



Dave Yost • Auditor of State

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

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**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

FEDERAL GRANTOR		Federal		
<i>Pass Through Grantor</i>	Grant	CFDA		Non-Cash
Program Title	Year	Number	Disbursements	Disbursements
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through Ohio Department of Education</i>				
Child Nutrition Cluster:				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program		10.555		\$118,101
Cash Assistance:				
School Breakfast Program		10.553	\$63,325	
National School Lunch Program		10.555	559,892	
Total Child Nutrition Cluster			<u>623,217</u>	<u>118,101</u>
Total U.S. Department of Agriculture			<u>623,217</u>	<u>118,101</u>
U.S. DEPARTMENT OF EDUCATION				
<i>Passed Through Ohio Department of Education</i>				
Title I, Part A Cluster:				
Title I Grants to Local Educational Agencies	2015	84.010	639,731	
Title I Grants to Local Educational Agencies	2014	84.010	177,555	
Total Title I, Part A Cluster			<u>817,286</u>	
Special Education Cluster:				
Special Education Grants to States	2015	84.027	1,376,314	
Special Education Grants to States	2014	84.027	260,408	
Total Special Education Grants to States			<u>1,636,722</u>	
Special Education Preschool Grants	2015	84.173	29,874	
Special Education Preschool Grants	2014	84.173	6,073	
Total Special Education Preschool Grants			<u>35,947</u>	
Total Special Education Cluster			<u>1,672,669</u>	
Career and Technical Education - Basic Grants to States	2015	84.048	172,780	
Career and Technical Education - Basic Grants to States	2014	84.048	9,723	
Total Career and Technical Education - Basic Grants to States			<u>182,503</u>	
English Language Acquisition Grants	2015	84.365	31,379	
English Language Acquisition Grants	2014	84.365	1,019	
Total English Language Acquisition Grants			<u>32,398</u>	
Improving Teacher Quality State Grants	2015	84.367	113,525	
Improving Teacher Quality State Grants	2014	84.367	15,083	
Total Improving Teacher Quality State Grants			<u>128,608</u>	
ARRA - State Fiscal Stabilization Fund (SFSF) - Race to the Top Incentive Grants - Ohio Resident Educator	2014	84.395	2,795	
Total U.S. Department of Education			<u>2,836,259</u>	
Total			<u>\$3,459,476</u>	<u>\$118,101</u>

The accompanying notes are an integral part of this schedule.

**CENTERVILLE CITY SCHOOL
DISTRICT MONTGOMERY COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2015**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) reports the Centerville City School District's (the District's) federal award programs' disbursements. The Schedule has been prepared on the cash basis of accounting.

NOTE B - 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 C – FOOD DONATION PROGRAM

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



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

Centerville City School District
Montgomery County
111 Virginia Avenue
Centerville, Ohio 45458

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District, Montgomery County, (the District) as of and for the year ended June 30, 2015, 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 18, 2015. We also noted the District adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, and restated 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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

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

Purpose of this Report

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

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 18, 2015



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 OMB CIRCULAR A-133

Centerville City School District
Montgomery County
111 Virginia Avenue
Centerville, Ohio 45458

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Centerville City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Centerville City School District's major federal program for the year ended June 30, 2015. 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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 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, the Centerville 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, 2015.

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 OMB Circular A-133, 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 compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Centerville City School District (the District) as of and for the year ended June 30, 2015, 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 18, 2015. Our opinion explained that the District adopted *Governmental Accounting Standard No. 68* and *Statement No. 71* during the year, and restated Capital Assets. We conducted our audit to opine on the District's basic financial statements. The accompanying schedule of federal awards expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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, 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.



Dave Yost
Auditor of State
Columbus, Ohio

December 18, 2015

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**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2015**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster: CFDA #84.027: Special Education-Grants to States CFDA #84.173: Special Education-Preschool Grants
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**CENTERVILLE CITY SCHOOL DISTRICT
MONTGOMERY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2015**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2014-001	Ohio Admin Code § 117-2-02(C)(1), failure to update the accounting system for estimated resources	Yes	
2014-002	Ohio Rev. Code § 5705.41(D)(1), failure to certify expenditures at the time of commitment	Yes	

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

for the fiscal year ended June 30, 2015

CENTERVILLE

CITY SCHOOL DISTRICT



Centerville City School District
Centerville, Ohio 45458

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**CENTERVILLE CITY SCHOOL DISTRICT
CENTERVILLE, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**PREPARED BY:
OFFICE OF THE TREASURER
MITCH BIEDERMAN, TREASURER**

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INTRODUCTORY SECTION



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Centerville City Schools

December 18, 2015

To the Citizens and Board of Education of the Centerville City School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Centerville City School District (District) for the fiscal year ended June 30, 2015. This report represents the commitment of the District to adhere to nationally recognized standards of excellence in financial reporting.

The report contains financial statements, supplemental statements and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District. Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects. Our report is designed to present fairly the financial position, results of operation and budgetary comparisons of the District. This report is prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative services and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District.

Management is required to 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 MD&A can be found immediately following the independent auditor's report within the financial section.

Copies of this report will be distributed throughout the District. A copy will be sent to all school buildings, the Washington-Centerville Libraries, and other interested parties.

DISTRICT PROFILE

The District serves an area of 32 square miles in the southeastern part of Montgomery County, Ohio, encompassing the City of Centerville and Washington Township. The area is located approximately 8 miles south of the City of Dayton and 46 miles north of the City of Cincinnati on U.S. Interstate 675. U.S. Interstate 75 and U.S. Interstate 70 are 3 miles and 15 miles, respectively, from the area. With these major thoroughfares, Centerville and Washington Township provide a desirable location for many families who work in the Dayton and Cincinnati metropolitan areas.

The current charter as the District was adopted in 1969; yet, the first formal education in Washington Township was offered in 1803 to children from first to sixth grades. Additional higher education grades were added in 1848 with the first high school being built in 1885. Today, the District provides opportunities for its students to excel in academic, co-curricular, and community based activities.

Blue Ribbon School District

The District has five schools that have been recognized nationally as Blue Ribbon Schools by the U.S. Department of Education. This national recognition reflects the excellence that exists throughout the District. The District's Blue Ribbon schools are: Centerville High School (1984, 1993); Normandy Elementary (1992); Centerville Kindergarten Village [now Centerville Primary Village North] (1997); Tower Heights Middle School (1998); and Weller Elementary School (1999).

In 2014 Primary Village North (PVN) was designated a State and National School of Character.

Primary Villages

There are two primary villages housing preschool, kindergarten and grade one. The Centerville Preschool is an early childhood program that serves children with and without special needs who range in age from 3-5. The licensed program provides a comprehensive preschool experience to enhance each child's social skills, independence, communication, physical and academic growth. Both villages offer regular kindergarten programs in addition to Young 5s and Extended Day to provide developmentally appropriate programs for children ages five and six. The grade one program is similar to the elementary program.

Elementary

There are six elementary schools housing grades two through five. Students are taught reading, language arts, science, social studies, math and health by the classroom teacher with art, music and physical education being taught by specialists in those areas. Teachers work in grade level teams and there are regular grade level team meetings for horizontal coordination and subject area meetings for vertical subject coordination.

Middle School

The three middle schools house students in grades six through eight. Each middle school is divided into four family teams made up of a teacher in each of the academic areas as in the elementary program. The "school within a school" concept is designed to provide students the ability to change classes for each academic area while having closer personal contact with their "family" teachers as students spend all three years with the same family of students and teachers. Students also receive instruction in art, music, physical education and can take German, French or Spanish.

High School

Centerville High School is a comprehensive, four-year school that stresses academic excellence and physical and social development. Courses are offered in the fine and applied arts, business, career education, tech-prep and all academic areas.

ECONOMIC CONDITION AND OUTLOOK

Community

The estimated population (2010 U.S. Census data) of this area is 80,606 residents as Centerville (23,599)-Washington Township (56,607) is primarily a residential area. Both Centerville and Washington Township attracts white-collar professionals, particularly doctors and managers. The Community (City of Centerville and Washington Township) has grown rapidly over the past twenty years and, given its attractiveness as the residence and business location of choice in the region, it will continue to grow well into the next several decades.

The Centerville area continues to see moderate growth in real estate and business development. Built on a diversified base of small businesses, Centerville continues to be well positioned and appears to have weathered the economic downturn.

District

Every year academic and co-curricular highlights are included in an annual report to the community and includes state and national recognition, student achievements and community contributions. Centerville staff and students excel in an extraordinary array of activities, including the following sampling.

Academic Achievements

- 2016 National Merit Finalist – 15
- 2016 National Merit Commended - 24
- 2015 National Merit Finalist – 11
- 2014 National Merit Finalist – 20
- 2015 461 students scored 3 or higher on AP exams
- 2014 484 students scored 3 or higher on AP exams
- 2015 86% of students taking AP exams scored 3 or higher
- 2014 87.2% of students taking AP exams scored 3 or higher

Athletic Achievements

- GWOC All-Sports Champion 15 Straight Years (39 of the past 40 years)
- Boys Basketball – District Champions, Regional Semi-finalists, Most wins in Team History
- Girls Basketball – GWOC Champions, District Runner-Up
- Girls Bowling – GWOC Champions, District Champions, State Qualifier
- Cheerleading – GWOC Central Champions, National Champions
- Boys Cross Country – District Runner-Up
- Girls Cross Country – GWOC Champions, District Champions, Regional Runner-Up, State Champions
- Football GWOC Central Champions, Qualified for Playoffs, Undefeated Regular Season
- Girls Golf – GWOC Champions, Sectional Champions
- Gymnastics – Qualified for State
- Boys Soccer – GWOC Central Champions

- Girls Soccer – GWOC Central Champions, District Champions, Regional Semi-Finalists, Undefeated Regular Season
- Softball – GWOC Champions
- Boys Swimming and Diving – GWOC Champions, Sectional Champions, District Runner-Up, State Qualifier
- Girls Swimming and Diving – GWOC Champions, Sectional Champions, State Qualifier
- Boys Tennis – GWOC Champions
- Girls Tennis – GWOC Champions
- Girls Track – GWOC Champions, State Qualifier
- Boys Track – GWOC Champions, State Qualifier
- Boys Volleyball – Regional Runner-Up
- Girls Volleyball – GWOC Champions, District Runner-Up
- Wrestling – GWOC Champions, Sectional Champions, Regional Dual Runner-Up, State Qualifier

- Individual Student Achievements
 - 413 seniors earned scholarships or grants-in-aid.
 - 161 seniors were inducted into the National Honor Society.
 - 212 seniors earned the State of Ohio Honors Diploma.
 - 177 seniors earned the President’s Award for Educational Excellence or President’s Award of Achievement by maintaining a 3.5 GPA.
 - 140 seniors earned Scholar-Athlete status by earning a varsity letter and maintaining a 3.2 GPA.
 - 91% of the Class of 2015 have been accepted to either two or four year institutions of higher learning.
 - 91% of 10th graders taking the Ohio Graduation Test passed all five tests and have met their OGT requirements.

Many more Centerville students and staff achieved levels of success we can celebrate. It is evident our students continue to pay a high return on your investment in their education. For them, we thank you for your continued support.

Major Initiatives

The mission of the District, a community of learners, is to provide diverse educational opportunities that develop the skills, attitudes, knowledge, and ethics needed to reach individual potential and create a foundation for lifelong learning. Toward that end, the District developed a Continuous Improvement Plan similar to a Strategic Plan to help focus our efforts. The four main goals from this plan document that are the guiding goals are as follows.

- Goal 1: We will encourage and advance community collaboration.
- Goal 2: The curricular and instruction program will prepare students to achieve their full potential in regards to academics, thinking and reasoning, and responsible citizenship.
- Goal 3: The District will annually demonstrate excellence.
- Goal 4: We will support comprehensive and purposeful staff development opportunities which foster professional growth to enhance classroom instruction and student learning.

FINANCIAL INFORMATION

District Organization and Reporting Entity

The operations of the District are managed by the Board of Education (Board) that is made up of five citizens who are elected by voters to serve four-year terms. The Board is a body politic and corporate as defined by Ohio Revised Code Section 3313.02, and derives its authority from federal and state law. The Board's major function is to develop operating policies that will best service the needs of the students. In addition, the Board acts as the taxing authority, contracting body, the approver of the annual appropriation resolution, as well as ensuring that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars. The Board employs the Superintendent to execute policies and provide leadership to the staff. The Board also employs the Treasurer to act as Chief Financial Officer to maintain financial records and invest funds of the District as specified by Ohio law.

The various funds of the District are used to account for the District's governmental assets, liabilities, fund balances, and results of operations (or revenues over/(under) expenditures) for those activities. In addition to the aforementioned services and general activities, the District acts as fiscal agent for State funds distributed to private schools located within the District's boundaries. This activity is included in the reporting entity as a special revenue fund due to the District's involvement in the distribution of funds. The parochial/private schools served are Church of the Incarnation, Miami Valley School, Spring Valley Academy, Montessori School of Centerville, and Alexandria Montessori. Although these organizations share operational and service similarity with the District, each is a separate and distinct entity. Because of their independent nature, none of these organizations' financial statements are included in this report.

Government-wide Financial Statements

These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities in nature. The District did not have any business-type activities during fiscal year 2015.

Fund Financial Statements

These statements present information for individual major funds rather than by fund type. Funds, which are not classified as major funds are presented in one column, titled "Other Governmental Funds". Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government-wide financial statements. The fiduciary funds are presented using the accrual basis of accounting.

Schedule of Budgetary Comparisons

These schedules present comparison of actual information to both the original and final amended budgets legally adopted by the District for the General Fund and any major special revenue funds. The District has no major special revenue funds. The budgetary basis, as provided by Ohio Law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

Internal Accounting and Budgetary Control

Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation. The management of the District is responsible for establishing and maintaining an internal control environment that provides reasonable assurance the District's financial statements are reliable, the District complied with applicable laws and regulations and the District is operating effectively and efficiently.

The District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensure that the financial information generated is both accurate and reliable.

The District maintains its accounts and accounting records to facilitate budgetary control as outlined by Ohio Revised Code. Before October 1st of each fiscal year the Board adopts its annual appropriation measure. These appropriations may be amended as needed by Board action. Annual appropriations and any amendments may not exceed the County Budget Commissions official estimate of resources. The County Auditor must certify that the Board's appropriation measures do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level. All purchase order requests must be approved by the building principal, department supervisor, or appropriate central office director and must be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail month and year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal has access to view the status of the budget accounts for which they are responsible. As an additional safeguard, a blanket bond covers all employees; a separate, higher limit bond covers certain individuals in policy-making roles. Additional information on the District's budgetary accounts can also be found in notes to the required supplementary information.

Relevant Financial Policies

In July, 2009, the Ohio's Governor signed HB 1, the state biennium budget bill. Included in this bill was a complete overhaul of the school funding model for all school districts in Ohio. This Evidence-Based Model (OEBM) replaced a long-standing foundation formula that was declared unconstitutional by the Ohio Supreme Court. Unfortunately, this Pathway to Student Success (PASS) funding formula, using the OEBM that started in FY10 was never fully funded and State revenue to the Centerville School District has continued to decline.

On June 30, 2011, Ohio's Governor signed HB 153, the state biennium budget bill. The impact of this bill continued the same path of reductions to the Centerville School District. The funding mechanism for FY12 and FY13 basically guaranteed the same basic flat funding level.

On June 30, 2013, Ohio's Governor signed HB59, the state biennium budget bill. The Centerville School District did receive 6.25% increased funding in basic aid for FY14 and a projected 10.5% increase for FY15. There are some additional restrictions to this additional funding. Still, this potential increase in funding over the two year budget will not replace the lost revenue from the last biennial budget.

On June 30, 2015, Ohio governor signed HB64 the newest state biennium budget bill. The Centerville City School District stands to lose over \$500,000 over the next two years. Line item vetoes by the governor have taken this district from flat funding for the next two years to this projected loss.

Auditor of State

Included in this report is the unqualified opinion rendered on the District's basic financial statements as of and for the year ended June 30, 2015 by State of Ohio Auditor's Office. An annual independent audit of the District's financial statements is a requirement of Ohio statute, as well as an integral part of the annual preparation of a CAFR. This annual audit will continue to review, comment on and thereby strengthen the District's accounting and budgetary control.

AWARD FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Centerville City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The members of the Treasurer's Office Staff are to be especially commended for their input and commitment. And, appreciation is extended to the District's Board of Education, Centerville Schools Administration and the Centerville Schools community for its continuing support.

Respectfully submitted,



Mitch Biederman, Treasurer



Dr. Thomas Henderson, Superintendent

Centerville City School District
List of Principal Officials
June 30, 2015

ELECTED OFFICIALS

President, Board of Education
Vice President, Board of Education
Board of Education Member
Board of Education Member
Board of Education Member

Mr. Pat Hobby
Mr. Brad Evers
Mr. Jeff Shroyer
Dr. David Roer
Mrs. Clara Osterhage

ADMINISTRATIVE OFFICIALS

Superintendent
Treasurer
Director of Student Services
Director of Technology
Director of Human Resources
Assistant Superintendent / Director of Business Operations
Director of Curriculum and Instruction

Dr. Tom Henderson
Mr. Mitch Biederman
Mr. Gary Perkins
Mr. Roger Nefzer
Mr. Dan Tarpey
Mr. Bob Yux
Mr. Jeremy Miller

OFFICE OF THE TREASURER

Treasurer
Accounting Supervisor
Payroll Supervisor
Accounts Payable Analyst
Payroll Analyst
Secretary/Benefits
CHS Student Activities

Mr. Mitch Biederman
Mrs. Linda Bruner
Mrs. Chrissy Opperman
Mrs. Laura Baker
Mrs. Shannon Geilenfeldt
Mrs. Janice Sipe
Mrs. Candi Trentel

COMMUNITY



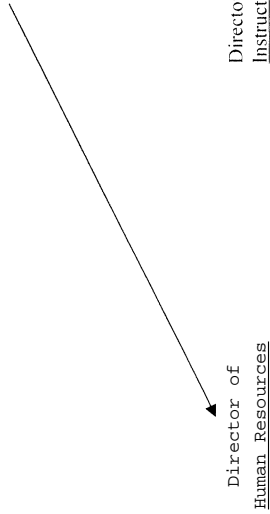
BOARD OF EDUCATION



SUPERINTENDENT

TREASURER

Fiscal Management
Payroll
Accounting
Bookkeeping
Benefits Administration



Director of Curriculum and Instruction

Director of Human Resources

Director of Student Services

Director of Technology

Assistant Superintendent Business Operations

Principals

Education Groups
Greater Western Ohio Conference
Universities
Montgomery County Superintendents
Dayton Area Superintendents' Association
Buckeye Association of School Administrators
American Association of School Administrators
Alliance for Adequate School Funding
Education Tax Policy Institute

Community Groups
Service Clubs
Ministerial Association
Hithergreen Senior Center
Washington Township Rec Center
Centerville Washington Diversity Council

School Groups
Parent Teacher Organizations
Curriculum Advisory Council
Boosters

Business Groups
South Metro Chamber of Commerce
Business Leaders
Committees

Government Entities
Washington Township
City of Centerville
Washington-Centerville Public Library
Centerville-Washington Park District
Montgomery County
State of Ohio



Government Finance Officers Association

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

Presented to

**Centerville City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

FINANCIAL SECTION



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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Centerville City School District
Montgomery County
111 Virginia Avenue
Centerville, Ohio 45458

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District, Montgomery County, Ohio (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District, Montgomery County, Ohio, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows 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 Notes 18 and 19 to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, and restated 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*, *Required budgetary comparison schedule*, 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 18, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Dave Yost
Auditor of State
Columbus, Ohio

December 18, 2015

Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

The discussion and analysis of Centerville City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- Net position of governmental activities increased \$11,085,885 which represents a 10% increase from 2014.
- General revenues accounted for \$96,431,882 in revenue or 89% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$12,348,704 or 11% of total revenues of \$108,780,586.
- The District had \$97,694,701 in expenses related to governmental activities; \$12,348,704 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$96,431,882 were also used to provide for these programs.

Overview of the Financial Statements

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

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

Government-wide Financial Statements

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The Government-wide Financial Statements answer this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

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

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

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

Fund Financial Statements

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

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

Proprietary Funds The District maintains two proprietary internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for self insurance of the District's workers' compensation benefits and medical insurance benefits.

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

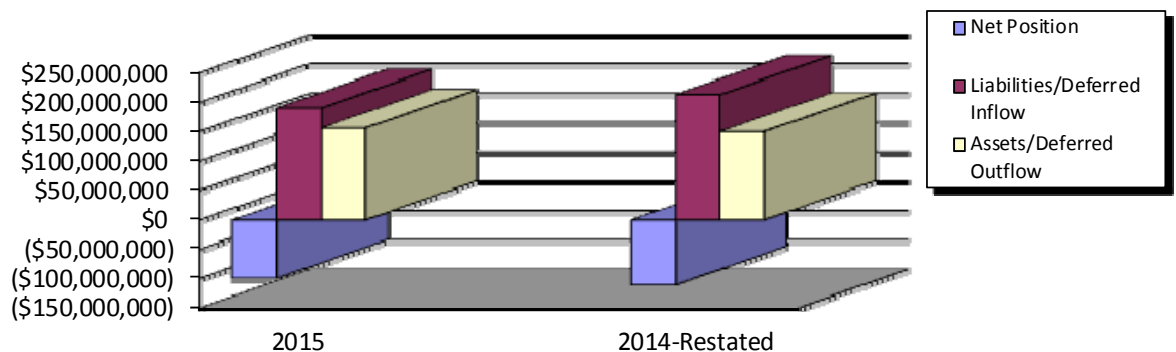
The District as a Whole

As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2015 compared to 2014:

**Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)**

**Table 1
Net Position**

	Governmental Activities	
	2015	2014-Restated
Assets:		
Current and Other Assets	\$109,795,161	\$101,450,586
Capital Assets	46,253,960	48,668,497
Total Assets	156,049,121	150,119,083
Deferred Outflows of Resources:		
Deferred Charge on Refunding Pension	5,669,330	6,009,445
	9,387,225	7,548,332
Total Deferred Outflows of Resources	15,056,555	13,557,777
Liabilities:		
Other Liabilities	10,845,382	10,216,003
Long-Term Liabilities	179,656,470	203,321,419
Total Liabilities	190,501,852	213,537,422
Deferred Inflows of Resources:		
Property Taxes	58,277,532	60,106,799
Grants and Other Taxes	8,000	581,301
Pension	21,781,069	0
Total Deferred Inflows of Resources	80,066,601	60,688,100
Net Position:		
Net Investment in Capital Assets	(3,598,250)	24,654,327
Restricted	11,746,911	11,539,215
Unrestricted	(107,611,438)	(146,742,204)
Total Net Position	(\$99,462,777)	(\$110,548,662)



Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

During 2015, the District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises 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

Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

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.

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation and the capital asset appraisal also had the effect of restating net position at June 30, 2014, from \$51,679,828 to \$(110,548,662).

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2015, the District's liabilities exceeded assets by \$99,462,777.

At year-end, capital assets represented 30% of total assets. Capital assets include land, construction in progress, buildings and improvements, equipment and vehicles. Capital assets, net of related debt to acquire the assets at June 30, 2015, was \$(3,598,250). These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$11,746,911 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Current and Other Assets increased mainly due to an increase in cash and investments. Long-term liabilities decreased due to the decrease in Net Pension Liabilities.

The District retained its Aa1 rating from Moody's Investors Service. This rating is the 2nd highest rating for a public school district in Ohio. Moody's has stated, "The high-grade Aa1 rating reflects the district's strong financial position, solid tax base with proximity to the Dayton and Cincinnati employment centers, and favorable debt position."

Table 2 shows the changes in net position for fiscal years 2015 and 2014.

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Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

Table 2
Changes in Net Position

	Governmental Activities	
	2015	2014-Restated
Revenues:		
Program Revenues		
Charges for Services	\$5,379,090	\$5,189,261
Operating Grants, Contributions	6,969,614	6,942,480
General Revenues:		
Property Taxes	74,424,152	69,556,462
Grants and Entitlements	21,330,949	19,971,742
Investment Earnings	351,154	357,459
Other	325,627	264,902
Total Revenues	108,780,586	102,282,306
Program Expenses:		
Instruction	55,873,786	55,001,081
Support Services:		
Pupil and Instructional Staff	10,916,234	12,731,345
School Administrative, General		
Administration, Fiscal and Business	7,788,055	8,116,768
Operations and Maintenance	6,144,537	7,065,457
Pupil Transportation	6,858,880	7,508,247
Central	631,619	56,703
Operation of Non-Instructional Services	5,024,917	4,079,825
Extracurricular Activities	813,476	802,191
Unallocated Depreciation	1,629,219	2,219,387
Interest and Fiscal Charges	2,013,978	2,001,841
Total Program Expenses	97,694,701	99,582,845
Changes in Net Position	11,085,885	2,699,461
Net Position - Beginning of Year , Restated	(110,548,662)	N/A
Net Position - End of Year	<u>(\$99,462,777)</u>	<u>(\$110,548,662)</u>

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 expenses still include pension expense of \$7,548,332 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expenses of \$5,835,748. Consequently, in order to compare 2015 total expenses to 2014, the following adjustments are needed:

Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

Total 2015 program expenses under GASB 68	\$97,694,701
Program expenses under GASB 68	(5,835,748)
2015 contractually required contributions	<u>8,252,374</u>
Adjusted 2015 program expenses	100,111,327
Total 2014 program expenses under GASB 27	<u>99,582,845</u>
Increase in program expenses not related to pension	<u><u>\$528,482</u></u>

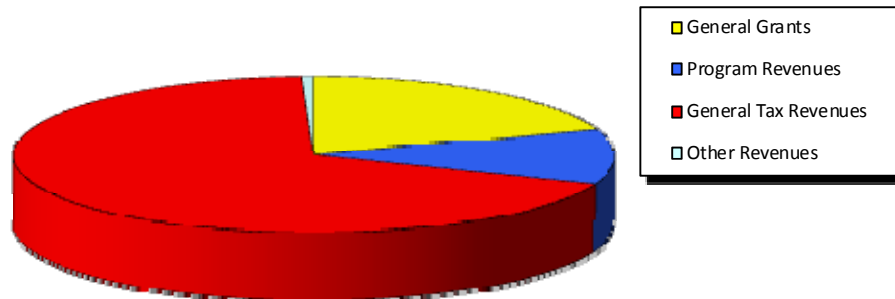
The District's revenues are mainly from two sources. Property taxes levied for general, debt service and capital projects purposes and grants and entitlements comprised 88% of the District's revenues for governmental activities.

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

Thus Ohio districts do not receive additional property tax revenue from increases in appraisal values and must regularly return to the voters to maintain a constant level of service. Property taxes made up 68% of revenue for governmental activities for the District in fiscal year 2015.

Governmental Activities
Revenue Sources

<u>Revenue Sources</u>	<u>2015</u>	<u>Percentage</u>
General Grants	\$ 21,330,949	19.6%
Program Revenues	12,348,704	11.4%
General Tax Revenues	74,424,152	68.4%
Other Revenues	<u>676,781</u>	<u>0.6%</u>
Total Revenue Sources	<u><u>\$ 108,780,586</u></u>	<u><u>100.0%</u></u>



Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

Instruction comprises 57% of governmental program expenses. Support services expenses were 33% of governmental program expenses. All other expenses including interest expense were 10%. Interest expense was attributable to the outstanding bond and borrowings.

Property taxes increased mainly due to an increase in property tax receipts received during the fiscal year. Total expenses decreased due to decrease in support services.

Government Activities

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

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2015	2014	2015	2014
Instruction	\$55,873,786	\$55,001,081	(\$50,205,349)	(\$49,561,476)
Support Services:				
Pupil and Instructional Staff	10,916,234	12,731,345	(10,117,110)	(11,651,310)
School Administrative, General				
Administration, Fiscal and Business	7,788,055	8,116,768	(7,762,731)	(8,083,244)
Operations and Maintenance	6,144,537	7,065,457	(6,144,537)	(7,051,566)
Pupil Transportation	6,858,880	7,508,247	(6,426,041)	(7,115,247)
Central	631,619	56,703	(631,341)	(56,491)
Operation of Non-Instructional Services	5,024,917	4,079,825	(1,118,835)	(316,144)
Extracurricular Activities	813,476	802,191	703,144	605,602
Interest and Fiscal Charges	1,629,219	2,219,387	(1,629,219)	(2,219,387)
Unallocated Depreciation	2,013,978	2,001,841	(2,013,978)	(2,001,841)
Total Expenses	<u>\$97,694,701</u>	<u>\$99,582,845</u>	<u>(\$85,345,997)</u>	<u>(\$87,451,104)</u>

The District's Funds

The District has one major governmental fund: the General Fund. Assets of this fund comprise \$88,471,680 (84%) of the total \$105,341,428 governmental funds' assets.

General Fund: Fund balance at June 30, 2015 was \$24,443,709 including \$23,499,449 of unassigned balance. Fund balance increased from 2014 due mainly to an increase in property tax and intergovernmental revenues.

Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

General Fund Budgeting Highlights

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

For the General Fund, original budget basis revenue and final budget basis revenue were both \$92,235,940, while the actual revenue had a difference of \$1,865,392 from the final budget basis revenues due to conservative estimates for taxes and intergovernmental revenue.

The District's ending unobligated fund balance was \$27,833,742, which is \$4,776,445 above the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At fiscal year end, the District had \$46,253,960 invested in land, construction in progress, buildings and improvements, equipment and vehicles. Table 4 shows fiscal year 2015 balances compared to fiscal year 2014:

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

	Governmental Activities	
	2015	2014-Restated
Land	\$2,420,016	\$2,420,016
Construction in Progress	338,676	47,030
Buildings and Improvements	39,260,334	41,017,758
Equipment	1,201,323	1,525,194
Vehicles	3,033,611	3,658,499
Total Net Capital Assets	<u>\$46,253,960</u>	<u>\$48,668,497</u>

The decrease in capital assets from 2014 to 2015 is mainly due to the depreciation expense being greater than 2015 additions.

See Note 6 in the Notes to the Basic Financial Statements for further details on the District's capital assets.

Debt

At fiscal year end, the District had \$55,858,558 in debt outstanding, \$1,170,000 due within one year. Table 5 summarizes debt outstanding.

Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2015	2014
<u>General Obligation Bonds</u>		
2004 Refunding Bonds	930,000	1,825,000
2004 Bond Premium	1,287,678	1,417,897
2005 School Improvement	0	5,000
2013 Refunding Bonds		
Current Interest	47,800,000	48,030,000
Capital Appreciation - Principal	480,531	480,531
Capital Appreciation - Interest	337,018	189,036
Add: Bond Premium	<u>5,023,331</u>	<u>5,287,717</u>
Total General Obligation Bonds	<u>\$55,858,558</u>	<u>\$57,235,181</u>

See Note 10 in the Notes to the Basic Financial Statements for further details on the District's long-term obligations.

For the Future

The Community (City of Centerville and Washington Township) has grown rapidly over the past twenty years and, given its attractiveness as the residence and business location of choice in the region, it will continue to grow well into the next several decades. The land to support past growth has been consumed at an increasing rate and will be exhausted, if present trends continue, within the next 10 years as the Community is 85% developed (90% city and 80% township). By then, the Community will have matured, with redevelopment as the only option to accommodate growth and change. How this limited supply of land is eventually used will dictate everything from fiscal health, to Community appearance, and ultimately its continued attractiveness as a place to live, work, and play.

The Community is in an excellent position today to make informed choices. Land use decisions can now be made in light of their fiscal consequences and their impact on the economic viability of the downtown area. Continued growth outward, extending utilities, continuously widening roads and consuming all the "vacant land" available is not the only alternative development pattern available. Building inward, looking first at underutilized and undeveloped land already served with infrastructure, is another approach the Community has indicated as a preference. This involves creating incentives to rebuild and, at the same time, selectively saying no to the relentless pressure to expand outward, one isolated subdivision at a time.

On June 30, 2015, Ohio's Governor signed HB64, the State biennium budget bill. The District is projected to be reduced an estimated \$500,000 over the next two fiscal years. Line item vetoes by the Governor impacted State revenue negatively. This has been a material trend for the Centerville School District.

The new report card data shows that the District continues to rank among the top 10% on the overall performance index among Ohio schools.

Centerville City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited)

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Treasurer's Office at Centerville City School District, 111 Virginia Avenue, Centerville, OH 45458 or call (937) 433-8841.

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Centerville City School District, Ohio
Statement of Net Position
June 30, 2015

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$43,780,994
Restricted Cash and Investments	1,017,756
Receivables (Net):	
Taxes	64,184,911
Interest	101,377
Intergovernmental	670,364
Inventory	39,759
Nondepreciable Capital Assets	2,758,692
Depreciable Capital Assets, Net	<u>43,495,268</u>
 Total Assets	 <u>156,049,121</u>
Deferred Outflows of Resources:	
Deferred Charge on Refunding Pension	5,669,330
	<u>9,387,225</u>
 Total Deferred Outflows of Resources	 <u>15,056,555</u>
Liabilities:	
Accounts Payable	300,245
Accrued Wages and Benefits	8,636,653
Contracts Payable	200
Accrued Interest Payable	155,900
Claims Payable	1,752,384
Long-Term Liabilities:	
Due Within One Year	2,322,988
Due In More Than One Year:	
Net Pension Liability	120,395,490
Other Amounts	<u>56,937,992</u>
 Total Liabilities	 <u>190,501,852</u>
Deferred Inflows of Resources:	
Property Taxes	58,277,532
Grants and Other Taxes	8,000
Pension	<u>21,781,069</u>
 Total Deferred Inflows of Resources	 <u>80,066,601</u>
Net Position:	
Net Investment in Capital Assets	(3,598,250)
Restricted for:	
Managed Student Services	403,576
Auxiliary Services	161,116
Food Service	41,656
Federal Grants	96,897
Debt Service	4,356,351
Capital Projects	6,655,223
Other Purposes	32,092
Unrestricted	<u>(107,611,438)</u>
 Total Net Position	 <u><u>(\$99,462,777)</u></u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2015

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$41,704,346	\$1,559,102	\$458,646	(\$39,686,598)
Special	10,308,718	478,688	2,929,610	(6,900,420)
Vocational	2,598,181	0	242,391	(2,355,790)
Other	1,262,541	0	0	(1,262,541)
Support Services:				
Pupil	6,414,737	0	505,126	(5,909,611)
Instructional Staff	4,501,497	0	293,998	(4,207,499)
General Administration	23,525	0	0	(23,525)
School Administration	5,477,706	0	25,324	(5,452,382)
Fiscal	1,814,410	0	0	(1,814,410)
Business	472,414	0	0	(472,414)
Operations and Maintenance	6,144,537	0	0	(6,144,537)
Pupil Transportation	6,858,880	64,215	368,624	(6,426,041)
Central	631,619	278	0	(631,341)
Operation of Non-Instructional Services	5,024,917	1,760,187	2,145,895	(1,118,835)
Extracurricular Activities	813,476	1,516,620	0	703,144
Unallocated Depreciation	1,629,219	0	0	(1,629,219)
Interest and Fiscal Charges	2,013,978	0	0	(2,013,978)
Totals	\$97,694,701	\$5,379,090	\$6,969,614	(85,345,997)

General Revenues:

Property Taxes Levied for:

General Purposes	69,229,885
Debt Service Purposes	2,985,106
Capital Projects Purposes	2,209,161
Grants and Entitlements, Not Restricted	21,330,949
Unrestricted Contributions	114,424
Investment Earnings	351,154
Other Revenues	211,203

Total General Revenues 96,431,882

Change in Net Position 11,085,885

Net Position - Beginning of Year, Restated (110,548,662)

Net Position - End of Year (\$99,462,777)

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
Balance Sheet
Governmental Funds
June 30, 2015

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$28,239,010	\$10,917,601	\$39,156,611
Restricted Cash and Investments	141,886	875,870	1,017,756
Receivables (Net):			
Taxes	59,810,757	4,374,154	64,184,911
Interest	101,377	0	101,377
Intergovernmental	8,000	662,364	670,364
Interfund	170,650	0	170,650
Inventory	0	39,759	39,759
Total Assets	88,471,680	16,869,748	105,341,428
Liabilities:			
Accounts Payable	209,574	90,671	300,245
Accrued Wages and Benefits	7,927,922	708,731	8,636,653
Compensated Absences	593,747	14,382	608,129
Contracts Payable	0	200	200
Interfund Payable	0	170,650	170,650
Total Liabilities	8,731,243	984,634	9,715,877
Deferred Inflows of Resources:			
Property Taxes	55,233,068	4,020,694	59,253,762
Grants and Other Taxes	8,000	113,257	121,257
Investment Earnings	55,660	0	55,660
Total Deferred Inflows of Resources	55,296,728	4,133,951	59,430,679
Fund Balances:			
Restricted	0	11,819,463	11,819,463
Assigned	944,260	0	944,260
Unassigned	23,499,449	(68,300)	23,431,149
Total Fund Balances	24,443,709	11,751,163	36,194,872
Total Liabilities, Deferred Inflows and Fund Balances	\$88,471,680	\$16,869,748	\$105,341,428

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 June 30, 2015

Total Governmental Fund Balance		\$36,194,872
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		46,253,960
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Delinquent Property Taxes	976,230	
Interest	55,660	
Intergovernmental	<u>113,257</u>	
		1,145,147
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.		
Internal Service Net Position		2,871,999
In the Statement of Net Position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(155,900)
Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(2,794,293)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		5,669,330
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	9,387,225	
Deferred inflows of resources related to pensions	<u>(21,781,069)</u>	
		(12,393,844)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(120,395,490)	
Other Amounts	<u>(55,858,558)</u>	
		<u>(176,254,048)</u>
Net Position of Governmental Activities		<u><u>(\$99,462,777)</u></u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Property and Other Taxes	\$69,214,356	\$5,193,145	\$74,407,501
Tuition and Fees	1,881,467	0	1,881,467
Investment Earnings	291,591	3,903	295,494
Intergovernmental	22,757,045	5,575,662	28,332,707
Extracurricular Activities	696,501	820,397	1,516,898
Charges for Services	0	1,760,187	1,760,187
Other Revenues	388,642	157,525	546,167
Total Revenues	95,229,602	13,510,819	108,740,421
Expenditures:			
Current:			
Instruction:			
Regular	40,388,008	1,016,158	41,404,166
Special	8,747,477	1,745,002	10,492,479
Vocational	2,689,022	32,527	2,721,549
Other	1,262,541	0	1,262,541
Support Services:			
Pupil	5,965,396	630,288	6,595,684
Instructional Staff	4,782,116	190,052	4,972,168
General Administration	23,525	0	23,525
School Administration	5,717,246	39,076	5,756,322
Fiscal	1,824,527	68,422	1,892,949
Business	486,310	0	486,310
Operations and Maintenance	5,384,533	697,874	6,082,407
Pupil Transportation	6,303,620	169,691	6,473,311
Central	613,567	276	613,843
Operation of Non-Instructional Services	1,090,064	3,928,928	5,018,992
Extracurricular Activities	10,104	803,224	813,328
Capital Outlay	0	928,018	928,018
Debt Service:			
Principal Retirement	0	1,130,000	1,130,000
Interest and Fiscal Charges	0	1,892,219	1,892,219
Total Expenditures	85,288,056	13,271,755	98,559,811
Excess of Revenues Over (Under) Expenditures	9,941,546	239,064	10,180,610
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	5,317	0	5,317
Transfers In	7,000	0	7,000
Transfers (Out)	0	(7,000)	(7,000)
Total Other Financing Sources (Uses)	12,317	(7,000)	5,317
Net Change in Fund Balance	9,953,863	232,064	10,185,927
Fund Balance - Beginning of Year	14,489,846	11,519,099	26,008,945
Fund Balance - End of Year	\$24,443,709	\$11,751,163	\$36,194,872

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2015

Net Change in Fund Balance - Total Governmental Funds \$10,185,927

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

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

Capital assets used in governmental activities	688,034	
Depreciation Expense	<u>(2,983,138)</u>	(2,295,104)

Governmental funds only report the disposal of assets to the
 extent proceeds are received from the sale. In the statement
 of activities, a gain or loss is reported for each disposal. The
 amount of the proceeds must be removed and the gain or loss
 on the disposal of capital assets must be recognized. This is the
 amount of the difference between the proceeds and the gain or loss. (119,433)

Governmental funds report district pension contributions as
 expenditures. However in the Statement of Activities, the cost
 of pension benefits earned net of employee contributions is
 reported as pension expense.

District pension contributions	8,252,374	
Cost of benefits earned net of employee contributions	<u>(5,835,748)</u>	2,416,626

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

Delinquent Property Taxes	16,651	
Interest	23,823	
Intergovernmental	<u>(32,146)</u>	8,328

Repayment of bond principal and accretion is an expenditure
 in the governmental funds, but the repayment reduces long-term
 liabilities in the Statement of Net Position. 1,130,000

In the Statement of Activities interest expense is accrued when incurred;
 whereas, in governmental funds an interest expenditure is reported
 when due. 3,570

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

Compensated Absences	207,154	
Amortization of Bond Premium	394,605	
Amortization of Deferred Charge on Refunding	(340,115)	
Bond Accretion	<u>(147,982)</u>	113,662

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

Change in Net Position - Internal Service Funds		<u>(357,691)</u>
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Change in Net Position of Governmental Activities		<u>\$11,085,885</u>
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Centerville City School District, Ohio
Statement of Net Position
Proprietary Funds
June 30, 2015

	<u>Governmental Activities- Internal Service Funds</u>
Current Assets:	
Equity in Pooled Cash and Investments	<u>\$4,624,383</u>
Total Assets	<u>4,624,383</u>
Liabilities:	
Claims Payable	<u>1,752,384</u>
Total Liabilities	<u>1,752,384</u>
Net Position:	
Unrestricted	<u>2,871,999</u>
Total Net Position	<u>\$2,871,999</u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	<u>Governmental Activities- Internal Service Funds</u>
Operating Revenues:	
Charges for Services	<u>\$13,075,270</u>
Total Operating Revenues	<u>13,075,270</u>
Operating Expenses:	
Contractual Services	<u>13,432,961</u>
Total Operating Expenses	<u>13,432,961</u>
Change in Net Position	(357,691)
Net Position - Beginning of Year	<u>3,229,690</u>
Net Position - End of Year	<u><u>\$2,871,999</u></u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	<u>Governmental Activities- Internal Service Funds</u>
Cash Flows from Operating Activities:	
Receipts from Interfund Services Provided	\$13,075,270
Cash Payments to Employees	(12,719,306)
Cash Payments to Suppliers	<u>(182,183)</u>
Net Cash Provided (Used) by Operating Activities	<u>173,781</u>
Net Increase (Decrease) in Cash and Investments	173,781
Cash and Investments - Beginning of Year	<u>4,450,602</u>
Cash and Investments - End of Year	<u><u>4,624,383</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(357,691)
Changes in Assets & Liabilities:	
Increase (Decrease) in Payables	(800)
Increase (Decrease) in Claims Payables	<u>532,272</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$173,781</u></u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$17,080	\$242,031
Restricted Cash and Investments	<u>9,603</u>	<u>0</u>
Total Assets	<u>26,683</u>	<u>242,031</u>
Liabilities:		
Accounts Payable	0	574
Other Liabilities	<u>0</u>	<u>241,457</u>
Total Liabilities	<u>0</u>	<u>\$242,031</u>
Net Position:		
Held in Trust	<u>26,683</u>	
Total Net Position	<u>\$26,683</u>	

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2015

	<u>Private Purpose Trust</u>
Additions:	
Investment Earnings	\$107
Other	<u>3,360</u>
Total Additions	<u>3,467</u>
Deductions:	
Other	<u>4,878</u>
Total Deductions	<u>4,878</u>
Change in Net Position	(1,411)
Net Position - Beginning of Year	<u>28,094</u>
Net Position - End of Year	<u><u>\$26,683</u></u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

Note 1 - Description of the District and Reporting Entity

The Centerville City School District (the "District") is a body politic and corporate located in Montgomery County and encompasses the City of Centerville and Washington Township. The District serves an area of approximately 32 square miles. The District ranks as the 23rd largest by enrollment among school districts in the State of Ohio, and it is the 2nd largest school district located within Montgomery County.

The District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charter and further mandated by state and/or federal agencies. This Board controls the District's instructional/support programs located at twelve instructional facilities and staffed by 456 non-certificated employees and 611 certified employees, who provide services to over 8,300 students and other community members.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the District are not misleading.

The primary government consists of all funds and departments, not legally separate from the District, which provide various services including instruction, student guidance, extracurricular activities, educational media and care and upkeep of grounds and buildings. The operation of each of these activities is directly controlled by the Board of Education.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing body and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations for which the District approves the budget, the issuance of debt or the levying of taxes.

The District does not have any component units.

The District is associated with four organizations, which are defined as jointly governed and another organization that is classified as a related organization. These organizations are presented in Notes 11 and 12 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

Basis of Presentation

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

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each program or function 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 not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self financing or draws from the general revenues of the District.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental 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. Fiduciary funds are reported by fund type.

Fund Accounting

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

Governmental Funds

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

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

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

The other governmental funds of the District account for grants and other resources, debt service, and capital projects of the District whose uses are restricted to a particular purpose.

Proprietary Funds

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The District has no enterprise funds. The following is a description of the District's internal service fund:

Internal Service Funds - The internal service funds are 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 internal service funds of the District account for self-insurance programs which provide workers' compensation benefits and medical insurance benefits to employees.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, 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 are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has two private purpose trust funds (Scholarship Trust Fund and Memorial Scholarship Trust Fund) established to provide scholarships to its students. The District has one Agency Fund, the Student Managed Activities Agency Fund, which accounts for assets and liabilities generated by student managed activities.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Position. Private-purpose trust and agency funds are not included in entity-wide statements.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental

Centerville City School District, Ohio
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activities of the government-wide 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 government funds. The private purpose trust funds are reported using the economic resources measurement focus. Agency funds do not have a measurement focus.

Basis of Accounting

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 also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

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. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed to be both measurable and available: property taxes available as an advance, grants, investment earnings, tuition, and student fees.

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, grants and other taxes and unavailable revenues. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as

Centerville City School District, Ohio
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deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period.

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related liability is incurred, if measurable. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by the employee. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

The accrual basis of accounting utilized on the government-wide financial statements and by private-purpose trust funds recognizes revenues when they are earned, and expenses are recognized at the time they are incurred. The fair value of donated commodities received during the year is reported as an expense with a like amount reported as operating grants and contributions.

Equity in Pooled Cash and Investments

The District maintains a cash and investment pool used by all funds. The cash and investment pool has the same characteristics as demand deposits. Each fund's portion of this pool is displayed in the financial statements as pooled cash and cash equivalents. The monies are either maintained in a central bank account or used to purchase legal investments.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificate of deposits; banker's acceptances; commercial paper notes rated prime and issued by United States Corporations; and STAROhio.

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2015. The District has invested funds in the State Treasury Assets Reserves of Ohio (STAROhio) during fiscal year 2015.

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Following State statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Investment earnings are to be credited to the specified funds based on the month end fund balance. Interest was recorded in the General Fund, Other Governmental Funds, and Private Purpose Trust Funds in the amounts of \$291,591, \$3,903, and \$107, respectively.

For purposes of the statement of cash flows, the internal service portion of pooled cash and investments is considered a cash equivalent because the District is able to withdraw resources from the internal service funds without prior notice or penalty.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of food held for resale and consumable supplies.

Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other government or imposed by enabling legislation. Restricted assets include the amount required by state statute to be set aside to create a reserve for budget stabilization.

Estimates

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

Capital Assets and Depreciation

General capital assets generally result from expenditures in the governmental funds. These assets are reported within the governmental activities on the government-wide statement of net position but are not reported in the fund statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements throughout the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars (\$5,000). The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also not capitalized.

All reported capital assets except for land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives.

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<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20 - 80 years
Equipment	5 - 50 years
Vehicles	8 - 30 years

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables" and "Interfund Payables". These amounts are eliminated on the governmental activities columns of the statement of net position.

As a general rule the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave is accrued using the vesting method which states that the District will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy. The District records a liability for accumulated sick leave for all employees after fifteen years of current service with the District.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that represents severance payments to individuals who retired prior to the end of the fiscal year, but did not receive payment until after year-end. These amounts are recorded in the account "compensated absences" in the fund from which the employees who have accumulated leave are paid. The non-current portion of the liability is not reflected in the fund statements.

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Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences, special termination benefits, and judgments and claims that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

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.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the internal service fund. For the District, these revenues are charges for services for the primary activity of the fund. 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 non-operating revenues and expenses.

Net Position

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

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Of the District's \$11,746,911 in restricted net position, none was restricted by enabling legislation.

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies its fund balance based on the

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For The Fiscal Year Ended June 30, 2015

purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education or approved through the District's formal purchase order procedure by the Superintendent and the Treasurer.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The District considers restricted, committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

Note 3 - Equity in Pooled Cash and Investments

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must, by law, be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

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Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than five years from date of deposit, or by savings or deposit accounts, including, but not limited to, passbook accounts.
- (5) Bonds, and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAROhio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Centerville City School District, Ohio
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Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities or a line of credit. At year end, the carrying amount of the District's deposits was \$5,574,420. As of June 30, 2015, \$5,623,948 of the District's bank balance of \$5,873,948 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all uninsured public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, excluding the portion of such deposits covered by any federal deposit insurance.

Investments

As of June 30, 2015, the District had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Money Market Mutual Funds	\$108,040	0.00
STAROhio	501,013	0.15
Federal Home Loan Bank	12,027,472	3.82
Federal Farm Credit Banks	4,499,765	2.34
Negotiable CD's	3,761,713	2.54
Federal Home Loan Mortgage Corporation	9,807,132	3.80
Federal National Mortgage Association	8,787,909	3.06
Total Fair Value	\$39,493,044	
Portfolio Weighted Average Maturity		3.29

Interest Rate Risk – The District shall not purchase any security that has a remaining term to final maturity of more than five years. Through STAROhio's investment policy, it manages its exposure to fair value losses arising from increasing interest rates by limiting the final stated maturity on any investment not to exceed 397 days or that will cause the weighted average maturity of the portfolio to exceed 60 days.

Credit Risk – It is the District's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The District's investments in Federal Home Loan Bank, Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investment Service.

Centerville City School District, Ohio
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Investments in STAROhio were rated AAAM by Standard & Poors. Money Market Funds and Negotiable CD's were not rated.

Concentration of Credit Risk – The District should normally seek to diversify its holdings of other investments by avoiding concentration of specific issuers. The District has invested 1% in Money Market Mutual Funds, 1% in STAROhio, 30% in Federal Home Loan Bank, 11% in Federal Farm Credit Banks, 10% in Negotiable CD's, 25% in Federal Home Loan Mortgage Corporation, and 22% in Federal National Mortgage Association.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District's securities are either insured and registered in the name of the District or at least registered in the name of the District.

Note 4 - Property Taxes

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

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. The District receives property taxes from Montgomery County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2015, are available to finance fiscal year 2016 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, and public utility taxes that became measurable as of June 30, 2015. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows for that portion not intended to finance \$4,577,689 in the General Fund and \$353,460 in Other Governmental Funds.

The assessed values upon which the fiscal year 2015 taxes were collected are as follows:

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For The Fiscal Year Ended June 30, 2015

	2015 First Half Collections	2014 Second Half Collections
Agricultural/Residential and Other Real Estate	\$1,652,678,460	\$1,638,788,470
Public Utility Personal	30,002,790	29,072,030
Total Assessed Property Value	<u>\$1,682,681,250</u>	<u>\$1,667,860,500</u>

Note 5 – Receivables

Receivables at June 30, 2015, consisted of current and delinquent property taxes, interest, intergovernmental grants, and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

Note 6 - Capital Assets

Capital asset activity for the year ended June 30, 2015 was as follows:

	Restated Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$2,420,016	\$0	\$0	\$2,420,016
Construction in Progress	47,030	338,676	47,030	338,676
Total Capital Assets, not being depreciated	2,467,046	338,676	47,030	2,758,692
Capital Assets, being depreciated:				
Buildings and Improvements	87,871,150	163,745	0	88,034,895
Equipment	7,975,453	24,200	0	7,999,653
Vehicles	9,342,997	208,443	119,433	9,432,007
Total Capital Assets, being depreciated:	<u>105,189,600</u>	<u>396,388</u>	<u>119,433</u>	<u>105,466,555</u>
Totals at Historical Cost	<u>107,656,646</u>	<u>735,064</u>	<u>166,463</u>	<u>108,225,247</u>
Less Accumulated Depreciation:				
Buildings and Improvements	46,853,392	1,921,169	0	48,774,561
Equipment	6,450,259	348,071	0	6,798,330
Vehicles	5,684,498	713,898	0	6,398,396
Total Accumulated Depreciation	<u>58,988,149</u>	<u>2,983,138</u>	<u>0</u>	<u>61,971,287</u>
Governmental Activities Capital Assets, Net	<u>\$48,668,497</u>	<u>(\$2,248,074)</u>	<u>\$166,463</u>	<u>\$46,253,960</u>

Centerville City School District, Ohio
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For The Fiscal Year Ended June 30, 2015

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$557,514
Special	987
Vocational	1,927
Support Services:	
Instructional Staff	1,464
School Administration	5,581
Operations and Maintenance	219,329
Pupil Transportation	563,260
Operation of Non-Instructional Services	3,625
Extracurricular Activities	232
Unallocated Depreciation	<u>1,629,219</u>
Total Depreciation Expense	<u><u>\$2,983,138</u></u>

Unallocated depreciation is depreciation of the individual school buildings throughout the District that essentially serve all functions/programs, and therefore is not included as a direct expense of any functions or program but disclosed as a separate expense.

Note 7 - Risk Management

The District is exposed to various risks of loss related to torts, thefts-of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters for which the District carries commercial insurance. During fiscal year 2015, the District contracted with Liberty Mutual Insurance for these various risks. Coverage terms provided by Liberty Mutual Insurance are as follows:

Buildings and Contents - replacement cost (\$5,000 deductible)	\$225,917,191
Employee Dishonesty - Money in Security	100,000
Automotive Liability (\$500/vehicle and \$500/bus deductible)	1,000,000
Uninsured Motorist Bodily Injury Liability	1,000,000
General Liability (Per Occurrence)	1,000,000
Umbrella Policy	10,000,000

Settled claims have not exceeded this commercial coverage in any of the past five years. There has not been any significant reduction in insurance coverage from the previous year.

Beginning in August 2010, the District began to self-insure its workers' compensation costs. The District contracts with Hunter Consultants for the service. Expenses for claims are recorded on the current basis based on an actuarially determined charge per employee. The District accounts for the activities of this program in an internal service fund in accordance with GASB Statement No. 10. A summary of the changes in self-insurance workers' compensation claims liability is as follows:

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	<u>2015</u>	<u>2014</u>
Claims Liability at Beginning of Year	\$33,155	\$9,183
Claims Incurred	155,199	194,061
Claims Paid	<u>(181,383)</u>	<u>(170,089)</u>
Claims Liability at End of Year	<u>\$6,971</u>	<u>\$33,155</u>

Beginning in January 2012, the District began to self-insure its medical health-insurance costs. The District contracts with Anthem for the service. Expenses for claims are recorded on the current basis based on an actuarially determined charge per employee. The District accounts for the activities of this program in an internal service fund in accordance with GASB Statement No. 10. A summary of the changes in self-insurance health insurance claims liability is as follows:

	<u>2015</u>	<u>2014</u>
Claims Liability at Beginning of Year	\$1,186,957	\$1,193,218
Claims Incurred	13,277,762	11,545,718
Claims Paid	<u>(12,719,306)</u>	<u>(11,551,979)</u>
Claims Liability at End of Year	<u>\$1,745,413</u>	<u>\$1,186,957</u>

Note 8 - Defined Benefit Pension Plans

Net Pension Liability

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

The net pension liability represents the 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.

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Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

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

Plan Description - School Employees Retirement System (SERS)

Plan Description – 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 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, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

The District's contractually required contribution to SERS was \$2,420,903 for fiscal year 2015. Of this amount \$425,315 is reported as accrued wages and benefits.

Plan Description - 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.

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.

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.

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

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, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 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 2015 contribution rates were equal to the statutory maximum rates.

The District’s contractually required contribution to STRS was \$5,831,471 for fiscal year 2015. Of this amount \$961,220 is reported as accrued wages and benefits.

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

The net pension liability was measured as of June 30, 2014, 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	\$21,697,427	\$98,698,063	\$120,395,490
Proportion of the Net Pension Liability	0.42872300%	0.40577311%	
Pension Expense	1,275,986	4,559,762	5,835,748

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Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

At June 30, 2015, 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>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$184,668	\$950,183	\$1,134,851
District contributions subsequent to the measurement date	<u>2,420,903</u>	<u>5,831,471</u>	<u>8,252,374</u>
Total Deferred Outflows of Resources	<u>\$2,605,571</u>	<u>\$6,781,654</u>	<u>\$9,387,225</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	<u>\$3,521,553</u>	<u>\$18,259,516</u>	<u>\$21,781,069</u>

\$8,252,374 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2016	(\$834,221)	(\$4,327,333)	(\$5,161,554)
2017	(834,221)	(4,327,333)	(5,161,554)
2018	(834,221)	(4,327,333)	(5,161,554)
2019	<u>(834,222)</u>	<u>(4,327,334)</u>	<u>(5,161,556)</u>
Total	<u>(\$3,336,885)</u>	<u>(\$17,309,333)</u>	<u>(\$20,646,218)</u>

Actuarial Assumptions - SERS

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

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

Centerville City School District, Ohio
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For The Fiscal Year Ended June 30, 2015

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, 2014, 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. 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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>	

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

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%)
District's proportionate share of the net pension liability	\$30,955,780	\$21,697,427	\$13,910,352

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2014, 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, 2014, 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

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

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	<u>1.00</u>	3.00
 Total	 <u>100.00 %</u>	

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. 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, 2014. 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, 2014.

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:

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
District's proportionate share of the net pension liability	\$141,297,038	\$98,698,063	\$62,673,665

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Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

Note 9 - Post Employment Benefits

School Employees Retirement System

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 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 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 basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the District's surcharge obligation was \$223,573.

The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$365,368, \$236,334, and \$237,985, respectively. For fiscal year 2015, 82 percent has been contributed, with the balance being reported as accrued wages and benefits. The full amount has been contributed for fiscal years 2014 and 2013.

State Teachers Retirement System

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

Centerville City School District, Ohio
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For The Fiscal Year Ended June 30, 2015

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. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$426,043, and \$435,552 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

Note 10 - Long-Term Obligations

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. During fiscal year 2005, \$62.3 million of general obligation bonds were issued to construct a new school building as well as improvement to others. In previous years, general obligations bonds have been issued to provide financing for new school buildings as well as improvements to various other school facilities. The original amount of the other general obligation bonds issued in prior years was \$18.2 million.

During fiscal year 2013, the District refunded a portion of the 2005 School Improvement bonds by issuing \$48,510,531 in refunding general obligation (maturing December 1, 2033) and capital appreciation bonds (maturing December 1, 2019 and December 1, 2020). In prior years, the District refunded a portion of the 1996 bond issue by issuing a \$6.455 million refunding general obligation bond which mature in fiscal year 2016 and a portion of the 1994 bond issue was refunded by issuing \$7.355 million in refunding general obligation bonds (maturing December 1, 2012) and capital appreciation bonds (maturing December 1, 2012 and December 1, 2013).

Advance Refunding

On August 29, 2012, the District issued \$48,030,000 in current interest bonds with an average interest rate of 3.13% and \$480,531 in capital appreciation bonds of which was used to advance refund \$48,515,000 of outstanding 2005 School Improvement General Obligation Bonds with variable interest rates. The net proceeds of \$54,035,957 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the bond issue.

The District advance refunded their 2005 School Improvement General Obligation Bonds to reduce its total debt service payments by \$5,294,050 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$3,963,423.

Changes in Long-Term Liabilities

Long- term liability activity for the year ended June 30, 2015, was as follows:

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Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

General Obligation Bonds:	Interest Rate	Restated			Balance 06/30/2015	Due in One Year
		Balance 06/30/2014	Additions	Deletions		
2004 Refunding Bonds	2.00% - 5.00%	1,825,000	0	895,000	930,000	930,000
Bond Premium		1,417,897	0	130,219	1,287,678	0
2005 School Improvement	3.00% - 5.00%	5,000	0	5,000	0	0
2013 Refunding Bonds						
Current Interest		48,030,000	0	230,000	47,800,000	240,000
Capital Appreciation - Principal		480,531	0	0	480,531	0
Capital Appreciation - Interest		189,036	147,982	0	337,018	0
Bond Premium		5,287,717	0	264,386	5,023,331	0
Total General Obligation Bonds		57,235,181	147,982	1,524,605	55,858,558	1,170,000
Net Pension Liability:						
STRS		117,251,867	0	18,552,804	98,699,063	0
SERS		25,505,425	0	3,804,998	21,700,427	0
Total Net Pension Liability		142,757,292	0	22,357,802	120,399,490	0
Compensated Absences	N/A	3,331,946	1,112,851	1,042,375	3,402,422	1,152,988
Total Long-Term Liabilities		\$203,324,419	\$1,260,833	\$24,924,782	\$179,660,470	\$2,322,988

Compensated absences represent the long-term portion of the accrued liability associated with sick and vacation leave. These items will be repaid from the funds from which the employees work to whom the liability is associated with or the General Fund if no such funds are available.

The general obligation bonds balance at June 30, 2015 of \$55,521,540 is used in the calculation of net investment in capital assets. This amount equals total general obligation bonds of \$55,858,558 minus accreted interest of \$337,018.

Annual Debt Service Requirements

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Capital Appreciation Bonds	
	Principal	Interest	Principal	Interest
2016	\$1,170,000	\$1,848,637	\$0	\$0
2017	1,050,000	1,810,725	0	0
2018	1,145,000	1,772,075	0	0
2019	1,405,000	1,738,638	0	0
2020	780,000	1,716,400	169,903	540,097
2021-2025	8,425,000	7,844,150	310,628	1,274,372
2026-2030	16,075,000	5,242,300	0	0
2031-2034	18,680,000	1,543,100	0	0
Total	\$48,730,000	\$23,516,025	\$480,531	\$1,814,469

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

Note 11 - Jointly Governed Organizations

Miami Valley Career Technology Center

The Miami Valley Career Technology Center (MVCTC) is a separate body politic and corporate, established by the Ohio Revised Code (ORC). The Board is comprised of one representative from each of the seven participating Districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information write to the Miami Valley Career Technical Center at 6800 Hoke Road, Clayton, Ohio 45315.

Southwestern Ohio Educational Purchasing Cooperative

The District is a member of the Southwestern Ohio Educational Purchasing Cooperative (SOEPC). The purpose of the cooperative is to obtain lower prices for supplies and materials commonly used by the member districts. The members are obligated to pay all fees, charges, and assessments as established by SOEPC.

Each member district has one voting representative. Title to any and all equipment and supplies purchased by SOEPC is held in trust for the member districts by the fiscal agent. Any district withdrawing from SOEPC shall forfeit its claim to any and all SOEPC assets. One year's prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member organizations. Payments to SOEPC are made from the District's General Fund. During fiscal year 2015, the District made payments of \$3,644 to SOEPC. Financial information may be obtained from SOEPC by contacting Ken Swink, Director, at 303 Corporate Drive, Suite 208, Vandalia, OH 45377.

Metropolitan Dayton Educational Cooperative Association

The District is a participant in the Metropolitan Dayton Educational Cooperative Association (MDECA), which is a computer consortium. MDECA is an association of 25 public school districts within the boundaries of Darke, Greene, Miami and Montgomery Counties. The organization was formed for the purpose of applying modern technology (with the aid of computers and other electronic equipment) to administrative and instructional functions among member school districts. The governing board of MDECA consists of one representative from each member school district plus one representative from the fiscal agent. The District pays MDECA an enrollment based fee for internet and EMIS services provided during the year; this fee totaled \$82,537 for fiscal year 2015. Financial information can be obtained from Dean Reineke, Executive Director of MDECA at 225 Linwood Street, Dayton, Ohio 45405.

Note 12 - Related Organizations

Washington-Centerville Public Library

The Washington-Centerville Public Library (the Library) is a related organization to the District. The District's Board of Education is responsible for appointing Trustees and approving the budget of the Library as a ministerial function to the Library. The operations of the Library are managed by its Trustees, including the determination of the budget amounts necessary for operations. The Library does not receive any funding from the District.

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

Note 13 – Contingencies

Foundation Funding

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, 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, 2015 Foundation funding for the 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.

Grants

The District received financial assistance from federal and state agencies in the form of grants. The expenditure 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, 2015.

Litigation

The District's attorney estimates that any potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

Note 14 - Statutory Reserves

The District is required by State statute to annually set aside monies for the purchase of capital improvements. Amounts not spent by year-end or reduced by offsetting credits must be held in cash at year-end and carried forward to be used for the same purpose in future years.

During the fiscal year ended June 30, 2015, the reserve activity (cash-basis) was as follows:

	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set Aside Reserve Balance as of June 30, 2014	\$0	\$141,886
Current Year Set Aside Requirement	1,344,825	0
Qualified Disbursements	0	0
Current Year Offsets	<u>(56,824,218)</u>	<u>0</u>
Total	<u>(\$55,479,393)</u>	<u>\$141,886</u>
Balance Carried Forward to Fiscal Year 2016	<u>(\$55,479,393)</u>	<u>0</u>
Set Aside Reserve Balance as of June 30, 2015	<u>\$0</u>	<u>\$141,886</u>

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

For capital acquisitions, the extra amount was a result of bond or note issuances, which will be used to offset set-aside requirements in future years.

Note 15 – Accountability

The following funds had deficit fund balances/net position at June 30, 2015:

Fund	Deficit
Other Governmental Funds:	
Title VI-B	42,437
Reducing Class Size	3,278
Title I	19,887
Vocational Education	1,718
EHA Pre-school	980

The deficits in these Special Revenue funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2016. The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when the accruals occur.

Note 16 - Interfund Balances

Interfund transactions at June 30, 2015, consisted of the following individual fund receivables and payable and transfers in and out:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$170,650	\$0	\$7,000	\$0
Other Governmental Funds	0	170,650	0	7,000
Total All Funds	\$170,650	\$170,650	\$7,000	\$7,000

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

All interfund balances are expected to be paid within one year.

The District made a transfer out of the other governmental fund into the general fund to close out an old grant fund.

Note 17 – Fund Balances

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

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

Fund Balances	General	Other Governmental Funds	Total
Restricted for:			
Other Grants	0	30,729	30,729
District Managed Student Services	0	403,576	403,576
Miscellaneous Federal Grants	0	14,693	14,693
Miscellaneous State Grants	0	1,363	1,363
Title III	0	3,040	3,040
Food Service	0	84,162	84,162
Auxiliary Services	0	183,580	183,580
Debt Service Payments	0	4,472,658	4,472,658
Permanent Improvement Building	0	1,472,179	1,472,179
Total Restricted	0	11,819,463	11,819,463
Assigned to:			
Public School	572,180	0	572,180
Encumbrances	372,080	0	372,080
Total Assigned	944,260	0	944,260
Unassigned (Deficit)	23,499,449	(68,300)	23,431,149
Total Fund Balance	\$24,443,709	\$11,751,163	\$36,194,872

Fund balance classified as assigned for encumbrances in the general fund are assigned for all ordinary day-to-day operations of the District, for the purchase and sale of school supplies, for specific local revenue sources, and for the after school program currently called "Voyager."

Note 18 – Change in Accounting Principles

The District adopted the provisions of GASB Statement Number 68, *Accounting and Financial Reporting for Pensions* – an amendment of GASB Statement No. 27 and GASB Statement Number 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement Number 68. GASB Statement Number 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014 and have been implemented by the District. GASB Statement Number 71 amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources of its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

Centerville City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2015

Note 19 – Application of Accounting Principle and Restatement of Net Position

For fiscal year 2015, the District implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The District had to restate net capital assets due to an appraisal report issued in 2015. The implementation of this pronouncement and the restatement of capital assets had the following effect on net position as reported June 30, 2014:

Net position June 30, 2014	\$51,679,828
Adjustments:	
Net Pension Liability	(142,754,292)
Deferred Outflow - Payments Subsequent to Measurement Date	7,548,332
Restatement of Net Capital Assets	<u>(27,022,530)</u>
Restated Net Position June 30, 2014	<u>(\$110,548,662)</u>

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

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REQUIRED SUPPLEMENTARY INFORMATION

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

	2014	2013
District's Proportion of the Net Pension Liability	0.40577311%	0.40577311%
District's Proportionate Share of the Net Pension Liability	\$98,698,063	\$117,251,867
District's Covered-Employee Payroll	\$41,885,624	\$43,018,338
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	235.64%	272.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	69.30%

(1) - Information prior to 2013 is not available

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

	2014	2013
District's Proportion of the Net Pension Liability	0.428723%	0.428723%
District's Proportionate Share of the Net Pension Liability	\$21,697,427	\$25,502,425
District's Covered-Employee Payroll	\$12,423,124	\$12,281,494
District's Proportionate Share of the Net Pension Liability as a Percentage of Centerville City School District	174.65%	207.65%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.70%	65.52%

(1) - Information prior to 2013 is not available

Centerville City School District
 Required Supplementary Information
 Schedule of District Contributions
 State Teachers Retirement System of Ohio
 Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$5,831,472	\$5,804,232	\$6,097,740	\$6,005,304	\$5,962,908	\$6,403,188	\$6,321,960	\$5,639,988	\$5,501,688	\$5,398,908
Contributions in Relation to the Contractually Required Contribution	(5,831,472)	(5,804,232)	(6,097,740)	(6,005,304)	(5,962,908)	(6,403,188)	(6,321,960)	(5,639,988)	(5,501,688)	(5,398,908)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
District Covered-Employee Payroll	\$42,720,526	\$41,773,497	\$43,018,338	\$45,001,648	\$44,604,747	\$42,530,799	\$40,913,365	\$38,071,404	\$33,163,130	\$29,423,528
Contributions as a Percentage of Covered-Employee Payroll	13.65%	13.89%	14.17%	13.34%	13.37%	15.06%	15.45%	14.81%	16.59%	18.35%

Centerville City School District
 Required Supplementary Information
 Schedule of District Contributions
 School Employees Retirement System of Ohio
 Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$2,420,904	\$1,744,099	\$2,246,568	\$2,147,088	\$2,061,096	\$1,938,024	\$1,828,500	\$1,620,276	\$1,565,184	\$1,520,928
Contributions in Relation to the Contractually Required Contribution	(2,420,904)	(1,744,099)	(2,246,568)	(2,147,088)	(2,061,096)	(1,938,024)	(1,828,500)	(1,620,276)	(1,565,184)	(1,520,928)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
District Covered-Employee Payroll	\$12,945,886	\$12,423,124	\$12,281,494	\$11,512,703	\$11,150,671	\$10,320,778	\$9,466,652	\$8,401,861	\$6,816,248	\$6,110,517
Contributions as a Percentage of Covered-Employee Payroll	18.70%	14.04%	18.29%	18.65%	18.48%	18.78%	19.32%	19.28%	22.96%	24.89%

Centerville City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2015

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$65,998,276	\$65,998,276	\$67,333,034	\$1,334,758
Tuition and Fees	713,384	713,384	727,812	14,428
Investment Earnings	356,412	356,412	363,620	7,208
Intergovernmental	22,305,927	22,305,927	22,757,045	451,118
Extracurricular Activities	373,488	373,488	381,041	7,553
Charges for Services	2,244,828	2,244,828	2,290,228	45,400
Other Revenues	243,625	243,625	248,552	4,927
Total Revenues	92,235,940	92,235,940	94,101,332	1,865,392
Expenditures:				
Current:				
Instruction:				
Regular	42,110,694	42,110,694	40,732,746	1,377,948
Special	9,373,780	9,373,780	9,067,051	306,729
Vocational	2,774,410	2,774,410	2,683,626	90,784
Other	1,335,692	1,335,692	1,291,985	43,707
Support Services:				
Pupil	6,053,292	6,053,292	5,855,216	198,076
Instructional Staff	5,382,158	5,382,158	5,206,043	176,115
General Administration	24,379	24,379	23,581	798
School Administration	5,953,614	5,953,614	5,758,800	194,814
Fiscal	1,903,431	1,903,431	1,841,147	62,284
Business	545,596	545,596	527,743	17,853
Operations and Maintenance	6,019,929	6,019,929	5,822,945	196,984
Pupil Transportation	6,872,782	6,872,782	6,647,890	224,892
Central	609,692	609,692	589,742	19,950
Extracurricular Activities	428	428	414	14
Total Expenditures	88,959,877	88,959,877	86,048,929	2,910,948
Excess of Revenues Over (Under) Expenditures	3,276,063	3,276,063	8,052,403	4,776,340
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	5,212	5,212	5,317	105
Total Other Financing Sources (Uses)	5,212	5,212	5,317	105
Net Change in Fund Balance	3,281,275	3,281,275	8,057,720	4,776,445
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	19,776,022	19,776,022	19,776,022	0
Fund Balance End of Year	\$23,057,297	\$23,057,297	\$27,833,742	\$4,776,445

See accompanying notes to the required supplementary information.

Centerville City School District, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2015

Note 1 - Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. During the course of fiscal year 2015, the District amended its budget several times, however none were significant.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during fiscal year 2015.

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

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

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

Centerville City School District, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2015

5. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).

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

Net Change in Fund Balance

	<u>General Fund</u>
GAAP Basis	\$9,953,863
Revenue Accruals	(1,128,270)
Expenditures Accruals	(213,718)
Transfers (In)	(7,000)
Encumbrances	(554,290)
Funds Budgeted Elsewhere	<u>7,135</u>
Budget Basis	<u><u>\$8,057,720</u></u>

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Debt Service Fund

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The District has only one Debt Service Fund for the current fiscal year.

Capital Projects Funds

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

Centerville City School District, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,022,475	\$4,269,329	\$5,625,797	\$10,917,601
Restricted Cash and Investments	0	0	875,870	875,870
Receivables (Net):				
Taxes	0	2,507,093	1,867,061	4,374,154
Intergovernmental	662,364	0	0	662,364
Inventory	39,759	0	0	39,759
Total Assets	1,724,598	6,776,422	8,368,728	16,869,748
Liabilities:				
Accounts Payable	64,735	0	25,936	90,671
Accrued Wages and Benefits	708,731	0	0	708,731
Compensated Absences	14,382	0	0	14,382
Contracts Payable	0	0	200	200
Interfund Payable	170,650	0	0	170,650
Total Liabilities	958,498	0	26,136	984,634
Deferred Inflows of Resources:				
Property Taxes	0	2,303,764	1,716,930	4,020,694
Grants and Other Taxes	113,257	0	0	113,257
Total Deferred Inflows of Resources	113,257	2,303,764	1,716,930	4,133,951
Fund Balances:				
Restricted	721,143	4,472,658	6,625,662	11,819,463
Unassigned	(68,300)	0	0	(68,300)
Total Fund Balances	652,843	4,472,658	6,625,662	11,751,163
Total Liabilities, Deferred Inflows and Fund Balances	\$1,724,598	\$6,776,422	\$8,368,728	\$16,869,748

Centerville City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$0	\$2,984,597	\$2,208,548	\$5,193,145
Investment Earnings	3,524	0	379	3,903
Intergovernmental	4,834,523	427,715	313,424	5,575,662
Extracurricular Activities	820,397	0	0	820,397
Charges for Services	1,760,187	0	0	1,760,187
Other Revenues	127,525	0	30,000	157,525
Total Revenues	7,546,156	3,412,312	2,552,351	13,510,819
Expenditures:				
Current:				
Instruction:				
Regular	154,445	0	861,713	1,016,158
Special	1,745,002	0	0	1,745,002
Vocational	32,527	0	0	32,527
Support Services:				
Pupil	630,288	0	0	630,288
Instructional Staff	190,052	0	0	190,052
School Administration	22,038	0	17,038	39,076
Fiscal	0	39,182	29,240	68,422
Operations and Maintenance	405	0	697,469	697,874
Pupil Transportation	3,000	0	166,691	169,691
Central	276	0	0	276
Operation of Non-Instructional Services	3,928,928	0	0	3,928,928
Extracurricular Activities	803,224	0	0	803,224
Capital Outlay	53,461	0	874,557	928,018
Debt Service:				
Principal Retirement	0	1,130,000	0	1,130,000
Interest and Fiscal Charges	0	1,892,219	0	1,892,219
Total Expenditures	7,563,646	3,061,401	2,646,708	13,271,755
Excess of Revenues Over (Under) Expenditures	(17,490)	350,911	(94,357)	239,064
Other Financing Sources (Uses):				
Transfers (Out)	(7,000)	0	0	(7,000)
Total Other Financing Sources (Uses)	(7,000)	0	0	(7,000)
Net Change in Fund Balance	(24,490)	350,911	(94,357)	232,064
Fund Balance - Beginning of Year	677,333	4,121,747	6,720,019	11,519,099
Fund Balance - End of Year	\$652,843	\$4,472,658	\$6,625,662	\$11,751,163

NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

Other Grants - A fund used 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 Student Services - To account for local funds generated to assist student activities, which are managed by District personnel. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

Auxiliary Services - A fund used to account for monies which provide services and materials to pupils attending non-public schools within the District.

Network Connect - A fund used to account for monies for the purpose of accessing the Ohio Education Computer Network.

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

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

Title VI-B - To account for monies received under a federal grant to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full education opportunities to handicapped children at the elementary and secondary levels.

Vocational Education - A fund used to account for revenues provided to boards of education, teacher training instructions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects.

Title III - To account for federal grant monies used to support the District's ESL population.

Title I - To account for monies received under a federal grant to assist schools in meeting the special needs of educationally deprived children.

EHA Pre-School - A fund used to account for federal grant dollars to improve and expand the services for handicapped children ages three to five years.

Reducing Class Size - A fund used to account for monies to hire additional classroom teachers in grades one through three, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants - To account for monies received under federal grants which are not classified elsewhere.

Food Service - To account for the financial transactions related to the food service operations of the District.

Centerville City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	Other Grants	District Managed Student Services	Auxiliary Services
Assets:			
Equity in Pooled Cash and Investments	\$30,949	\$409,347	\$291,458
Receivables (Net):			
Intergovernmental	0	0	0
Inventory	0	0	0
Total Assets	30,949	409,347	291,458
Liabilities:			
Accounts Payable	220	5,771	15,644
Accrued Wages and Benefits	0	0	92,234
Compensated Absences	0	0	0
Interfund Payable	0	0	0
Total Liabilities	220	5,771	107,878
Deferred Inflows of Resources:			
Grants and Other Taxes	0	0	0
Total Deferred Inflows of Resources	0	0	0
Fund Balances:			
Restricted	30,729	403,576	183,580
Unassigned	0	0	0
Total Fund Balances	30,729	403,576	183,580
Total Liabilities, Deferred Inflows and Fund Balances	\$30,949	\$409,347	\$291,458

Network Connect	Miscellaneous State Grants	Race To The Top	Title VI-B	Vocational Education	Title III	Title I
\$17,776	\$0	\$0	\$0	\$0	\$320	\$0
0	7,865	0	333,535	37,264	5,148	230,721
0	0	0	0	0	0	0
<u>17,776</u>	<u>7,865</u>	<u>0</u>	<u>333,535</u>	<u>37,264</u>	<u>5,468</u>	<u>230,721</u>
17,776	798	0	0	20,349	0	77
0	3,244	0	271,853	0	0	119,420
0	0	0	0	0	0	0
0	2,460	0	104,119	214	0	47,102
<u>17,776</u>	<u>6,502</u>	<u>0</u>	<u>375,972</u>	<u>20,563</u>	<u>0</u>	<u>166,599</u>
0	0	0	0	18,419	2,428	84,009
0	0	0	0	18,419	2,428	84,009
0	1,363	0	0	0	3,040	0
0	0	0	(42,437)	(1,718)	0	(19,887)
0	1,363	0	(42,437)	(1,718)	3,040	(19,887)
<u>\$17,776</u>	<u>\$7,865</u>	<u>\$0</u>	<u>\$333,535</u>	<u>\$37,264</u>	<u>\$5,468</u>	<u>\$230,721</u>

Continued

Centerville City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	EHA Pre-School	Reducing Class Size	Miscellaneous Federal Grants
Assets:			
Equity in Pooled Cash and Investments	\$0	\$0	\$14,693
Receivables (Net):			
Intergovernmental	9,968	37,863	0
Inventory	0	0	0
Total Assets	9,968	37,863	14,693
Liabilities:			
Accounts Payable	0	0	0
Accrued Wages and Benefits	5,732	21,201	0
Compensated Absences	0	0	0
Interfund Payable	1,643	15,112	0
Total Liabilities	7,375	36,313	0
Deferred Inflows of Resources:			
Grants and Other Taxes	3,573	4,828	0
Total Deferred Inflows of Resources	3,573	4,828	0
Fund Balances:			
Restricted	0	0	14,693
Unassigned	(980)	(3,278)	0
Total Fund Balances	(980)	(3,278)	14,693
Total Liabilities, Deferred Inflows and Fund Balances	\$9,968	\$37,863	\$14,693

Food Service	Total Nonmajor Special Revenue Funds
\$257,932	\$1,022,475
0	662,364
<u>39,759</u>	<u>39,759</u>
<u>297,691</u>	<u>1,724,598</u>
4,100	64,735
195,047	708,731
14,382	14,382
<u>0</u>	<u>170,650</u>
<u>213,529</u>	<u>958,498</u>
<u>0</u>	<u>113,257</u>
<u>0</u>	<u>113,257</u>
84,162	721,143
<u>0</u>	<u>(68,300)</u>
<u>84,162</u>	<u>652,843</u>
<u>\$297,691</u>	<u>\$1,724,598</u>

Centerville City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	Other Grants	District Managed Student Services	Auxiliary Services
Revenues:			
Investment Earnings	\$0	\$0	\$0
Intergovernmental	0	0	1,295,912
Extracurricular Activities	0	820,397	0
Charges for Services	0	0	0
Other Revenues	18,556	107,389	0
Total Revenues	18,556	927,786	1,295,912
Expenditures:			
Current:			
Instruction:			
Regular	3,663	0	0
Special	140	0	0
Vocational	3,689	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	0	0	0
School Administration	0	0	0
Operations and Maintenance	0	0	0
Pupil Transportation	0	0	0
Central	0	276	0
Operation of Non-Instructional Services	0	0	1,218,765
Extracurricular Activities	0	803,224	0
Capital Outlay	0	30,000	0
Total Expenditures	7,492	833,500	1,218,765
Excess of Revenues Over (Under) Expenditures	11,064	94,286	77,147
Other Financing Sources (Uses):			
Transfers (Out)	0	0	0
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balance	11,064	94,286	77,147
Fund Balance - Beginning of Year	19,665	309,290	106,433
Fund Balance - End of Year	\$30,729	\$403,576	\$183,580

Network Connect	Miscellaneous State Grants	Race To The Top	Title VI-B	Vocational Education	Title III	Title I
\$0	\$0	\$0	\$0	\$0	\$0	\$0
21,600	32,560	0	1,597,115	191,411	34,419	777,662
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>21,600</u>	<u>32,560</u>	<u>0</u>	<u>1,597,115</u>	<u>191,411</u>	<u>34,419</u>	<u>777,662</u>
34,272	0	2,795	0	0	0	0
0	0	0	865,715	0	32,398	811,142
0	0	0	0	28,838	0	0
0	0	0	615,064	15,224	0	0
0	27,038	0	0	127,001	0	19,869
0	0	0	0	22,038	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	3,000
0	0	0	0	0	0	0
0	0	0	132,401	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>34,272</u>	<u>27,038</u>	<u>2,795</u>	<u>1,613,180</u>	<u>193,101</u>	<u>32,398</u>	<u>834,011</u>
<u>(12,672)</u>	<u>5,522</u>	<u>(2,795)</u>	<u>(16,065)</u>	<u>(1,690)</u>	<u>2,021</u>	<u>(56,349)</u>
<u>0</u>	<u>0</u>	<u>(7,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>(7,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(12,672)</u>	<u>5,522</u>	<u>(9,795)</u>	<u>(16,065)</u>	<u>(1,690)</u>	<u>2,021</u>	<u>(56,349)</u>
<u>12,672</u>	<u>(4,159)</u>	<u>9,795</u>	<u>(26,372)</u>	<u>(28)</u>	<u>1,019</u>	<u>36,462</u>
<u>\$0</u>	<u>\$1,363</u>	<u>\$0</u>	<u>(\$42,437)</u>	<u>(\$1,718)</u>	<u>\$3,040</u>	<u>(\$19,887)</u>

Continued

Centerville City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	EHA Pre-School	Reducing Class Size	Miscellaneous Federal Grants
Revenues:			
Investment Earnings	\$0	\$0	\$0
Intergovernmental	34,627	127,648	0
Extracurricular Activities	0	0	0
Charges for Services	0	0	0
Other Revenues	0	0	0
Total Revenues	34,627	127,648	0
Expenditures:			
Current:			
Instruction:			
Regular	0	113,715	0
Special	35,607	0	0
Vocational	0	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	2,461	13,683	0
School Administration	0	0	0
Operations and Maintenance	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Capital Outlay	0	0	0
Total Expenditures	38,068	127,398	0
Excess of Revenues Over (Under) Expenditures	(3,441)	250	0
Other Financing Sources (Uses):			
Transfers (Out)	0	0	0
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balance	(3,441)	250	0
Fund Balance - Beginning of Year	2,461	(3,528)	14,693
Fund Balance - End of Year	(\$980)	(\$3,278)	\$14,693

Food Service	Total Nonmajor Special Revenue Funds
\$3,524	\$3,524
721,569	4,834,523
0	820,397
1,760,187	1,760,187
1,580	127,525
<u>2,486,860</u>	<u>7,546,156</u>
0	154,445
0	1,745,002
0	32,527
0	630,288
0	190,052
0	22,038
405	405
0	3,000
0	276
2,577,762	3,928,928
0	803,224
<u>23,461</u>	<u>53,461</u>
<u>2,601,628</u>	<u>7,563,646</u>
<u>(114,768)</u>	<u>(17,490)</u>
<u>0</u>	<u>(7,000)</u>
<u>0</u>	<u>(7,000)</u>
(114,768)	(24,490)
<u>198,930</u>	<u>677,333</u>
<u>\$84,162</u>	<u>\$652,843</u>

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Final Budget	Other Grants Fund Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$19,428	\$18,556	(\$872)
Total Revenues	<u>19,428</u>	<u>18,556</u>	<u>(872)</u>
Expenditures:			
Current:			
Instruction:			
Regular	9,572	3,583	5,989
Vocational	9,856	3,689	6,167
Total Expenditures	<u>19,428</u>	<u>7,272</u>	<u>12,156</u>
Net Change in Fund Balance	0	11,284	11,284
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>19,664</u>	<u>19,664</u>	<u>0</u>
Fund Balance End of Year	<u>\$19,664</u>	<u>\$30,948</u>	<u>\$11,284</u>

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	District Managed Student Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$768,313	\$820,397	\$52,084
Other Revenues	100,571	107,389	6,818
Total Revenues	<u>868,884</u>	<u>927,786</u>	<u>58,902</u>
Expenditures:			
Current:			
Support Services:			
Central	292	276	16
Extracurricular Activities	867,933	819,457	48,476
Capital Outlay	31,775	30,000	1,775
Total Expenditures	<u>900,000</u>	<u>849,733</u>	<u>50,267</u>
Net Change in Fund Balance	(31,116)	78,053	109,169
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>325,251</u>	<u>325,251</u>	<u>0</u>
Fund Balance End of Year	<u>\$294,135</u>	<u>\$403,304</u>	<u>\$109,169</u>

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,260,856	\$1,295,912	\$35,056
Total Revenues	1,260,856	1,295,912	35,056
Expenditures:			
Operation of Non-Instructional Services	1,358,165	1,303,468	54,697
Total Expenditures	1,358,165	1,303,468	54,697
Net Change in Fund Balance	(97,309)	(7,556)	89,753
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	254,934	254,934	0
Fund Balance End of Year	\$157,625	\$247,378	\$89,753

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Network Connect Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$47,672	\$21,600	(\$26,072)
Total Revenues	47,672	21,600	(26,072)
Expenditures:			
Current:			
Instruction:			
Regular	36,072	34,272	1,800
Total Expenditures	36,072	34,272	1,800
Net Change in Fund Balance	11,600	(12,672)	(24,272)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	12,672	12,672	0
Fund Balance End of Year	\$24,272	\$0	(\$24,272)

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$29,223	\$24,695	(\$4,528)
Total Revenues	29,223	24,695	(4,528)
Expenditures:			
Current:			
Support Services:			
Instructional Staff	28,323	27,752	571
Total Expenditures	28,323	27,752	571
Net Change in Fund Balance	900	(3,057)	(3,957)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(900)	(900)	0
Fund Balance End of Year	\$0	(\$3,957)	(\$3,957)

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Race to the Top Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$66,590	\$73,589	\$6,999
Total Revenues	66,590	73,589	6,999
Expenditures:			
Current:			
Instruction:			
Regular	2,795	2,795	0
Total Expenditures	2,795	2,795	0
Net Change in Fund Balance	63,795	70,794	6,999
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(70,794)	(70,794)	0
Fund Balance End of Year	(\$6,999)	\$0	\$6,999

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Title VI-B Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,652,123	\$1,502,744	(\$149,379)
Total Revenues	<u>1,652,123</u>	<u>1,502,744</u>	<u>(149,379)</u>
Expenditures:			
Current:			
Instruction:			
Special	912,846	904,670	8,176
Support Services:			
Pupil	509,800	505,234	4,566
Instructional Staff	105,304	104,361	943
Operation of Non-Instructional Services	<u>132,787</u>	<u>131,598</u>	<u>1,189</u>
Total Expenditures	<u>1,660,737</u>	<u>1,645,863</u>	<u>14,874</u>
Net Change in Fund Balance	(8,614)	(143,119)	(134,505)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>29,859</u>	<u>29,859</u>	<u>0</u>
Fund Balance End of Year	<u>\$21,245</u>	<u>(\$113,260)</u>	<u>(\$134,505)</u>

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Vocational Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$239,922	\$207,885	(\$32,037)
Total Revenues	239,922	207,885	(32,037)
Expenditures:			
Current:			
Instruction:			
Vocational	30,662	28,838	1,824
Support Services:			
Pupil	16,380	15,406	974
Instructional Staff	143,380	134,852	8,528
School Administration	23,432	22,038	1,394
Total Expenditures	213,854	201,134	12,720
Net Change in Fund Balance	26,068	6,751	(19,317)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(25,596)	(25,596)	0
Fund Balance End of Year	\$472	(\$18,845)	(\$19,317)

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$35,118	\$31,699	(\$3,419)
Total Revenues	<u>35,118</u>	<u>31,699</u>	<u>(3,419)</u>
Expenditures:			
Current:			
Instruction:			
Special	36,138	36,236	(98)
Total Expenditures	<u>36,138</u>	<u>36,236</u>	<u>(98)</u>
Net Change in Fund Balance	(1,020)	(4,537)	(3,517)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,019</u>	<u>1,019</u>	<u>0</u>
Fund Balance End of Year	<u><u>(\$1)</u></u>	<u><u>(\$3,518)</u></u>	<u><u>(\$3,517)</u></u>

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$841,549	\$770,061	(\$71,488)
Total Revenues	841,549	770,061	(71,488)
Expenditures:			
Current:			
Instruction:			
Special	818,280	797,264	21,016
Support Services:			
Instructional Staff	20,314	19,792	522
Pupil Transportation	3,079	3,000	79
Total Expenditures	841,673	820,056	21,617
Net Change in Fund Balance	(124)	(49,995)	(49,871)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	123	123	0
Fund Balance End of Year	(\$1)	(\$49,872)	(\$49,871)

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	EHA Pre-School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$43,537	\$35,080	(\$8,457)
Total Revenues	<u>43,537</u>	<u>35,080</u>	<u>(8,457)</u>
Expenditures:			
Current:			
Instruction:			
Special	35,538	29,874	5,664
Support Services:			
Instructional Staff	<u>7,224</u>	<u>6,073</u>	<u>1,151</u>
Total Expenditures	<u>42,762</u>	<u>35,947</u>	<u>6,815</u>
Net Change in Fund Balance	775	(867)	(1,642)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>(775)</u>	<u>(775)</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>(\$1,642)</u>	<u>(\$1,642)</u>

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Reducing Class Size Fund	Variance from Final Budget
Revenues:				
Intergovernmental	\$135,100	\$108,710		(\$26,390)
Total Revenues	<u>135,100</u>	<u>108,710</u>		<u>(26,390)</u>
Expenditures:				
Current:				
Instruction:				
Regular	123,988	114,925		9,063
Support Services:				
Instructional Staff	<u>14,912</u>	<u>13,822</u>		<u>1,090</u>
Total Expenditures	<u>138,900</u>	<u>128,747</u>		<u>10,153</u>
Net Change in Fund Balance	(3,800)	(20,037)		(16,237)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>4,786</u>	<u>4,786</u>		<u>0</u>
Fund Balance End of Year	<u>\$986</u>	<u>(\$15,251)</u>		<u>(\$16,237)</u>

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Miscellaneous Federal Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	(0)
Total Expenditures	0	0	(0)
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,692	14,692	0
Fund Balance End of Year	\$14,692	\$14,692	\$0

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$4,137	\$3,524	(\$613)
Intergovernmental	745,509	635,051	(110,458)
Charges for Services	2,150,516	1,831,885	(318,631)
Other Revenues	1,855	1,580	(275)
Total Revenues	<u>2,902,017</u>	<u>2,472,040</u>	<u>(429,977)</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	2,875,595	2,553,321	322,274
Capital Outlay	26,422	23,461	2,961
Total Expenditures	<u>2,902,017</u>	<u>2,576,782</u>	<u>325,235</u>
Net Change in Fund Balance	0	(104,742)	(104,742)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>358,182</u>	<u>358,182</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$358,182</u></u>	<u><u>\$253,440</u></u>	<u><u>(\$104,742)</u></u>

NONMAJOR DEBT SERVICE FUND

Fund Description

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

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,633,937	\$2,901,437	\$267,500
Intergovernmental	388,282	427,715	39,433
Total Revenues	<u>3,022,219</u>	<u>3,329,152</u>	<u>306,933</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	39,192	39,182	10
Debt Service:			
Principal Retirement	1,130,302	1,130,000	302
Interest and Fiscal Charges	1,892,725	1,892,219	506
Total Expenditures	<u>3,062,219</u>	<u>3,061,401</u>	<u>818</u>
Net Change in Fund Balance	(40,000)	267,751	307,751
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>4,001,577</u>	<u>4,001,577</u>	<u>0</u>
Fund Balance End of Year	<u>\$3,961,577</u>	<u>\$4,269,328</u>	<u>\$307,751</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Description

Permanent Improvement - The Permanent Improvement Fund is used to account for financial resources, specifically property and other local taxes generated by the District's permanent improvement levy, to be used to maintain the District's facilities, as well as provide for major equipment and instructional material purchases.

Building - The Building Fund is used to account for all transactions related to all special bond funds in the District. Proceeds from the issuance of bonds are paid into this fund.

Centerville City School District, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2015

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$4,153,618	\$1,472,179	\$5,625,797
Restricted Cash and Investments	875,870	0	875,870
Receivables (Net):			
Taxes	1,867,061	0	1,867,061
Total Assets	6,896,549	1,472,179	8,368,728
Liabilities:			
Accounts Payable	25,936	0	25,936
Contracts Payable	200	0	200
Total Liabilities	26,136	0	26,136
Deferred Inflows of Resources:			
Property Taxes	1,716,930	0	1,716,930
Total Deferred Inflows of Resources	1,716,930	0	1,716,930
Fund Balances:			
Restricted	5,153,483	1,472,179	6,625,662
Total Fund Balances	5,153,483	1,472,179	6,625,662
Total Liabilities, Deferred Inflows and Fund Balances	\$6,896,549	\$1,472,179	\$8,368,728

Centerville City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2015

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Property and Other Taxes	\$2,208,548	\$0	\$2,208,548
Investment Earnings	0	379	379
Intergovernmental	313,424	0	313,424
Other Revenues	30,000	0	30,000
Total Revenues	2,551,972	379	2,552,351
Expenditures:			
Current:			
Instruction:			
Regular	861,713	0	861,713
Support Services:			
School Administration	17,038	0	17,038
Fiscal	29,240	0	29,240
Operations and Maintenance	697,469	0	697,469
Pupil Transportation	166,691	0	166,691
Capital Outlay	874,557	0	874,557
Total Expenditures	2,646,708	0	2,646,708
Net Change in Fund Balance	(94,736)	379	(94,357)
Fund Balance - Beginning of Year	5,248,219	1,471,800	6,720,019
Fund Balance - End of Year	\$5,153,483	\$1,472,179	\$6,625,662

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,069,016	\$2,146,781	\$77,765
Intergovernmental	302,071	313,424	11,353
Other Revenues	28,913	30,000	1,087
Total Revenues	<u>2,400,000</u>	<u>2,490,205</u>	<u>90,205</u>
Expenditures:			
Current:			
Instruction:			
Regular	898,726	869,042	29,684
Support Services:			
School Administration	40,623	39,281	1,342
Fiscal	30,239	29,240	999
Operations and Maintenance	866,082	837,476	28,606
Pupil Transportation	564,553	545,906	18,647
Capital Outlay	4,021,292	3,888,473	132,819
Total Expenditures	<u>6,421,515</u>	<u>6,209,418</u>	<u>212,097</u>
Net Change in Fund Balance	(4,021,515)	(3,719,213)	302,302
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>5,315,712</u>	<u>5,315,712</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,294,197</u>	<u>\$1,596,499</u>	<u>\$302,302</u>

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$340	\$379	\$39
Total Revenues	340	379	39
Expenditures:			
Current:			
Capital Outlay	1,472,139	0	1,472,139
Total Expenditures	1,472,139	0	1,472,139
Net Change in Fund Balance	(1,471,799)	379	1,472,178
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,471,799	1,471,799	0
Fund Balance End of Year	\$0	\$1,472,178	\$1,472,178

OTHER GENERAL FUNDS

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

Fund Descriptions

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

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

Special Enterprise - To account for monies used for the District's special enterprise fund.

Centerville City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2015

	Public School Support Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$1,257	\$1,143	(\$114)
Investment Earnings	13,183	11,990	(1,193)
Extracurricular Activities	346,859	315,460	(31,399)
Other Revenues	159,880	145,407	(14,473)
Total Revenues	521,179	474,000	(47,179)
Expenditures:			
Current:			
Instruction:			
Regular	573,950	473,552	100,398
Support Services:			
Instructional Staff	288	238	50
Operations and Maintenance	15,578	12,853	2,725
Pupil Transportation	439	362	77
Extracurricular Activities	11,744	9,690	2,054
Total Expenditures	601,999	496,695	105,304
Net Change in Fund Balance	(80,820)	(22,695)	58,125
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	548,490	548,490	0
Fund Balance End of Year	\$467,670	\$525,795	\$58,125

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

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Uniform School Supply Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$459,582	\$433,968	(\$25,614)
Total Revenues	459,582	433,968	(25,614)
Expenditures:			
Current:			
Instruction:			
Regular	489,582	467,338	22,244
Total Expenditures	489,582	467,338	22,244
Net Change in Fund Balance	(30,000)	(33,370)	(3,370)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	378,875	378,875	0
Fund Balance End of Year	\$348,875	\$345,505	(\$3,370)

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

Centerville City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2015

	Special Enterprise Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$750,168	\$718,544	(\$31,624)
Total Revenues	750,168	718,544	(31,624)
Expenditures:			
Current:			
Instruction:			
Regular	720,168	631,432	88,736
Total Expenditures	720,168	631,432	88,736
Net Change in Fund Balance	30,000	87,112	57,112
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,775	15,775	0
Fund Balance End of Year	\$45,775	\$102,887	\$57,112

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

NONMAJOR FUNDS

Internal Service Funds

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

Fund Descriptions

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

Medical Self Insurance - A fund used to account for medical self-insurance revenues and expenses.

Centerville City School District, Ohio
Combining Statement of Net Position
Internal Service Funds
June 30, 2015

	Workers Comp Self Insurance	Medical Self Insurance	Total Internal Service Funds
Current Assets:			
Equity in Pooled Cash and Investments	<u>\$5,176</u>	<u>\$4,619,207</u>	<u>\$4,624,383</u>
Total Assets	<u>5,176</u>	<u>4,619,207</u>	<u>4,624,383</u>
Liabilities:			
Current Liabilities:			
Claims Payable	<u>6,971</u>	<u>1,745,413</u>	<u>1,752,384</u>
Total Liabilities	<u>6,971</u>	<u>1,745,413</u>	<u>1,752,384</u>
Net Position:			
Unrestricted	<u>(1,795)</u>	<u>2,873,794</u>	<u>2,871,999</u>
Total Net Position	<u><u>(\$1,795)</u></u>	<u><u>\$2,873,794</u></u>	<u><u>\$2,871,999</u></u>

Centerville City School District, Ohio
 Combining Statement of Revenues, Expenses
 and Changes in Fund Net Position
 Internal Service Funds
 For the Fiscal Year Ended June 30, 2015

	Workers Comp Self Insurance	Medical Self Insurance	Total Internal Service Funds
Operating Revenues:			
Charges for Services	\$181,559	\$12,893,711	\$13,075,270
Total Operating Revenues	181,559	12,893,711	13,075,270
Operating Expenses:			
Contractual Services	155,199	13,277,762	13,432,961
Total Operating Expenses	155,199	13,277,762	13,432,961
Change in Net Position	26,360	(384,051)	(357,691)
Net Position - Beginning of Year	(28,155)	3,257,845	3,229,690
Net Position - End of Year	(\$1,795)	\$2,873,794	\$2,871,999

Centerville City School District, Ohio
Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

	Workers Comp Self Insurance	Medical Self Insurance	Total Internal Service Funds
Cash Flows from Operating Activities:			
Receipts from Interfund Services Provided	\$181,559	\$12,893,711	\$13,075,270
Cash Payments to Employees	0	(12,719,306)	(12,719,306)
Cash Payments to Suppliers	<u>(182,183)</u>	<u>0</u>	<u>(182,183)</u>
Net Increase (Decrease) in Cash and Investments	(624)	174,405	173,781
Cash and Investments - Beginning of Year	<u>5,800</u>	<u>4,444,802</u>	<u>4,450,602</u>
Cash and Investments - End of Year	<u><u>5,176</u></u>	<u><u>4,619,207</u></u>	<u><u>4,624,383</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	26,360	(384,051)	(357,691)
Changes in Assets & Liabilities:			
Increase (Decrease) in Payables	(800)	0	(800)
Increase (Decrease) in Claims Payables	<u>(26,184)</u>	<u>558,456</u>	<u>532,272</u>
Net Cash Provided (Used) by Operating Activities	<u><u>(\$624)</u></u>	<u><u>\$174,405</u></u>	<u><u>\$173,781</u></u>

NONMAJOR FUNDS

Fiduciary funds

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

Fund Descriptions

Scholarship Trust Fund - To account for restricted donations, where the donations themselves may be used, to provide scholarships to selected students graduating from the District.

Memorial Scholarship Trust Fund - To account for the restricted donations, where the corpus of the donations may not be used, which were provided in memory of individuals to provide scholarships to selected District students.

Agency Fund – Student Managed Activities - To account for the resources belonging to the various student groups in the District. The fund accounts for sales and other revenue generating activities by student activity programs that have students involved in the management of the program.

Centerville City School District, Ohio
Combining Statement of Fiduciary Net Position
Fiduciary Funds - Private Purpose Trust
June 30, 2015

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total Private Purpose Trust
Assets:			
Equity in Pooled Cash and Investments	\$17,080	\$0	\$17,080
Restricted Cash and Investments	<u>0</u>	<u>9,603</u>	<u>9,603</u>
Total Assets	<u>17,080</u>	<u>9,603</u>	<u>26,683</u>
Liabilities:			
Accounts Payable	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Net Position:			
Held in Trust	<u>17,080</u>	<u>9,603</u>	<u>26,683</u>
Total Net Position	<u><u>\$17,080</u></u>	<u><u>\$9,603</u></u>	<u><u>\$26,683</u></u>

Centerville City School District, Ohio
 Combining Statement of Changes in Fiduciary Net Position
 Fiduciary Funds - Private Purpose Trust
 For the Fiscal Year Ended June 30, 2015

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total Private Purpose Trust
Additions:			
Investment Earnings	\$0	\$107	\$107
Other	3,360	0	3,360
Total Additions	3,360	107	3,467
Deductions:			
Other	4,878	0	4,878
Total Deductions	4,878	0	4,878
Change in Net Position	(1,518)	107	(1,411)
Net Position - Beginning of Year	18,598	9,496	28,094
Net Position - End of Year	<u>\$17,080</u>	<u>\$9,603</u>	<u>\$26,683</u>

Centerville City School District, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2015

	Student Managed Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$250,421	\$381,294	\$389,684	\$242,031
Total Assets	250,421	381,294	389,684	242,031
Liabilities:				
Accounts Payable	2,340	574	2,340	574
Other Liabilities	248,081	380,720	387,344	241,457
Total Liabilities	\$250,421	\$381,294	\$389,684	\$242,031

STATISTICAL SECTION



Statistical Section

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

CONTENTS

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Economic and Demographic Information

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

Operating Information

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

Sources

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

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net investment in Capital Assets	\$12,178,880	\$19,898,816	\$16,619,018	\$18,184,642	\$19,832,451	\$19,609,926	\$22,826,512	\$23,755,262	\$24,654,327	(\$3,598,250)
Restricted	12,578,928	9,701,906	14,227,591	15,791,775	18,084,408	15,063,531	17,422,268	14,924,816	11,539,215	11,746,911
Unrestricted	16,917,979	20,355,521	17,339,547	10,134,780	7,819,899	14,813,557	17,057,039	10,724,934	15,486,286	(107,611,438)
Total Net Position	\$41,675,787	\$49,956,243	\$48,186,156	\$44,111,197	\$45,736,758	\$49,487,014	\$57,305,819	\$49,405,012	\$51,679,828	(\$99,462,777)

Source: District Records

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
Instruction	\$45,673,093	\$46,700,195	\$52,829,847	\$52,259,836	\$51,972,550	\$53,820,326	\$52,373,986	\$53,699,518	\$55,001,081	\$55,873,786
Pupil	3,331,802	3,577,115	3,968,691	4,051,547	4,444,613	4,736,966	4,822,621	4,733,715	5,021,469	6,414,737
Instructional Staff	5,241,760	6,062,995	6,921,246	6,996,959	6,989,837	7,495,036	6,816,225	7,411,114	7,709,876	4,501,497
General Administration	23,955	28,630	27,428	33,370	30,057	18,192	21,396	23,561	23,934	23,525
School Administration	3,854,617	4,244,080	4,689,445	4,579,795	4,675,069	4,699,993	5,021,299	5,270,505	5,753,180	5,477,706
Fiscal	1,349,764	1,413,598	1,598,472	1,479,988	1,549,503	1,617,902	1,572,000	1,585,468	1,784,496	1,814,410
Business	527,471	621,270	644,649	660,909	536,689	520,931	529,138	526,133	555,158	472,414
Operations and Maintenance	5,175,782	5,790,712	6,540,093	5,991,427	5,886,180	6,070,571	6,429,544	7,007,402	7,065,457	6,144,537
Pupil Transportation	4,783,618	5,425,018	6,287,495	6,258,860	6,790,123	7,647,060	8,172,035	8,346,409	7,508,247	6,858,880
Central	74,810	71,357	88,823	99,859	69,029	66,148	57,117	67,309	56,703	631,619
Operation of Non-Instructional Services	3,600,223	4,198,295	4,722,429	4,647,458	4,602,539	4,652,500	3,703,033	4,998,273	4,079,825	5,024,917
Extracurricular Activities	621,024	695,810	660,133	663,382	717,549	795,539	779,430	905,109	802,191	813,476
Interest and Fiscal Charges	3,322,128	3,417,104	3,351,454	3,296,412	3,208,485	3,098,943	2,970,734	1,816,604	2,001,841	2,013,978
Unallocated Depreciation	848,220	804,630	1,549,295	1,652,651	1,942,562	2,149,162	2,188,015	2,216,722	2,219,387	1,629,219
Total Expenses	78,428,267	83,050,809	93,879,500	92,672,453	93,414,785	97,389,269	95,456,573	98,607,842	99,582,845	97,694,701
Program Revenues										
Governmental activities:										
Charges for Services and Sales										
Instruction	807,838	785,817	794,926	675,858	590,007	1,331,940	1,413,229	1,731,225	1,911,700	2,037,790
Instructional Staff	9,622	7,936	2,985	4,278	8,421	0	0	0	0	0
Fiscal	12,190	10,055	1,140	0	0	0	0	0	0	0
Operation and Maintenance	38,958	28,746	71,382	64,861	66,871	16,133	0	0	10,090	0
Pupil Transportation	336,100	113,044	283,041	58,796	98,687	95,143	53,182	39,872	9,602	64,215
Central	0	0	0	0	0	1,640	2,084	908	212	278
Operation of Non-Instructional Services	2,118,965	2,229,732	2,782,324	2,973,238	3,045,345	2,073,030	2,129,649	1,934,719	1,849,864	1,760,187
Extracurricular Activities	958,070	998,446	881,761	903,403	1,018,834	1,465,403	1,410,803	1,389,834	1,407,793	1,516,620
Operating Grants and Contributions	7,489,083	8,203,029	6,324,849	5,553,009	6,499,087	6,274,202	5,404,293	5,414,982	6,942,480	6,969,614
Capital Grants and Contributions	51,881	88,306	52,398	0	0	0	0	0	0	0
Total Program Revenues	11,822,707	12,465,111	11,194,806	10,233,443	11,327,252	11,257,491	10,413,240	10,511,540	12,131,741	12,348,704
Net (Expense)/Revenue	(\$66,605,560)	(\$70,585,698)	(\$82,684,694)	(\$82,439,010)	(\$82,087,533)	(\$86,131,778)	(\$85,043,333)	(\$88,096,302)	(\$87,451,104)	(\$85,345,997)

Source: District Records

* - Charges for services are mainly derived from food service and athletics.

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense)/Revenue	(\$66,605,560)	(\$70,585,698)	(\$82,684,694)	(\$82,439,010)	(\$82,087,533)	(\$86,131,778)	(\$85,043,333)	(\$88,096,302)	(\$87,451,104)	(\$85,345,997)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	51,373,142	58,898,441	59,235,774	55,742,677	60,236,439	65,604,287	66,243,908	59,486,901	69,556,462	74,424,152
Payment in Lieu of Taxes	0	0	0	0	0	0	0	21,600	0	0
Grants and Entitlements Not Restricted to Specific Programs	17,111,338	18,110,062	19,874,547	21,338,489	22,666,873	23,546,918	21,835,387	20,375,498	19,971,742	21,330,949
Unrestricted Contributions	0	0	0	0	63,000	146,244	121,693	200,416	127,067	114,424
Investment Earnings	1,773,382	1,591,521	1,520,441	1,021,509	388,456	299,241	183,443	0	357,459	351,154
Insurance Recoveries	0	0	0	0	0	0	4,246,081	0	0	0
Other Revenue	226,095	266,130	283,845	261,376	358,326	285,344	231,626	111,080	137,835	211,203
Total General Revenues	70,483,957	78,866,154	80,914,607	78,364,051	83,713,094	89,882,034	92,862,138	80,195,495	90,150,565	96,431,882
Change in Net Position	\$3,878,397	\$8,280,456	(\$1,770,087)	(\$4,074,959)	\$1,625,561	\$3,750,256	\$7,818,805	(\$7,900,807)	\$2,699,461	\$11,085,885

Source: District Records

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)
General Fund										
Reserved	\$2,677,271	\$2,789,507	\$3,981,849	\$3,650,175	\$3,777,674	\$0	\$0	\$0	\$0	\$0
Unreserved	16,853,699	19,723,460	15,440,767	8,667,764	9,012,820	0	0	0	0	0
Assigned						363,830	5,122,612	6,459,943	1,024,400	944,260
Unassigned						16,053,875	10,760,750	2,752,010	13,465,446	23,499,449
Total General Fund	19,530,970	22,512,967	19,422,616	12,317,939	12,790,494	16,417,705	15,883,362	9,211,953	14,489,846	24,443,709
All Other Governmental Funds										
Reserved	23,095,605	8,210,841	4,456,077	1,548,669	3,020,731	0	0	0	0	0
Unreserved, Reported in:										
Capital Project Funds	1,081,333	571,577	11,709,007	10,368,091	6,779,774	0	0	0	0	0
Debt Service Funds	5,988,448	6,946,014	7,554,746	7,802,259	7,640,126	0	0	0	0	0
Special Revenue Funds	28,404,180	17,895,293	686,726	713,027	487,182	0	0	0	0	0
Nonspendable						23,832	69,035	30,557	0	0
Restricted						15,358,789	17,100,523	14,749,320	11,553,186	11,819,463
Unassigned						(291,808)	(144,651)	(281,048)	(34,087)	(68,300)
Total all Other Governmental Funds	\$58,569,566	\$33,623,725	\$24,406,556	\$20,432,046	\$17,927,813	\$15,090,813	\$17,024,907	\$14,498,829	\$11,519,099	\$11,751,163

Source: District Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The change in the classification of fund balance amounts in 2011 are discussed in the Notes to the Financial Statements.

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Taxes	\$51,338,798	\$59,213,557	\$59,168,982	\$55,744,271	\$59,815,451	\$65,346,443	\$64,822,725	\$61,652,124	\$69,556,581	\$74,407,501
Revenue in Lieu of Taxes	0	0	0	0	0	0	0	21,600	0	0
Tuition and Fees	842,313	1,037,675	1,097,171	1,061,332	1,098,131	1,178,584	1,466,412	1,684,719	1,787,659	1,881,467
Investment Earnings	3,752,682	4,396,507	2,625,527	1,334,585	388,456	226,944	181,809	9,688	374,927	295,494
Intergovernmental	22,726,984	23,601,016	25,161,650	26,571,011	28,898,767	30,053,923	27,145,656	25,364,538	27,338,273	28,332,707
Rentals	0	0	0	0	0	0	0	0	0	0
Extracurricular Activities	1,167,481	885,909	1,223,915	1,191,862	1,343,390	1,467,043	1,412,887	1,383,997	1,467,920	1,516,898
Charges for Services	2,236,945	2,255,480	2,313,093	2,427,631	2,386,643	2,423,906	2,129,649	1,934,719	1,859,954	1,760,187
Other Revenues	226,094	278,243	457,226	261,375	421,328	345,344	350,032	408,326	338,630	546,167
Total Revenues	\$82,291,297	\$91,668,387	\$92,047,564	\$88,592,067	\$94,352,166	\$101,042,187	\$97,509,170	\$92,459,711	\$102,723,944	\$108,740,421

Source: District Records

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction	\$45,788,425	\$46,617,935	\$51,027,205	\$52,433,915	\$51,281,544	\$53,032,086	\$53,382,253	\$53,947,184	\$54,208,496	\$55,880,735
Pupil	3,379,885	3,559,857	4,025,867	4,275,525	4,479,385	4,667,754	4,846,446	4,791,029	4,904,585	6,595,684
Instructional Staff	5,177,858	6,057,715	6,920,528	7,058,555	7,027,415	7,533,641	6,892,354	7,385,586	7,594,923	4,972,168
General Administration	23,955	28,630	27,428	33,370	30,057	18,192	21,396	23,561	23,934	23,525
School Administration	3,774,237	4,237,603	4,581,370	4,606,366	4,739,956	4,651,791	4,988,421	5,379,880	5,509,241	5,756,322
Fiscal	1,318,307	1,388,142	1,571,277	1,487,469	1,539,841	1,623,008	1,582,201	1,578,039	1,787,705	1,892,949
Business	525,942	615,981	637,467	656,005	542,435	514,055	540,334	551,454	556,092	486,310
Operation and Maintenance	5,029,584	5,566,692	6,315,309	5,781,291	5,662,639	5,807,690	6,164,381	6,391,690	6,853,275	6,082,407
Pupil Transportation	5,022,534	5,688,794	6,526,641	6,420,174	6,402,151	7,038,695	7,534,125	7,225,462	7,150,277	6,473,311
Central	74,810	71,357	88,823	99,859	69,029	66,148	57,117	67,309	56,703	613,843
Operation of Non-Instructional Services	3,596,081	4,206,291	4,708,867	4,648,664	4,631,046	4,633,203	3,715,033	4,990,839	4,027,841	5,018,992
Extracurricular Activities	619,882	694,793	658,991	662,240	716,407	794,397	778,288	903,967	801,875	813,328
Capital Outlay	16,597,650	29,118,134	11,400,943	5,543,888	2,918,319	3,436,577	3,315,960	1,408,105	350,409	928,018
Debt service										
Principal Retirement	1,630,000	2,373,798	2,550,000	2,735,000	3,225,000	3,450,000	3,715,000	3,525,000	3,975,000	1,130,000
Interest and Fiscal Charges	3,294,757	3,406,509	3,324,368	3,228,933	3,118,620	2,984,739	2,826,001	2,341,213	2,625,425	1,892,219
Bond Issuance Cost	0	0	0	0	0	0	0	413,542	0	0
Total Expenditures	\$95,853,907	\$113,632,231	\$104,365,084	\$99,671,254	\$96,383,844	\$100,251,976	\$100,359,310	\$100,923,860	\$100,425,781	\$98,559,811

Debt Service as a percentage of Noncapital Expenditures 6.27% 6.90% 6.26% 6.45% 6.80% 6.64% 6.74% 6.28% 6.63% 3.09%

Source: District Records

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other Financing Sources (Uses)										
Issuance of Long Term Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,510,531	\$0	\$0
Premium on Issuance of Long Term Debt	0	0	0	0	0	0	0	5,816,489	0	0
Payment to Refunded Bonds Escrow Agent	0	0	0	0	0	0	0	(55,075,019)	0	0
Sale of Capital Assets	0	0	0	0	0	0	3,810	14,661	0	5,317
Insurance Recoveries	0	0	0	0	0	0	4,246,081	0	0	0
Transfers In	0	0	0	0	0	0	132,431	0	0	7,000
Transfers (Out)	0	0	0	0	0	0	(132,431)	0	0	(7,000)
Total Other Financing Sources (Uses)	0	0	0	0	0	0	4,249,891	(733,338)	0	5,317
Net Change in Fund Balances	(\$13,562,610)	(\$21,963,844)	(\$12,317,520)	(\$11,079,187)	(\$2,031,678)	\$790,211	\$1,399,751	(\$9,197,487)	\$2,298,163	\$10,185,927

Source: District Records

Centerville City School District, Ohio
 Assessed Value and Actual Value of Taxable Property
 Last Ten Calendar Years
 Schedule 8

Calendar Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total		Total Direct Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2005	\$1,443,169,480	\$4,123,341,371	\$57,530,705	\$230,122,820	\$32,988,410	\$84,720,235	\$1,533,688,595	\$4,438,184,426	60.75
2006	1,595,795,040	4,559,414,400	43,435,276	173,741,105	30,122,230	77,359,363	1,669,352,546	4,810,514,868	67.65
2007	1,623,847,360	4,639,563,886	33,208,833	138,370,138	29,168,980	74,911,244	1,686,225,173	4,852,845,268	67.65
2008	1,666,917,860	4,762,622,457	21,998,498	91,660,408	21,909,160	49,236,433	1,710,825,518	4,903,519,298	67.65
2009	1,671,026,740	4,774,362,114	3,997,360	16,655,667	22,815,220	34,052,567	1,697,839,320	4,825,070,348	67.65
2010	1,698,384,630	4,852,527,514	687,780	2,865,750	22,613,600	33,751,642	1,721,686,010	4,889,144,906	73.55
2011	1,703,649,230	4,867,569,229	0	0	23,633,360	35,273,672	1,727,282,590	4,902,842,901	73.55
2012	1,639,940,410	4,685,544,029	0	0	25,003,230	37,318,254	1,664,943,640	4,722,862,283	73.55
2013	1,624,145,870	4,640,416,771	0	0	26,568,000	39,653,731	1,650,713,870	4,680,070,502	73.55
2014	1,638,788,470	4,682,252,771	0	0	29,072,030	43,391,090	1,667,860,500	4,725,643,861	77.77

Source: County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 12 1/2 percent for everything except inventories, which are assessed at 12 1/2 percent. Property is assessed annually.

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

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

Calendar Year	District Direct Rates			Overlapping Rates					
	General Purpose	Debt	Capital Purpose	Total	County	City of Centerville	City of Kettering	Library	Township/ Park
2005	57.77	1.18	1.80	60.75	18.24	2.35	6.85	3.03	16.85
2006	62.17	3.68	1.80	67.65	18.24	2.35	6.80	3.03	16.85
2007	62.17	3.68	1.80	67.65	20.24	2.35	6.80	2.70	16.85
2008	62.17	3.68	1.80	67.65	20.94	2.35	6.79	2.70	16.85
2009	62.17	3.68	1.80	67.65	20.94	2.35	6.79	2.70	16.85
2010	68.07	3.68	1.80	73.55	20.94	2.35	6.79	2.70	16.80
2011	68.07	3.68	1.80	73.55	20.94	2.35	6.79	2.70	16.80
2012	68.07	3.68	1.80	73.55	20.94	2.35	6.79	3.00	16.80
2013	68.07	3.68	1.80	73.55	20.94	2.35	6.79	3.00	16.95
2014	73.97	2.00	1.80	77.77	20.94	2.35	6.79	3.00	18.60

Source: County Auditor

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

Centerville City School District, Ohio
Principal Property Tax Payers
Current Year and Nine Years Ago (1)
Schedule 10

Taxpayer	2014 (2)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Dayton Power and Light Co.	\$23,828,800	1.43%
City of Centerville	8,835,410	0.53%
Cross Pointe Associates Inc.	6,605,810	0.40%
Miller Farm Apartments	5,941,750	0.36%
Washington Park Office Center	5,853,770	0.35%
Washington Place Limited	5,789,910	0.35%
Miami Valley Hospital	5,693,320	0.34%
Vectren Energy Delivery of Ohio	4,913,020	0.29%
Steeplechase Advisors LTD	4,277,070	0.26%
St. Leonard	3,829,320	0.23%
Total Principal Tax Payers	75,568,180	4.53%
All Others	1,592,292,320	95.47%
Total Assessed Value	\$1,667,860,500	100.00%

Taxpayer	2005 (2)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Dayton Power and Light Co.	\$16,438,750	0.98%
Ohio Bell Telephone Co.	8,567,360	0.51%
Cross Pointe Associates Inc.	8,052,120	0.48%
Miller Farm Apartments	7,790,470	0.47%
Voss Chevrolet, Inc	6,636,970	0.40%
Washington Place Limited	6,506,070	0.39%
Steeplechase Advisors LTD	5,220,870	0.31%
CVS Partnerships	4,593,100	0.28%
Bob Ross Buick, Inc.	4,406,480	0.26%
Chesapeake Landing	3,953,350	0.24%
Total Principal Tax Payers	72,165,540	4.32%
All Others	1,597,187,006	95.68%
Total Assessed Value	\$1,669,352,546	100.00%

Source: County Auditor

(1) - Only current year and nine years ago information available

(2) - Denotes calendar year

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

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected within the Calendar Year of the Levy		Delinquent Collections in Subsequent Years	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2005	\$51,512,265	\$51,229,560	99.45%	\$282,705	\$51,512,265	100.00%
2006	64,029,196	62,882,801	98.21%	1,146,395	64,029,196	100.00%
2007	63,472,743	63,076,291	99.38%	396,452	63,472,743	100.00%
2008	63,496,813	62,517,299	98.46%	979,514	63,496,813	100.00%
2009	62,933,120	61,546,296	97.80%	1,160,290	62,706,586	99.64%
2010	73,900,895	71,989,830	97.41%	1,226,072	73,215,901	99.07%
2011	74,369,554	72,393,492	97.34%	1,887,629	74,281,122	99.88%
2012	74,178,106	71,761,882	96.74%	808,135	72,570,017	97.83%
2013	73,841,162	72,605,510	98.33%	1,235,652	73,841,162	100.00%
2014	81,678,083	79,734,175	97.62%	1,303,157	81,037,332	99.22%

Source: County Auditor

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

(2) - State reimbursements of rollback and homestead exemptions are included

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

Fiscal Year	Governmental Activities		Debt Service Fund Balance	General Bonded Debt Outstanding	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Long-Term Capital Notes		Net General Obligation Bonds			
2006	\$78,500,038	\$0	\$6,271,295	\$72,228,743	1.77%	0.44%	\$1,481
2007	75,860,108	0	7,233,315	68,626,793	1.58%	0.41%	1,432
2008	73,344,412	0	7,988,085	65,356,327	1.51%	0.39%	1,384
2009	70,663,795	0	8,194,620	62,469,175	1.44%	0.36%	1,334
2010	67,516,574	0	7,952,517	59,564,057	1.40%	0.36%	1,274
2011	64,171,609	0	7,818,706	56,352,903	1.31%	0.33%	1,133
2012	60,593,399	0	7,427,770	53,165,629	1.24%	0.30%	1,070
2013	55,705,689	0	6,150,723	49,554,966	1.18%	0.26%	984
2014	57,235,181	0	4,121,747	53,113,434	1.22%	0.27%	1,011
2015	55,858,558	0	4,472,658	51,385,900	1.18%	N/A	986

Source: District Records

Centerville City School District, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2015
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Centerville City	8,490,000	98.95%	8,400,855
City of Kettering	9,880,000	0.09%	8,892
Subtotal Overlapping Debt	18,370,000		8,409,747
District Direct Debt	55,858,558	100.00%	55,858,558
Total Direct and Overlapping Debt	\$74,228,558		\$64,268,305

Source: Ohio Municipal Advisory Council

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

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

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value (1)	\$1,667,860,500
Debt limit (9% of assessed value)	150,107,445
Debt applicable to limit	55,858,558
Legal debt margin	<u>\$94,248,887</u>

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$138,031,974	\$150,241,729	\$151,760,266	\$153,974,297	\$152,805,539	\$154,951,741	\$155,455,433	\$149,844,928	\$148,564,248	\$150,107,445
Total net debt applicable to limit	77,893,798	73,520,000	70,970,000	68,235,000	65,010,000	61,560,000	57,845,000	55,705,689	57,235,181	55,858,558
Legal debt margin	\$60,138,176	\$76,721,729	\$80,790,266	\$85,739,297	\$87,795,539	\$93,391,741	\$97,610,433	\$94,139,239	\$91,329,067	\$94,248,887
Total net debt applicable to the limit as a percentage of debt limit	56.43%	48.93%	46.76%	44.32%	42.54%	39.73%	37.21%	37.18%	38.53%	37.21%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2015 is calendar year 2014)

Centerville City School District, Ohio
 Demographic and Economic Statistics
 Last Ten Calendar Years
 Schedule 15

Calendar Year	(1) Population	(2) Personal Income (Thousands of Dollars)	(3) Per Capita Personal Income	(4) Unemployment Rate
2005	52,991	\$17,717,911	\$32,392	6.0%
2006	52,991	18,606,241	34,227	6.2%
2007	52,991	18,996,515	35,135	7.8%
2008	52,991	19,487,632	36,245	11.4%
2009	52,991	18,829,675	35,176	11.1%
2010	56,638	19,347,596	36,108	9.6%
2011	56,638	20,258,807	37,684	9.4%
2012	56,638	21,263,616	39,795	7.8%
2013	56,638	21,514,166	40,150	5.5%
2014	56,638	N/A	N/A	6.0%

(1) - City of Centerville and Washington Township; 2003-2009 based on 2000 U.S. Census data, 2010 - 2013 based on 2010 U.S. Census data

(2) - Bureau of Economic Analysis Data. Information for Montgomery County

(3) - State of Ohio Bureau of Employment Services Annual averages. Information for Montgomery County

(4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average for 2003 - 2009, Current Unemployment rate for 2013

Centerville City School District, Ohio
 Major Employers (1)
 Current Fiscal Year and Fiscal Period Seven Years Ago (2)
 Schedule 16

2015

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
AES Corp/Dayton Power & Light	Util	(4)	(5)
Behr Dayton Thermal Products LLC	Mfg	(4)	(5)
Dayton City Schools	Govt	(4)	(5)
Dmax Ltd	Mfg	(4)	(5)
GE Capital	Fin	(4)	(5)
Green Tokai Co	Mfg	(4)	(5)
Kettering Health Network	Serv	(4)	(5)
PNC Financial Services Group	Fin	(4)	(5)
Premier Health Partners, Inc.	Serv	(4)	(5)
Reed Elsevier LexisNexis	Serv	(4)	(5)
Reynolds & Reynolds Co., Inc.	Mfg	(4)	(5)
University of Dayton	Serv	(4)	(5)
U.S. Federal Government	Govt	(4)	(5)

2008

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Population
Behr Dayton Thermal Products, LLC	Mfg	(4)	(5)
Dayton City Board of Education	Govt	(4)	(5)
DPL, Inc./Dayton Power & Light Co.	Util	(4)	(5)
General Motors Corp.	Mfg	(4)	(5)
Kettering Medical Center	Health	(4)	(5)
NCR Corp.	Mfg	(4)	(5)
Premier Health Partners, Inc.	Health	(4)	(5)
Reed Elsevier LexisNexis	Pub	(4)	(5)
Reynolds & Reynolds Co., Inc.	Mfg	(4)	(5)
University of Dayton	Edu	(4)	(5)
U.S. Federal Government	Govt	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Montgomery County

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

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

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

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

Centerville City School District, Ohio
 Full-Time Equivalent District Employees by Type
 Last Ten Fiscal Years
 Schedule 17

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction										
Classroom Teachers	416.4	424.4	425.9	406.0	407.0	407.0	393.0	398.5	392.4	396.3
Special Education Teachers and Tutors	106.1	107.1	112.4	106.0	106.0	107.0	107.0	101.5	108.2	108.7
Educational Aides	51.0	51.0	52.1	56.0	58.0	58.0	49.0	48.6	51.0	52.0
Special Education Aides	73.0	72.0	73.5	77.0	75.0	74.0	61.0	60.0	65.5	68.0
Total Instruction	<u>646.5</u>	<u>654.5</u>	<u>663.9</u>	<u>645.0</u>	<u>646.0</u>	<u>646.0</u>	<u>610.0</u>	<u>608.6</u>	<u>617.1</u>	<u>625.0</u>
Support and Administration										
Support Personnel										
Librarians, Nurses, Counselors, Visiting Teacher	52.6	53.6	57.4	51.0	52.0	52.0	47.0	49.0	51.6	51.6
Principals	14.5	14.5	15.5	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Central Office Administration	7.0	7.0	7.0	7.0	6.0	6.0	6.0	7.0	7.0	7.0
Secretaries and Clerical	39.0	41.0	39.0	37.0	38.0	38.0	38.0	36.0	36.0	37.0
Transportation	93.0	96.0	97.2	99.0	99.0	100.0	99.0	99.0	100.0	104.0
Food Service	55.0	56.0	61.0	60.0	60.0	60.0	60.0	60.0	59.0	59.0
Custodial	40.0	41.0	44.0	47.0	47.0	48.0	48.0	48.0	48.0	49.0
Maintenance and Mechanics	8.0	12.0	13.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Total Support and Administration	<u>309.1</u>	<u>321.1</u>	<u>334.1</u>	<u>325.0</u>	<u>326.0</u>	<u>328.0</u>	<u>322.0</u>	<u>323.0</u>	<u>325.6</u>	<u>331.6</u>
Total Employees	<u>955.6</u>	<u>975.6</u>	<u>998.0</u>	<u>970.0</u>	<u>972.0</u>	<u>974.0</u>	<u>932.0</u>	<u>931.6</u>	<u>942.7</u>	<u>956.6</u>

Source: District Records

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

Fiscal Year	Enrollment	Operating Expenditure	Cost		Expenses	Cost		Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals	
			Per Pupil	Percentage Change		Per Pupil	Percentage Change				Free or Reduced-Price	Meals
2006	8,227	\$74,331,500	\$9,035	0.26%	\$78,428,267	\$9,533	0.25%	416.4	19.8	14.50%		
2007	8,307	78,733,790	9,478	4.90%	83,050,809	9,998	4.86%	424.4	19.6	14.50%		
2008	8,336	87,089,773	10,447	10.23%	93,879,500	11,262	12.64%	425.9	19.6	13.90%		
2009	8,287	88,163,433	10,639	1.83%	92,672,453	11,183	(0.70%)	406.0	20.4	14.20%		
2010	8,350	87,121,905	10,434	(1.93%)	93,414,785	11,187	0.05%	401.0	20.8	14.40%		
2011	8,344	90,380,660	10,832	3.82%	97,389,269	11,672	4.34%	400.0	20.9	14.62%		
2012	8,391	90,502,349	10,786	(0.43%)	95,456,573	11,376	(2.52%)	393.0	21.4	14.67%		
2013	8,391	94,644,105	11,279	4.58%	98,607,842	11,752	3.31%	398.5	21.1	14.53%		
2014	8,372	93,825,356	11,207	(0.64%)	99,582,845	11,895	1.23%	392.4	21.3	16.50%		
2015	8,375	95,537,592	11,407	1.79%	97,694,701	11,665	(1.92%)	399.0	21.0	16.62%		

Source: District Records

N/A - Information not available

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>School</u>										
Primary Schools (2)										
Centerville Primary Village North (1970)										
Square feet	48,276	48,276	64,371	64,371	64,371	64,371	64,371	64,371	64,371	64,371
Capacity (1)	650	650	500	500	500	500	500	500	500	500
Enrollment	690	635	451	454	458	457	457	476	557	557
Site Acreage	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Centerville Primary Village South (2007)										
Square feet	N/A	N/A	72,990	72,990	72,990	72,990	72,990	72,990	72,990	72,990
Capacity (1)	N/A	N/A	700	700	700	700	700	700	700	700
Enrollment	N/A	N/A	760	765	771	770	770	777	698	698
Site Acreage	N/A	N/A	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Elementary Schools (2)										
Cline Elementary (1954)										
Square feet	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500
Capacity (1)	550	550	550	550	550	550	550	550	550	550
Enrollment	580	595	475	478	482	481	481	442	440	440
Site Acreage (with Magsig)	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Driscoll Elementary (1962)										
Square feet	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	403	386	310	312	314	314	314	306	307	307
Site Acreage	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4
Dr. John Hole Elementary (1956)										
Square feet	45,100	45,100	45,100	45,100	45,100	45,100	45,100	45,100	45,100	45,100
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	452	428	352	354	357	356	356	340	337	337
Site Acreage	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3
Normandy Elementary (1964)										
Square feet	58,108	58,108	58,108	58,108	58,108	58,108	58,108	58,108	58,108	58,108
Capacity (1)	550	550	550	550	550	550	550	550	550	550
Enrollment	544	567	462	465	468	468	468	544	507	507
Site Acreage	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7
Stingley Elementary (1962)										
Square feet	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	435	441	346	348	351	350	350	267	266	266
Site Acreage (with Tower Hts)	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Weller Elementary (1959)										
Square feet	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955
Capacity (1)	550	550	550	550	550	550	550	550	550	550
Enrollment	524	579	490	492	496	496	496	493	491	491
Site Acreage	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6

Source: District Records

- (1) Capacity considers many variables just as class size, federally required programs, and district-level programs thus may change accordingly.
- (2) During fiscal year 2008, a school re-configuration occurred moving grade 1 out of six elementary schools into two primary schools and splitting kindergarten into each primary school from the once-centralized kindergarten village.

Centerville City School District, Ohio
 School Building Information
 Last Ten Fiscal Years
 Schedule 19 (continued)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>School</u>										
Middle Schools										
Magsig Middle School (1919)										
Square feet	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100
Capacity (1)	600	600	600	600	600	600	600	600	600	600
Enrollment	571	569	579	592	596	600	600	602	607	607
Site Acreage (with Cline)	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Tower Heights Middle School (1966)										
Square feet	66,885	66,885	66,885	82,685	82,685	82,685	82,685	82,685	82,685	82,685
Capacity (1)	600	600	600	600	600	600	600	600	600	600
Enrollment	590	590	603	578	582	586	586	544	517	517
Site Acreage (with Stingley)	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Watts Middle School (1969)										
Square feet	64,369	64,369	97,369	97,369	97,369	97,369	97,369	97,369	97,369	97,369
Capacity (1)	600	600	750	750	750	750	750	750	750	750
Enrollment	643	630	685	739	743	749	748	762	760	760
Site Acreage	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
High School										
Centerville High School (1973)										
Square feet	413,102	413,102	489,243	489,243	489,243	489,243	489,243	489,243	489,243	489,243
Capacity (1)	2,700	2,700	2,700	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Enrollment	2,740	2,748	2,721	2,682	2,698	2,718	2,718	2,821	2,824	2,824
Site Acreage	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0

Source: District Records

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Dave Yost • Auditor of State

CENTERVILLE CITY SCHOOL DISTRICT

MONTGOMERY 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 26, 2016**