



Dave Yost • Auditor of State

**PIQUA CITY SCHOOL DISTRICT
MIAMI COUNTY**

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PIQUA CITY SCHOOL DISTRICT
MIAMI COUNTY

SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. Department of Agriculture					
<i>Passed through Ohio Department of Education</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553	\$273,672		\$273,672	
National School Lunch Program	10.555	774,332	\$97,966	774,332	\$97,966
Total Child Nutrition Cluster		<u>1,048,004</u>	<u>97,966</u>	<u>1,048,004</u>	<u>97,966</u>
Total U.S. Department of Agriculture		1,048,004	97,966	1,048,004	97,966
U.S. Department of Education					
<i>Passed through Ohio Department of Education</i>					
Title I Grants to Local Educational Agencies	84.010	1,136,148		1,176,722	
Special Education_Grants to States	84.027	826,015		820,374	
Improving Teacher Quality State Grants	84.367	196,802		196,802	
ARRA - State Fiscal Stabilization Fund - Race-to-the-Top, Incentive Grants, Recovery Act	84.395	80,972		95,289	
Total U.S. Department of Education		<u>2,239,937</u>		<u>2,289,187</u>	
Total Federal Financial Assistance		<u>\$3,287,941</u>	<u>\$97,966</u>	<u>\$3,337,191</u>	<u>\$97,966</u>

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

**PIQUA CITY SCHOOL DISTRICT
MIAMI COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) reports the Piqua City School District's (the District's) federal award programs' receipts and 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 entitlement value. The District allocated donated food commodities to the program that benefitted from the use of those donated food commodities.

NOTE D - MATCHING REQUIREMENTS

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



Dave Yost • Auditor of State

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

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

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County, (the District) as of and for the year ended June 30, 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 21, 2015, wherein we noted that the District restated net position for the Governmental Activities due to implementation of 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*. We also noted that the District's net position was restated due to increase in its capitalization threshold.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this 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 21, 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

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

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Piqua 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 Piqua 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 programs.

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 Piqua City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 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 over 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 Receipts and Expenditures Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Piqua City School District (the District) as of and for the year ended June 30, 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 21, 2015. Our opinion also explained that the District adopted *Governmental Accounting Standard No. 68 and 71* during the year. We conducted our audit to opine on the District's' basic financial statements. The accompanying schedule of federal awards receipts and 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 21, 2015

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**PIQUA CITY SCHOOL DISTRICT
MIAMI 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):	Child Nutrition Cluster: School Breakfast Program – CFDA 10.553 National School Lunch Program – CFDA 10.555
<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.

PIQUA CITY SCHOOL DISTRICT
MIAMI 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; Explain
2014-001	Ohio Rev. Code Section 5705.36(A)(4) - Appropriations in Excess of Available Resources	Yes	

PIQUA CITY SCHOOL DISTRICT

Miami County, Ohio



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



PIQUA CITY SCHOOL DISTRICT

Miami County, Ohio

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2015**

Prepared by:
Jeremie Hittle
Treasurer



PIQUA CITY SCHOOL DISTRICT

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PIQUA CITY SCHOOL DISTRICT

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INTRODUCTORY SECTION



PIQUA CITY SCHOOL DISTRICT

PIQUA CITY SCHOOL DISTRICT

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



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

fax (937) 778-4518

December 21, 2015

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

As the Superintendent and Treasurer of the Piqua City School District (the District), we are pleased to submit to you this Comprehensive Annual Financial Report (CAFR) issued by the District. This CAFR for the year ended June 30, 2015 is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position, results of operations and cash flows, where applicable, of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

THE DISTRICT AND ITS FACILITIES

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

The District provides a full range of education programs and services to 3,534 students. These include elementary and secondary curriculum offerings at the general, college preparatory, and vocational levels, a broad range of co-curricular and extracurricular activities, and special education services. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a special revenue fund. The non-public school operations have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2015

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

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

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

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2015

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

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

OHIO NORTHERN UNIVERSITY CONCURRENT ENROLLMENT

Piqua High School Sophomores, Juniors, and Seniors with qualifying GPA and ACT scores can take advantage of earning Ohio Northern University credit through the concurrent enrollment program at Piqua High School. Students may take college courses within the high school. Ohio Northern tuition for concurrent enrollment courses is paid by the District based upon successful completion of each course. Currently, Piqua High School offers the following concurrent enrollment courses: Pre-Calculus, Human Biology, US History to 1865, US History Since 1865, International Relations, Government and Politics, Sociology, Studio Art/2D Design, Athletic Training, and Electronics.

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

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2015

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

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

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

LONG TERM FINANCIAL PLANNING -- As required by Ohio law, the District approved a five-year financial forecast of operational revenues and expenditures along with assumptions in October 2014. Revenues are expected to exceed expenditures for each of the forecasted fiscal years. A solid level of general fund unassigned fund balance is expected to be held throughout the forecasted fiscal years. Given the uncertainty of future state budgets, as well as local, state and national economic factors, years beyond fiscal year 2015 may deviate significantly from the forecast.

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

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

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

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2015

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

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

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

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

RtI is centered on four areas: The Transformation Team and Communication, Standards and Assessments, Using Data to Improve Instruction, and Great Teachers and Leaders. Initiatives from these areas focused on research with the Common Core, technology integration for all students, and incorporation of Discovery Education into all classroom instruction.

Piqua Community Connectors in conjunction with the Piqua Juvenile Youth Foundation was awarded a \$54,000 grant by the Ohio Department of Education. This grant will be utilized to provide mentors for at-risk students in grades five thru eight at Piqua Central Intermediate School and Piqua Junior High School.

PIQUA CITY SCHOOL DISTRICT

***Letter of Transmittal
For the Fiscal Year Ended June 30, 2015***

Piqua City School District Strategic Plan 2015-2018

MISSION STATEMENT

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

STUDENTS

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

OBJECTIVES:

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

STAFF

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

OBJECTIVES:

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

SCHOOL/ COMMUNITY RELATIONS

GOAL:

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

OBJECTIVES:

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

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2015

FINANCE

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

OBJECTIVES:

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

FACILITIES

GOAL: By 2017 complete the overall restructuring of the district

OBJECTIVES:

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

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PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2015

ACCOUNTING INFORMATION

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

INTERNAL CONTROLS -- The Treasurer of the District is responsible for establishing an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Management Team is responsible for assisting with implementation of the established internal controls.

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

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

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2015

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

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

OTHER INFORMATION

AUDIT -- State statutes require an annual audit. The State of Ohio Auditor's office conducted the audit for the fiscal year ended June 30, 2015. The auditor's unmodified opinion on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

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

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

To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity. A Certificate of Achievement is valid for a period of one year only. The District has received a Certificate of Achievement for the last eighteen consecutive years (fiscal years ended 1997-2014). We believe this current Comprehensive Annual Financial Report meets the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting and we are submitting it to GFOA.

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2015

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

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

Respectfully submitted,



Richard A. Hanes, Superintendent



Jeremie Hittle, Treasurer

PIQUA CITY SCHOOL DISTRICT

Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June 30, 2015

Members of the Board of Education

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

December 2014 Board	Began Service as a Board Member	Present Term Expires
Andy Hite, President	January 2006	December 31, 2017
Lori Webster, Vice President	September 2002	December 31, 2015
Bob Luby	January 2006	December 31, 2017
Frank Patrizio	January 2012	December 31, 2015
Steve Greggerson	January 2014	December 31, 2018

December 2015 Board	Began Service as a Board Member	Present Term Expires
Andy Hite, President	January 2006	December 31, 2017
Lori Webster, Vice President	September 2002	December 31, 2015
Bob Luby	January 2006	December 31, 2017
Frank Patrizio	January 2012	December 31, 2015
Steve Greggerson	January 2014	December 31, 2018

Superintendent of Schools

The Superintendent is the executive officer of the District and is responsible for administering policies adopted by the Board of Education. The Superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. The Board appointed Mr. Richard A. Hanes, Superintendent of the Piqua City School District effective April 16, 2007. His current contract is through July 31, 2018.

Treasurer

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

PIQUA CITY SCHOOL DISTRICT

Management Team Members and Treasurer's Office Staff For the Fiscal Year Ended June 30, 2015

Management Team Members

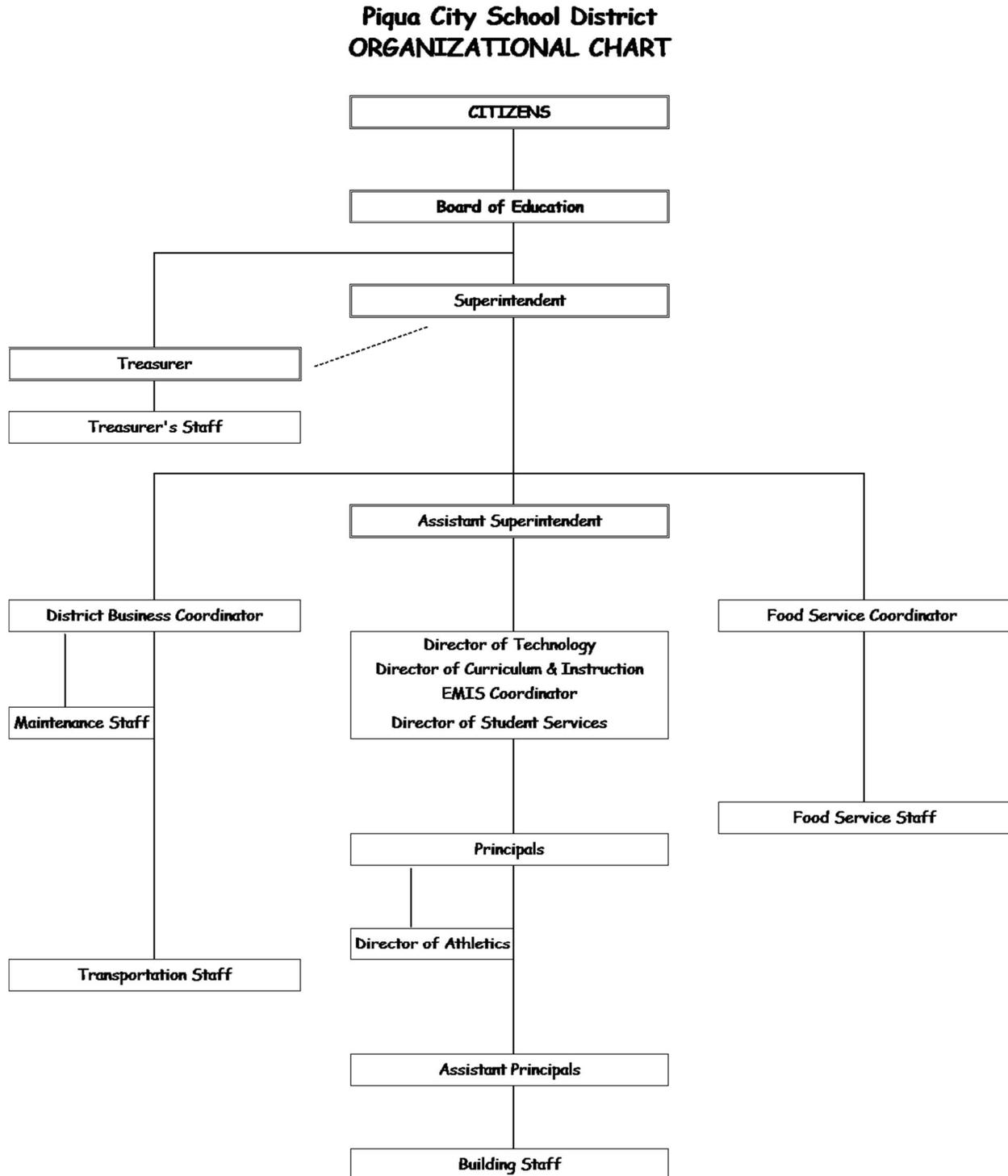
Richard A. Hanes	Superintendent of Schools
Jeremie Hittle	Treasurer
David Larson	Assistant Superintendent
Jean Hill	EMIS Coordinator
Curt South	District Business Coordinator
Chip Hare	Director of Athletics
Jennifer Garland	Food Service Coordinator
Dave Shellhaas, Dwayne Thompson	Director of Curriculum and Instruction
Erich Heidenreich	Director of District Technology
Kimberly Piper	Director of Student Services
Thomas Roeser, Ph.D.	School Psychologist
Alicia Everman	School Psychologist
Andrea Austin	School Psychologist
Tony Lyons	Principal, Piqua High School
Darrell Hite	Assistant Principal, Piqua High School
Rob Messick	Assistant Principal, Piqua High School
Jeff Clark	Principal, Piqua Junior High School
Chad Albers	Assistant Principal, Piqua Junior High School
Connie Strehle	Principal, Favorite Hill Primary School
Mindy Gearhardt	Principal, High Street Primary School
Loretta Henderson	Principal, Nicklin Learning Center
Teresa Anderson	Principal, Springcreek Primary School
Jonathon Amlin	Principal, Washington Intermediate School
Jennie Gearhardt	Assistant Principal, Bennett Intermediate School
Josh Kauffman	Assistant Principal, Wilder Intermediate School

Treasurer's Office Staff

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

PIQUA CITY SCHOOL DISTRICT

*School District Organizational Chart
For the Fiscal Year Ended June 30, 2015*



PIQUA CITY SCHOOL DISTRICT

Job Description Listing For the Fiscal Year Ended June 30, 2015

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

PIQUA CITY SCHOOL DISTRICT

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



Government Finance Officers Association

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

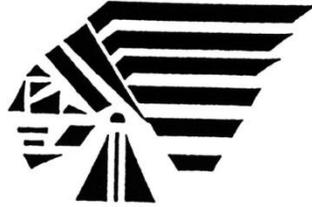
Presented to

**Piqua City Schools
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO



FINANCIAL SECTION





Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Piqua City School District, Miami 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County, Ohio, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, 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*. We also noted that net position was restated as the District increased its capitalization threshold. We did not modify our opinion regarding these matters.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 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.

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 21, 2015



PIQUA CITY SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2015

Unaudited

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

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2015 are as follows:

- ❑ In total, net position increased \$3,286,293. Net position of governmental activities increased \$3,005,236, which represents a 15% increase from fiscal year 2014. Net position of business-type activities increased \$281,057, which represents a 34% increase from fiscal year 2014.
- ❑ General revenues accounted for \$36,236,426, or 82% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for \$8,160,248 or 18% of total revenues of \$44,396,674.
- ❑ The District had \$39,337,546 in expenses related to governmental activities; only \$6,537,936 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes) of \$36,236,426 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$33,466,814 in revenues and \$31,982,832 in expenditures. The general fund's fund balance increased from a balance of \$10,945,163 to an ending balance of \$12,505,659.
- ❑ Net position of the enterprise fund increased \$294,837.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These statements are as follows:

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

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

PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015*

Unaudited

Government-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Unaudited

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

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

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District's net position for fiscal year 2015 compared to fiscal year 2014:

	Governmental Activities		Business-type Activities		Total	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
	Current and other Assets	\$44,580,882	\$61,649,413	\$1,425,024	\$1,422,111	\$46,005,906
Capital Assets, Net	72,097,239	53,460,960	483,878	207,011	72,581,117	53,667,971
Total Assets	<u>116,678,121</u>	<u>115,110,373</u>	<u>1,908,902</u>	<u>1,629,122</u>	<u>118,587,023</u>	<u>116,739,495</u>
Deferred Outflows of Resources	<u>2,612,491</u>	<u>2,273,592</u>	<u>51,763</u>	<u>46,646</u>	<u>2,664,254</u>	<u>2,320,238</u>
Net Pension Liability	34,912,318	41,490,069	582,850	684,864	35,495,168	42,174,933
Other Long-term Liabilities	38,420,702	39,974,852	75,962	81,268	38,496,664	40,056,120
Other Liabilities	5,337,237	4,948,938	102,480	85,919	5,439,717	5,034,857
Total Liabilities	<u>78,670,257</u>	<u>86,413,859</u>	<u>761,292</u>	<u>852,051</u>	<u>79,431,549</u>	<u>87,265,910</u>
Deferred Inflows of Resources	<u>17,091,906</u>	<u>10,446,893</u>	<u>94,599</u>	<u>0</u>	<u>17,186,505</u>	<u>10,446,893</u>
Net Position						
Net Investment in Capital Assets	35,923,247	16,365,362	483,878	207,011	36,407,125	16,572,373
Restricted	12,619,152	32,226,228	0	0	12,619,152	32,226,228
Unrestricted	<u>(25,013,950)</u>	<u>(28,068,377)</u>	<u>620,896</u>	<u>616,706</u>	<u>(24,393,054)</u>	<u>(27,451,671)</u>
Total Net Position	<u>\$23,528,449</u>	<u>\$20,523,213</u>	<u>\$1,104,774</u>	<u>\$823,717</u>	<u>\$24,633,223</u>	<u>\$21,346,930</u>

PIQUA CITY SCHOOL DISTRICT

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

PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Unaudited

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

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 also had the effect of restating net position at June 30, 2014. The net pension liability reduced beginning of year net position by \$39,428,684 in governmental activities and \$638,218 in business-type activities.

Changes in Net Position ó The following table shows the changes in net position for fiscal year 2015 compared to fiscal year 2014:

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,248,100	\$1,244,936	\$384,424	\$405,110	\$1,632,524	\$1,650,046
Operating Grants	5,283,836	3,097,272	1,237,888	1,262,409	6,521,724	4,359,681
Capital Grants	6,000	0	0	0	6,000	0
Total Program Revenues	6,537,936	4,342,208	1,622,312	1,667,519	8,160,248	6,009,727
General Revenues:						
Property Taxes	12,427,770	12,823,915	0	0	12,427,770	12,823,915
Income Taxes	5,624,996	5,457,157	0	0	5,624,996	5,457,157
Intergovernmental, Unrestricted	17,551,947	16,297,871	0	0	17,551,947	16,297,871
Other	631,713	545,438	0	0	631,713	545,438
Total General Revenues	36,236,426	35,124,381	0	0	36,236,426	35,124,381
Total Revenues	42,774,362	39,466,589	1,622,312	1,667,519	44,396,674	41,134,108
Program Expenses						
Instruction	23,167,197	21,934,785	0	0	23,167,197	21,934,785
Support Services:						
Pupils	1,105,305	972,157	0	0	1,105,305	972,157
Instructional Staff	2,929,248	1,715,488	0	0	2,929,248	1,715,488
Board of Education	40,010	40,625	0	0	40,010	40,625
Administration	2,695,336	2,480,794	0	0	2,695,336	2,480,794
Fiscal Services	687,199	660,369	0	0	687,199	660,369
Business	503	263	0	0	503	263
Operation and Maintenance of Plant	3,166,532	2,812,103	0	0	3,166,532	2,812,103
Pupil Transportation	1,580,322	1,679,345	0	0	1,580,322	1,679,345
Central	1,369,176	236,868	0	0	1,369,176	236,868
Operation of Non-Instructional Services	191,076	136,472	0	0	191,076	136,472
Extracurricular Activities	985,661	937,821	0	0	985,661	937,821
Interest and Fiscal Charges	1,419,981	1,554,211	0	0	1,419,981	1,554,211
Food Service	0	0	1,772,835	1,697,492	1,772,835	1,697,492
Total Expenses	39,337,546	35,161,301	1,772,835	1,697,492	41,110,381	36,858,793
Change in Net Position Before Transfers	3,436,816	4,305,288	(150,523)	(29,973)	3,286,293	4,275,315
Transfers	(431,580)	0	431,580	0	0	0
Change in Net Position	3,005,236	4,305,288	281,057	(29,973)	3,286,293	4,275,315
Beginning Net Position - Restated	20,523,213	N/A	823,717	N/A	21,346,930	N/A
Ending Net Position - Restated	\$23,528,449	\$20,523,213	\$1,104,774	\$823,717	\$24,633,223	\$21,346,930

PIQUA CITY SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015***

Unaudited

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 functional expenses still include pension expense of \$2,061,386 for Governmental Activities and \$46,646 for Business-type Activities 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 expense of \$1,476,701 for Governmental Activities and \$34,270 for Business-type Activities. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	Governmental Activities	Business-type Activities
Total 2015 program expenses under GASB 68	\$39,337,546	\$1,772,835
Pension expense under GASB 68	(1,476,701)	(34,270)
2015 contractually required contribution	2,179,344	46,802
Adjusted 2015 program expenses	40,040,189	1,785,367
Total 2014 program expenses under GASB 27	35,161,301	1,697,492
Increase in program expenses not related to pension	\$4,878,888	\$87,875

Governmental Activities

Net position of the District's governmental activities increased \$3,005,236. An increase in operating grants and contributions can be attributed to Straight A Grant, IDEA-B and Title I Funding. An increase in State school foundation monies contributed to an increase in unrestricted intergovernmental revenues. An increase in instructional expenses can be attributed to the hiring of 11 instructional aides as well as a 2.5% salary increase. Instructional staff expenses increased due to the purchase of Chromebooks funded by the Straight A Grant. In fiscal year 2015 the District changed the manner in which depreciation expense is allocated, resulting in a substantial increase in central expenses.

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PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

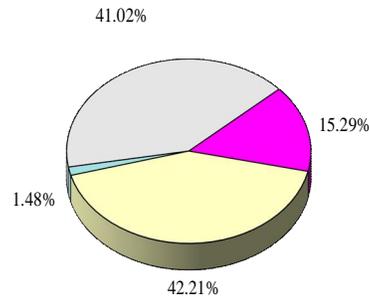
Unaudited

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. The District's assessed millage has already been reduced to the 20 mill floor. Consequently, the District will receive some increased revenues as property values increase with reappraisals.

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

Property taxes and income taxes made up 29% and 13% respectively of revenues for governmental activities for Piqua City Schools in fiscal year 2015. The District's reliance upon tax revenues is demonstrated by the following graph indicating 42% of total revenues from general tax revenues:

Revenue Sources	2015	Percent of Total
General Grants	\$17,551,947	41.02%
Program Revenues	6,537,936	15.29%
General Tax Revenues	18,052,766	42.21%
General Other	631,713	1.48%
Total Revenue	<u>\$42,774,362</u>	<u>100.00%</u>



Business-Type Activities

Net position of the business-type activities increased \$281,057 or approximately 34%. These programs had revenues of \$1,622,312 and expenses of \$1,772,835 for fiscal year 2015. During the year, business-type activities received \$431,580 of contributed capital assets from governmental activities. These contributions were the result of Ohio School Facilities Project funds being used to purchase food service equipment for new school buildings. Business-type activities receive no support from tax revenues and remain self-supporting.

PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$24,694,574, which is below last year's total of \$37,563,199. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2015 and 2014.

	Fund Balance June 30, 2015	Fund Balance June 30, 2014	Increase (Decrease)
General	\$12,505,659	\$10,945,163	\$1,560,496
Bond Retirement	2,908,916	2,320,114	588,802
OSFC Construction	5,438,504	20,775,264	(15,336,760)
Other Governmental	3,841,495	3,522,658	318,837
Total	\$24,694,574	\$37,563,199	(\$12,868,625)

Bond Retirement Fund ó The Bond Retirement Fund balance increased approximately 25% during fiscal year 2015. This increase can be attributed to transfers from the Permanent Improvement Fund for Energy Conservation Improvement Certificates of Participation debt retirement.

Ohio School Facilities Commission Construction Fund ó The Ohio School Facilities Commission Construction (OSFC) Fund is reporting State grant monies and debt proceeds to be used for the construction of two new pre-kindergarten through third grade buildings and one fourth through sixth grade building.

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

	2015 Revenues	2014 Revenues	Increase (Decrease)
Taxes	\$14,767,803	\$14,821,474	(\$53,671)
Tuition	463,230	536,811	(73,581)
Transportation Fees	49,931	46,213	3,718
Investment Earnings	16,480	74,951	(58,471)
Extracurricular Activities	90,589	171,008	(80,419)
Class Materials and Fees	126,744	128,251	(1,507)
Intergovernmental - State	17,623,309	15,996,309	1,627,000
Intergovernmental - Federal	256,116	183,358	72,758
All Other Revenue	72,612	223,300	(150,688)
Total	\$33,466,814	\$32,181,675	\$1,285,139

PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Unaudited

General Fund revenues in fiscal year 2015 increased approximately 4% when compared with revenues in fiscal year 2014. The increase in intergovernmental state revenues can be attributed to increases in State school foundation monies.

	2015 Expenditures	2014 Expenditures	Increase (Decrease)
Instruction	\$20,514,035	\$19,573,440	\$940,595
Supporting Services:			
Pupils	1,135,964	961,785	174,179
Instructional Staff	1,702,365	1,655,542	46,823
Board of Education	40,010	40,625	(615)
Administration	2,742,711	2,363,261	379,450
Fiscal Services	630,765	597,871	32,894
Business	0	263	(263)
Operation and Maintenance of Plant	3,166,472	2,770,650	395,822
Pupil Transportation	1,435,769	1,395,358	40,411
Central	207,876	179,345	28,531
Extracurricular Activities	406,865	384,537	22,328
Total	\$31,982,832	\$29,922,677	\$2,060,155

General Fund expenditures increased \$2,060,155 or approximately 7%. An increase in instruction can be attributed to the hiring of 11 instructional aides as well as a 2.5% salary increase. Operation and maintenance of plant increases were the result of a 2.5% salary increase as well as an increase in repairs and upgrades for busses.

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

During the course of fiscal year 2015 the District amended its General Fund budget several times. Final budgeted revenue estimates were 5% more than original estimates due to increases in taxes and State foundation monies. Actual budget basis revenue of \$34.0 million was equal to final budget estimates. Original budgeted expenditures, final budgeted expenditures and actual budget basis expenditures were not significantly different.

PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015*

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2015 the District had \$72,581,117 net of accumulated depreciation invested in land, construction in progress, buildings, improvements, equipment and vehicles. Of this total, \$72,097,239 was related to governmental activities and \$483,878 to the business-type activities. The following tables show fiscal year 2015 and 2014 balances:

	Governmental Activities		Increase (Decrease)
	2015	Restated 2014	
	Land	\$314,811	\$314,811
Construction in Progress	14,657,913	33,919,791	(19,261,878)
Land Improvements	6,233,412	4,480,687	1,752,725
Buildings and Improvements	61,357,808	28,222,323	33,135,485
Machinery and Equipment	2,376,189	1,634,427	741,762
Vehicles	2,341,880	1,983,254	358,626
Less: Accumulated Depreciation	(15,184,774)	(17,094,333)	1,909,559
Totals	\$72,097,239	\$53,460,960	\$18,636,279

	Business-Type Activities		Increase (Decrease)
	2015	Restated 2014	
	Machinery and Equipment	\$814,300	\$782,146
Less: Accumulated Depreciation	(330,422)	(575,135)	244,713
Totals	\$483,878	\$207,011	\$276,867

Prior year capital asset balances are restated to reflect a complete reappraisal of assets. In addition, the District increased its capitalization threshold to \$2,500 in fiscal year 2015.

The construction of two new pre-kindergarten through third grade buildings and one fourth through sixth grade building resulted in the increase in buildings and improvements and machinery and equipment. Increases in vehicles can be attributed to the purchase of busses. Additional information on the District's capital assets can be found in Note 9.

PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Unaudited

Debt

At June 30, 2015, the District had \$32.5 million in bonds outstanding, \$1,640,000 due within one year. In addition, the District had \$3.8 million in certificates of participation outstanding. The following table summarizes the District's long term obligations as of June 30, 2015 and 2014:

	2015	Restated 2014
Governmental Activities:		
General Obligation Bonds:		
2005 School Improvement Refunding	\$0	\$5,957,992
2015 School Improvement Refunding	5,110,182	0
2012 School Facility Construction	27,397,559	28,085,461
Certificates of Participation	3,770,000	3,770,000
Net Pension Liability	34,912,318	41,490,069
Compensated Absences	2,142,961	2,161,399
Total Governmental Activities	<u>73,333,020</u>	<u>81,464,921</u>
Business-Type Activities:		
Net Pension Liability	582,850	684,864
Compensated Absences	75,962	81,268
Total Business-Type Activities	<u>658,812</u>	<u>766,132</u>
Totals	<u><u>\$73,991,832</u></u>	<u><u>\$82,231,053</u></u>

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2015, the District's overall legal debt margin was below the legal limit. Additional information on the District's long-term debt can be found in Note 13.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

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

PIQUA CITY SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015***

Unaudited

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

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

REQUESTS FOR INFORMATION

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

PIQUA CITY SCHOOL DISTRICT

Statement of Net Position June 30, 2015

	Governmental Activities	Business-Type Activities	Total
Assets:			
Pooled Cash and Investments	\$ 27,769,694	\$ 1,127,847	\$ 28,897,541
Receivables:			
Taxes	15,074,848	0	15,074,848
Accounts	11,185	0	11,185
Intergovernmental	1,992,638	0	1,992,638
Internal Balance	(269,689)	269,689	0
Inventory of Supplies at Cost	1,444	27,488	28,932
Restricted Assets:			
Cash with Fiscal Agent	762	0	762
Non-Depreciable Capital Assets	14,972,724	0	14,972,724
Depreciable Capital Assets, Net	57,124,515	483,878	57,608,393
Total Assets	<u>116,678,121</u>	<u>1,908,902</u>	<u>118,587,023</u>
Deferred Outflows of Resources:			
Deferred Loss on Early Retirement of Debt	103,749	0	103,749
Pension:			
STRS	1,974,842	0	1,974,842
SERS	533,900	51,763	585,663
Total Deferred Outflows of Resources	<u>2,612,491</u>	<u>51,763</u>	<u>2,664,254</u>
Liabilities:			
Accounts Payable	238,633	367	239,000
Accrued Wages and Benefits	2,401,193	86,080	2,487,273
Intergovernmental Payable	553,468	16,033	569,501
Contracts Payable	1,961,851	0	1,961,851
Matured Bonds and Interest Payable	762	0	762
Accrued Interest Payable	181,330	0	181,330
Long Term Liabilities:			
Due Within One Year	1,975,629	0	1,975,629
Due in More Than One Year:			
Net Pension Liability	34,912,318	582,850	35,495,168
Other Amounts Due in More Than One Year	36,445,073	75,962	36,521,035
Total Liabilities	<u>78,670,257</u>	<u>761,292</u>	<u>79,431,549</u>
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	10,769,441	0	10,769,441
Pension:			
STRS	5,346,937	0	5,346,937
SERS	975,528	94,599	1,070,127
Total Deferred Inflows of Resources	<u>17,091,906</u>	<u>94,599</u>	<u>17,186,505</u>
Net Position:			
Net Investment in Capital Assets	35,923,247	483,878	36,407,125
Restricted For:			
Capital Projects	8,580,230	0	8,580,230
Debt Service	2,813,093	0	2,813,093
Other Purposes	1,161,290	0	1,161,290
Permanent Fund:			
Expendable	17,620	0	17,620
Nonexpendable	46,919	0	46,919
Unrestricted (Deficit)	(25,013,950)	620,896	(24,393,054)
Total Net Position	<u>\$ 23,528,449</u>	<u>\$ 1,104,774</u>	<u>\$ 24,633,223</u>

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Activities For the Fiscal Year Ended June 30, 2015

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Instruction	\$ 23,167,197	\$ 680,563	\$ 3,630,752	\$ 0
Support Services:				
Pupils	1,105,305	108	1,608	0
Instructional Staff	2,929,248	0	1,287,043	0
Board of Education	40,010	0	0	0
Administration	2,695,336	0	4,772	0
Fiscal Services	687,199	0	0	0
Business	503	0	0	0
Operation and Maintenance of Plant	3,166,532	0	0	6,000
Pupil Transportation	1,580,322	49,931	0	0
Central	1,369,176	0	0	0
Operation of Non-Instructional Services	191,076	0	171,540	0
Extracurricular Activities	985,661	517,498	0	0
Interest and Fiscal Charges	1,419,981	0	188,121	0
Total Governmental Activities	39,337,546	1,248,100	5,283,836	6,000
Business-Type Activities:				
Food Service	1,772,835	384,424	1,237,888	0
Total Business-Type Activities	1,772,835	384,424	1,237,888	0
Totals	\$ 41,110,381	\$ 1,632,524	\$ 6,521,724	\$ 6,000

General Revenues and Transfers

Taxes:

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

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year - Restated

Net Position End of Year

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (18,855,882)	\$ 0	\$ (18,855,882)
(1,103,589)	0	(1,103,589)
(1,642,205)	0	(1,642,205)
(40,010)	0	(40,010)
(2,690,564)	0	(2,690,564)
(687,199)	0	(687,199)
(503)	0	(503)
(3,160,532)	0	(3,160,532)
(1,530,391)	0	(1,530,391)
(1,369,176)	0	(1,369,176)
(19,536)	0	(19,536)
(468,163)	0	(468,163)
(1,231,860)	0	(1,231,860)
(32,799,610)	0	(32,799,610)
0	(150,523)	(150,523)
0	(150,523)	(150,523)
\$ (32,799,610)	\$ (150,523)	\$ (32,950,133)
9,135,206	0	9,135,206
161,123	0	161,123
2,233,206	0	2,233,206
898,235	0	898,235
5,624,996	0	5,624,996
17,551,947	0	17,551,947
434,987	0	434,987
196,726	0	196,726
(431,580)	431,580	0
35,804,846	431,580	36,236,426
3,005,236	281,057	3,286,293
20,523,213	823,717	21,346,930
\$ 23,528,449	\$ 1,104,774	\$ 24,633,223

PIQUA CITY SCHOOL DISTRICT

**Balance Sheet
Governmental Funds
June 30, 2015**

	General	Bond Retirement	OSFC Construction	Other Governmental Funds	Total Governmental Funds
Assets:					
Pooled Cash and Investments	\$ 11,227,862	\$ 2,545,885	\$ 7,281,772	\$ 3,788,205	\$ 24,843,724
Receivables:					
Taxes	11,573,992	2,374,318	0	1,126,538	15,074,848
Accounts	425	0	0	10,760	11,185
Intergovernmental	80,584	0	554,710	1,357,344	1,992,638
Interfund Loans Receivable	1,103,926	0	0	0	1,103,926
Inventory of Supplies at Cost	1,444	0	0	0	1,444
Restricted Assets:					
Cash with Fiscal Agent	0	762	0	0	762
Total Assets	<u>\$ 23,988,233</u>	<u>\$ 4,920,965</u>	<u>\$ 7,836,482</u>	<u>\$ 6,282,847</u>	<u>\$ 43,028,527</u>
Liabilities:					
Accounts Payable	\$ 124,087	\$ 0	\$ 0	\$ 114,546	\$ 238,633
Accrued Wages and Benefits	2,232,282	0	0	168,911	2,401,193
Intergovernmental Payable	523,339	0	0	30,129	553,468
Contracts Payable	0	0	1,961,851	0	1,961,851
Matured Bonds and Interest Payable	0	762	0	0	762
Interfund Loans Payable	0	0	0	1,103,926	1,103,926
Compensated Absences Payable	324,389	0	0	11,240	335,629
Total Liabilities	<u>3,204,097</u>	<u>762</u>	<u>1,961,851</u>	<u>1,428,752</u>	<u>6,595,462</u>
Deferred Inflows of Resources:					
Unavailable Amounts	348,685	85,507	436,127	98,731	969,050
Property Tax Levy for Next Fiscal Year	7,929,792	1,925,780	0	913,869	10,769,441
Total Deferred Inflows of Resources	<u>8,278,477</u>	<u>2,011,287</u>	<u>436,127</u>	<u>1,012,600</u>	<u>11,738,491</u>
Fund Balance:					
Nonspendable	1,444	0	0	46,919	48,363
Restricted	0	2,908,916	5,438,504	3,785,778	12,133,198
Assigned	710,243	0	0	94,558	804,801
Unassigned	11,793,972	0	0	(85,760)	11,708,212
Total Fund Balance	<u>12,505,659</u>	<u>2,908,916</u>	<u>5,438,504</u>	<u>3,841,495</u>	<u>24,694,574</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 23,988,233</u>	<u>\$ 4,920,965</u>	<u>\$ 7,836,482</u>	<u>\$ 6,282,847</u>	<u>\$ 43,028,527</u>

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Reconciliation of Total Governmental Fund Balances To Net Position of Governmental Activities June 30, 2015

Total Governmental Fund Balances		\$ 24,694,574
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		72,097,239
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		969,050
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	2,508,742	
Deferred Inflows - Pension	(6,322,465)	
Net Pension Liability	<u>(34,912,318)</u>	(38,726,041)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		2,656,281
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds Payable	(32,507,741)	
Certificates of Participation	(3,770,000)	
Deferred Loss on Early Retirement of Debt	103,749	
Compensated Absences Payable	(1,807,332)	
Accrued Interest Payable	<u>(181,330)</u>	<u>(38,162,654)</u>
<i>Net Position of Governmental Activities</i>		<u><u>\$ 23,528,449</u></u>

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Fiscal Year Ended June 30, 2015

	General	Bond Retirement	OSFC Construction	Other Governmental Funds	Total Governmental Funds
Revenues:					
Local Sources:					
Taxes	\$ 14,767,803	\$ 2,235,715	\$ 0	\$ 1,060,495	\$ 18,064,013
Tuition	463,230	0	0	0	463,230
Transportation Fees	49,931	0	0	0	49,931
Investment Earnings	16,480	3,747	29,182	375,950	425,359
Extracurricular Activities	90,589	0	0	517,498	608,087
Class Materials and Fees	126,744	0	0	0	126,744
Intermediate Sources	0	0	0	51,900	51,900
Intergovernmental - State	17,623,309	416,059	4,568,905	1,834,925	24,443,198
Intergovernmental - Federal	256,116	188,121	0	2,678,132	3,122,369
All Other Revenue	72,612	1,297	0	122,817	196,726
Total Revenues	33,466,814	2,844,939	4,598,087	6,641,717	47,551,557
Expenditures:					
Current:					
Instruction	20,514,035	0	0	2,838,004	23,352,039
Supporting Services:					
Pupils	1,135,964	0	0	10,752	1,146,716
Instructional Staff	1,702,365	0	0	1,280,097	2,982,462
Board of Education	40,010	0	0	0	40,010
Administration	2,742,711	0	0	4,160	2,746,871
Fiscal Services	630,765	40,561	0	19,230	690,556
Operation and Maintenance of Plant	3,166,472	0	0	4,873	3,171,345
Pupil Transportation	1,435,769	0	0	218,673	1,654,442
Central	207,876	0	0	0	207,876
Operation of Non-Instructional Services	0	0	0	196,312	196,312
Extracurricular Activities	406,865	0	0	574,210	981,075
Capital Outlay	0	0	19,934,847	473,523	20,408,370
Debt Service:					
Principal Retirement	0	6,528,749	0	0	6,528,749
Interest and Fiscal Charges	0	1,430,754	0	0	1,430,754
Total Expenditures	31,982,832	8,000,064	19,934,847	5,619,834	65,537,577
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	1,483,982	(5,155,125)	(15,336,760)	1,021,883	(17,986,020)

(Continued)

PIQUA CITY SCHOOL DISTRICT

	General	Bond Retirement	OSFC Construction	Other Governmental Funds	Total Governmental Funds
Other Financing Sources (Uses):					
Sale of Capital Assets	6,987	0	0	0	6,987
Transfers In	69,301	633,745	0	0	703,046
Transfers Out	0	0	0	(703,046)	(703,046)
Refunding Bonds Issued	0	4,865,000	0	0	4,865,000
Premium on Bond Issuance	0	245,182	0	0	245,182
Total Other Financing Sources (Uses)	<u>76,288</u>	<u>5,743,927</u>	<u>0</u>	<u>(703,046)</u>	<u>5,117,169</u>
Net Change in Fund Balance	1,560,270	588,802	(15,336,760)	318,837	(12,868,851)
Fund Balance at Beginning of Year	10,945,163	2,320,114	20,775,264	3,522,658	37,563,199
Increase in Inventory	226	0	0	0	226
Fund Balance End of Year	<u>\$ 12,505,659</u>	<u>\$ 2,908,916</u>	<u>\$ 5,438,504</u>	<u>\$ 3,841,495</u>	<u>\$ 24,694,574</u>

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds To the Statement of Activities For the Fiscal Year Ended June 30, 2015

Net Change in Fund Balances - Total Governmental Funds	\$ (12,868,851)
<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	19,745,794
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received.	(1,109,515)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(4,786,931)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	2,179,344
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities	(1,476,701)
The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,427,254
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	2,086
Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	226,272
The internal service funds are used by management to charge the costs of services to individual funds and is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.	<u>(333,516)</u>
<i>Change in Net Position of Governmental Activities</i>	<u>\$ 3,005,236</u>

See accompanying notes to the basic financial statements



PIQUA CITY SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local Sources:				
Taxes	\$ 14,400,000	\$ 14,874,728	\$ 14,874,728	\$ 0
Tuition	401,750	463,230	463,230	0
Transportation Fees	45,000	58,779	58,779	0
Investment Earnings	25,000	65,600	65,600	0
Class Material and Fees	82,000	126,599	126,599	0
Intergovernmental - State	17,256,795	17,603,758	17,603,758	0
Intergovernmental - Federal	200,000	256,116	256,116	0
All Other Revenues	145,000	575,518	575,518	0
Total Revenues	32,555,545	34,024,328	34,024,328	0
Expenditures:				
Current:				
Instructional Services:				
Regular	14,316,272	14,064,655	14,064,655	0
Special	6,366,319	6,313,119	6,313,119	0
Other	600,417	673,195	673,195	0
Support Services:				
Pupils	1,358,591	1,124,805	1,124,805	0
Instructional Staff	1,427,121	1,715,088	1,715,088	0
Board of Education	41,230	39,642	39,642	0
Administration	2,408,455	2,707,724	2,707,724	0
Fiscal Services	412,615	644,840	644,840	0
Operation and Maintenance of Plant	3,210,895	3,163,215	3,163,215	0
Pupil Transportation	1,526,036	1,440,692	1,440,692	0
Central	205,683	206,581	206,581	0
Extracurricular Activities	421,956	397,914	397,914	0
Total Expenditures	32,295,590	32,491,470	32,491,470	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	259,955	1,532,858	1,532,858	0

(Continued)

PIQUA CITY SCHOOL DISTRICT

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	0	6,987	6,987	0
Transfers In	0	67,439	67,439	0
Advances In	0	264,955	264,955	0
Advances Out	0	(1,103,926)	(1,103,926)	0
Refund of Prior Year's Expenditures	87,000	115,353	115,353	0
Refund of Prior Year's Receipts	0	(1,506)	(1,506)	0
Total Other Financing Sources (Uses):	<u>87,000</u>	<u>(650,698)</u>	<u>(650,698)</u>	<u>0</u>
 Net Change in Fund Balance	 346,955	 882,160	 882,160	 0
 Fund Balance at Beginning of Year	 8,870,241	 8,870,241	 8,870,241	 0
Prior Year Encumbrances	583,146	583,146	583,146	0
Fund Balance at End of Year	<u>\$ 9,800,342</u>	<u>\$ 10,335,547</u>	<u>\$ 10,335,547</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-Type Activities	Governmental Activities
	Enterprise Fund Food Service	Internal Service Fund
Assets:		
<i>Current Assets:</i>		
Pooled Cash and Investments	\$ 1,127,847	\$ 2,925,970
Inventory of Supplies at Cost	27,488	0
<i>Total Current Assets</i>	1,155,335	2,925,970
<i>Non Current Assets:</i>		
Capital Assets, Net	483,878	0
Total Assets	1,639,213	2,925,970
Deferred Outflows of Resources:		
Pension:		
SERS	51,763	0
Total Deferred Outflows of Resources	51,763	0
Liabilities:		
<i>Current Liabilities:</i>		
Accounts Payable	367	0
Accrued Wages and Benefits	86,080	0
Intergovernmental Payable	16,033	0
<i>Total Current Liabilities</i>	102,480	0
<i>Long Term Liabilities:</i>		
Compensated Absences Payable	75,962	0
Net Pension Liability	582,850	0
<i>Total Long Term Liabilities</i>	658,812	0
Total Liabilities	761,292	0
Deferred Inflows of Resources:		
Pension:		
SERS	94,599	0
Total Deferred Inflows of Resources	94,599	0
Net Position:		
Investment in Capital Assets	483,878	0
Unrestricted	351,207	2,925,970
Total Net Position	\$ 835,085	\$ 2,925,970
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund.		
	269,689	
Net Position of Business-type Activities	\$ 1,104,774	

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2015**

	Business-Type Activities	Governmental Activities
	Enterprise Fund Food Service	Internal Service Fund
Operating Revenues:		
Sales	\$ 382,775	\$ 0
Interfund Charges	0	275
Total Operating Revenues	382,775	275
Operating Expenses:		
Salaries and Wages	538,292	0
Fringe Benefits	294,255	354,226
Contractual Services	23,258	3,081
Supplies and Materials	719,392	0
Depreciation	13,620	0
Total Operating Expenses	1,588,817	357,307
Operating Loss	(1,206,042)	(357,032)
Nonoperating Revenues (Expenses):		
Operating Grants	1,237,888	0
Investment Earnings	1,649	9,736
Loss on Disposal of Capital Assets	(170,238)	0
Total Nonoperating Revenues (Expenses)	1,069,299	9,736
Loss Before Contributions	(136,743)	(347,296)
Contributions:		
Capital Contributions	431,580	0
Total Contributions	431,580	0
Change in Net Position	294,837	(347,296)
Net Position Beginning of Year - Restated	540,248	3,273,266
Net Position End of Year	\$ 835,085	\$ 2,925,970
Change in Net Position - Total Enterprise Funds	294,837	
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund.	(13,780)	
Change in Net Position - Total Business-type Activities	\$ 281,057	

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

***Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015***

	Business-Type Activities	Governmental Activities
	Enterprise Fund Food Service	Internal Service Fund
<u>Cash Flows from Operating Activities:</u>		
Cash Received from Customers	\$382,775	\$0
Cash Received from Interfund Charges	0	275
Cash Payments for Goods and Services	(565,474)	(3,081)
Cash Payments to Employees for Services and Benefits	(833,691)	(354,226)
Net Cash Used by Operating Activities	(1,016,390)	(357,032)
<u>Cash Flows from Noncapital Financing Activities:</u>		
Operating Grants Received	1,069,281	0
Net Cash Provided by Noncapital Financing Activities	1,069,281	0
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Acquisition of Equipment	(29,145)	0
Net Cash Used by Capital and Related Financing Activities	(29,145)	0
<u>Cash Flows from Investing Activities:</u>		
Receipts of Interest	1,649	9,736
Net Cash Provided by Investing Activities	1,649	9,736
Net Increase (Decrease) in Cash and Cash Equivalents	25,395	(347,296)
Cash and Cash Equivalents at Beginning of Year	1,102,452	3,273,266
Cash and Cash Equivalents at End of Year	\$1,127,847	\$2,925,970
<u>Reconciliation of Operating Loss to Net Cash</u>		
<u>Used by Operating Activities:</u>		
Operating Loss	(\$1,206,042)	(\$357,032)
Adjustments to Reconcile Operating Loss to		
Net Cash Used by Operating Activities:		
Depreciation Expense	13,620	0
Donated Commodities Used During the Year	168,607	0
Changes in Assets and Liabilities:		
Decrease in Inventory	8,702	0
Increase in Deferred Outflows	(51,763)	0
Decrease in Accounts Payable	(133)	0
Increase in Accrued Wages and Benefits	22,858	0
Decrease in Intergovernmental Payables	(6,164)	0
Decrease in Compensated Absences	(5,306)	0
Increase in Deferred Inflows	94,599	0
Decrease in Net Pension Liability	(55,368)	0
Total Adjustments	189,652	0
Net Cash Used by Operating Activities	(\$1,016,390)	(\$357,032)

Schedule of Noncash Investing, Capital and Financing Activities:

During Fiscal Year 2015, the Food Service Fund received \$431,580 of capital contributions from Governmental Activities.

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Net Position
Fiduciary Funds
June 30, 2015

	Private Purpose	
	Trust	
	Special Trust	
	Fund	Agency
Assets:		
Cash and Cash Equivalents	\$ 305,820	\$ 72,322
Investments	45,757	0
Investments with Fiscal Agent	520,065	0
Total Assets	871,642	72,322
Liabilities:		
Due to Others	0	7,154
Due to Students	0	65,168
Total Liabilities	0	72,322
Net Position:		
Unrestricted	871,642	0
Total Net Position	\$ 871,642	\$ 0

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Changes in Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2015

	Private Purpose Trust <u>Special Trust</u> <u>Fund</u>
Additions:	
Contributions:	
Sales	\$ 127
Private Donations	<u>7,258</u>
Total Contributions	<u>7,385</u>
Investment Earnings:	
Interest	8,557
Net Decrease in the Fair Value of Investments	<u>(12,619)</u>
Total Investment Earnings	<u>(4,062)</u>
Total Additions	<u>3,323</u>
Deductions:	
Community Gifts, Awards and Scholarships	<u>10,866</u>
Total Deductions	<u>10,866</u>
Change in Net Position	(7,543)
Net Position at Beginning of Year	<u>879,185</u>
Net Position End of Year	<u>\$ 871,642</u>

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 121 noncertified and approximately 200 certified teaching personnel and administrative employees providing education to 3,534 students.

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

The District is a member of the Metropolitan Dayton Educational Cooperative Association, the Southwestern Ohio Educational Purchasing Council, the Southwestern Ohio Instructional Technology Association, the Upper Valley Career Center, and the Educational Regional Service System Region 10. All of the aforementioned entities are jointly governed organizations that provide various services to member school districts, see Note 16 "Jointly Governed Organizations." Sometimes a government may appoint the voting majority of board members for another entity without establishing a bond of financial accountability with that entity that would justify its inclusion as a component unit. Generally accepted accounting principles refer to entities that meet this description as related organizations. The Piqua Public Library was determined to be a related organization, see Note 17.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Discretely Presented Component Unit ó Prior to fiscal year 2015 the Piqua Education Foundation was reported as a discretely presented component unit of the District. Beginning in fiscal year 2015 the Piqua Education Foundation is no longer considered a component unit of the District.

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

B. Basis of Presentation - Fund Accounting

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

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

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

Bond Retirement Fund ó To account for resources that are used for payment of principal, interest, and fiscal charges on general obligation debt.

Ohio School Facilities Commission Construction Fund ó This fund accounts for state grant monies and debt proceeds to be used for the construction of new school facilities.

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

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

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

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

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

C. Basis of Presentation - Financial Statements

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

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

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

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

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

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

Current property taxes measurable at June 30, 2015, and which are not intended to finance fiscal year 2015 operations, have been recorded as deferred inflows of resources. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end.

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

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PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

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

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

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

E. Budgetary Process

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

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

1. Tax Budget

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement as final budget reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2015.

3. Appropriations

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

4. Lapsing of Appropriations

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Basis of Budgeting

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

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

	General Fund
GAAP Basis (as reported)	\$1,560,270
Increase (Decrease):	
Accrued Revenues	
at June 30, 2015,	
received during FY 2016	(4,542,235)
Accrued Revenues	
at June 30, 2014,	
received during FY 2015	4,201,733
Accrued Expenditures	
at June 30, 2015,	
paid during FY 2016	3,204,097
Accrued Expenditures	
at June 30, 2014,	
paid during FY 2015	(3,155,150)
Encumbrances Outstanding	(318,015)
Perspective Difference:	
Activity of Funds Reclassified	
for GAAP Reporting Purposes	(68,540)
Budget Basis	\$882,160

F. Cash and Cash Equivalents

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

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Investments

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

H. Inventory

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

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

I. Capital Assets and Depreciation

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

1. Property, Plant and Equipment - Governmental Activities

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

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation (Continued)

2. Property, Plant and Equipment ó Business Type Activities

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

3. Depreciation

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

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

J. Long-Term Obligations

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

Obligation	Fund
General Obligation Bonds	Debt Service Fund
Certificates of Participation	Debt Service Fund
Compensated Absences	General Fund, Food Service Fund

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences

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

L. Net Position

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

Of the District's \$12,619,152 in restricted net position, none is restricted by enabling legislation.

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Pensions

The provision for pension cost is recorded when the related payroll is accrued and the obligation is incurred.

N. Interfund Activity

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

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

O. Restricted Assets

Restricted assets in the debt service fund represent cash and cash equivalents set aside for outstanding bonds and coupons not yet redeemed.

P. Fund Balance

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

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balance (Continued)

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

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

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

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

Q. Estimates

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Deferred Outflows/Inflows of Resources

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

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

S. Operating Revenues and Expenses

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

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during fiscal year 2015.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

Fund Deficits - The fund deficits at June 30, 2015 of \$7,847 in the Race to the Top Fund, \$4,349 in the School Conflict Management Grant Fund, \$10,367 in the IDEA-B Fund, \$34,101 in the Title I Fund, \$28,287 in the Title II-A Fund, and \$809 in the Straight A Grant Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

NOTE 3 – CHANGE IN 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.

In addition, the District performed a complete reappraisal of capital assets during fiscal year 2015, increasing the capitalization threshold to \$2,500.

The implementation of GASB 68 and reappraisal of capital assets had the following effect on net position as reported June 30, 2014:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Food Service Fund</u>
Net position June 30, 2014	\$64,477,547	\$1,510,484	\$1,227,015
Adjustments:			
Net Pension Liability	(41,490,069)	(684,864)	(684,864)
Deferred Outflow - Payments Subsequent to Measurement Date	2,061,385	46,646	46,646
Capital Asset Reappraisal	<u>(4,525,650)</u>	<u>(48,549)</u>	<u>(48,549)</u>
Restated Net Position June 30, 2014	<u>\$20,523,213</u>	<u>\$823,717</u>	<u>\$540,248</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.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 4 – FUND BALANCES

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

Fund Balances	General	Bond Retirement	OSFC Construction	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Supplies Inventory	\$1,444	\$0	\$0	\$0	\$1,444
Endowments	0	0	0	46,919	46,919
Total Nonspendable	1,444	0	0	46,919	48,363
Restricted:					
Endowments	0	0	0	17,620	17,620
Classroom Facilities Maintenance	0	0	0	709,722	709,722
Auxiliary Services	0	0	0	31,385	31,385
Extracurricular Activities	0	0	0	310,704	310,704
Technology Improvements	0	0	0	500	500
Targeted Academic Assistance	0	0	0	44,633	44,633
Debt Service Payments	0	2,908,916	0	0	2,908,916
Capital Acquisition and Improvement	0	0	5,438,504	2,671,214	8,109,718
Total Restricted	0	2,908,916	5,438,504	3,785,778	12,133,198
Assigned:					
Capital Replacement	0	0	0	94,558	94,558
Public School Support	511,019	0	0	0	511,019
Instruction	105,613	0	0	0	105,613
Support Services	93,611	0	0	0	93,611
Total Assigned:	710,243	0	0	94,558	804,801
Unassigned	11,793,972	0	0	(85,760)	11,708,212
Total Fund Balances	\$12,505,659	\$2,908,916	\$5,438,504	\$3,841,495	\$24,694,574

PIQUA CITY SCHOOL DISTRICT

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

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

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

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

Capital Outlay	\$21,035,235
Depreciation Expense	(1,289,441)
	<u>\$19,745,794</u>

Governmental revenues not reported in the funds:

Decrease in Delinquent Tax Revenue	(\$11,247)
Decrease in Grants Receivable	(4,775,684)
	<u>(\$4,786,931)</u>

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

Bond Principal Payment	\$6,528,749
Deferred Loss on Early Retirement of Debt	(212,207)
Refunding Bonds Issued	(4,865,000)
Premium on Refunding Bonds Issued	(245,182)
Bond Premium Amortization	267,613
Interest Accretion on Capital Appreciation Bonds	(46,719)
	<u>\$1,427,254</u>

Expenses not requiring the use of current financial resources:

Decrease in Compensated Absences Payable	\$226,046
Increase in Supplies Inventory	226
	<u>\$226,272</u>

PIQUA CITY SCHOOL DISTRICT

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

NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

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

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

A. Deposits

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

At fiscal year end the carrying amount of the District's deposits was \$20,822,873 and the bank balance was \$21,879,327. Federal depository insurance covered \$3,195,889 of the bank balance and \$18,683,438 was collateralized by the financial institutions' public entity deposit pools in the manner described above.

B. Investments

The District's investments at June 30, 2015 were as follows:

	Fair Value	Credit Rating	Investment Maturities (in Years)		
			less than 1	1-3	3-5
Common Stocks	\$187,880	N/A	\$187,880	\$0	\$0
Money Market Fund	196,988	AAAm/Aaa ^{1,2}	196,988	0	0
Corporate Bond Fund	71,843	AAA-BB ¹	71,843	0	0
Corporate Equities Fund	262,419	NA	262,419	0	0
REIT Fund	28,819	NA	28,819	0	0
Marketable CD's	4,882,916	AAA ³	1,586,235	2,204,311	1,092,370
FNMA	202,087	AA+/aa3 ^{1,2}	0	103,345	98,742
FFCB	2,141,775	AA+/aa3 ^{1,2}	0	600,730	1,541,045
FHLB	944,713	AA+/aa3 ^{1,2}	0	249,605	695,108
FHLMC	99,954	AA+/aa3 ^{1,2}	0	99,954	0
Total Investments	<u>\$9,019,394</u>		<u>\$2,334,184</u>	<u>\$3,257,945</u>	<u>\$3,427,265</u>

¹ Standard & Poor's

² Moody's Investor Service

³ All are fully FDIC insured and therefore have an implied AAA credit rating

PIQUA CITY SCHOOL DISTRICT

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

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

B. Investments (Continued)

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

Investment Credit Risk ó The District has no investment policy that limits its investment choices other than the limitation of State statute for ñinterimñ funds described previously.

Concentration of Credit Risk ó The District places no limit on the amount the District may invest in one issuer. Of the District's total investments, 54% are in Marketable CD's, 24% are FFCB, 10% are FHLB, and 12% are in other investments.

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

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PIQUA CITY SCHOOL DISTRICT

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

NOTE 7 - TAXES

A. Property Tax

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

Property taxes include amounts levied against all real and public utility property located in the District. Real property tax revenue received in calendar year 2015 represents collections of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed value listed as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2015 represents collections of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2015 became a lien December 31, 2013, were levied after April 1, 2014 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Piqua City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in fiscal year 2015 were as follows:

	<u>2014 Second Half Collections</u>	<u>2015 First Half Collections</u>
Agricultural/Residential and Other Real Estate	\$371,221,370	\$369,583,590
Public Utility Personal	5,843,490	6,167,950
Total Assessed Value	<u>\$377,064,860</u>	<u>\$375,751,540</u>
Tax rate per \$1,000 of assessed valuation	\$50.45	\$50.46

PIQUA CITY SCHOOL DISTRICT

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

NOTE 7 - TAXES (Continued)

B. Income Tax

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

NOTE 8 – INTERFUND TRANSACTIONS

On the Statement of Net Position, the Business-Type Activities reported an internal balance at June 30, 2015 of \$269,689 which is offset in the Governmental Activities by the same amount.

Following is a summary of interfund receivables/payables for all funds at June 30, 2015:

	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$1,103,926	\$0
Other Governmental Funds	<u>0</u>	<u>1,103,926</u>
Totals	<u><u>\$1,103,926</u></u>	<u><u>\$1,103,926</u></u>

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

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PIQUA CITY SCHOOL DISTRICT

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

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at June 30, 2015:

<i>Historical Cost:</i>	Restated			
Class	June 30, 2014	Additions	Deletions	June 30, 2015
<i>Capital assets not being depreciated:</i>				
Land	\$314,811	\$0	\$0	\$314,811
Construction in Progress	33,919,791	19,934,847	(39,196,725)	14,657,913
	<u>34,234,602</u>	<u>19,934,847</u>	<u>(39,196,725)</u>	<u>14,972,724</u>
<i>Capital assets being depreciated:</i>				
Land Improvements	4,480,687	1,752,725	0	6,233,412
Buildings and Improvements	28,222,323	37,444,000	(4,308,515)	61,357,808
Machinery and Equipment	1,634,427	741,762	0	2,376,189
Vehicles	1,983,254	358,626	0	2,341,880
Total Cost	<u>\$70,555,293</u>	<u>\$60,231,960</u>	<u>(\$43,505,240)</u>	<u>\$87,282,013</u>
<i>Accumulated Depreciation:</i>				
Class	June 30, 2014	Additions	Deletions	June 30, 2015
Land Improvements	(\$2,955,142)	(\$221,789)	\$0	(\$3,176,931)
Buildings and Improvements	(11,593,285)	(885,455)	3,199,000	(9,279,740)
Machinery and Equipment	(856,499)	(85,847)	0	(942,346)
Vehicles	(1,689,407)	(96,350)	0	(1,785,757)
Total Depreciation	<u>(\$17,094,333)</u>	<u>(\$1,289,441) *</u>	<u>\$3,199,000</u>	<u>(\$15,184,774)</u>
<i>Net Value:</i>	<u>\$53,460,960</u>			<u>\$72,097,239</u>

* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$6,371
Support Services:	
Instructional Staff	696
Administration	866
Business	503
Operation and Maintenance of Plant	18,986
Pupil Transportation	96,350
Central	1,146,385
Extracurricular Activities	19,284
Total Depreciation Expense	<u>\$1,289,441</u>

PIQUA CITY SCHOOL DISTRICT

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

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at June 30, 2015:

<i>Historical Cost:</i>		Restated			June 30,
Class	June 30,	2014	Additions	Deletions	2015
Machinery and Equipment		\$782,146	\$460,725	(\$428,571)	\$814,300
Total Cost		<u>\$782,146</u>	<u>\$460,725</u>	<u>(\$428,571)</u>	<u>\$814,300</u>
<i>Accumulated Depreciation:</i>		June 30,			June 30,
Class	June 30,	2014	Additions	Deletions	2015
Machinery and Equipment		(\$575,135)	(\$13,620)	\$258,333	(\$330,422)
Total Depreciation		<u>(\$575,135)</u>	<u>(\$13,620)</u>	<u>\$258,333</u>	<u>(\$330,422)</u>
<i>Net Value:</i>		<u>\$207,011</u>			<u>\$483,878</u>

NOTE 10 - RECEIVABLES

Receivables at June 30, 2015 consisted of taxes, accounts and intergovernmental receivables.

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PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS

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

A. Net Pension Liability

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

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Plan Description

School Employees Retirement System (SERS)

Plan Description ó 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 ó 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.

The District's contractually required contribution to SERS was \$529,546 for fiscal year 2015. Of this amount \$44,015 is reported as an intergovernmental payable.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Plan Description (Continued)

State Teachers Retirement System (STRS)

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

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

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Plan Description (Continued)

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

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

Funding Policy 6 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 \$1,696,600 for fiscal year 2015. Of this amount \$290,272 is reported as an intergovernmental payable.

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PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

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

The net pension liability was measured as of June 30, 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	\$6,593,398	\$28,901,770	\$35,495,168
Proportion of the Net Pension Liability	0.130280%	0.1188226%	
Pension Expense	\$387,747	\$1,123,224	\$1,510,971

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	\$56,117	\$278,242	\$334,359
School District contributions subsequent to the measurement date	<u>529,546</u>	<u>1,696,600</u>	<u>2,226,146</u>
Total Deferred Outflows of Resources	<u>\$585,663</u>	<u>\$1,974,842</u>	<u>\$2,560,505</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	<u>\$1,070,127</u>	<u>\$5,346,937</u>	<u>\$6,417,064</u>
Total Deferred Inflows of Resources	<u>\$1,070,127</u>	<u>\$5,346,937</u>	<u>\$6,417,064</u>

\$2,226,146 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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2016	(\$253,503)	(\$1,267,173)	(\$1,520,676)
2017	(253,503)	(1,267,174)	(1,520,677)
2018	(253,502)	(1,267,174)	(1,520,676)
2019	<u>(253,502)</u>	<u>(1,267,174)</u>	<u>(1,520,676)</u>
Total	<u>(\$1,014,010)</u>	<u>(\$5,068,695)</u>	<u>(\$6,082,705)</u>

PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions

School Employees Retirement System (SERS)

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 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's *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<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>	

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.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
School District's proportionate share of the net pension liability	\$9,406,818	\$6,593,398	\$4,227,066

PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

State Teachers Retirement System (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 major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$41,376,036	\$28,901,770	\$18,352,740

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PIQUA CITY SCHOOL DISTRICT

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

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. School Employee Retirement System

Plan Description ó 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 HMOs, PPOs, 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 ó State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2015, 0.82 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount (\$20,450 for 2015), pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge.

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

The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$112,897, \$72,238, and \$69,861 respectively; which were equal to the required contributions for each year.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 12 - POSTEMPLOYMENT BENEFITS

B. State Teachers Retirement System

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

Funding Policy ó Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2015, STRS Ohio allocated employer contributions equal to zero percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$121,645, and \$135,152 respectively; which were equal to the required contributions for each year.

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PIQUA CITY SCHOOL DISTRICT

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

NOTE 13 - LONG-TERM DEBT AND OTHER OBLIGATIONS

Detail of the changes in the long term debt of the District for the fiscal year ended June 30, 2015 is as follows:

	Restated Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015	Amount Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
2005 School Improvement Refunding 3.0-4.2%	\$5,197,633	\$0	(\$5,197,633)	\$0	\$0
Bond Premium	254,711	0	(254,711)	0	0
	<u>5,452,344</u>	<u>0</u>	<u>(5,452,344)</u>	<u>0</u>	<u>0</u>
Interest Accretion	505,648	46,719	(552,367)	0	0
Total 2005 School Improvement Refunding Bonds	<u>5,957,992</u>	<u>46,719</u>	<u>(6,004,711)</u>	<u>0</u>	<u>0</u>
2015 School Improvement Refunding 2.0-4.0%	0	4,865,000	0	4,865,000	955,000
Bond Premium	0	245,182	0	245,182	0
Total 2015 School Improvement Refunding Bonds	<u>0</u>	<u>5,110,182</u>	<u>0</u>	<u>5,110,182</u>	<u>955,000</u>
2012 School Facility Construction 1.5-5.0%	27,750,000	0	(675,000)	27,075,000	685,000
Bond Premium	335,461	0	(12,902)	322,559	0
Total 2012 School Facility Construction Bonds	<u>28,085,461</u>	<u>0</u>	<u>(687,902)</u>	<u>27,397,559</u>	<u>685,000</u>
Total General Obligation Bonds	<u>34,043,453</u>	<u>5,156,901</u>	<u>(6,692,613)</u>	<u>32,507,741</u>	<u>1,640,000</u>
Certificates of Participation:					
Energy Conservation Improvement 6.75%	3,770,000	0	0	3,770,000	0
Net Pension Liability:					
State Teachers Retirement System	34,427,600	0	(5,525,830)	28,901,770	0
School Employees Retirement System	7,062,469	0	(1,051,921)	6,010,548	0
Total Net Pension Liability	<u>41,490,069</u>	<u>0</u>	<u>(6,577,751)</u>	<u>34,912,318</u>	<u>0</u>
Compensated Absences	2,161,399	397,190	(415,628)	2,142,961	335,629
Total Governmental Activities	<u>81,464,921</u>	<u>5,554,091</u>	<u>(13,685,992)</u>	<u>73,333,020</u>	<u>1,975,629</u>
Business-Type Activities:					
Net Pension Liability					
School Employees Retirement System	684,864	0	(102,014)	582,850	0
Compensated Absences	81,268	6,813	(12,119)	75,962	0
Total Business-Type Activities	<u>766,132</u>	<u>6,813</u>	<u>(114,133)</u>	<u>658,812</u>	<u>0</u>
Total Long-Term Debt and Other Obligations	<u>\$82,231,053</u>	<u>\$5,560,904</u>	<u>(\$13,800,125)</u>	<u>\$73,991,832</u>	<u>\$1,975,629</u>

The District's overall debt margin was \$4,122,991 with an unvoted debt margin of \$375,752 at June 30, 2015.

PIQUA CITY SCHOOL DISTRICT

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

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

A. Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements including principal and interest payments as of June 30, 2015, follows:

Years	General Obligation Bonds			Certificates of Participation		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$1,640,000	\$1,053,220	\$2,693,220	\$0	\$254,476	\$254,476
2017	1,635,000	1,055,657	2,690,657	0	254,476	254,476
2018	1,680,000	1,015,207	2,695,207	0	254,476	254,476
2019	1,725,000	971,807	2,696,807	0	254,476	254,476
2020	1,765,000	941,144	2,706,144	0	254,476	254,476
2021-2025	4,095,000	4,083,796	8,178,796	0	1,272,380	1,272,380
2026-2030	4,945,000	3,220,822	8,165,822	3,770,000	508,952	4,278,952
2031-2035	5,830,000	2,301,403	8,131,403	0	0	0
2036-2040	7,035,000	1,043,500	8,078,500	0	0	0
2041	1,590,000	31,800	1,621,800	0	0	0
Totals	<u>\$31,940,000</u>	<u>\$15,718,356</u>	<u>\$47,658,356</u>	<u>\$3,770,000</u>	<u>\$3,053,712</u>	<u>\$6,823,712</u>

B. Defeased Debt

In April 2005, the District defeased \$8,390,000 of General Obligation Bonds for School Building Improvements, dated November 15, 1997, through the issuance of \$8,389,990 of General Obligation Bonds. The net proceeds of the 2005 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$4,390,000 at June 30, 2015, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

In March 2015, the District refunded \$5,197,633 of General Obligation Bonds for School Building Improvements, dated April 28, 2005, through the issuance of \$4,865,000 of General Obligation Bonds. The net proceeds of the 2015 Bonds have been used to currently refund the 2005 bonds. The District reduced its aggregate debt service payments over the life of the refunded bonds by \$382,746 and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$344,467.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 14 - RISK MANAGEMENT

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

The District purchases property and liability insurance through Liberty Mutual.

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

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

The District established the Self Insurance Fund during fiscal year 1997 to account for the proceeds of the contingent premium program administered by Anthem Blue Cross and Blue Shield. The program allows the District to limit the risk of loss to a pre-determined level while benefiting from cash flow advantages and sharing in gains for positive claims experience. Under the contingent premium program, the District remits to Anthem a reduced insurance premium, 90% of the normal fully insured premium, during the twelve month rating period. The District deposits the difference between the contingent premium and the risk premium, 110% of the normal fully insured premium, into the Self Insurance Fund. The risk premium is the maximum liability rate established at the beginning of the contract year. Incurred claims and administrative expenses are calculated at the end of every twelve month period. If the total expenses for the year are equal to or below the amount paid in the contingent premium, no additional payment is due. If total expenses exceed the contingent premium, the District must pay the excess, but only up to the risk premium. Settlement has not yet occurred for plan year 2015, but there is no expectation of additional premium. The district loss ratio was approximately 78% for the year.

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PIQUA CITY SCHOOL DISTRICT

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

NOTE 15 – SET-ASIDES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into reserve. During the fiscal year ended June 30, 2015, the reserve activity (cash-basis) was as follows:

	<u>Capital Acquisition</u>
Set-aside Cash Balance as of June 30, 2014	\$0
Current Year Set-Aside Requirement	608,697
Current Year Offset Credits	(912,770)
Qualifying Disbursements	<u>(399,841)</u>
Total	<u>(\$703,914)</u>
Set-aside Cash Balance	<u><u>\$0</u></u>

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

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS

A. Metropolitan Dayton Educational Cooperative Association

The Metropolitan Dayton Educational Cooperative Association (MDECA) is a not-for-profit computer service organization, whose primary function is to provide information technology services to its member school districts with some emphasis being placed on accounting, payroll, personnel records and inventory control services. Other areas of service provided by MDECA include student scheduling, attendance reporting, grade reporting, internet services and curriculum technology support.

The MDECA is one of twenty-three regional service organizations serving over 900 educational agencies in the State of Ohio that make up the Ohio Educational Computer Network (OECN). These service organizations are known as "Data Acquisition Sites." The OECN is a collective group of Data Acquisition Sites, authorized pursuant to Section 3301.075 of the Revised Code, and their member school districts. Such sites, in conjunction with the Ohio Department of Education, comprise a statewide delivery system to provide comprehensive, cost-effective accounting and other administrative and instructional computer services for participating Ohio school districts. Funding for this network and for the MDECA is derived from the State of Ohio and from user fees.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

A. Metropolitan Dayton Educational Cooperative Association (Continued)

There are currently seventy-six consortium members (member school districts) in the Ohio counties of Butler, Clarke, Cuyahoga, Darke, Franklin, Greene, Hamilton, Lucas, Miami and Montgomery. These consortium members are comprised of public school districts, community schools, joint vocational school districts, and educational service centers and are voting members of the MDECA.

The laws governing the Ohio Educational Computer Network require that a board of education serve as a fiscal agent for Data Acquisition Sites receiving state funds. Specifically, Revised Code Section 3301.075 requires MDECA to conform to Revised Code Section 3313.92 in order for the MDECA to receive Ohio Educational Computer Network funds from the State Department of Education. Agreements entered into pursuant to Revised Code Section 3313.92 must be approved by the State Superintendent of Public Instruction, who has interpreted this Revised Code Section to require a board of education to serve as a fiscal agent for a Data Acquisition Site receiving funds from the Ohio Education Computer Network.

For this reason, the Montgomery County Educational Service Center serves as the fiscal agent for the MDECA and performs certain functions that might otherwise be performed by the MDECA Board of Directors in order to ensure receipt of funds from the Ohio Educational Computer Network. Essentially, these functions are to apply for and maintain the Data Acquisition Site permit for the central data processing equipment and to hold legal title to the central data processing equipment. During fiscal year 2015, the Piqua City School District paid \$241,417 to MDECA. The MDECA's office is located in 225 Linwood Drive, Dayton, Ohio 45405.

B. Southwestern Ohio Educational Purchasing Council

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

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to the SOEPC are made from the General Fund. During fiscal year 2015, the Piqua City School District paid \$1,791 to SOEPC. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Cooperative, Ken Swink, Director, 303 Corporate Center Drive, Suite 208 Vandalia, Ohio 45377.

PIQUA CITY SCHOOL DISTRICT

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

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

C. Southwestern Ohio Instructional Technology Association

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

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

All member districts are obligated to pay fees, charges or other assessments as established by the SOITA. Upon dissolution, the net position shall be distributed to the federal government, or to a state or local government, for a public purpose. Payments to SOITA are made from the General Fund. During fiscal year 2015, the Piqua City School District paid \$5,759 to the SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Frank DePalma, Interim Director, 150 East Sixth Street, Franklin, Ohio 45005.

D. Upper Valley Career Center

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

E. Educational Regional Service System Region 10

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

NOTE 17 – RELATED ORGANIZATION

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

PIQUA CITY SCHOOL DISTRICT

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

NOTE 18 - CONTINGENCIES

A. Grants

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2015.

B. Litigation

The District is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The District's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the District.

C. School Foundation

School 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 school district; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

NOTE 19 – SIGNIFICANT COMMITMENTS

At June 30, 2015 the District had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$323,015
OSFC Construction Fund	3,512,658
Other Governmental Funds	433,327
Total Governmental Funds	<u>\$4,269,000</u>



PIQUA CITY SCHOOL DISTRICT

REQUIRED SUPPLEMENTAL INFORMATION

PIQUA CITY SCHOOL DISTRICT

Schedule of District's Proportionate Share of the Net Pension Liability Current Year

State Teachers Retirement System

Fiscal Year	<u>2014</u>
District's proportion of the net pension liability (asset)	0.11882261%
District's proportionate share of the net pension liability (asset)	\$28,901,770
District's covered-employee payroll	\$12,156,608
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	237.75%
Plan fiduciary net position as a percentage of the total pension liability	74.70%

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

School Employees Retirement System

Fiscal Year	<u>2014</u>
District's proportion of the net pension liability (asset)	0.130280%
District's proportionate share of the net pension liability (asset)	\$6,593,398
District's covered-employee payroll	\$3,807,165
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	173.18%
Plan fiduciary net position as a percentage of the total pension liability	71.70%

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

Notes: The District implemented GASB Statements 68 in 2015.

Information prior to 2014 is not available.

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

PIQUA CITY SCHOOL DISTRICT

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

State Teachers Retirement System

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

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

School Employees Retirement System

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

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

Notes: The District implemented GASB Statement 68 in 2015.

Information prior to 2014 is not available.

PIQUA CITY SCHOOL DISTRICT

***COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES***

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

PIQUA CITY SCHOOL DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds

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

Public School Support Fund

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

Other Grant Fund

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

District Managed Activity Fund

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

Auxiliary Services Fund

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

Race to the Top Fund

To account for monies received to provide either a new program or expansion of an existing program in specific educational areas.

(Continued)

PIQUA CITY SCHOOL DISTRICT

Special Revenue Funds

School Conflict Management Grant Fund

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

IDEA-B Fund

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

Title I Fund

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

One Net Fund

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

Classroom Facilities Maintenance Fund

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

Title II-A Fund

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

Straight A Grant Fund

To account for state grants to be used for increased student achievement, improved fiscal performance, and improved efficiency and effectiveness through the use of shared services.

PIQUA CITY SCHOOL DISTRICT

Capital Projects Funds

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

Permanent Improvement Fund

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

Building Acquisition and Construction Fund

This fund accounts for the proceeds of debt and construction costs for energy efficiency improvements.

Replacement Fund

To account for monies used in the rebuilding, restoration or improvement of property which has been totally or partially destroyed due to any cause.

Permanent Fund

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

Permanent Fund

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

PIQUA CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Pooled Cash and Investments	\$ 1,096,010	\$ 2,627,656	\$ 64,539	\$ 3,788,205
Receivables:				
Taxes	171,308	955,230	0	1,126,538
Accounts	0	10,760	0	10,760
Intergovernmental	1,357,344	0	0	1,357,344
Total Assets	<u>\$ 2,624,662</u>	<u>\$ 3,593,646</u>	<u>\$ 64,539</u>	<u>\$ 6,282,847</u>
Liabilities:				
Accounts Payable	\$ 95,980	\$ 18,566	\$ 0	\$ 114,546
Accrued Wages and Benefits	168,911	0	0	168,911
Intergovernmental Payable	30,129	0	0	30,129
Interfund Loans Payable	1,103,926	0	0	1,103,926
Compensated Absences Payable	11,240	0	0	11,240
Total Liabilities	<u>1,410,186</u>	<u>18,566</u>	<u>0</u>	<u>1,428,752</u>
Deferred Inflows of Resources:				
Unavailable Amounts	64,346	34,385	0	98,731
Property Tax Levy for Next Fiscal Year	138,946	774,923	0	913,869
Total Deferred Inflows of Resources	<u>203,292</u>	<u>809,308</u>	<u>0</u>	<u>1,012,600</u>
Fund Balance:				
Nonspendable	0	0	46,919	46,919
Restricted	1,096,944	2,671,214	17,620	3,785,778
Assigned	0	94,558	0	94,558
Unassigned	(85,760)	0	0	(85,760)
Total Fund Balance	<u>1,011,184</u>	<u>2,765,772</u>	<u>64,539</u>	<u>3,841,495</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 2,624,662</u>	<u>\$ 3,593,646</u>	<u>\$ 64,539</u>	<u>\$ 6,282,847</u>

PIQUA CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:				
Local Sources:				
Taxes	\$ 161,304	\$ 899,191	\$ 0	\$ 1,060,495
Investment Earnings	1,763	374,079	108	375,950
Extracurricular Activities	517,498	0	0	517,498
Intermediate Sources	51,900	0	0	51,900
Intergovernmental - State	1,611,788	223,137	0	1,834,925
Intergovernmental - Federal	2,678,132	0	0	2,678,132
All Other Revenue	89,891	31,926	1,000	122,817
Total Revenues	<u>5,112,276</u>	<u>1,528,333</u>	<u>1,108</u>	<u>6,641,717</u>
Expenditures:				
Current:				
Instruction	2,399,473	438,531	0	2,838,004
Supporting Services:				
Pupils	9,552	0	1,200	10,752
Instructional Staff	1,280,097	0	0	1,280,097
Administration	4,160	0	0	4,160
Fiscal Services	2,926	16,304	0	19,230
Operation and Maintenance of Plant	4,873	0	0	4,873
Pupil Transportation	2,323	216,350	0	218,673
Operation of Non-Instructional Services	196,312	0	0	196,312
Extracurricular Activities	574,210	0	0	574,210
Capital Outlay	141,556	331,967	0	473,523
Total Expenditures	<u>4,615,482</u>	<u>1,003,152</u>	<u>1,200</u>	<u>5,619,834</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	496,794	525,181	(92)	1,021,883
Other Financing Sources (Uses):				
Transfers Out	(1,862)	(701,184)	0	(703,046)
Total Other Financing Sources (Uses)	<u>(1,862)</u>	<u>(701,184)</u>	<u>0</u>	<u>(703,046)</u>
Net Change in Fund Balance	494,932	(176,003)	(92)	318,837
Fund Balance at Beginning of Year	516,252	2,941,775	64,631	3,522,658
Fund Balance End of Year	<u>\$ 1,011,184</u>	<u>\$ 2,765,772</u>	<u>\$ 64,539</u>	<u>\$ 3,841,495</u>

PIQUA CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015**

	Other Grant	District Managed Activity	Auxiliary Services	Race to the Top
Assets:				
Pooled Cash and Investments	\$ 52,616	\$ 316,426	\$ 42,234	\$ 0
Receivables:				
Taxes	0	0	0	0
Intergovernmental	0	0	0	10,415
Total Assets	<u>\$ 52,616</u>	<u>\$ 316,426</u>	<u>\$ 42,234</u>	<u>\$ 10,415</u>
Liabilities:				
Accounts Payable	\$ 7,479	\$ 5,346	\$ 10,708	\$ 0
Accrued Wages and Benefits	501	0	0	8,674
Intergovernmental Payable	3	376	141	278
Interfund Loans Payable	0	0	0	1,463
Compensated Absences Payable	0	0	0	0
Total Liabilities	<u>7,983</u>	<u>5,722</u>	<u>10,849</u>	<u>10,415</u>
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	7,847
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,847</u>
Fund Balance:				
Restricted	44,633	310,704	31,385	0
Unassigned	0	0	0	(7,847)
Total Fund Balance (Deficit)	<u>44,633</u>	<u>310,704</u>	<u>31,385</u>	<u>(7,847)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 52,616</u>	<u>\$ 316,426</u>	<u>\$ 42,234</u>	<u>\$ 10,415</u>

PIQUA CITY SCHOOL DISTRICT

School Conflict Management Grant	IDEA-B	Title I	One Net	Classroom Facilities Maintenance	Title II-A	Straight A Grant	Total Nonmajor Special Revenue Funds
\$ 704	\$ 0	\$ 0	\$ 500	\$ 683,530	\$ 0	\$ 0	\$ 1,096,010
0	0	0	0	171,308	0	0	171,308
5,052	223,298	256,797	0	0	0	861,782	1,357,344
<u>\$ 5,756</u>	<u>\$ 223,298</u>	<u>\$ 256,797</u>	<u>\$ 500</u>	<u>\$ 854,838</u>	<u>\$ 0</u>	<u>\$ 861,782</u>	<u>\$ 2,624,662</u>
\$ 5,053	\$ 18,539	\$ 0	\$ 0	\$ 0	\$ 0	\$ 48,855	\$ 95,980
0	35,410	96,780	0	0	27,546	0	168,911
0	5,205	22,582	0	0	741	803	30,129
0	164,144	126,195	0	0	0	812,124	1,103,926
0	0	11,240	0	0	0	0	11,240
<u>5,053</u>	<u>223,298</u>	<u>256,797</u>	<u>0</u>	<u>0</u>	<u>28,287</u>	<u>861,782</u>	<u>1,410,186</u>
5,052	10,367	34,101	0	6,170	0	809	64,346
0	0	0	0	138,946	0	0	138,946
<u>5,052</u>	<u>10,367</u>	<u>34,101</u>	<u>0</u>	<u>145,116</u>	<u>0</u>	<u>809</u>	<u>203,292</u>
0	0	0	500	709,722	0	0	1,096,944
(4,349)	(10,367)	(34,101)	0	0	(28,287)	(809)	(85,760)
<u>(4,349)</u>	<u>(10,367)</u>	<u>(34,101)</u>	<u>500</u>	<u>709,722</u>	<u>(28,287)</u>	<u>(809)</u>	<u>1,011,184</u>
<u>\$ 5,756</u>	<u>\$ 223,298</u>	<u>\$ 256,797</u>	<u>\$ 500</u>	<u>\$ 854,838</u>	<u>\$ 0</u>	<u>\$ 861,782</u>	<u>\$ 2,624,662</u>

PIQUA CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015**

	Other Grant	District Managed Activity	Auxiliary Services	Race to the Top
Revenues:				
Local Sources:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Investment Earnings	0	600	101	0
Extracurricular Activities	552	516,946	0	0
Intermediate Sources	51,900	0	0	0
Intergovernmental - State	0	0	135,417	0
Intergovernmental - Federal	0	0	0	83,540
All Other Revenue	4,534	85,357	0	0
Total Revenues	56,986	602,903	135,518	83,540
Expenditures:				
Current:				
Instruction	37,960	1,309	3,430	104,201
Supporting Services:				
Pupils	0	8,052	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Fiscal Services	0	0	0	0
Operation and Maintenance of Plant	0	4,873	0	0
Pupil Transportation	0	2,323	0	0
Operation of Non-Instructional Services	0	0	137,584	0
Extracurricular Activities	0	574,210	0	0
Capital Outlay	0	0	0	0
Total Expenditures	37,960	590,767	141,014	104,201
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	19,026	12,136	(5,496)	(20,661)
Other Financing Sources (Uses):				
Transfers Out	0	(1,862)	0	0
Total Other Financing Sources (Uses)	0	(1,862)	0	0
Net Change in Fund Balance	19,026	10,274	(5,496)	(20,661)
Fund Balance (Deficit) at Beginning of Year	25,607	300,430	36,881	12,814
Fund Balance (Deficit) End of Year	\$ 44,633	\$ 310,704	\$ 31,385	\$ (7,847)

PIQUA CITY SCHOOL DISTRICT

School Conflict Management Grant	IDEA-B	Title I	One Net	Classroom Facilities Maintenance	Title II-A	Straight A Grant	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 161,304	\$ 0	\$ 0	\$ 161,304
0	0	0	0	1,062	0	0	1,763
0	0	0	0	0	0	0	517,498
0	0	0	0	0	0	0	51,900
155,216	0	0	16,200	73,330	0	1,231,625	1,611,788
0	1,038,947	1,358,844	0	0	196,801	0	2,678,132
0	0	0	0	0	0	0	89,891
<u>155,216</u>	<u>1,038,947</u>	<u>1,358,844</u>	<u>16,200</u>	<u>235,696</u>	<u>196,801</u>	<u>1,231,625</u>	<u>5,112,276</u>
135,464	772,406	1,117,073	24,023	0	203,607	0	2,399,473
0	1,500	0	0	0	0	0	9,552
0	23,188	24,475	0	0	0	1,232,434	1,280,097
0	0	4,160	0	0	0	0	4,160
0	0	0	0	2,926	0	0	2,926
0	0	0	0	0	0	0	4,873
0	0	0	0	0	0	0	2,323
0	38,967	19,761	0	0	0	0	196,312
0	0	0	0	0	0	0	574,210
0	0	0	0	141,556	0	0	141,556
<u>135,464</u>	<u>836,061</u>	<u>1,165,469</u>	<u>24,023</u>	<u>144,482</u>	<u>203,607</u>	<u>1,232,434</u>	<u>4,615,482</u>
19,752	202,886	193,375	(7,823)	91,214	(6,806)	(809)	496,794
0	0	0	0	0	0	0	(1,862)
0	0	0	0	0	0	0	(1,862)
19,752	202,886	193,375	(7,823)	91,214	(6,806)	(809)	494,932
(24,101)	(213,253)	(227,476)	8,323	618,508	(21,481)	0	516,252
<u>\$ (4,349)</u>	<u>\$ (10,367)</u>	<u>\$ (34,101)</u>	<u>\$ 500</u>	<u>\$ 709,722</u>	<u>\$ (28,287)</u>	<u>\$ (809)</u>	<u>\$ 1,011,184</u>

PIQUA CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2015**

	Permanent Improvement	Building Acquisition and Construction	Replacement	Total Nonmajor Capital Projects Funds
Assets:				
Pooled Cash and Investments	\$ 2,533,063	\$ 35	\$ 94,558	\$ 2,627,656
Receivables:				
Taxes	955,230	0	0	955,230
Accounts	10,760	0	0	10,760
Total Assets	\$ 3,499,053	\$ 35	\$ 94,558	\$ 3,593,646
Liabilities:				
Accounts Payable	\$ 18,566	\$ 0	\$ 0	\$ 18,566
Total Liabilities	18,566	0	0	18,566
Deferred Inflows of Resources:				
Unavailable Amounts	34,385	0	0	34,385
Property Tax Levy for Next Fiscal Year	774,923	0	0	774,923
Total Deferred Inflows of Resources	809,308	0	0	809,308
Fund Balance:				
Restricted	2,671,179	35	0	2,671,214
Assigned	0	0	94,558	94,558
Total Fund Balance	2,671,179	35	94,558	2,765,772
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 3,499,053	\$ 35	\$ 94,558	\$ 3,593,646

PIQUA CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2015**

	Permanent Improvement	Building Acquisition and Construction	Replacement	Total Nonmajor Capital Projects Funds
Revenues:				
Local Sources:				
Taxes	\$ 899,191	\$ 0	\$ 0	\$ 899,191
Investment Earnings	373,653	266	160	374,079
Intergovernmental - State	223,137	0	0	223,137
All Other Revenue	31,926	0	0	31,926
Total Revenues	1,527,907	266	160	1,528,333
Expenditures:				
Current:				
Instruction	438,531	0	0	438,531
Supporting Services:				
Fiscal Services	16,304	0	0	16,304
Pupil Transportation	216,350	0	0	216,350
Capital Outlay	326,480	5,487	0	331,967
Total Expenditures	997,665	5,487	0	1,003,152
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	530,242	(5,221)	160	525,181
Other Financing Sources (Uses):				
Transfers Out	(633,745)	(67,439)	0	(701,184)
Total Other Financing Sources (Uses)	(633,745)	(67,439)	0	(701,184)
Net Change in Fund Balance	(103,503)	(72,660)	160	(176,003)
Fund Balance at Beginning of Year	2,774,682	72,695	94,398	2,941,775
Fund Balance End of Year	\$ 2,671,179	\$ 35	\$ 94,558	\$ 2,765,772

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - General Fund
For the Fiscal Year Ended June 30, 2015***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local Sources:				
Taxes	\$ 14,400,000	\$ 14,874,728	\$ 14,874,728	\$ 0
Tuition	401,750	463,230	463,230	0
Transportation Fees	45,000	58,779	58,779	0
Investment Earnings	25,000	65,600	65,600	0
Class Material and Fees	82,000	126,599	126,599	0
Intergovernmental - State	17,256,795	17,603,758	17,603,758	0
Intergovernmental - Federal	200,000	256,116	256,116	0
All Other Revenues	145,000	575,518	575,518	0
Total Revenues	32,555,545	34,024,328	34,024,328	0
Expenditures:				
Instructional Services:				
Regular:				
Salaries and Wages	9,031,612	8,996,015	8,996,015	0
Fringe Benefits	3,647,148	3,028,777	3,028,777	0
Purchased Services	1,119,409	1,568,435	1,568,435	0
Supplies and Materials	504,153	449,100	449,100	0
Capital Outlay	13,950	22,328	22,328	0
Total Regular	14,316,272	14,064,655	14,064,655	0
Special:				
Salaries and Wages	1,337,066	972,121	972,121	0
Fringe Benefits	554,554	426,397	426,397	0
Purchased Services	4,449,087	4,906,549	4,906,549	0
Supplies and Materials	16,612	1,702	1,702	0
Other Expenditures	7,000	3,724	3,724	0
Capital Outlay	2,000	2,626	2,626	0
Total Special	6,366,319	6,313,119	6,313,119	0
Other:				
Salaries and Wages	0	400	400	0
Fringe Benefits	417	107	107	0
Purchased Services	600,000	672,138	672,138	0
Supplies and Materials	0	550	550	0
Total Other	600,417	673,195	673,195	0
Total Instructional Services	21,283,008	21,050,969	21,050,969	0

(Continued)

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - General Fund
For the Fiscal Year Ended June 30, 2015***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Support Services:				
Pupils:				
Salaries and Wages	1,006,663	710,112	710,112	0
Fringe Benefits	330,902	376,975	376,975	0
Purchased Services	0	730	730	0
Supplies and Materials	16,526	36,988	36,988	0
Capital Outlay	4,500	0	0	0
Total Pupils	<u>1,358,591</u>	<u>1,124,805</u>	<u>1,124,805</u>	<u>0</u>
Instructional Staff:				
Salaries and Wages	717,918	1,035,982	1,035,982	0
Fringe Benefits	566,839	580,570	580,570	0
Purchased Services	128,714	84,114	84,114	0
Supplies and Materials	13,650	11,422	11,422	0
Other Expenditures	0	3,000	3,000	0
Total Instructional Staff	<u>1,427,121</u>	<u>1,715,088</u>	<u>1,715,088</u>	<u>0</u>
Board of Education:				
Salaries and Wages	8,247	8,125	8,125	0
Fringe Benefits	2,433	1,831	1,831	0
Purchased Services	30,550	29,686	29,686	0
Total Board of Education	<u>41,230</u>	<u>39,642</u>	<u>39,642</u>	<u>0</u>
Administration:				
Salaries and Wages	1,165,865	1,532,339	1,532,339	0
Fringe Benefits	676,281	629,572	629,572	0
Purchased Services	509,073	499,074	499,074	0
Supplies and Materials	31,906	27,761	27,761	0
Other Expenditures	22,030	15,055	15,055	0
Capital Outlay	3,300	3,923	3,923	0
Total Administration	<u>2,408,455</u>	<u>2,707,724</u>	<u>2,707,724</u>	<u>0</u>
Fiscal Services:				
Salaries and Wages	238,830	226,378	226,378	0
Fringe Benefits	147,452	116,706	116,706	0
Purchased Services	25,013	89,040	89,040	0
Supplies and Materials	781	2,904	2,904	0
Other Expenditures	539	202,109	202,109	0
Capital Outlay	0	7,703	7,703	0
Total Fiscal Services	<u>412,615</u>	<u>644,840</u>	<u>644,840</u>	<u>0</u>

(Continued)

PIQUA CITY SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - General Fund
For the Fiscal Year Ended June 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation and Maintenance of Plant:				
Salaries and Wages	1,019,932	1,019,221	1,019,221	0
Fringe Benefits	457,112	524,503	524,503	0
Purchased Services	1,497,572	1,505,746	1,505,746	0
Supplies and Materials	178,149	112,043	112,043	0
Capital Outlay	58,130	1,702	1,702	0
Total Operation and Maintenance of Plant	3,210,895	3,163,215	3,163,215	0
Pupil Transportation:				
Salaries and Wages	675,789	697,124	697,124	0
Fringe Benefits	422,131	385,328	385,328	0
Purchased Services	85,742	67,395	67,395	0
Supplies and Materials	342,374	264,327	264,327	0
Capital Outlay	0	26,518	26,518	0
Total Pupil Transportation	1,526,036	1,440,692	1,440,692	0
Central:				
Salaries and Wages	108,100	120,277	120,277	0
Fringe Benefits	82,583	70,487	70,487	0
Purchased Services	15,000	15,817	15,817	0
Total Central	205,683	206,581	206,581	0
Total Support Services	10,590,626	11,042,587	11,042,587	0
Extracurricular Activities:				
Salaries and Wages	351,510	340,250	340,250	0
Fringe Benefits	68,092	56,521	56,521	0
Purchased Services	2,354	1,143	1,143	0
Total Extracurricular Activities	421,956	397,914	397,914	0
Total Expenditures	32,295,590	32,491,470	32,491,470	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	259,955	1,532,858	1,532,858	0

(Continued)

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - General Fund
For the Fiscal Year Ended June 30, 2015***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	0	6,987	6,987	0
Transfers In	0	67,439	67,439	0
Advances In	0	264,955	264,955	0
Advances Out	0	(1,103,926)	(1,103,926)	0
Refund of Prior Year's Expenditures	87,000	115,353	115,353	0
Refund of Prior Year's Receipts	0	(1,506)	(1,506)	0
Total Other Financing Sources (Uses):	<u>87,000</u>	<u>(650,698)</u>	<u>(650,698)</u>	<u>0</u>
 Net Change in Fund Balance	 346,955	 882,160	 882,160	 0
 Fund Balance at Beginning of Year	 8,870,241	 8,870,241	 8,870,241	 0
Prior Year Encumbrances	583,146	583,146	583,146	0
Fund Balance at End of Year	<u>\$ 9,800,342</u>	<u>\$ 10,335,547</u>	<u>\$ 10,335,547</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - Debt Service Fund
For the Fiscal Year Ended June 30, 2015***

BOND RETIREMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 8,623,293	\$ 8,623,293	\$ 0
Total Expenditures and Other Financing Uses	<u>8,000,064</u>	<u>8,000,064</u>	<u>0</u>
Net Change in Fund Balance	623,229	623,229	0
Fund Balance at Beginning of Year	1,795,328	1,795,328	0
Prior Year Encumbrances	<u>127,328</u>	<u>127,328</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,545,885</u>	<u>\$ 2,545,885</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - Capital Projects Fund
For the Fiscal Year Ended June 30, 2015***

OHIO SCHOOL FACILITIES COMMISSION CONSTRUCTION FUND

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 4,426,918	\$ 4,426,918	\$ 0
Total Expenditures and Other Financing Uses	<u>22,908,041</u>	<u>22,908,041</u>	<u>0</u>
Net Change in Fund Balance	(18,481,123)	(18,481,123)	0
Fund Balance at Beginning of Year	(3,099,100)	(3,099,100)	0
Prior Year Encumbrances	<u>25,349,337</u>	<u>25,349,337</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,769,114</u>	<u>\$ 3,769,114</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 196,944	\$ 196,944	\$ 0
Total Expenditures and Other Financing Uses	133,408	133,408	0
Net Change in Fund Balance	63,536	63,536	0
Fund Balance at Beginning of Year	432,222	432,222	0
Prior Year Encumbrances	11,753	11,753	0
Fund Balance at End of Year	<u>\$ 507,511</u>	<u>\$ 507,511</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	OTHER GRANT FUND		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 56,986</u>	<u>\$ 56,986</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>38,217</u>	<u>38,217</u>	<u>0</u>
Net Change in Fund Balance	18,769	18,769	0
Fund Balance at Beginning of Year	25,467	25,467	0
Prior Year Encumbrances	<u>140</u>	<u>140</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 44,376</u></u>	<u><u>\$ 44,376</u></u>	<u><u>\$ 0</u></u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

DISTRICT MANAGED ACTIVITY FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 605,999	\$ 605,999	\$ 0
Total Expenditures and Other Financing Uses	619,851	619,851	0
Net Change in Fund Balance	(13,852)	(13,852)	0
Fund Balance at Beginning of Year	280,205	280,205	0
Prior Year Encumbrances	37,547	37,547	0
Fund Balance at End of Year	<u>\$ 303,900</u>	<u>\$ 303,900</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 192,739	\$ 190,109	\$ (2,630)
Total Expenditures and Other Financing Uses	228,347	228,347	0
Net Change in Fund Balance	(35,608)	(38,238)	(2,630)
Fund Balance at Beginning of Year	35,673	35,673	0
Prior Year Encumbrances	2,615	2,615	0
Fund Balance at End of Year	<u>\$ 2,680</u>	<u>\$ 50</u>	<u>\$ (2,630)</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 114,595	\$ 82,435	\$ (32,160)
Total Expenditures and Other Financing Uses	103,605	103,605	0
Net Change in Fund Balance	10,990	(21,170)	(32,160)
Fund Balance at Beginning of Year	8,074	8,074	0
Prior Year Encumbrances	4,779	4,779	0
Fund Balance at End of Year	<u>\$ 23,843</u>	<u>\$ (8,317)</u>	<u>\$ (32,160)</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 182,331	\$ 155,216	\$ (27,115)
Total Expenditures and Other Financing Uses	<u>159,565</u>	<u>159,564</u>	<u>1</u>
Net Change in Fund Balance	22,766	(4,348)	(27,114)
Fund Balance at Beginning of Year	(57,195)	(57,195)	0
Prior Year Encumbrances	<u>57,195</u>	<u>57,195</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 22,766</u>	<u>\$ (4,348)</u>	<u>\$ (27,114)</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	IDEA-B FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	\$ 1,225,878	\$ 990,160	\$ (235,718)
Total Expenditures and Other Financing Uses	<u>1,010,068</u>	<u>1,010,067</u>	<u>1</u>
Net Change in Fund Balance	215,810	(19,907)	(235,717)
Fund Balance at Beginning of Year	(5,160)	(5,160)	0
Prior Year Encumbrances	<u>5,160</u>	<u>5,160</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 215,810</u>	<u>\$ (19,907)</u>	<u>\$ (235,717)</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	TITLE I FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	\$ 1,726,292	\$ 1,262,343	\$ (463,949)
Total Expenditures and Other Financing Uses	<u>1,262,343</u>	<u>1,262,343</u>	<u>0</u>
Net Change in Fund Balance	463,949	0	(463,949)
Fund Balance at Beginning of Year	(1,525)	(1,525)	0
Prior Year Encumbrances	<u>1,525</u>	<u>1,525</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 463,949</u>	<u>\$ 0</u>	<u>\$ (463,949)</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	ONE NET FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	\$ 16,200	\$ 16,200	\$ 0
Total Expenditures and Other Financing Uses	<u>24,523</u>	<u>24,523</u>	<u>0</u>
Net Change in Fund Balance	(8,323)	(8,323)	0
Fund Balance at Beginning of Year	<u>8,323</u>	<u>8,323</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

CLASSROOM FACILITIES MAINTENANCE FUND

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 238,180	\$ 238,180	\$ 0
Total Expenditures and Other Financing Uses	<u>154,232</u>	<u>154,232</u>	<u>0</u>
Net Change in Fund Balance	83,948	83,948	0
Fund Balance at Beginning of Year	<u>589,832</u>	<u>589,832</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 673,780</u>	<u>\$ 673,780</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	TITLE II-A FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	\$ 199,121	\$ 196,801	\$ (2,320)
Total Expenditures and Other Financing Uses	<u>196,801</u>	<u>196,801</u>	<u>0</u>
Net Change in Fund Balance	2,320	0	(2,320)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,320</u>	<u>\$ 0</u>	<u>\$ (2,320)</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,092,703</u>	<u>\$ 1,182,776</u>	<u>\$ (909,927)</u>
Total Expenditures and Other Financing Uses	<u>1,277,037</u>	<u>1,277,037</u>	<u>0</u>
Net Change in Fund Balance	815,666	(94,261)	(909,927)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 815,666</u></u>	<u><u>\$ (94,261)</u></u>	<u><u>\$ (909,927)</u></u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2015***

PERMANENT IMPROVEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 1,483,566	\$ 1,483,566	\$ 0
Total Expenditures and Other Financing Uses	<u>1,938,120</u>	<u>1,938,119</u>	<u>1</u>
Net Change in Fund Balance	(454,554)	(454,553)	1
Fund Balance at Beginning of Year	2,484,659	2,484,659	0
Prior Year Encumbrances	<u>206,855</u>	<u>206,855</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,236,960</u>	<u>\$ 2,236,961</u>	<u>\$ 1</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2015***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 266</u>	<u>\$ 266</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>73,515</u>	<u>73,515</u>	<u>0</u>
Net Change in Fund Balance	(73,249)	(73,249)	0
Fund Balance at Beginning of Year	792	792	0
Prior Year Encumbrances	<u>72,492</u>	<u>72,492</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 35</u>	<u>\$ 35</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2015***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 160	\$ 160	\$ 0
Total Expenditures and Other Financing Uses	0	0	0
Net Change in Fund Balance	160	160	0
Fund Balance at Beginning of Year	94,398	94,398	0
Fund Balance at End of Year	<u>\$ 94,558</u>	<u>\$ 94,558</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Fund
For the Fiscal Year Ended June 30, 2015***

	PERMANENT FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	\$ 1,108	\$ 1,108	\$ 0
Total Expenditures and Other Financing Uses	<u>3,200</u>	<u>3,200</u>	<u>0</u>
Net Change in Fund Balance	(2,092)	(2,092)	0
Fund Balance at Beginning of Year	61,631	61,631	0
Prior Year Encumbrances	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 62,539</u>	<u>\$ 62,539</u>	<u>\$ 0</u>

PIQUA CITY SCHOOL DISTRICT

Fiduciary Funds

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

Agency Funds

Student Managed Activity Fund

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

Ohio High School Athletic Association (OHSAA) Tournament Fund

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

PIQUA CITY SCHOOL DISTRICT

***Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2015***

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
<u>Student Managed Activity Fund</u>				
Assets:				
Cash and Cash Equivalents	\$52,097	\$58,482	(\$45,411)	\$65,168
Total Assets	<u>\$52,097</u>	<u>\$58,482</u>	<u>(\$45,411)</u>	<u>\$65,168</u>
Liabilities:				
Due to Students	\$52,097	\$58,482	(\$45,411)	\$65,168
Total Liabilities	<u>\$52,097</u>	<u>\$58,482</u>	<u>(\$45,411)</u>	<u>\$65,168</u>
<u>OHSAA Tournament Fund</u>				
Assets:				
Cash and Cash Equivalents	\$13,241	\$97,965	(\$104,052)	\$7,154
Total Assets	<u>\$13,241</u>	<u>\$97,965</u>	<u>(\$104,052)</u>	<u>\$7,154</u>
Liabilities:				
Due to Others	\$13,241	\$97,965	(\$104,052)	\$7,154
Total Liabilities	<u>\$13,241</u>	<u>\$97,965</u>	<u>(\$104,052)</u>	<u>\$7,154</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$65,338	\$156,447	(\$149,463)	\$72,322
Total Assets	<u>\$65,338</u>	<u>\$156,447</u>	<u>(\$149,463)</u>	<u>\$72,322</u>
Liabilities:				
Due to Others	\$13,241	\$97,965	(\$104,052)	\$7,154
Due to Students	52,097	58,482	(45,411)	65,168
Total Liabilities	<u>\$65,338</u>	<u>\$156,447</u>	<u>(\$149,463)</u>	<u>\$72,322</u>



STATISTICAL SECTION



STATISTICAL TABLES

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

Contents

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

Sources Note:

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

Piqua City School District

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

	*			
	2006	2007	2008	2009
Governmental Activities:				
Net Investment in Capital Assets	\$18,034,488	\$18,301,335	\$17,911,256	\$17,985,350
Restricted for:				
Capital Projects	1,076,537	937,024	1,560,221	1,913,605
Debt Service	509,255	730,481	788,458	840,185
Other Purposes	362,554	490,122	416,859	0
Permanent Fund:				
Expendable	0	31,044	28,582	27,126
Nonexpendable	0	36,309	38,609	40,049
Unrestricted	3,135,840	3,192,601	4,263,735	7,421,574
Total Governmental Activities Net Position	<u>\$23,118,674</u>	<u>\$23,718,916</u>	<u>\$25,007,720</u>	<u>\$28,227,889</u>
Business-type Activities:				
Net Investment in Capital Assets	\$343,706	\$366,053	\$342,971	\$314,533
Unrestricted	887,314	744,863	877,825	889,595
Total Business-type Activities Net Position	<u>\$1,231,020</u>	<u>\$1,110,916</u>	<u>\$1,220,796</u>	<u>\$1,204,128</u>
Primary Government:				
Net Investment in Capital Assets	\$18,378,194	\$18,667,388	\$18,254,227	\$18,299,883
Restricted	1,948,346	2,224,980	2,832,729	2,820,965
Unrestricted	4,023,154	3,937,464	5,141,560	8,311,169
Total Primary Government Net Position	<u>\$24,349,694</u>	<u>\$24,829,832</u>	<u>\$26,228,516</u>	<u>\$29,432,017</u>

* As Restated

Source: District Treasurer's Office

Piqua City School District

2010	2011	2012	2013	* 2014	2015
\$18,168,187	\$18,928,936	\$19,340,046	\$21,394,368	\$16,365,362	\$35,923,247
2,082,762	2,589,369	27,756,367	26,783,068	28,663,014	8,580,230
857,711	942,770	2,070,747	2,198,752	2,224,714	2,813,093
580,141	912,316	328,593	581,067	1,273,869	1,161,290
23,050	21,902	21,002	20,841	18,712	17,620
43,919	44,184	44,919	44,919	45,919	46,919
7,370,622	7,867,316	8,964,093	9,149,244	(28,068,377)	(25,013,950)
<u>\$29,126,392</u>	<u>\$31,306,793</u>	<u>\$58,525,767</u>	<u>\$60,172,259</u>	<u>\$20,523,213</u>	<u>\$23,528,449</u>
\$327,699	\$315,934	\$297,028	\$268,486	\$207,011	\$483,878
801,579	1,081,342	1,271,588	1,271,971	616,706	620,896
<u>\$1,129,278</u>	<u>\$1,397,276</u>	<u>\$1,568,616</u>	<u>\$1,540,457</u>	<u>\$823,717</u>	<u>\$1,104,774</u>
\$18,495,886	\$19,244,870	\$19,637,074	\$21,662,854	\$16,572,373	\$36,407,125
3,587,583	4,510,541	30,221,628	29,628,647	32,226,228	12,619,152
8,172,201	8,948,658	10,235,681	10,421,215	(27,451,671)	(24,393,054)
<u>\$30,255,670</u>	<u>\$32,704,069</u>	<u>\$60,094,383</u>	<u>\$61,712,716</u>	<u>\$21,346,930</u>	<u>\$24,633,223</u>

Piqua City School District

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

	2006	2007	2008	2009
Expenses				
Governmental Activities:				
Instruction	\$18,811,951	\$19,061,767	\$19,105,320	\$19,185,487
Support Services:				
Pupils	1,445,687	1,505,043	1,549,456	1,563,984
Instructional Staff	2,041,532	2,061,205	2,085,124	1,954,338
Board of Education	19,669	23,042	20,339	32,189
Administration	2,266,873	2,454,192	2,361,191	2,330,316
Fiscal Services	407,123	390,832	401,055	382,588
Business	100,937	101,989	52,433	56,246
Operation and Maintenance of Plant	2,866,955	3,065,299	2,882,505	2,903,991
Pupil Transportation	1,378,564	1,545,489	1,442,206	1,262,006
Central	160,049	162,793	192,486	211,194
Operation of Non-Instructional Services	298,992	375,228	289,838	295,329
Extracurricular Activities	671,020	861,632	717,482	790,688
Interest and Fiscal Charges	473,938	481,096	607,378	552,623
<i>Total Governmental Activities Expenses</i>	<u>30,943,290</u>	<u>32,089,607</u>	<u>31,706,813</u>	<u>31,520,979</u>
Business-type Activities:				
Food Service	1,617,780	1,684,194	1,682,680	1,808,378
<i>Total Business-type Activities Expenses</i>	<u>1,617,780</u>	<u>1,684,194</u>	<u>1,682,680</u>	<u>1,808,378</u>
<i>Total Primary Government Expenses</i>	<u>\$32,561,070</u>	<u>\$33,773,801</u>	<u>\$33,389,493</u>	<u>\$33,329,357</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	\$305,864	\$224,647	\$286,554	\$243,635
Support Services:				
Pupils	1,263	1,525	1,151	144
Pupil Transportation	54,948	54,717	37,531	37,192
Extracurricular Activities	292,169	432,912	321,306	388,078
Operating Grants and Contributions	2,722,204	2,888,699	2,711,846	2,511,226
Capital Grants and Contributions	0	27,060	22,757	46,110
<i>Total Governmental Activities</i>	<u>3,376,448</u>	<u>3,629,560</u>	<u>3,381,145</u>	<u>3,226,385</u>
<i>Program Revenues</i>	<u>3,376,448</u>	<u>3,629,560</u>	<u>3,381,145</u>	<u>3,226,385</u>

Piqua City School District

2010	2011	2012	2013	2014	2015
\$20,847,397	\$21,406,030	\$22,684,939	\$22,155,945	\$21,934,785	\$23,167,197
1,526,170	1,491,789	1,335,557	870,161	972,157	1,105,305
2,064,970	2,034,765	2,120,361	2,164,903	1,715,488	2,929,248
29,714	23,825	24,845	30,160	40,625	40,010
2,377,327	2,390,523	2,291,914	2,318,480	2,480,794	2,695,336
400,031	629,529	658,690	682,210	660,369	687,199
26,713	2,338	6,432	261	263	503
2,883,562	3,018,583	2,775,724	2,912,605	2,812,103	3,166,532
1,432,056	1,522,099	1,722,426	1,677,670	1,679,345	1,580,322
314,184	269,213	302,710	228,016	236,868	1,369,176
148,034	301,869	257,682	189,833	136,472	191,076
845,301	915,886	875,739	919,219	937,821	985,661
493,693	493,346	1,223,052	1,839,145	1,554,211	1,419,981
<u>33,389,152</u>	<u>34,499,795</u>	<u>36,280,071</u>	<u>35,988,608</u>	<u>35,161,301</u>	<u>39,337,546</u>
<u>1,762,234</u>	<u>1,677,921</u>	<u>1,774,101</u>	<u>1,809,390</u>	<u>1,697,492</u>	<u>1,772,835</u>
<u>1,762,234</u>	<u>1,677,921</u>	<u>1,774,101</u>	<u>1,809,390</u>	<u>1,697,492</u>	<u>1,772,835</u>
<u>\$35,151,386</u>	<u>\$36,177,716</u>	<u>\$38,054,172</u>	<u>\$37,797,998</u>	<u>\$36,858,793</u>	<u>\$41,110,381</u>
\$294,387	\$291,930	\$293,716	\$540,703	\$836,070	\$680,563
124	52	35	39	71	108
49,100	49,763	51,565	45,884	46,213	49,931
425,665	425,579	344,182	379,305	362,582	517,498
4,265,347	4,526,847	3,452,569	2,825,291	3,097,272	5,283,836
0	0	25,793,854	0	0	6,000
<u>5,034,623</u>	<u>5,294,171</u>	<u>29,935,921</u>	<u>3,791,222</u>	<u>4,342,208</u>	<u>6,537,936</u>

(Continued)

Piqua City School District

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

	2006	2007	2008	2009
Business-type Activities:				
Charges for Services				
Food Service	681,810	702,248	679,999	685,399
Operating Grants and Contributions	937,353	861,842	1,112,561	1,106,311
<i>Total Business-type Activities Program Revenues</i>	<u>1,619,163</u>	<u>1,564,090</u>	<u>1,792,560</u>	<u>1,791,710</u>
<i>Total Primary Government Program Revenues</i>	<u>4,995,611</u>	<u>5,193,650</u>	<u>5,173,705</u>	<u>5,018,095</u>
Net (Expense)/Revenue				
Governmental Activities	(27,566,842)	(28,460,047)	(28,325,668)	(28,294,594)
Business-type Activities	1,383	(120,104)	109,880	(16,668)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$27,565,459)</u>	<u>(\$28,580,151)</u>	<u>(\$28,215,788)</u>	<u>(\$28,311,262)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$10,805,308	\$10,065,680	\$10,045,856	\$10,064,281
Facilities Maintenance	0	0	0	0
Debt Service	999,966	1,060,120	874,031	926,598
Capital Outlay	1,075,099	1,026,558	1,027,335	1,039,595
Income Taxes	2,063,347	2,253,023	2,260,523	3,382,521
Intergovernmental, Unrestricted	13,308,075	13,915,936	14,538,480	15,554,509
Investment Earnings	296,912	451,410	370,748	179,416
Miscellaneous	368,501	287,562	497,499	367,843
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	<u>28,917,208</u>	<u>29,060,289</u>	<u>29,614,472</u>	<u>31,514,763</u>
Business-type Activities:				
Transfers	0	0	0	0
<i>Total Business-type Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$28,917,208</u>	<u>\$29,060,289</u>	<u>\$29,614,472</u>	<u>\$31,514,763</u>
Change in Net Position				
Governmental Activities	1,350,366	600,242	1,288,804	3,220,169
Business-type Activities	1,383	(120,104)	109,880	(16,668)
<i>Total Primary Government Change in Net Position</i>	<u>\$1,351,749</u>	<u>\$480,138</u>	<u>\$1,398,684</u>	<u>\$3,203,501</u>

Source: District Treasurer's Office

Piqua City School District

2010	2011	2012	2013	2014	2015
613,175	546,857	536,698	474,457	405,110	384,424
<u>1,074,209</u>	<u>1,399,062</u>	<u>1,408,743</u>	<u>1,306,774</u>	<u>1,262,409</u>	<u>1,237,888</u>
1,687,384	1,945,919	1,945,441	1,781,231	1,667,519	1,622,312
<u>6,722,007</u>	<u>7,240,090</u>	<u>31,881,362</u>	<u>5,572,453</u>	<u>6,009,727</u>	<u>8,160,248</u>
(28,354,529)	(29,205,624)	(6,344,150)	(32,197,386)	(30,819,093)	(32,799,610)
<u>(74,850)</u>	<u>267,998</u>	<u>171,340</u>	<u>(28,159)</u>	<u>(29,973)</u>	<u>(150,523)</u>
<u>(\$28,429,379)</u>	<u>(\$28,937,626)</u>	<u>(\$6,172,810)</u>	<u>(\$32,225,545)</u>	<u>(\$30,849,066)</u>	<u>(\$32,950,133)</u>
\$8,884,069	\$9,751,326	\$9,013,333	\$8,829,511	\$9,384,129	\$9,135,206
0	0	144,359	195,212	169,789	161,123
840,002	900,216	2,065,576	2,281,813	2,331,814	2,233,206
929,187	1,015,252	930,571	917,366	938,183	898,235
4,494,674	4,724,090	4,922,054	5,390,586	5,457,157	5,624,996
13,925,534	14,444,884	15,954,919	15,601,233	16,297,871	17,551,947
(134,954)	302,254	95,818	156,983	239,157	434,987
314,520	248,003	436,494	471,174	306,281	196,726
0	0	0	0	0	(431,580)
<u>29,253,032</u>	<u>31,386,025</u>	<u>33,563,124</u>	<u>33,843,878</u>	<u>35,124,381</u>	<u>35,804,846</u>
0	0	0	0	0	431,580
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>431,580</u>
<u>\$29,253,032</u>	<u>\$31,386,025</u>	<u>\$33,563,124</u>	<u>\$33,843,878</u>	<u>\$35,124,381</u>	<u>\$36,236,426</u>
898,503	2,180,401	27,218,974	1,646,492	4,305,288	3,005,236
<u>(74,850)</u>	<u>267,998</u>	<u>171,340</u>	<u>(28,159)</u>	<u>(29,973)</u>	<u>281,057</u>
<u>\$823,653</u>	<u>\$2,448,399</u>	<u>\$27,390,314</u>	<u>\$1,618,333</u>	<u>\$4,275,315</u>	<u>\$3,286,293</u>

Piqua City School District

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

	2006	2007	2008	2009	* 2010
General Fund					
Nonspendable	\$0	\$0	\$0	\$0	\$0
Restricted	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Reserved	1,410,729	1,946,237	1,081,482	1,680,710	1,666,828
Unreserved	47,121	(754,678)	753,375	3,216,012	3,889,465
Total General Fund	<u>1,457,850</u>	<u>1,191,559</u>	<u>1,834,857</u>	<u>4,896,722</u>	<u>5,556,293</u>
All Other Governmental Funds					
Nonspendable	0	0	0	0	0
Restricted	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Reserved	1,195,149	1,267,544	979,919	1,173,221	1,286,033
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	299,023	604,671	705,088	552,290	366,883
Capital Projects Funds	606,341	530,095	1,418,931	1,638,364	1,851,071
Total All Other Governmental Funds	<u>2,100,513</u>	<u>2,402,310</u>	<u>3,103,938</u>	<u>3,363,875</u>	<u>3,503,987</u>
Total Governmental Funds	<u>\$3,558,363</u>	<u>\$3,593,869</u>	<u>\$4,938,795</u>	<u>\$8,260,597</u>	<u>\$9,060,280</u>

Source: District Treasurer's Office

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

* As restated due to GASB 54 implementation

Piqua City School District

2011	2012	2013	2014	2015
\$16,476	\$1,533	\$1,365	\$1,218	\$1,444
834,143	0	0	0	0
596,081	582,016	757,641	969,061	710,243
5,463,244	7,199,254	7,927,306	9,974,884	11,793,972
0	0	0	0	0
0	0	0	0	0
<u>6,909,944</u>	<u>7,782,803</u>	<u>8,686,312</u>	<u>10,945,163</u>	<u>12,505,659</u>
43,919	44,919	44,919	45,919	46,919
7,072,488	35,123,558	38,662,999	26,964,030	12,133,198
94,184	94,237	94,295	94,398	94,558
(194,496)	(144,671)	(85,589)	(486,311)	(85,760)
0	0	0	0	0
0	0	0	0	0
<u>7,016,095</u>	<u>35,118,043</u>	<u>38,716,624</u>	<u>26,618,036</u>	<u>12,188,915</u>
<u>\$13,926,039</u>	<u>\$42,900,846</u>	<u>\$47,402,936</u>	<u>\$37,563,199</u>	<u>\$24,694,574</u>

Piqua City School District

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

	2006	2007	2008	2009
Revenues:				
Local Sources:				
Taxes	\$14,990,760	\$14,419,517	\$14,150,431	\$15,387,973
Tuition	49,074	3,196	7,460	5,030
Transportation Fees	54,948	54,717	37,531	37,192
Investment Earnings	139,379	239,887	214,974	102,858
Extracurricular Activities	392,676	504,759	457,060	491,461
Class Materials and Fees	156,283	149,604	143,340	135,222
Intermediate Sources	14,137	10,710	30,562	69,506
Intergovernmental - State	13,640,495	14,424,266	14,856,722	15,843,854
Intergovernmental - Federal	2,024,983	2,523,093	2,421,712	2,386,862
All Other Revenue	368,501	287,562	497,499	367,843
Total Revenues	31,831,236	32,617,311	32,817,291	34,827,801
Expenditures:				
Current:				
Instruction	18,391,170	18,570,721	18,247,045	18,235,730
Supporting Services:				
Pupils	1,513,694	1,496,885	1,574,056	1,596,274
Instructional Staff	2,200,140	2,067,550	2,075,287	1,955,021
Board of Education	19,669	23,042	20,339	32,189
Administration	2,317,642	2,416,263	2,274,443	2,199,678
Fiscal Services	457,939	375,270	404,047	376,558
Business	105,655	100,888	54,748	54,058
Operation and Maintenance of Plant	2,963,996	2,982,253	2,823,351	2,854,147
Pupil Transportation	1,308,677	1,463,409	1,369,429	1,597,794
Central	159,645	161,456	191,322	211,419
Operation of Non-Instructional Services	294,329	371,664	286,744	294,428
Extracurricular Activities	621,321	807,362	664,053	737,425
Capital Outlay	908,969	661,705	349,557	208,690
Debt Service:				
Principal Retirement	881,401	799,456	807,637	829,274
Interest and Fiscal Charges	376,603	350,135	337,922	324,805
Total Expenditures	32,520,850	32,648,059	31,479,980	31,507,490
Excess (Deficiency) of Revenues Over (Under) Expenditures	(689,614)	(30,748)	1,337,311	3,320,311

Piqua City School District

2010	2011	2012	2013	2014	2015
\$15,142,143	\$16,378,456	\$17,066,075	\$17,828,558	\$18,257,962	\$18,064,013
3,625	3,980	2,980	258,696	536,811	463,230
49,100	49,763	51,565	45,884	46,213	49,931
(165,964)	281,495	70,250	145,746	227,194	425,359
588,007	588,873	516,971	538,415	533,590	608,087
128,420	124,656	117,947	122,897	128,251	126,744
46,692	33,062	18,594	50,857	48,494	51,900
14,051,556	14,590,761	17,007,252	22,106,018	30,560,017	24,443,198
3,993,343	4,394,062	3,270,878	2,662,927	2,081,121	3,122,369
314,520	248,003	436,494	471,174	306,281	196,726
<u>34,151,442</u>	<u>36,693,111</u>	<u>38,559,006</u>	<u>44,231,172</u>	<u>52,725,934</u>	<u>47,551,557</u>
19,869,739	21,059,021	21,694,021	21,616,288	22,024,698	23,352,039
1,474,825	1,498,317	1,331,123	934,030	976,990	1,146,716
1,999,864	2,004,830	2,084,488	2,130,850	1,708,970	2,982,462
29,714	23,825	24,845	30,160	40,625	40,010
2,258,046	2,404,543	2,293,806	2,269,621	2,383,929	2,746,871
393,654	625,762	654,313	678,113	661,744	690,556
30,502	2,338	6,432	261	263	0
2,873,207	2,966,605	2,732,303	2,618,058	2,770,650	3,171,345
1,638,063	1,368,692	1,563,661	1,535,300	1,571,452	1,654,442
313,907	268,299	294,528	217,670	246,910	207,876
165,805	300,829	255,659	187,306	133,943	196,312
792,759	838,102	792,826	836,366	855,359	981,075
437,616	1,235,638	3,532,815	3,603,325	26,266,836	20,408,370
753,801	710,000	29,831,000	1,395,000	1,480,000	6,528,749
313,420	292,868	954,701	1,676,566	1,444,155	1,430,754
<u>33,344,922</u>	<u>35,599,669</u>	<u>68,046,521</u>	<u>39,728,914</u>	<u>62,566,524</u>	<u>65,537,577</u>
806,520	1,093,442	(29,487,515)	4,502,258	(9,840,590)	(17,986,020)

(Continued)

Piqua City School District

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

	2006	2007	2008	2009
Other Financing Sources (Uses):				
Sale of Capital Assets	3,269	7,560	900	1,400
Certificates of Participation Issued	0	0	0	0
General Obligation Notes Issued	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Bonds Issued	0	0	0	0
Refunding Bonds Issued	0	0	0	0
Transfers In	0	42,212	0	0
Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>3,269</u>	<u>49,772</u>	<u>900</u>	<u>1,400</u>
Net Change in Fund Balance	<u>(\$686,345)</u>	<u>\$19,024</u>	<u>\$1,338,211</u>	<u>\$3,321,711</u>
Debt Service as a Percentage of Noncapital Expenditures	3.99%	3.60%	3.66%	3.73%

Source: District Treasurer's Office

Piqua City School District

2010	2011	2012	2013	2014	2015
0	2,292	0	0	1,000	6,987
0	3,770,000	0	0	0	0
0	0	29,086,000	0	0	0
0	0	29,030,000	0	0	0
0	0	361,265	0	0	245,182
0	0	0	0	0	4,865,000
0	0	300,079	302,982	0	703,046
0	0	(300,079)	(302,982)	0	(703,046)
0	3,772,292	58,477,265	0	1,000	5,117,169
\$806,520	\$4,865,734	\$28,989,750	\$4,502,258	(\$9,839,590)	(\$12,868,851)
3.28%	2.97%	47.75%	8.45%	8.24%	17.89%

Piqua City School District

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

Tax year	2005	2006	2007	2008
Real Property				
Assessed	\$367,838,530	\$374,683,270	\$406,911,920	\$407,511,780
Actual	1,050,967,229	1,070,523,629	1,162,605,486	1,164,319,371
Public Utility				
Assessed	6,919,730	6,323,530	4,459,970	4,819,310
Actual	19,770,657	18,067,229	12,742,771	13,769,457
Tangible Personal Property				
Assessed	65,430,770	53,859,240	36,592,810	17,687,650
Actual	261,723,080	287,249,280	292,742,480	283,002,400
Total				
Assessed	440,189,030	434,866,040	447,964,700	430,018,740
Actual	1,332,460,966	1,375,840,138	1,468,090,737	1,461,091,228
Assessed Value as a Percentage of Actual Value				
	33.04%	31.61%	30.51%	29.43%
Total Direct Tax Rate				
	45.05	45.25	44.50	44.82

Source: Miami County Auditor

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

Assessed value of Real Property is at 35%, Assessed value of Public Utility is at 35% and Assessed Value of Tangible Personal Property is at 25% through 2005, at 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and 0% for 2009 and forward.

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

Piqua City School District

2009	2010	2011	2012	2013	2014
\$413,598,800	\$400,859,150	\$396,188,850	\$397,123,530	\$371,221,370	\$369,583,590
1,181,710,857	1,145,311,857	1,131,968,143	1,134,638,657	1,060,632,486	1,055,953,114
4,709,220	4,912,550	5,109,850	5,745,070	5,843,490	6,167,950
13,454,914	14,035,857	14,599,571	16,414,486	16,695,686	17,622,714
641,520	305,640	0	0	0	0
6,415,200	6,112,800	0	0	0	0
418,949,540	406,077,340	401,298,700	402,868,600	377,064,860	375,751,540
1,201,580,971	1,165,460,514	1,146,567,714	1,151,053,143	1,077,328,171	1,073,575,829
34.87%	34.84%	35.00%	35.00%	35.00%	35.00%
44.87	44.95	49.87	49.88	50.45	50.46

Piqua City School District

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

	2005	2006	2007	2008	2009
Direct District Rates					
General Fund	39.85	39.80	39.40	39.72	39.72
Bond Retirement Fund	2.40	2.65	2.30	2.30	2.35
Permanent Improvement Fund	2.80	2.80	2.80	2.80	2.80
Total	45.05	45.25	44.50	44.82	44.87
Overlapping Rates					
City of Piqua	4.40	4.40	4.40	4.42	4.42
Joint Vocational School	5.45	5.45	5.35	5.18	5.36
Miami County	9.11	8.81	8.80	8.81	8.81
Forest Hill Cemetery	0.50	0.50	0.50	0.50	0.50

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

Source:

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

Piqua City School District

2010	2011	2012	2013	2014
39.80	39.80	39.80	40.22	40.23
2.35	7.27	7.28	6.93	6.93
2.80	2.80	2.80	3.30	3.30
44.95	49.87	49.88	50.45	50.46
4.42	4.42	4.42	4.42	4.42
5.32	5.32	5.32	5.32	5.32
8.81	8.81	8.81	8.81	8.81
0.50	0.50	0.50	0.50	0.50



Piqua City School District

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

Name of Taxpayer	Nature of Business	Calendar Year 2014		
		Assessed Value	Rank	Percent of Total Assessed Value
Midamco	Hospitality	\$4,442,650	1	1.18%
Harvey A Tolson Enterprises	Real Estate	3,516,520	2	0.93%
Wal-Mart	Retail	3,021,200	3	0.80%
Miami Valley Realty	Real Estate	2,440,590	4	0.65%
Dayton Power and Light Co.	Electricity	2,274,690	5	0.60%
Teeters Real Estate	Real Estate	1,985,340	6	0.53%
Evenflo Juvenile	Manufacturer - Juvenile Furniture	1,967,950	7	0.52%
Vectren Energy	Natural Gas	1,870,080	8	0.50%
Hartzell Propeller Inc.	Aircraft Propeller Design	1,849,600	9	0.49%
Jideli Properties LLC	Real Estate	1,816,260	10	0.48%
Subtotal		25,184,880		6.68%
All Others		350,566,660		93.32%
Total		<u>\$375,751,540</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2005		
		Assessed Value	Rank	Percent of Total Assessed Value
Midamco	Hospitality	\$8,792,120	1	2.35%
Jackson Tube	Manufacturer - Steel Tubing	3,309,570	2	0.88%
Med-Terra Inc.	Real Estate	2,248,840	3	0.60%
Evenflo Juvenile	Manufacturer - Juvenile Furniture	2,229,270	4	0.59%
Home Depot Inc.	Retail	2,090,420	5	0.56%
Ohio Bell Telephone	Utility	1,899,840	6	0.51%
Dayton Power and Light Co.	Electricity	1,661,510	7	0.44%
Miami Valley Realty	Real Estate	1,514,690	8	0.40%
HCF Reality of Garbry	Senior Housing	1,484,810	9	0.40%
HCF Reality of Piqua	Senior Housing	1,384,640	10	0.37%
Subtotal		26,615,710		7.10%
All Others		348,142,550		92.90%
Total		<u>\$374,758,260</u>		<u>100.00%</u>

Source: Miami County Auditor - Land and Buildings
Based on valuation of property in 2014 and 2005

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

Piqua City School District

*Property Tax Levies and Collections
Last Ten Years*

Collection Year	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Total Tax Levy	\$14,192,530	\$14,177,788	\$13,678,615	\$13,196,070
Collections within the Fiscal Year of the Levy				
Current Tax Collections	13,882,416	13,844,988	13,147,245	12,774,025
Percent of Levy Collected	97.81%	97.65%	96.12%	96.80%
Delinquent Tax Collections ⁽¹⁾	<u>607,446</u>	<u>581,075</u>	<u>402,960</u>	<u>464,920</u>
Total Tax Collections	14,489,862	14,426,063	13,550,205	13,238,945
Percent of Total Tax Collections To Tax Levy	102.09%	101.75%	99.06%	100.32%
Accumulated Outstanding Delinquent Taxes	1,184,242	1,253,166	2,357,109	2,384,309
Percentage of Accumulated Delinquent Taxes to Total Tax Levy	8.34%	8.84%	17.23%	18.07%

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

Source: Miami County Auditor's Office

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

Piqua City School District

2009	2010	2011	2012	2013	2014
\$12,524,772	\$12,544,610	\$12,837,246	\$14,469,502	\$14,375,763	\$14,466,849
12,097,727	12,145,139	12,454,909	14,060,718	13,864,575	13,981,355
96.59%	96.82%	97.02%	97.17%	96.44%	96.64%
458,414	482,501	432,918	422,679	481,497	487,500
12,556,141	12,627,640	12,887,827	14,483,397	14,346,072	14,468,855
100.25%	100.66%	100.39%	100.10%	99.79%	100.01%
1,214,881	1,231,409	1,172,973	1,140,871	1,029,644	1,033,559
9.70%	9.82%	9.14%	7.88%	7.16%	7.14%

Piqua City School District

*Ratios of Outstanding Debt By Type
Last Ten Years*

	*			
	2006	2007	2008	2009
Governmental Activities (1)				
Certificates of Participation	\$0	\$0	\$0	\$0
General Obligation Bonds Payable	10,221,398	9,719,528	9,290,773	8,805,425
Capital Leases	390,167	280,711	163,075	38,801
Total Primary Government	<u>\$10,611,565</u>	<u>\$10,000,239</u>	<u>\$9,453,848</u>	<u>\$8,844,226</u>
Population (2)				
Piqua City	20,738	20,738	20,738	20,582
Outstanding Debt Per Capita	\$512	\$482	\$456	\$430
Income (3) (a)				
Personal (in thousands)	\$635,516	\$665,628	\$747,003	\$713,743
Percentage of Personal Income	1.67%	1.50%	1.27%	1.24%

* As Restated

Sources:

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

Piqua City School District

2010	2011	*	2013	2014	2015
2010	2011	2012	2013	2014	2015
\$0	\$3,770,000	\$3,770,000	\$3,770,000	\$3,770,000	\$3,770,000
8,262,560	7,672,565	36,751,472	35,454,737	34,043,453	32,507,741
0	0	0	0	0	0
<u>\$8,262,560</u>	<u>\$11,442,565</u>	<u>\$40,521,472</u>	<u>\$39,224,737</u>	<u>\$37,813,453</u>	<u>\$36,277,741</u>
20,551	20,522	20,592	20,619	20,699	20,759
\$402	\$558	\$1,968	\$1,902	\$1,827	\$1,748
\$717,661	\$718,824	\$784,493	\$807,873	\$836,178	\$838,601
1.15%	1.59%	5.17%	4.86%	4.52%	4.33%

Piqua City School District

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	*	2006	2007	2008	2009
Population (1)		20,738	20,738	20,738	20,582
Estimated Actual Value		1,332,460,966	1,375,840,138	1,468,090,737	1,461,091,228
General Bonded Debt (2)					
General Obligation Bonds		10,221,398	9,719,528	9,290,773	8,805,425
Resources Available to Pay Principal (3)		509,255	730,481	788,458	840,185
Net General Bonded Debt		9,712,143	8,989,047	8,502,315	7,965,240
Ratio of Net Bonded Debt to Estimated Actual Value		0.73%	0.65%	0.58%	0.55%
Net Bonded Debt per Capita		468.33	433.46	409.99	387.00

* As Restated

Source:

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

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

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

Piqua City School District

*					
2010	2011	2012	2013	2014	2015
20,551	20,522	20,592	20,619	20,699	20,759
1,201,580,971	1,165,460,514	1,146,567,714	1,151,053,143	1,077,328,171	1,073,575,829
8,262,560	7,672,565	36,751,472	35,454,737	34,043,453	32,507,741
857,711	942,770	2,070,747	2,198,752	2,224,714	2,813,093
7,404,849	6,729,795	34,680,725	33,255,985	31,818,739	29,694,648
0.62%	0.58%	3.02%	2.89%	2.95%	2.77%
360.32	327.93	1,684.18	1,612.88	1,537.21	1,430.45



Piqua City School District

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2015*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to Piqua City School District (1)</u>	<u>Amount Applicable to Piqua City School District</u>
Direct:			
Piqua City School District	\$36,277,741	100.00%	\$36,277,741
Overlapping:			
Miami County	16,533,100	17.64%	2,916,228
City of Piqua	748,233	100.00%	748,233
		Subtotal	<u>3,664,461</u>
		Total	<u><u>\$39,942,202</u></u>

Source: Ohio Municipal Advisory Council, June 2015

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

Piqua City School District

Debt Limitations Last Ten Years

	*			
	2006	2007	2008	2009
Net Assessed Valuation	\$440,189,030	\$434,866,040	\$447,964,700	\$430,018,740
Legal Debt Limitation (%) ⁽¹⁾	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) ⁽¹⁾	39,617,013	39,137,944	40,316,823	38,701,687
Applicable District Debt Outstanding	10,221,398	9,719,528	9,290,773	8,805,425
Less: Applicable Debt Service Fund Amounts ⁽²⁾	(565,738)	(718,046)	(779,667)	(827,565)
Net Indebtedness Subject to Limitation	<u>9,655,660</u>	<u>9,001,482</u>	<u>8,511,106</u>	<u>7,977,860</u>
Overall Legal Debt Margin	<u>\$29,961,353</u>	<u>\$30,136,462</u>	<u>\$31,805,717</u>	<u>\$30,723,827</u>
Debt Margin as a Percentage of Debt Limit	75.63%	77.00%	78.89%	79.39%
Legal Debt Limitation (%) ⁽¹⁾	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) ⁽¹⁾	440,189	434,866	447,965	430,019
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$440,189</u>	<u>\$434,866</u>	<u>\$447,965</u>	<u>\$430,019</u>
Legal Debt Limitation (%) ⁽¹⁾	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) ⁽¹⁾	3,961,701	3,913,794	4,031,682	3,870,169
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation				
Loans Legal Debt Margin	<u>\$3,961,701</u>	<u>\$3,913,794</u>	<u>\$4,031,682</u>	<u>\$3,870,169</u>

* As Restated

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

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

Piqua City School District

*					
2010	2011	2012	2013	2014	2015
\$418,949,540	\$406,077,340	\$401,298,700	\$402,868,600	\$377,064,860	\$375,751,540
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
37,705,459	36,546,961	36,116,883	36,258,174	33,935,837	33,817,639
8,262,560	7,672,565	36,751,472	35,454,737	34,043,453	32,507,741
(844,123)	(924,162)	(2,186,831)	(2,297,573)	(2,320,114)	(2,813,093)
<u>7,418,437</u>	<u>6,748,403</u>	<u>34,564,641</u>	<u>33,157,164</u>	<u>31,723,339</u>	<u>29,694,648</u>
<u>\$30,287,022</u>	<u>\$29,798,558</u>	<u>\$1,552,242</u>	<u>\$3,101,010</u>	<u>\$2,212,498</u>	<u>\$4,122,991</u>
80.33%	81.53%	4.30%	8.55%	6.52%	12.19%
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
418,950	406,077	401,299	402,869	377,065	375,752
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$418,950</u>	<u>\$406,077</u>	<u>\$401,299</u>	<u>\$402,869</u>	<u>\$377,065</u>	<u>\$375,752</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
3,770,546	3,654,696	3,611,688	3,625,817	3,393,584	3,381,764
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$3,770,546</u>	<u>\$3,654,696</u>	<u>\$3,611,688</u>	<u>\$3,625,817</u>	<u>\$3,393,584</u>	<u>\$3,381,764</u>

Piqua City School District

Demographic and Economic Statistics Last Ten Years

Calendar Year	2005	2006	2007	2008	2009
Population (1)					
Piqua City	20,738	20,738	20,738	20,582	20,551
Miami County	100,797	100,797	101,914	101,085	101,256
Income (2) (a)					
Total Personal (in thousands)	635,516	665,628	747,003	713,743	717,661
Per Capita	30,645	32,097	36,021	34,678	34,921
Unemployment Rate (3)					
Federal	5.0%	4.6%	4.8%	5.8%	9.3%
State	5.9%	5.5%	5.7%	6.6%	10.2%
Miami County	5.7%	5.5%	5.0%	6.4%	11.7%
Fiscal Year	2006	2007	2008	2009	2010
School Enrollment (4)					
Grades K - 3	1,148	1,093	1,096	1,140	1,154
Grades 4 - 6	825	868	850	851	831
Grades 7 - 8	586	557	572	600	568
Grades 9 - 12	1,233	1,248	1,219	1,189	1,139
Total	<u>3,792</u>	<u>3,766</u>	<u>3,737</u>	<u>3,780</u>	<u>3,692</u>

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County (2014 not available),
Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) District Treasurer's Office

Piqua City School District

2010	2011	2012	2013	2014
20,522	20,592	20,619	20,699	20,759
102,506	102,857	103,606	103,439	103,900
718,824	784,493	807,873	836,178	838,601
35,027	38,097	39,181	40,397	40,397
9.6%	8.9%	8.1%	7.2%	5.6%
10.1%	8.6%	7.2%	7.5%	5.2%
10.5%	8.7%	7.0%	6.7%	4.5%
2011	2012	2013	2014	2015
1,166	1,238	1,232	1,093	1,125
793	792	787	876	824
579	562	551	525	545
1,100	1,116	1,135	1,110	1,040
<u>3,638</u>	<u>3,708</u>	<u>3,705</u>	<u>3,604</u>	<u>3,534</u>



Piqua City School District

*Principal Employers
Current Year and Nine Years Ago*

		2015	
Employer	Nature of Business	Number of Employees	Rank
Industry Products	Die Cutting, Silk Screening	470	1
Evenflo Company, Inc.	Manufacturer - Juvenile Furniture	285	2
Hartzell Propeller Inc.	Manufacturer - Aircraft Propellers	268	3
Crane Pumps & Systems	Manufacturer - Industrial Pumps	260	4
Westcon Industries	Industrial Construction	225	5
Nitto Denko Automotive Ohio Inc.	Manufacturer - Auto Industry Seals	208	6
Jackson Tube Service	Manufacturer - Steel Tubing	172	7
Miami Valley Steel	Manufacturer - Steel Products	134	8
Hartzell Fan Inc.	Manufacturer - Industrial Aire Handlers	120	9
Hobart Brothers -- Piqua FMO	Manufacture welding wire	116	10
Total		<u>2,258</u>	
Total Employment within the District		<u>NA</u>	

		2006	
Employer	Nature of Business	Number of Employees	Rank
Evenflo Company	Manufacturer - Juvenile Furniture	315	1
Jackson Tube	Manufacturer - Steel Tubing	310	2
Crane Pumps & Systems	Manufacturer - Industrial Pumps	300	3
Hartzell Propeller	Manufacturer - Aircraft Propellers	293	4
Industry Products	Die Cutting, Silk Screening	283	5
Piqua Technologies	Manufacturer - Auto Industry Seals	200	6
Miami Valley Steel	Manufacturer - Steel Products	150	7
Orr Felt Company	Manufacturer - Paper Felts	125	8
ITW Hobart Brothers	Manufacturer - Welding Wire	106	9
Hartzell Fan Inc.	Manufacturer - Industrial Air Handlers	104	10
Total		<u>2,186</u>	
Total Employment within the District (1)		<u>10,186</u>	

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

Piqua City School District

School District Employees by Type Last Ten Years

	2006	2007	2008	2009	2010
Supervisory					
Instructional Administrators	4.00	4.00	4.00	4.00	4.00
Noninstructional Administrators	6.00	6.00	4.00	4.00	4.00
Consultants/Supervisors of Instruction	1.00	2.00	2.00	3.00	3.00
Principals	9.00	9.00	9.00	9.00	9.00
Assistant Principals	3.00	3.00	3.00	3.00	3.00
Instruction					
Classroom Teachers:					
Kindergarten Center	10.00	10.00	9.00	10.00	11.00
Primary: Grades 1-3	47.00	47.00	45.00	46.00	45.00
Intermediate: Grades 4-6	47.00	45.00	43.00	43.00	42.00
Junior High School	41.00	27.00	27.00	27.00	27.00
High School	52.00	45.00	43.00	44.00	44.00
Student Services					
Guidance Counselors	8.00	8.00	8.00	8.00	7.00
Psychologists	2.00	2.00	2.00	2.00	2.00
Librarians	2.00	1.00	1.00	1.00	0.00
Speech and Hearing Specialists	N/A	3.00	3.00	3.00	2.00
Nurses	N/A	2.00	2.00	1.00	1.00
Physical Education	N/A	7.00	7.00	7.00	7.00
Fine Arts	N/A	15.00	15.00	15.00	15.00
Support Services					
Clerical/Secretaries	26.00	24.00	23.00	23.00	22.00
EMIS Coordinator	1.00	1.00	1.00	1.00	1.00
Food Service	45.00	43.00	40.00	37.00	34.00
Library Aides	8.00	10.00	9.00	10.00	10.00
Maintenance/Grounds	28.00	28.00	24.00	25.00	21.00
Parents as Teachers	4.00	3.00	3.00	3.00	3.00
Transportation	22.00	22.00	22.00	22.00	21.00
Tutors/Aides	33.00	31.00	16.00	18.00	19.00
Technology	0.00	2.00	2.00	2.00	4.00
Warehouse	1.00	1.00	0.00	0.00	0.00
<i>Total Employees</i>	<u>402.00</u>	<u>401.00</u>	<u>367.00</u>	<u>371.00</u>	<u>361.00</u>

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

Source: District Treasurer's Office

Piqua City School District

2011	2012	2013	2014	2015
4.00	4.00	4.00	3.00	2.00
4.00	4.00	4.00	5.00	5.00
3.00	3.00	3.00	3.00	3.00
9.00	9.00	8.00	8.00	10.00
3.00	3.00	3.00	3.00	3.00
11.00	11.00	11.00	12.00	13.00
46.00	44.00	43.00	43.00	45.00
43.00	42.00	42.00	42.00	41.00
27.00	25.00	24.00	23.00	22.00
44.00	42.00	42.00	36.00	36.00
7.00	6.00	5.00	4.00	3.00
2.00	2.50	2.50	2.50	3.00
0.00	0.00	0.00	0.00	0.00
2.00	2.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00
6.00	6.00	6.00	6.00	5.00
15.00	13.00	12.00	12.00	13.00
22.00	21.00	21.00	21.00	21.00
1.00	1.00	1.00	1.00	1.00
31.00	29.00	25.00	27.00	27.00
10.00	8.00	8.00	8.00	8.00
21.00	18.00	18.00	20.00	20.00
3.00	3.00	2.00	3.00	3.00
21.00	21.00	21.00	21.00	20.00
18.00	15.00	11.00	11.00	14.00
3.00	3.00	3.00	2.00	2.00
0.00	0.00	0.00	0.00	0.00
<u>357.00</u>	<u>336.50</u>	<u>320.50</u>	<u>317.50</u>	<u>321.00</u>

Piqua City School District

*Operating Indicators - Cost per Pupil
Last Ten Years*

Fiscal Year	2006	2007	2008	2009	2010
Enrollment	3,792	3,766	3,737	3,780	3,692
Modified Accrual Basis					
Operating Expenditures	32,520,850	32,648,059	31,479,980	31,507,490	33,344,922
Cost per Pupil	8,576	8,669	8,424	8,335	9,032
Percentage of Change	6.4%	1.1%	(2.83%)	(1.05%)	8.4%
Accrual Basis					
Expenses	30,943,290	32,089,607	31,706,813	31,520,979	33,389,152
Cost per Pupil	8,160	8,521	8,485	8,339	9,044
Percentage of Change	7.7%	4.4%	(0.43%)	(1.72%)	8.5%
Teaching Staff	207	217	204	206	201

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

Piqua City School District

2011	2012	2013	2014	2015
3,638	3,708	3,705	3,604	3,534
35,599,669	38,960,521	39,728,914	62,566,524	65,537,577
9,786	10,507	10,723	17,360	18,545
8.3%	7.4%	2.1%	61.9%	6.8%
34,499,795	36,280,071	35,988,608	35,161,301	39,337,546
9,483	9,784	9,714	9,756	11,131
4.9%	3.2%	(0.72%)	0.4%	14.1%
202	192	188	180	179

Piqua City School District

Operating Indicators by Function Last Ten Years

	2006	2007	2008	2009
Governmental Activities				
Support Services				
Pupils				
Enrollment	3,792	3,766	3,737	3,780
Graduates	280	244	255	273
Percent of Students with Disabilities	15.50%	15.80%	15.60%	13.64%
Percent of Students with English as Second Language	0.6%	0.8%	0.7%	0.4%
Administration				
School Attendance Rate	96.0%	95.2%	95.0%	95.2%
Operation and Maintenance of Plant				
District Square Footage Maintained	607,115	608,145	608,145	608,145
Pupil Transportation				
Average Daily Students Transported	2,691	2,625	2,474	2,437
Average Miles Driven per Day	2,129	2,147	2,053	1,911
Average Miles per Bus	17,419	16,013	15,311	16,727
Number of Buses	22	24	24	22
Business-Type Activities				
Food Service				
Student Meals Served Daily	2,498	2,498	2,510	2,599
Free/Reduced Price Meals Daily	1,294	1,296	1,340	1,447
Percentage of Free/Reduced Price Meals Daily	51.80%	51.88%	53.39%	55.68%
Student Breakfasts Served Daily	1,094	1,148	1,143	1,181
Free/Reduced Price Breakfasts Daily	802	848	864	920
Percentage of Free/Reduced Price Breakfasts Daily	73.31%	73.87%	75.59%	77.90%

Source: District Treasurer's Office

Piqua City School District

2010	2011	2012	2013	2014	2015
3,692	3,638	3,708	3,705	3,604	3,534
285	244	239	257	251	272
14.59%	14.35%	16.50%	14.50%	17.28%	15.19%
0.4%	0.5%	0.0%	0.0%	0.2%	0.2%
95.0%	95.3%	95.0%	94.5%	94.9%	94.6%
608,145	608,145	608,145	608,145	608,145	603,812
2,141	1,939	1,955	1,971	1,834	2,180
1,891	1,664	1,671	1,704	1,505	1,576
16,762	14,262	14,322	14,605	12,900	12,895
21	21	21	21	21	22
2,598	2,586	2,559	2,145	1,934	1,895
1,562	1,607	1,660	1,531	1,437	1,353
60.12%	62.14%	64.87%	71.38%	74.30%	71.40%
1,187	1,170	1,183	1,089	989	856
966	967	1,019	946	875	735
81.38%	82.65%	86.14%	86.87%	88.47%	85.87%

Piqua City School District

*Operating Indicators - Teacher Base Salaries
Last Ten Years*

Fiscal Year	2006	2007	2008	2009	2010
District Average Salary (1)	51,291	52,983	53,979	53,788	54,891
County Average Salary (1)	47,569	49,212	49,635	50,034	53,014
State Average Salary (1)	51,346	52,596	54,210	55,583	56,995

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

(1) Average salary information is not available from the Ohio Department of Education for fiscal year 2015.

*Operating Indicators - Teachers by Education
Last Ten Years*

Fiscal Year	2006	2007	2008	2009	2010
Bachelor's Degree	26	24	17	14	13
Bachelor + 15	1	4	10	10	5
Bachelor + 30	35	33	25	22	18
Masters Degree	73	84	84	91	97
Masters Degree + 10	61	57	53	49	46
Masters Degree + 30	11	15	15	20	22
Total	207	217	204	206	201

Source: District Treasurer's Office

Piqua City School District

2011	2012	2013	2014	2015
55,761	55,346	53,947	53,151	53,151
52,874	52,945	53,440	53,491	53,491
57,904	58,119	57,966	57,635	57,635

2011	2012	2013	2014	2015
13	13	13	14	17
1	3	7	3	7
15	14	17	20	13
102	99	92	90	85
48	41	37	35	35
23	22	22	18	22
202	192	188	180	179

Piqua City School District

Capital Asset Statistics by Building Last Ten Years

	2006	2007	2008	2009
Secondary				
Piqua Senior High School				
Square Footage	185,375	185,375	185,375	185,375
Capacity (students)	1,200	1,200	1,200	1,200
Enrollment	1,050	1,248	1,219	1,189
Piqua Junior High School				
Square Footage	126,000	126,000	126,000	126,000
Capacity (students)	800	800	800	800
Enrollment	557	557	572	600
Intermediate				
Bennett Intermediate School				
Square Footage	48,739	48,739	48,739	48,739
Capacity (students)	800	800	800	800
Enrollment	249	249	242	245
Wilder Intermediate School				
Square Footage	47,651	47,651	47,651	47,651
Capacity (students)	800	800	800	800
Enrollment	293	293	299	297
Washington Intermediate School				
Square Footage	35,523	35,523	35,523	35,523
Capacity (students)	360	360	360	360
Enrollment	326	326	305	309
Central Intermediate School				
Square Footage	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
Primary				
Favorite Hill Primary School				
Square Footage	40,366	40,366	40,366	40,366
Capacity (students)	400	400	400	400
Enrollment	306	306	282	296
High Street Primary School				
Square Footage	20,816	20,816	20,816	20,816
Capacity (students)	360	360	360	360
Enrollment	259	259	253	302

Piqua City School District

2010	2011	2012	2013	2014	2015
185,375	185,375	185,375	185,375	185,375	186,244
1,200	1,200	1,200	1,200	1,200	1,200
1,139	1,100	1,116	1,133	1,110	1,040
126,000	126,000	126,000	126,000	126,000	113,159
800	800	800	800	800	800
568	579	561	554	525	548
48,739	48,739	48,739	48,739	48,739	N/A
800	800	800	800	800	N/A
293	292	332	345	301	N/A
47,651	47,651	47,651	47,651	47,651	N/A
800	800	800	800	800	N/A
299	281	260	265	282	N/A
35,523	35,523	35,523	35,523	35,523	N/A
360	360	360	360	360	N/A
282	267	268	256	293	N/A
N/A	N/A	N/A	N/A	N/A	105,579
N/A	N/A	N/A	N/A	N/A	859
N/A	N/A	N/A	N/A	N/A	822
40,366	40,366	40,366	40,366	40,366	N/A
400	400	400	400	400	N/A
300	296	316	321	298	N/A
20,816	20,816	20,816	20,816	20,816	N/A
360	360	360	360	360	N/A
271	272	291	288	245	N/A

(Continued)

Piqua City School District

*Capital Asset Statistics by Building
Last Ten Years*

	2006	2007	2008	2009
Springcreek Primary School (Old)				
Square Footage	25,326	25,326	25,326	25,326
Capacity (students)	360	360	360	360
Enrollment	260	260	268	229
Springcreek Primary School (New)				
Square Footage	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
Nicklin Avenue Learning Center				
Square Footage	21,519	21,519	21,519	21,519
Capacity (students)	375	375	375	375
Enrollment	268	268	297	313
Washington Primary School				
Square Footage	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
All Other				
Central Administration Building				
Square Footage	12,800	13,830	13,830	13,830
Transportation Building				
Square Footage	16,000	16,000	16,000	16,000
Maintenance Building				
Square Footage	27,000	27,000	27,000	27,000

Source: District Treasurer's Office

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

Piqua City School District

2010	2011	2012	2013	2014	2015
25,326	25,326	25,326	25,326	25,326	N/A
360	360	360	360	360	N/A
238	255	274	266	277	N/A
N/A	N/A	N/A	N/A	N/A	71,000
N/A	N/A	N/A	N/A	N/A	600
N/A	N/A	N/A	N/A	N/A	541
21,519	21,519	21,519	21,519	21,519	N/A
375	375	375	375	375	N/A
302	296	290	277	273	N/A
N/A	N/A	N/A	N/A	N/A	71,000
N/A	N/A	N/A	N/A	N/A	600
N/A	N/A	N/A	N/A	N/A	583
13,830	13,830	13,830	13,830	13,830	13,830
16,000	16,000	16,000	16,000	16,000	16,000
27,000	27,000	27,000	27,000	27,000	27,000

Piqua City School District

Educational and Operating Statistics Last Ten Years

	2006	2007	2008	2009	2010
Cost per Student (ODE)					
Piqua (1)	8,348	8,893	8,654	8,345	9,377
Ohio (Average) (1)	9,343	9,586	9,939	9,990	10,253
Attendance Rate					
Piqua	94.90%	95.20%	95.00%	95.20%	95.00%
Ohio (Average) (1)	94.10%	94.10%	94.20%	94.30%	94.30%
Graduation Rate					
Piqua	83.80%	87.90%	92.40%	90.40%	93.10%
Ohio (Average) (1)	86.20%	86.10%	86.90%	84.60%	83.00%

Source:

District's Student Records and Ohio Department of Education

(1) ODE calculation is not based on GAAP financial reports. The 2015 figures were not yet available.

Piqua City School District

2011	2012	2013	2014	2015
9,905 10,571	9,613 10,697	9,475 10,149	9,554 10,357	9,554 10,357
95.30% 94.50%	95.00% 94.50%	94.50% 94.20%	94.90% 94.30%	94.60% 94.30%
93.80% 84.30%	92.60% 81.30%	88.50% 82.20%	88.50% 82.20%	88.80% 82.20%





Dave Yost • Auditor of State

PIQUA CITY SCHOOL DISTRICT

MIAMI COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 9, 2016**