\$806,520</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	3.60%	3.66%	3.73%	3.28%

Source: District Treasurer's Office

*Piqua City School District*

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2011	2012	2013	2014	2015	2016
2,292	0	0	1,000	6,987	0
3,770,000	0	0	0	0	0
0	29,086,000	0	0	0	0
0	29,030,000	0	0	0	0
0	361,265	0	0	245,182	0
0	0	0	0	4,865,000	0
0	0	0	0	0	142,306
0	300,079	302,982	0	703,046	418,032
0	(300,079)	(302,982)	0	(703,046)	(418,032)
<u>3,772,292</u>	<u>58,477,265</u>	<u>0</u>	<u>1,000</u>	<u>5,117,169</u>	<u>142,306</u>
<u>\$4,865,734</u>	<u>\$28,989,750</u>	<u>\$4,502,258</u>	<u>(\$9,839,590)</u>	<u>(\$12,868,851)</u>	<u>\$10,476</u>
2.97%	47.75%	8.45%	8.24%	17.89%	7.12%

## *Piqua City School District*

*Assessed Valuations and Estimated True Values of Taxable Property  
(per \$1,000 of assessed value)  
Last Ten Calendar Years*

<b>Tax year</b>	2006	2007	2008	2009
<b>Real Property</b>				
Assessed	\$374,683,270	\$406,911,920	\$407,511,780	\$413,598,800
Actual	1,070,523,629	1,162,605,486	1,164,319,371	1,181,710,857
<b>Public Utility</b>				
Assessed	6,323,530	4,459,970	4,819,310	4,709,220
Actual	18,067,229	12,742,771	13,769,457	13,454,914
<b>Tangible Personal Property</b>				
Assessed	53,859,240	36,592,810	17,687,650	641,520
Actual	287,249,280	292,742,480	283,002,400	6,415,200
<b>Total</b>				
Assessed	434,866,040	447,964,700	430,018,740	418,949,540
Actual	1,375,840,138	1,468,090,737	1,461,091,228	1,201,580,971
<b>Assessed Value as a Percentage of Actual Value</b>				
	31.61%	30.51%	29.43%	34.87%
<b>Total Direct Tax Rate</b>				
	45.25	44.50	44.82	44.87

Source: Miami County Auditor

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

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

Additionally, telephone and telecommunications property was reclassified to general business personal property and assessed at 10% for 2009, 5% for 2010 and 0% for 2011 and forward.



*Piqua City School District*

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2010	2011	2012	2013	2014	2015
\$400,859,150	\$396,188,850	\$397,123,530	\$371,221,370	\$369,583,590	\$377,749,340
1,145,311,857	1,131,968,143	1,134,638,657	1,060,632,486	1,055,953,114	1,079,283,829
4,912,550	5,109,850	5,745,070	5,843,490	6,167,950	6,902,690
14,035,857	14,599,571	16,414,486	16,695,686	17,622,714	19,721,971
305,640	0	0	0	0	0
6,112,800	0	0	0	0	0
406,077,340	401,298,700	402,868,600	377,064,860	375,751,540	384,652,030
1,165,460,514	1,146,567,714	1,151,053,143	1,077,328,171	1,073,575,829	1,099,005,800
34.84%	35.00%	35.00%	35.00%	35.00%	35.00%
44.95	49.87	49.88	50.45	50.46	50.52

***Piqua City School District***

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

	2006	2007	2008	2009	2010
<b>Direct District Rates</b>					
General Fund	39.80	39.40	39.72	39.72	39.80
Bond Retirement Fund	2.65	2.30	2.30	2.35	2.35
Permanent Improvement Fund	2.80	2.80	2.80	2.80	2.80
Total	45.25	44.50	44.82	44.87	44.95
<b>Overlapping Rates</b>					
City of Piqua	4.40	4.40	4.42	4.42	4.42
Joint Vocational School	5.45	5.35	5.18	5.36	5.32
Miami County	8.81	8.80	8.81	8.81	8.81
Forest Hill Cemetery	0.50	0.50	0.50	0.50	0.50

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

Source:

Miami County Auditor's Office  
Miami County Treasurer's Office

*Piqua City School District*

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2011	2012	2013	2014	2015
39.80	39.80	40.22	40.23	40.66
7.27	7.28	6.93	6.93	7.06
2.80	2.80	3.30	3.30	2.80
<u>49.87</u>	<u>49.88</u>	<u>50.45</u>	<u>50.46</u>	<u>50.52</u>
4.42	4.42	4.42	4.47	4.49
5.32	5.32	5.32	5.32	5.32
8.81	8.81	8.81	8.81	8.81
0.50	0.50	0.50	0.50	0.50



**Piqua City School District**

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

Name of Taxpayer	Nature of Business	Calendar Year 2015		
		Assessed Value	Rank	Percent of Total Assessed Value
Harvey A Tolson Enterprises	Real Estate	\$3,516,520	1	0.91%
Wal-Mart	Retail	3,021,200	2	0.79%
Pioneer Rural Electric	Electricity	2,748,950	3	0.71%
Midamco	Hospitality	2,627,560	4	0.68%
Vectren Energy	Natural Gas	2,433,260	5	0.63%
Dayton Power and Light Co.	Electricity	2,360,530	6	0.61%
Evenflo Juvenile	Manufacturer - Juvenile Furniture	1,967,950	7	0.51%
Teeters Real Estate	Real Estate	1,935,690	8	0.50%
Hartzell Propeller Inc.	Aircraft Propeller Design	1,849,600	9	0.48%
Jideli Properties LLC	Real Estate	1,816,260	10	0.47%
Subtotal		24,277,520		6.29%
All Others		360,374,510		93.71%
Total		<u>\$384,652,030</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2006		
		Assessed Value	Rank	Percent of Total Assessed Value
Midamco	Hospitality	\$8,819,110	1	2.31%
Jackson Tube	Manufacturer - Steel Tubing	3,309,570	2	0.87%
Wal-Mart	Retail	3,098,170	3	0.81%
Med-Terra Inc.	Real Estate	2,248,840	4	0.59%
Evenflo Juvenile	Manufacturer - Juvenile Furniture	2,229,270	5	0.59%
Home Depot Inc.	Retail	2,090,420	6	0.55%
Harvey A Tolson Enterprises	Real Estate	1,783,080	7	0.47%
Pioneer Rural Electric	Electricity	1,552,250	8	0.41%
Ohio Bell Telephone	Utility	1,540,980	9	0.40%
Miami Valley Realty	Real Estate	1,484,810	10	0.39%
Subtotal		28,156,500		7.39%
All Others		352,850,300		92.61%
Total		<u>\$381,006,800</u>		<u>100.00%</u>

Source: Miami County Auditor - Land and Buildings  
Based on valuation of property in 2015 and 2006

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

***Piqua City School District***

*Property Tax Levies and Collections  
Last Ten Years*

<b>Collection Year</b>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Total Tax Levy</b>	\$14,177,788	\$13,678,615	\$13,196,070	\$12,524,772
<b>Collections within the Fiscal Year of the Levy</b>				
Current Tax Collections	13,844,988	13,147,245	12,774,025	12,097,727
Percent of Levy Collected	97.65%	96.12%	96.80%	96.59%
Delinquent Tax Collections <sup>(1)</sup>	<u>581,075</u>	<u>402,960</u>	<u>464,920</u>	<u>458,414</u>
Total Tax Collections	14,426,063	13,550,205	13,238,945	12,556,141
<b>Percent of Total Tax Collections To Tax Levy</b>	101.75%	99.06%	100.32%	100.25%
<b>Accumulated Outstanding Delinquent Taxes</b>	1,253,166	2,357,109	2,384,309	1,214,881
<b>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</b>	8.84%	17.23%	18.07%	9.70%

(1) The County does not currently identify delinquent tax collections by tax year.

Source: Miami County Auditor's Office  
Presented on a calendar year basis because that is the manner  
in which the information is maintained by the County.

*Piqua City School District*

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2010	2011	2012	2013	2014	2015
\$12,544,610	\$12,837,246	\$14,469,502	\$14,375,763	\$14,466,849	\$14,569,702
12,145,139	12,454,909	14,060,718	13,864,575	13,981,355	14,083,891
96.82%	97.02%	97.17%	96.44%	96.64%	96.67%
482,501	432,918	422,679	481,497	487,500	548,675
12,627,640	12,887,827	14,483,397	14,346,072	14,468,855	14,632,566
100.66%	100.39%	100.10%	99.79%	100.01%	100.43%
1,231,409	1,172,973	1,140,871	1,029,644	1,033,559	1,016,671
9.82%	9.14%	7.88%	7.16%	7.14%	6.98%

## *Piqua City School District*

### *Ratios of Outstanding Debt By Type Last Ten Years*

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Governmental Activities</b> <sup>(1)</sup>				
Certificates of Participation	\$0	\$0	\$0	\$0
General Obligation Bonds Payable	9,719,528	9,290,773	8,805,425	8,262,560
Capital Leases	280,711	163,075	38,801	0
Total Primary Government	<u>\$10,000,239</u>	<u>\$9,453,848</u>	<u>\$8,844,226</u>	<u>\$8,262,560</u>
<b>Population</b> <sup>(2)</sup>				
Piqua City	20,738	20,738	20,582	20,551
Outstanding Debt Per Capita	\$482	\$456	\$430	\$402
<b>Income</b> <sup>(3) (a)</sup>				
Personal (in thousands)	\$665,628	\$747,003	\$713,743	\$717,661
Percentage of Personal Income	1.50%	1.27%	1.24%	1.15%

\* As Restated

Sources:

- (1) District Treasurer's Office
  - (2) US Bureau of Census of Population
  - (3) US Department of Commerce, Bureau of Economic Analysis
- (a) Per Capita Income is only available by County. Total Personal Income is a calculation based on previous calendar year.



*Piqua City School District*

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2011	*	2013	2014	2015	2016
\$3,770,000	\$3,770,000	\$3,770,000	\$3,770,000	\$3,770,000	\$3,770,000
7,672,565	36,751,472	35,454,737	34,043,453	32,507,741	30,805,803
0	0	0	0	0	120,751
<u>\$11,442,565</u>	<u>\$40,521,472</u>	<u>\$39,224,737</u>	<u>\$37,813,453</u>	<u>\$36,277,741</u>	<u>\$34,696,554</u>
20,522	20,592	20,619	20,699	20,759	20,790
\$558	\$1,968	\$1,902	\$1,827	\$1,748	\$1,669
\$718,824	\$784,493	\$836,492	\$847,914	\$854,627	\$868,627
1.59%	5.17%	4.69%	4.46%	4.24%	3.99%

***Piqua City School District***

*Ratios of General Bonded Debt Outstanding  
Last Ten Years*

Year	2007	2008	2009	2010
<b>Population</b> (1)	20,738	20,738	20,582	20,551
<b>Estimated Actual Value</b>	1,375,840,138	1,468,090,737	1,461,091,228	1,201,580,971
<b>General Bonded Debt</b> (2)				
General Obligation Bonds	9,719,528	9,290,773	8,805,425	8,262,560
<b>Resources Available to Pay Principal</b> (3)	730,481	788,458	840,185	857,711
<b>Net General Bonded Debt</b>	8,989,047	8,502,315	7,965,240	7,404,849
<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	0.65%	0.58%	0.55%	0.62%
<b>Net Bonded Debt per Capita</b>	433.46	409.99	387.00	360.32

\* As Restated

Source:

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

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

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

*Piqua City School District*

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2011	*	2013	2014	2015	2016
20,522	20,592	20,619	20,699	20,759	20,790
1,165,460,514	1,146,567,714	1,151,053,143	1,077,328,171	1,073,575,829	1,099,005,800
7,672,565	36,751,472	35,454,737	34,043,453	32,507,741	30,805,803
942,770	2,070,747	2,198,752	2,224,714	2,813,093	2,957,907
6,729,795	34,680,725	33,255,985	31,818,739	29,694,648	27,847,896
0.58%	3.02%	2.89%	2.95%	2.77%	2.53%
327.93	1,684.18	1,612.88	1,537.21	1,430.45	1,339.49



***Piqua City School District***

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2016*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to Piqua City School District (1)</u>	<u>Amount Applicable to Piqua City School District</u>
<b>Direct:</b>			
Piqua City School District	\$34,696,554	100.00%	\$34,696,554
<b>Overlapping:</b>			
Miami County	15,916,100	17.88%	2,845,589
City of Piqua	550,502	100.00%	<u>550,502</u>
		Subtotal	<u>3,396,091</u>
		Total	<u><u>\$38,092,645</u></u>

Source: Ohio Municipal Advisory Council, June 2016

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

## *Piqua City School District*

### *Debt Limitations Last Ten Years*

	2007	2008	2009	2010
Net Assessed Valuation	\$434,866,040	\$447,964,700	\$430,018,740	\$418,949,540
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	39,137,944	40,316,823	38,701,687	37,705,459
Applicable District Debt Outstanding	9,719,528	9,290,773	8,805,425	8,262,560
Less: Applicable Debt Service Fund Amounts (2)	(718,046)	(779,667)	(827,565)	(844,123)
Net Indebtedness Subject to Limitation	<u>9,001,482</u>	<u>8,511,106</u>	<u>7,977,860</u>	<u>7,418,437</u>
Overall Legal Debt Margin	<u>\$30,136,462</u>	<u>\$31,805,717</u>	<u>\$30,723,827</u>	<u>\$30,287,022</u>
Debt Margin as a Percentage of Debt Limit	77.00%	78.89%	79.39%	80.33%
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	434,866	447,965	430,019	418,950
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$434,866</u>	<u>\$447,965</u>	<u>\$430,019</u>	<u>\$418,950</u>
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	3,913,794	4,031,682	3,870,169	3,770,546
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation				
Loans Legal Debt Margin	<u>\$3,913,794</u>	<u>\$4,031,682</u>	<u>\$3,870,169</u>	<u>\$3,770,546</u>

\* As Restated

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

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

*Piqua City School District*

*					
2011	2012	2013	2014	2015	2016
\$406,077,340	\$401,298,700	\$402,868,600	\$377,064,860	\$375,751,540	\$384,652,030
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
36,546,961	36,116,883	36,258,174	33,935,837	33,817,639	34,618,683
7,672,565	36,751,472	35,454,737	34,043,453	32,507,741	30,805,803
(924,162)	(2,186,831)	(2,297,573)	(2,320,114)	(2,813,093)	(2,957,907)
<u>6,748,403</u>	<u>34,564,641</u>	<u>33,157,164</u>	<u>31,723,339</u>	<u>29,694,648</u>	<u>27,847,896</u>
<u>\$29,798,558</u>	<u>\$1,552,242</u>	<u>\$3,101,010</u>	<u>\$2,212,498</u>	<u>\$4,122,991</u>	<u>\$6,770,787</u>
81.53%	4.30%	8.55%	6.52%	12.19%	19.56%
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
406,077	401,299	402,869	377,065	375,752	384,652
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$406,077</u>	<u>\$401,299</u>	<u>\$402,869</u>	<u>\$377,065</u>	<u>\$375,752</u>	<u>\$384,652</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
3,654,696	3,611,688	3,625,817	3,393,584	3,381,764	3,461,868
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$3,654,696</u>	<u>\$3,611,688</u>	<u>\$3,625,817</u>	<u>\$3,393,584</u>	<u>\$3,381,764</u>	<u>\$3,461,868</u>

## *Piqua City School District*

### *Demographic and Economic Statistics Last Ten Years*

Calendar Year	2006	2007	2008	2009	2010
<b>Population</b> (1)					
Piqua City	20,738	20,738	20,582	20,551	20,522
Miami County	102,028	102,130	102,430	102,526	102,479
<b>Income</b> (2) (a)					
Total Personal (in thousands)	665,628	747,003	713,743	717,661	718,824
Per Capita	32,097	36,021	34,678	34,921	35,027
<b>Unemployment Rate</b> (3)					
Federal	4.6%	4.8%	5.8%	9.3%	9.6%
State	5.5%	5.7%	6.6%	10.2%	10.1%
Miami County	5.5%	5.0%	6.4%	11.7%	10.5%
Fiscal Year	2007	2008	2009	2010	2011
<b>School Enrollment</b> (4)					
Grades K - 3	1,093	1,096	1,140	1,154	1,166
Grades 4 - 6	868	850	851	831	793
Grades 7 - 8	557	572	600	568	579
Grades 9 - 12	1,248	1,219	1,189	1,139	1,100
Total	<u>3,766</u>	<u>3,737</u>	<u>3,780</u>	<u>3,692</u>	<u>3,638</u>

Sources:

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



*Piqua City School District*

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2011	2012	2013	2014	2015
20,592	20,619	20,699	20,759	20,790
102,846	103,125	103,421	103,970	104,224
784,493	836,492	847,914	854,627	868,627
38,097	40,569	40,964	41,169	41,781
8.9%	8.1%	7.2%	5.6%	5.0%
8.6%	7.2%	7.5%	5.2%	4.7%
8.7%	7.0%	6.7%	4.5%	3.9%
2012	2013	2014	2015	2016
1,238	1,232	1,093	1,125	1,130
792	787	876	824	818
562	551	525	545	539
1,116	1,135	1,110	1,040	1,015
3,708	3,705	3,604	3,534	3,502



**Piqua City School District**

*Principal Employers  
Current Year and Nine Years Ago*

		<u>2016</u>	
<u>Employer</u>	<u>Nature of Business</u>	<u>Number of Employees</u>	<u>Rank</u>
Industry Products	Die Cutting, Silk Screening	470	1
Nitto Denko Automotive Ohio Inc.	Manufacturer - Auto Industry Seals	300	2
Evenflo Company, Inc.	Manufacturer - Juvenile Furniture	285	3
Crane Pumps & Systems	Manufacturer - Industrial Pumps	280	4
Hartzell Propeller Inc.	Manufacturer - Aircraft Propellers	268	5
Westcon Industries	Industrial Construction	225	6
Jackson Tube Service	Manufacturer - Steel Tubing	170	7
Miami Valley Steel	Manufacturer - Steel Products	150	8
Apex Die Casting	Manufacturer - Aluminum Die Casting	150	9
Harmony Systems & Service, Inc.	Manufacturer - Plastic Injection Molder	130	10
Total		<u>2,428</u>	
Total Employment within the District		<u>NA</u>	

		<u>2007</u>	
<u>Employer</u>	<u>Nature of Business</u>	<u>Number of Employees</u>	<u>Rank</u>
Hartzell Propeller	Manufacturer - Aircraft Propellers	335	1
Evenflo Company	Manufacturer - Juvenile Furniture	315	2
Jackson Tube	Manufacturer - Steel Tubing	310	3
Crane Pumps & Systems	Manufacturer - Industrial Pumps	300	4
Industry Products	Die Cutting, Silk Screening	283	5
Piqua Technologies	Manufacturer - Auto Industry Seals	200	6
Miami Valley Steel	Manufacturer - Steel Products	150	7
Orr Felt Company	Manufacturer - Paper Felts	125	8
ITW Hobart Brothers	Manufacturer - Welding Wire	106	9
Hartzell Propeller	Manufacturer - Aircraft Propellers	104	10
Total		<u>2,228</u>	
Total Employment within the District		<u>10,186</u>	

Sources: District Treasurer's Office  
N/A - not available

## *Piqua City School District*

### *School District Employees by Type Last Ten Years*

	2007	2008	2009	2010	2011
<b>Supervisory</b>					
Instructional Administrators	4.00	4.00	4.00	4.00	4.00
Noninstructional Administrators	6.00	4.00	4.00	4.00	4.00
Consultants/Supervisors of Instruction	2.00	2.00	3.00	3.00	3.00
Principals	9.00	9.00	9.00	9.00	9.00
Assistant Principals	3.00	3.00	3.00	3.00	3.00
<b>Instruction</b>					
Classroom Teachers:					
Kindergarten Center	10.00	9.00	10.00	11.00	11.00
Primary: Grades 1-3	47.00	45.00	46.00	45.00	46.00
Intermediate: Grades 4-6	45.00	43.00	43.00	42.00	43.00
Junior High School	27.00	27.00	27.00	27.00	27.00
High School	45.00	43.00	44.00	44.00	44.00
<b>Student Services</b>					
Guidance Counselors	8.00	8.00	8.00	7.00	7.00
Psychologists	2.00	2.00	2.00	2.00	2.00
Librarians	1.00	1.00	1.00	0.00	0.00
Speech and Hearing Specialists	3.00	3.00	3.00	2.00	2.00
Nurses	2.00	2.00	1.00	1.00	1.00
Physical Education	7.00	7.00	7.00	7.00	6.00
Fine Arts	15.00	15.00	15.00	15.00	15.00
<b>Support Services</b>					
Clerical/Secretaries	24.00	23.00	23.00	22.00	22.00
EMIS Coordinator	1.00	1.00	1.00	1.00	1.00
Food Service	43.00	40.00	37.00	34.00	31.00
Library Aides	10.00	9.00	10.00	10.00	10.00
Maintenance/Grounds	28.00	24.00	25.00	21.00	21.00
Parents as Teachers	3.00	3.00	3.00	3.00	3.00
Transportation	22.00	22.00	22.00	21.00	21.00
Tutors/Aides	31.00	16.00	18.00	19.00	18.00
Technology	2.00	2.00	2.00	4.00	3.00
Warehouse	1.00	0.00	0.00	0.00	0.00
<i>Total Employees</i>	<u>401.00</u>	<u>367.00</u>	<u>371.00</u>	<u>361.00</u>	<u>357.00</u>

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

Source: District Treasurer's Office

*Piqua City School District*

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2012	2013	2014	2015	2016
4.00	4.00	3.00	2.00	2.00
4.00	4.00	5.00	5.00	6.00
3.00	3.00	3.00	3.00	3.00
9.00	8.00	8.00	10.00	5.00
3.00	3.00	3.00	3.00	7.00
11.00	11.00	12.00	13.00	13.00
44.00	43.00	43.00	45.00	45.00
42.00	42.00	42.00	41.00	41.00
25.00	24.00	23.00	22.00	25.00
42.00	42.00	36.00	36.00	40.00
6.00	5.00	4.00	3.00	7.00
2.50	2.50	2.50	3.00	3.00
0.00	0.00	0.00	0.00	0.00
2.00	0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00
6.00	6.00	6.00	5.00	5.00
13.00	12.00	12.00	13.00	13.00
21.00	21.00	21.00	21.00	22.00
1.00	1.00	1.00	1.00	1.00
29.00	25.00	27.00	27.00	30.00
8.00	8.00	8.00	8.00	9.00
18.00	18.00	20.00	20.00	19.00
3.00	2.00	3.00	3.00	3.00
21.00	21.00	21.00	20.00	20.00
15.00	11.00	11.00	14.00	12.00
3.00	3.00	2.00	2.00	3.00
0.00	0.00	0.00	0.00	0.00
336.50	320.50	317.50	321.00	335.00

***Piqua City School District***

*Operating Indicators - Cost per Pupil  
Last Ten Years*

Fiscal Year	2007	2008	2009	2010	2011
Enrollment	3,766	3,737	3,780	3,692	3,638
Modified Accrual Basis					
Operating Expenditures	32,648,059	31,479,980	31,507,490	33,344,922	35,599,669
Cost per Pupil	8,669	8,424	8,335	9,032	9,786
Percentage of Change	1.1%	(2.83%)	(1.05%)	8.4%	8.3%
Accrual Basis					
Expenses	32,089,607	31,706,813	31,520,979	33,389,152	34,499,795
Cost per Pupil	8,521	8,485	8,339	9,044	9,483
Percentage of Change	4.4%	(0.43%)	(1.72%)	8.5%	4.9%
Teaching Staff	217	204	206	201	202

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

*Piqua City School District*

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2012	2013	2014	2015	2016
3,708	3,705	3,604	3,534	3,502
38,960,521	39,728,914	62,566,524	65,537,577	42,423,584
10,507	10,723	17,360	18,545	12,114
7.4%	2.1%	61.9%	6.8%	(34.68%)
36,280,071	35,988,608	35,161,301	39,337,546	42,420,112
9,784	9,714	9,756	11,131	12,113
3.2%	(0.72%)	0.4%	14.1%	8.8%
192	188	180	179	190

*Piqua City School District*

*Operating Indicators by Function  
Last Ten Years*

	2007	2008	2009	2010
<b>Governmental Activities</b>				
Support Services				
Pupils				
Enrollment	3,766	3,737	3,780	3,692
Graduates	244	255	273	285
Percent of Students with Disabilities	15.80%	15.60%	13.64%	14.59%
Percent of Students with English as Second Language	0.8%	0.7%	0.4%	0.4%
Administration				
School Attendance Rate	95.2%	95.0%	95.2%	95.0%
Operation and Maintenance of Plant				
District Square Footage Maintained	608,145	608,145	608,145	608,145
Pupil Transportation				
Average Daily Students Transported	2,625	2,474	2,437	2,141
Average Miles Driven per Day	2,147	2,053	1,911	1,891
Average Miles per Bus	16,013	15,311	16,727	16,762
Number of Buses	24	24	22	21
<b>Business-Type Activities</b>				
Food Service				
Student Meals Served Daily	2,498	2,510	2,599	2,598
Free/Reduced Price Meals Daily	1,296	1,340	1,447	1,562
Percentage of Free/Reduced Price Meals Daily	51.88%	53.39%	55.68%	60.12%
Student Breakfasts Served Daily	1,148	1,143	1,181	1,187
Free/Reduced Price Breakfasts Daily	848	864	920	966
Percentage of Free/Reduced Price Breakfasts Daily	73.87%	75.59%	77.90%	81.38%

Source: District Treasurer's Office



*Piqua City School District*

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2011	2012	2013	2014	2015	2016
3,638	3,708	3,705	3,604	3,534	3,502
244	239	257	251	272	249
14.35%	16.50%	14.50%	17.28%	15.19%	20.50%
0.5%	0.0%	0.0%	0.2%	0.2%	0.2%
95.3%	95.0%	94.5%	94.9%	94.6%	94.7%
608,145	608,145	608,145	608,145	603,812	546,992
1,939	1,955	1,971	1,834	2,180	2,259
1,664	1,671	1,704	1,505	1,576	1,663
14,262	14,322	14,605	12,900	12,895	12,240
21	21	21	21	22	22
2,586	2,559	2,145	1,934	1,895	1,893
1,607	1,660	1,531	1,437	1,353	1,363
62.14%	64.87%	71.38%	74.30%	71.40%	72.00%
1,170	1,183	1,089	989	856	802
967	1,019	946	875	735	700
82.65%	86.14%	86.87%	88.47%	85.87%	87.28%

***Piqua City School District***

*Operating Indicators - Teacher Base Salaries  
Last Ten Years*

Fiscal Year	2007	2008	2009	2010	2011
District Average Salary	52,983	53,979	53,788	54,891	55,761
County Average Salary	49,212	49,635	50,034	53,014	52,874
State Average Salary	52,596	54,210	55,583	56,995	57,904

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

*Operating Indicators - Teachers by Education  
Last Ten Years*

Fiscal Year	2007	2008	2009	2010	2011
Bachelor's Degree	24	17	14	13	13
Bachelor + 15	4	10	10	5	1
Bachelor + 30	33	25	22	18	15
Masters Degree	84	84	91	97	102
Masters Degree + 10	57	53	49	46	48
Masters Degree + 30	15	15	20	22	23
Total	217	204	206	201	202

Source: District Treasurer's Office

*Piqua City School District*

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2012	2013	2014	2015	2016
55,346	53,947	53,151	54,812	56,696
52,945	53,440	53,491	54,026	54,566
58,119	57,966	57,635	55,242	57,154

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2012	2013	2014	2015	2016
13	13	14	17	21
3	7	3	7	7
14	17	20	13	12
99	92	90	85	91
41	37	35	35	42
22	22	18	22	17
192	188	180	179	190

## *Piqua City School District*

### *Capital Asset Statistics by Building Last Ten Years*

	2007	2008	2009	2010
<b>Secondary</b>				
Piqua Senior High School				
Square Footage	185,375	185,375	185,375	185,375
Capacity (students)	1,200	1,200	1,200	1,200
Enrollment	1,248	1,219	1,189	1,139
Piqua Junior High School				
Square Footage	126,000	126,000	126,000	126,000
Capacity (students)	800	800	800	800
Enrollment	557	572	600	568
<b>Intermediate</b>				
Bennett Intermediate School				
Square Footage	48,739	48,739	48,739	48,739
Capacity (students)	800	800	800	800
Enrollment	249	242	245	293
Wilder Intermediate School				
Square Footage	47,651	47,651	47,651	47,651
Capacity (students)	800	800	800	800
Enrollment	293	299	297	299
Washington Intermediate School				
Square Footage	35,523	35,523	35,523	35,523
Capacity (students)	360	360	360	360
Enrollment	326	305	309	282
Central Intermediate School				
Square Footage	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
<b>Primary</b>				
Favorite Hill Primary School				
Square Footage	40,366	40,366	40,366	40,366
Capacity (students)	400	400	400	400
Enrollment	306	282	296	300
High Street Primary School				
Square Footage	20,816	20,816	20,816	20,816
Capacity (students)	360	360	360	360
Enrollment	259	253	302	271

*Piqua City School District*

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2011	2012	2013	2014	2015	2016
185,375	185,375	185,375	185,375	186,244	186,244
1,200	1,200	1,200	1,200	1,200	1,200
1,100	1,116	1,133	1,110	1,040	1,015
126,000	126,000	126,000	126,000	113,159	113,159
800	800	800	800	800	800
579	561	554	525	548	539
48,739	48,739	48,739	48,739	N/A	N/A
800	800	800	800	N/A	N/A
292	332	345	301	N/A	N/A
47,651	47,651	47,651	47,651	N/A	N/A
800	800	800	800	N/A	N/A
281	260	265	282	N/A	N/A
35,523	35,523	35,523	35,523	N/A	N/A
360	360	360	360	N/A	N/A
267	268	256	293	N/A	N/A
N/A	N/A	N/A	N/A	105,579	105,579
N/A	N/A	N/A	N/A	859	859
N/A	N/A	N/A	N/A	822	818
40,366	40,366	40,366	40,366	N/A	N/A
400	400	400	400	N/A	N/A
296	316	321	298	N/A	N/A
20,816	20,816	20,816	20,816	N/A	N/A
360	360	360	360	N/A	N/A
272	291	288	245	N/A	N/A

(Continued)

***Piqua City School District***

*Capital Asset Statistics by Building  
Last Ten Years*

	2007	2008	2009	2010
Springcreek Primary School (Old)				
Square Footage	25,326	25,326	25,326	25,326
Capacity (students)	360	360	360	360
Enrollment	260	268	229	238
Springcreek Primary School (New)				
Square Footage	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
Nicklin Avenue Learning Center				
Square Footage	21,519	21,519	21,519	21,519
Capacity (students)	375	375	375	375
Enrollment	268	297	313	302
Washington Primary School				
Square Footage	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
<b>All Other</b>				
Central Administration Building				
Square Footage	13,830	13,830	13,830	13,830
Transportation Building				
Square Footage	16,000	16,000	16,000	16,000
Maintenance Building				
Square Footage	27,000	27,000	27,000	27,000

Source: District Treasurer's Office

Central Intermediate, Springcreek Primary, and Washington Primary were constructed in fiscal year 2015.

*Piqua City School District*

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2011	2012	2013	2014	2015	2016
25,326	25,326	25,326	25,326	N/A	N/A
360	360	360	360	N/A	N/A
255	274	266	277	N/A	N/A
N/A	N/A	N/A	N/A	71,000	71,005
N/A	N/A	N/A	N/A	600	600
N/A	N/A	N/A	N/A	541	556
21,519	21,519	21,519	21,519	N/A	N/A
375	375	375	375	N/A	N/A
296	290	277	273	N/A	N/A
N/A	N/A	N/A	N/A	71,000	71,005
N/A	N/A	N/A	N/A	600	600
N/A	N/A	N/A	N/A	583	574
13,830	13,830	13,830	13,830	13,830	13,830
16,000	16,000	16,000	16,000	16,000	16,000
27,000	27,000	27,000	27,000	27,000	27,000

## *Piqua City School District*

### *Educational and Operating Statistics Last Ten Years*

	2007	2008	2009	2010	2011
<b>Cost per Student (ODE)</b>					
Piqua (1)	8,893	8,654	8,345	9,377	9,905
Ohio (Average) (1)	9,586	9,939	9,990	10,253	10,571
<b>Attendance Rate</b>					
Piqua	95.20%	95.00%	95.20%	95.00%	95.30%
Ohio (Average) (1)	94.10%	94.20%	94.30%	94.30%	94.50%
<b>Graduation Rate</b>					
Piqua	87.90%	92.40%	90.40%	93.10%	93.80%
Ohio (Average) (1)	86.10%	86.90%	84.60%	83.00%	84.30%

Source:

District's Student Records and Ohio Department of Education

(1) ODE calculation is not based on GAAP financial reports.



*Piqua City School District*

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2012	2013	2014	2015	2016
9,613	9,475	9,554	10,928	9,553
10,697	10,149	10,357	9,904	9,837
95.00%	94.50%	94.90%	94.60%	94.70%
94.50%	94.20%	94.30%	94.10%	94.10%
92.60%	88.50%	88.50%	90.40%	85.90%
81.30%	82.20%	82.20%	83.00%	83.00%





# Dave Yost • Auditor of State

**PIQUA CITY SCHOOL DISTRICT**

**MIAMI 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 24, 2017**