

Piqua City School District  
Miami County  
Single Audit  
For the Fiscal Year Ended June 30, 2017



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# Dave Yost • Auditor of State

Board of Education  
Piqua City School District  
719 East Ash Street  
Piqua, Ohio 45356

We have reviewed the *Independent Auditor's Report* of the Piqua City School District, Miami County, prepared by Millhuff-Stang, CPA, Inc., for the audit period July 1, 2016 through June 30, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

February 7, 2018

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**Piqua City School District**  
**Miami County**  
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*For the Fiscal Year Ended June 30, 2017*

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**Piqua City School District**  
**Miami County**  
*Schedule of Federal Awards Expenditures*  
*For the Fiscal Year Ended June 30, 2017*

<b>Federal Grantor/Pass Through Grantor/Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Receipts</b>	<b>Non-Cash Receipts</b>	<b>Expenditures</b>	<b>Non-Cash Expenditures</b>
<b><u>United States Department of Agriculture</u></b>						
<i>Passed through the Ohio Department of Education</i>						
Child Nutrition Cluster:						
School Breakfast Program	3L70	10.553	\$236,496	\$0	\$236,496	\$0
National School Lunch Program	3L60	10.555	772,674	84,197	772,674	84,197
Total Child Nutrition Cluster			1,009,170	84,197	1,009,170	84,197
<b>Total United States Department of Agriculture</b>			<b>1,009,170</b>	<b>84,197</b>	<b>1,009,170</b>	<b>84,197</b>
<b><u>United States Department of Education</u></b>						
<i>Passed through the Ohio Department of Education</i>						
Special Education Cluster:						
Special Education-Grants to States	3M20	84.027	764,012	0	802,839	0
Total Special Education Cluster			764,012	0	802,839	0
Title I Grants to Local Educational Agencies	3M00	84.010	1,260,139	0	1,173,302	0
Supporting Effective Instruction State Grant	3Y60	84.367	150,886	0	157,590	0
<b>Total United States Department of Education</b>			<b>2,175,037</b>	<b>0</b>	<b>2,133,731</b>	<b>0</b>
<b><u>Environmental Protection Agency Office of Air and Radiation</u></b>						
<i>Passed through the Ohio Environmental Protection Agency</i>						
State Clean Diesel Grant Program	N/A	66.040	178,258	0	178,258	0
<b>Total Environmental Protection Agency Office of Air and Radiation</b>			<b>178,258</b>	<b>0</b>	<b>178,258</b>	<b>0</b>
<b>Total Federal Financial Assistance</b>			<b>\$3,362,465</b>	<b>\$84,197</b>	<b>\$3,321,159</b>	<b>\$84,197</b>

The notes to the schedule of federal awards expenditures are an integral part of this schedule.

**Piqua City School District  
Miami County**

*Notes to the Schedule of Federal Awards Expenditures  
For the Fiscal Year Ended June 30, 2017*

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**Note A – Basis of Presentation**

The accompanying schedule of federal awards expenditures (the schedule) includes the federal award activity of Piqua City School District (the District) under programs of the federal government for the year ended June 30, 2017. The information on this schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**Note B – Summary of Significant Accounting Policies**

Expenditures reported on the schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments* (codified in 2 CFR Part 225), or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note C – Child Nutrition Cluster**

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

**Note D – Food Donation Program**

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

**Note E – Matching Requirements**

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



**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

Independent Auditor's Report

Board of Education  
Piqua City School District  
719 East Ash Street  
Piqua, Ohio 45356

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, 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, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 14, 2017.

**Internal Control Over Financial Reporting**

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

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

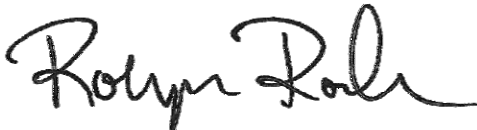
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



Robyn Roush, CPA, CITP  
Vice-President/Owner  
Millhuff-Stang, CPA, Inc.  
Chillicothe, Ohio

December 14, 2017

**Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Federal Awards Expenditures Required by the Uniform Guidance**

Independent Auditor's Report

Board of Education  
Piqua City School District  
719 East Ash Street  
Piqua, Ohio 45356

**Report on Compliance for Each Major Federal Program**

We have audited Piqua City School District's, Miami County, (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2017. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### **Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### **Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 14, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of federal awards expenditures is fairly stated in all material respects in relation to the basic financial statements as a whole.



Robyn Roush, CPA, CITP  
Vice-President/Owner  
Millhuff-Stang, CPA, Inc.  
Chillicothe, Ohio

December 14, 2017

**Piqua City School District**  
*Schedule of Findings and Questioned Costs*  
*For the Fiscal Year Ended June 30, 2017*

**Section I – Summary of Auditor’s Results**

<i>Financial Statements</i>	
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No
<i>Federal Awards</i>	
Internal control over major federal program(s):	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major federal programs:	Unmodified
Any auditing findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major federal program(s):	Title I Grants to Local Educational Agencies, CFDA #84.010, and Special Education Cluster: Special Education-Grants to States, CFDA #84.027
Dollar threshold used to distinguish between type A and type B programs:	Type A: >\$750,000 Type B: all others
Auditee qualified as low-risk auditee?	No

**Section II – Financial Statement Findings**

None

**Section III – Federal Award Findings and Questioned Costs**

None

**Piqua City School District**  
*Schedule of Prior Audit Findings*  
*For the Fiscal Year Ended June 30, 2017*

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Finding Number	Finding Summary	Status	Additional Information
2016-001	Material Weakness – Financial Statement Errors	Partially Corrected	Reissued in Management Letter

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# ***PIQUA CITY SCHOOL DISTRICT***

*Miami County, Ohio*



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2017**



***PIQUA CITY SCHOOL DISTRICT***

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*Miami County, Ohio*

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2017**

*Prepared by:*  
Jeremie Hittle  
Treasurer



**PIQUA CITY SCHOOL DISTRICT**

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**PIQUA CITY SCHOOL DISTRICT**

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## *INTRODUCTORY SECTION*

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# **PIQUA CITY SCHOOL DISTRICT**

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



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

fax (937) 778-4518

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December 14, 2017

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 fiscal year ended June 30, 2017 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 3,492 students. These include elementary and secondary curriculum offerings at the general, college preparatory, and vocational levels, a broad range of co-curricular and extracurricular activities, gifted, and special education services. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a special revenue fund. The non-public school operations have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Letter of Transmittal For the Fiscal Year Ended June 30, 2017***

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

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

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

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

**CURRICULUM DEVELOPMENT** -- Piqua City School District K-12 curriculum is based on the Ohio Academic Content Standards and national standards from respective content areas. Periodic needs assessments, curriculum audits as well as legislative and State Department of Education recommendations help guide the work of the curriculum department to provide a comprehensive curriculum. Early childhood standards and extended state standards are the basis for educating our most at risk students. Curriculum that focuses on greater depth of knowledge and higher level thinking skills are the basis of rigor and challenge for our Tier I instruction as well as for our gifted and talented students. At all levels, opportunities for intervention and enrichment are embedded in our curriculum. Unique electives, STEM related courses and the use of technology provide opportunities for our students to collaborate and develop college and career readiness skills.

**INSTRUCTION MATERIALS** -- Piqua City Schools uses a blended model of instructional materials. Traditional printed materials, manipulatives for problem solving, online supplemental resources and standards based common assessments to support instruction. A cyclical process is utilized giving all stakeholders an opportunity to evaluate and give input on board adopted materials.

**STAFF DEVELOPMENT** -- Professional development is planned to meet staff needs at the district level, building and classroom level. Designated days during the school year are used for professional development focused on specific district initiatives identified in our strategic plan/district goals or mandated training required of all staff. Building level teams and grade level teams use common planning time to focus on content specific, data driven, best practice professional development. Literacy Coaches in our elementary buildings provide ongoing professional learning including classroom modeling, coaching and book studies. Individual staff members are encouraged to participate in a variety of adult learning opportunities. Individual learning opportunities can be self-selected or principal directed to address needs identified through the teacher evaluation process. These include district sponsored sessions utilizing and sharing the expertise of our own staff members, sessions offered by our regional educational service centers or conferences and sessions offered by organizations or experts in the field.

All professional development is designed to meet staff and student needs and to improve instruction. All professional development is evaluated by the staff and administration prior to attendance to ensure direct alignment to district goals and following attendance to ensure high quality, to identify teacher need for follow-up training and/or to support classroom implementation.

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

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### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2017***

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

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

### **COLLEGE CREDIT PLUS**

Starting in the 7<sup>th</sup> grade, students attending the Piqua City Schools can take advantage of earning college credit through the concurrent enrollment program at Piqua High School. Students may take college courses within the high school. College tuition and textbooks for concurrent enrollment courses is paid by the District.

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

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

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### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2017***

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

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

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

**LONG TERM FINANCIAL PLANNING** -- As required by Ohio law, the District approved a five-year financial forecast of operational revenues and expenditures along with assumptions in October 2017. 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 2019 may deviate significantly from the forecast.

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

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

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

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Letter of Transmittal For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

### **MISSION STATEMENT**

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

### **STUDENTS**

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

#### **OBJECTIVES:**

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

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Letter of Transmittal For the Fiscal Year Ended June 30, 2017***

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### **STAFF**

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

#### **OBJECTIVES:**

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

### **SCHOOL/**

#### **COMMUNITY RELATIONS**

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

#### **OBJECTIVES:**

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

### **FINANCE**

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

#### **OBJECTIVES:**

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

### **FACILITIES**

GOAL: By 2017 complete the overall restructuring of the district

#### **OBJECTIVES:**

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



# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Letter of Transmittal For the Fiscal Year Ended June 30, 2017***

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### **ACCOUNTING INFORMATION**

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

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

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

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

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

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

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

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

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

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### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2017***

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

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

#### **OTHER INFORMATION**

**AUDIT** -- State statutes require an annual audit. Millhuff-Stang CPA conducted the audit for the fiscal year ended June 30, 2017. 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 twenty consecutive years (fiscal years ended 1997-2016). We believe this current Comprehensive Annual Financial Report meets the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting and we are submitting it to GFOA. The District also submitted the CAFR to the Association of School Business Officials for review and the document received the Certificate of Excellence award with no comments the previous two fiscal years (FY 15-16).

## *PIQUA CITY SCHOOL DISTRICT*

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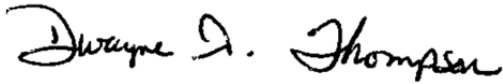
*Letter of Transmittal  
For the Fiscal Year Ended June 30, 2017*

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

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

Respectfully submitted,



Dwayne A. Thompson, Superintendent



Jeremie Hittle, Treasurer

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

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

### ***Treasurer***

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

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Management Team Members and Treasurer's Office Staff For the Fiscal Year Ended June 30, 2017***

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

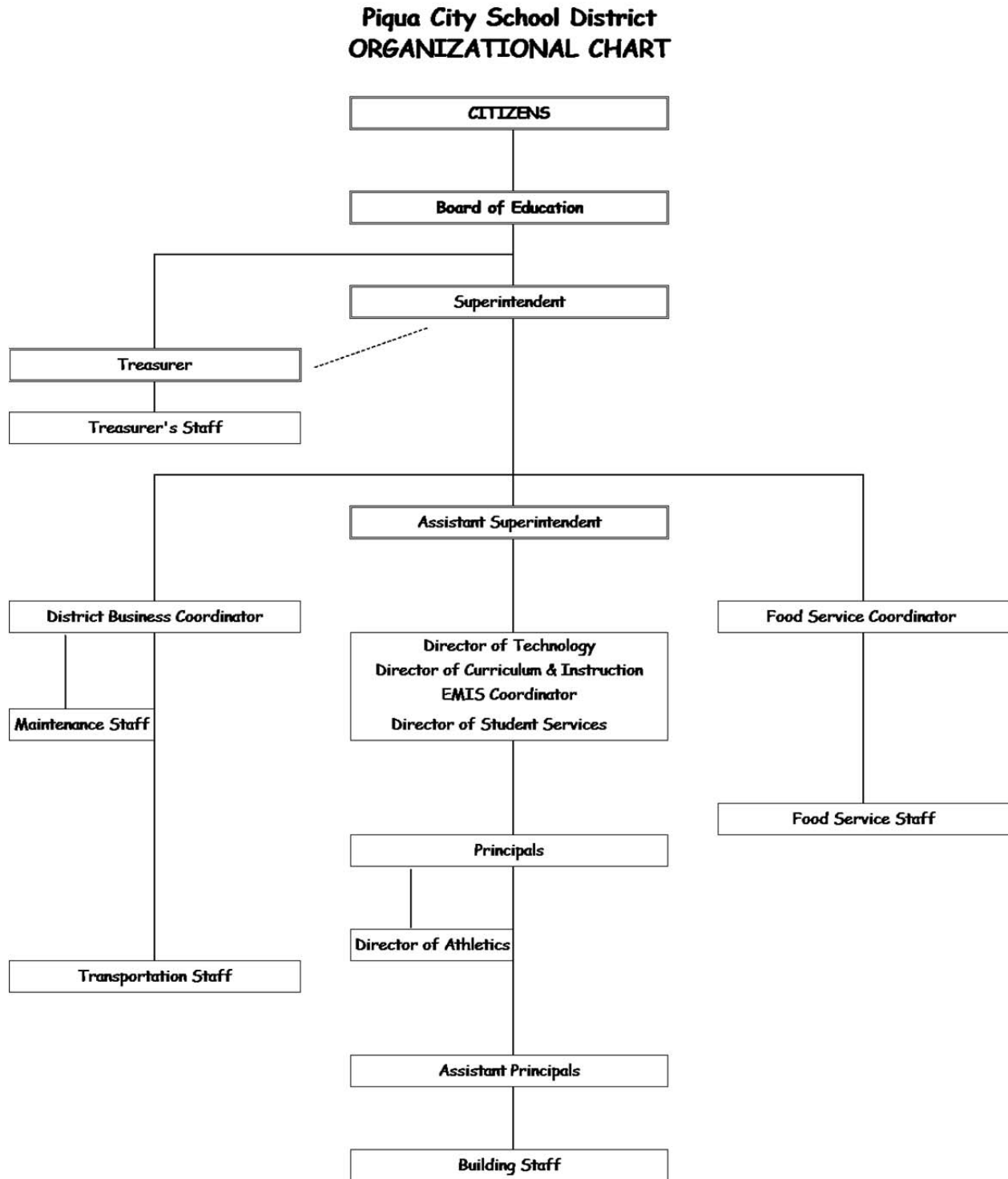
Dwayne Thompson	Superintendent of Schools
Jeremie Hittle	Treasurer
Anthony Lyons	Assistant Superintendent
Tracy Mumaw	EMIS Coordinator
Curt South	District Business Coordinator
Chip Hare	Director of Athletics
Jennifer Garland	Food Service Coordinator
Teresa Anderson, Scott Bloom	Director of Curriculum and Instruction
Erich Heidenreich	Director of District Technology
Amy Todd	Director of Student Services
Kylee Harrmann	School Psychologist
Alicia Everman	School Psychologist
Michelle Bonifas	School Psychologist
Rob Messick	Principal, Piqua High School
Darrell Hite	Assistant Principal, Piqua High School
Lori Sexton	Assistant Principal, Piqua High School
Jeff Clark	Principal, Piqua Junior High School
Chad Albers	Assistant Principal, Piqua Junior High School
Mindy Gearhardt	Principal, Washington Primary School
Shannon Pence	Assistant, Washington Primary School
Connie Strehle	Principal, Springcreek Primary School
John Shoffstall	Principal, Springcreek Primary School
Josh Kauffman	Principal, Central Intermediate School
Jennie Gearhardt	Assistant, Central Intermediate School
Ross Loudenback	Assistant, Central Intermediate School

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

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

# PIQUA CITY SCHOOL DISTRICT

*School District Organizational Chart  
For the Fiscal Year Ended June 30, 2017*



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

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***Job Description Listing  
For the Fiscal Year Ended June 30, 2017***

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

**PIQUA CITY SCHOOL DISTRICT**

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

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Government Finance Officers Association

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

Presented to

**Piqua City Schools  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO



**PIQUA CITY SCHOOL DISTRICT**

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

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

**Piqua City Schools**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2016.**

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



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

**Anthony N. Dragona, Ed.D., RSBA**  
President

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

**John D. Musso, CAE**  
Executive Director



## *FINANCIAL SECTION*

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**Independent Auditor's Report**

Board of Education  
Piqua City School District  
719 East Ash Street  
Piqua, Ohio 45356

**Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County, (the District), as of and for the year ended June 30, 2017, 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 the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

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

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County, as of June 30, 2017, 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 accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 15, the schedule of District's proportionate share of the net pension liability on page 80, and the schedule of District contributions on page 81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

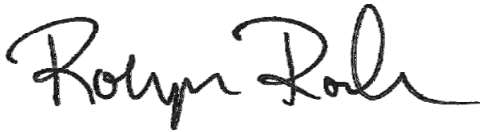
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 "Robyn Roush". The signature is written in a cursive, flowing style.

Robyn Roush, CPA, CITP  
Vice-President/Owner  
Millhuff-Stang, CPA, Inc.  
Chillicothe, Ohio

December 14, 2017





# PIQUA CITY SCHOOL DISTRICT

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017*

*Unaudited*

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The discussion and analysis of Piqua City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2017. 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 2017 are as follows:

- ❑ In total, net position increased \$630,995. Net position of governmental activities increased \$946,306, which represents a 4% change from fiscal year 2016. Net position of business-type activities decreased \$315,311, which represents a 28% decrease from fiscal year 2016.
- ❑ General revenues accounted for \$39,785,852, or 85% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for \$7,144,775 or 15% of total revenues of \$46,930,627.
- ❑ The District had \$44,449,120 in expenses related to governmental activities; only \$5,610,626 of these expenses were offset by program specific charges for services and sales, grants, or contributions. General revenues (primarily taxes) of \$39,784,800 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$37,165,550 in revenues and \$34,398,321 in expenditures. The general fund's fund balance increased from a balance of \$16,267,908 to an ending balance of \$16,319,249.
- ❑ Net position of the enterprise funds decreased \$311,591.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

These statements are as follows:

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

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

# PIQUA CITY SCHOOL DISTRICT

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*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017*

*Unaudited*

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## **Government-wide Statements**

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

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

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

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

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

## **Fund Financial Statements**

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

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

## **PIQUA CITY SCHOOL DISTRICT**

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**Unaudited**

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

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

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

The following table provides a summary of the District's net position for fiscal year 2017 compared to fiscal year 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other Assets	\$44,988,624	\$43,040,225	\$1,303,270	\$1,515,981	\$46,291,894	\$44,556,206
Capital Assets, Net	69,243,094	69,846,587	401,600	431,625	69,644,694	70,278,212
Total Assets	<u>114,231,718</u>	<u>112,886,812</u>	<u>1,704,870</u>	<u>1,947,606</u>	<u>115,936,588</u>	<u>114,834,418</u>
Deferred Outflows of Resources	<u>10,826,703</u>	<u>5,592,394</u>	<u>367,894</u>	<u>166,314</u>	<u>11,194,597</u>	<u>5,758,708</u>
Net Pension Liability	51,177,113	41,215,126	1,080,540	773,306	52,257,653	41,988,432
Other Long-term Liabilities	34,997,305	36,706,587	77,691	82,084	35,074,996	36,788,671
Other Liabilities	3,143,422	3,054,331	110,153	113,217	3,253,575	3,167,548
Total Liabilities	<u>89,317,840</u>	<u>80,976,044</u>	<u>1,268,384</u>	<u>968,607</u>	<u>90,586,224</u>	<u>81,944,651</u>
Deferred Inflows of Resources	<u>11,786,037</u>	<u>14,494,924</u>	<u>0</u>	<u>25,622</u>	<u>11,786,037</u>	<u>14,520,546</u>
Net Position						
Net Investment in Capital Assets	36,332,681	35,233,032	401,600	431,625	36,734,281	35,664,657
Restricted	11,195,195	9,351,558	0	0	11,195,195	9,351,558
Unrestricted (Deficit)	<u>(23,573,332)</u>	<u>(21,576,352)</u>	<u>402,780</u>	<u>688,066</u>	<u>(23,170,552)</u>	<u>(20,888,286)</u>
Total Net Position	<u>\$23,954,544</u>	<u>\$23,008,238</u>	<u>\$804,380</u>	<u>\$1,119,691</u>	<u>\$24,758,924</u>	<u>\$24,127,929</u>

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

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

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

Under the 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***

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

Changes in Net Position – The following table shows the changes in net position for fiscal year 2017 compared to fiscal year 2016:

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues:						
Charges for Services and Sales	\$1,355,527	\$1,154,283	\$397,791	\$469,789	\$1,753,318	\$1,624,072
Operating Grants	4,076,841	3,710,040	1,136,358	1,163,543	5,213,199	4,873,583
Capital Grants	178,258	0	0	0	178,258	0
Total Program Revenues	<u>5,610,626</u>	<u>4,864,323</u>	<u>1,534,149</u>	<u>1,633,332</u>	<u>7,144,775</u>	<u>6,497,655</u>
General Revenues:						
Property Taxes	13,023,382	12,282,987	0	0	13,023,382	12,282,987
Income Taxes	6,020,378	5,947,908	0	0	6,020,378	5,947,908
Intergovernmental, Unrestricted	19,912,421	18,509,553	0	0	19,912,421	18,509,553
Other	828,619	805,518	1,052	0	829,671	805,518
Total General Revenues	<u>39,784,800</u>	<u>37,545,966</u>	<u>1,052</u>	<u>0</u>	<u>39,785,852</u>	<u>37,545,966</u>
Total Revenues	<u>45,395,426</u>	<u>42,410,289</u>	<u>1,535,201</u>	<u>1,633,332</u>	<u>46,930,627</u>	<u>44,043,621</u>
Program Expenses						
Instruction	26,077,417	23,331,406	0	0	26,077,417	23,331,406
Support Services:						
Pupils	2,228,050	1,281,827	0	0	2,228,050	1,281,827
Instructional Staff	2,294,068	2,019,011	0	0	2,294,068	2,019,011
Board of Education	37,803	41,484	0	0	37,803	41,484
Administration	2,756,091	2,380,233	0	0	2,756,091	2,380,233
Fiscal Services	869,154	672,639	0	0	869,154	672,639
Business	580	491	0	0	580	491
Operation and Maintenance of Plant	3,569,768	6,566,039	0	0	3,569,768	6,566,039
Pupil Transportation	1,784,827	1,653,836	0	0	1,784,827	1,653,836
Central	2,024,940	2,106,009	0	0	2,024,940	2,106,009
Operation of Non-Instructional Services	531,216	180,753	0	0	531,216	180,753
Extracurricular Activities	1,018,618	898,912	0	0	1,018,618	898,912
Interest and Fiscal Charges	1,256,588	1,287,472	0	0	1,256,588	1,287,472
Food Service	0	0	1,849,949	1,618,415	1,849,949	1,618,415
TV Station	0	0	563	0	563	0
Total Expenses	<u>44,449,120</u>	<u>42,420,112</u>	<u>1,850,512</u>	<u>1,618,415</u>	<u>46,299,632</u>	<u>44,038,527</u>
Change in Net Position	946,306	(9,823)	(315,311)	14,917	630,995	5,094
Beginning Net Position	<u>23,008,238</u>	<u>23,018,061</u>	<u>1,119,691</u>	<u>1,104,774</u>	<u>24,127,929</u>	<u>24,122,835</u>
Ending Net Position	<u>\$23,954,544</u>	<u>\$23,008,238</u>	<u>\$804,380</u>	<u>\$1,119,691</u>	<u>\$24,758,924</u>	<u>\$24,127,929</u>

# PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis  
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*Unaudited*

## **Governmental Activities**

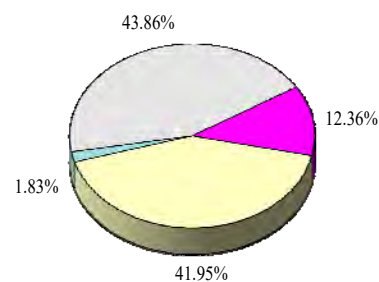
Net position of the District's governmental activities increased \$946,306. An increase in charges for services and sales can be attributed to fees for extracurricular activities. An increase in operating grants and contributions can be attributed to an increase in receivables recognized for federal funding. Capital grants consisted of funding received through the EPA Clean Diesel program for new bus purchases. An increase in State school foundation monies contributed to an increase in unrestricted intergovernmental revenues. An overall increase in expenses can be attributed to an increase in the net pension liability as well as salary increases. A decrease in operation and maintenance of plant can be attributed to costs associated with the demolition of several school buildings incurred in the prior fiscal year.

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 in fiscal year 2017. The District's reliance upon tax revenues is demonstrated by the following graph indicating 42% of total revenues from general taxes:

Revenue Sources	2017	Percent of Total
Intergovernmental, Unrestricted	\$19,912,421	43.86%
Program Revenues	5,610,626	12.36%
General Tax Revenues	19,043,760	41.95%
General Other	828,619	1.83%
Total Revenue	<u>\$45,395,426</u>	<u>100.00%</u>



## **Business-Type Activities**

Net position of the business-type activities decreased \$315,311 or approximately 28%. An increase in expenses can be attributed to the purchase of cafeteria furniture, an increase in the net pension liability, and an increase in insurance premiums. Business-type activities receive no support from tax revenues and remain self-supporting.

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

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

The District's governmental funds reported a combined fund balance of \$26,766,530, which is above last year's total of \$24,703,606. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2017 and 2016.

	Fund Balance June 30, 2017	Fund Balance June 30, 2016	Increase (Decrease)
General	\$16,319,249	\$16,267,908	\$51,341
Bond Retirement	4,233,264	3,023,881	1,209,383
Permanent Improvement	4,960,730	2,563,521	2,397,209
Other Governmental	1,253,287	2,848,296	(1,595,009)
Total	\$26,766,530	\$24,703,606	\$2,062,924

*Bond Retirement Fund* – The Bond Retirement Fund balance increased approximately 40% during fiscal year 2017. Revenues and expenditures remained consistent with the previous year. The increase in fund balance can be attributed to a transfer from the Ohio School Facilities Commission Construction Fund. The transfer consisted of monies remaining after the completion of the school construction project to be used for debt retirement.

*Permanent Improvement Fund* – The Permanent Improvement Fund balance increased approximately 94% during fiscal year 2017. This increase can be attributed to a \$2.5 million transfer from the General Fund to be used for repairs and renovations at the high school.

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

	2017 Revenues	2016 Revenues	Increase (Decrease)
Taxes	\$15,667,672	\$14,876,138	\$791,534
Tuition	634,995	499,535	135,460
Transportation Fees	49,826	45,393	4,433
Investment Earnings	106,708	298,285	(191,577)
Extracurricular Activities	77,786	81,876	(4,090)
Class Materials and Fees	122,726	122,830	(104)
Intergovernmental - State	19,600,155	18,482,957	1,117,198
Intergovernmental - Federal	394,220	390,331	3,889
All Other Revenue	511,462	347,436	164,026
Total	\$37,165,550	\$35,144,781	\$2,020,769

General Fund revenues in fiscal year 2017 increased approximately 6% when compared with revenues in fiscal year 2016. An increase in taxes can be attributed to an increase in property tax collections available for advance. An increase in tuition can be attributed to an increase in open enrollment. The increase in intergovernmental state revenues can be attributed to increases in State school foundation monies. Changes in the fair value of investments resulted in the decrease in investment earnings.

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	2017 Expenditures	2016 Expenditures	Increase (Decrease)
Current:			
Instruction	\$21,486,033	\$20,615,504	\$870,529
Supporting Services:			
Pupils	2,063,496	1,306,091	757,405
Instructional Staff	1,903,632	1,872,201	31,431
Board of Education	37,803	41,484	(3,681)
Administration	2,888,758	2,369,741	519,017
Fiscal Services	762,854	619,473	143,381
Operation and Maintenance of Plant	3,139,135	2,690,060	449,075
Pupil Transportation	1,337,426	1,337,013	413
Central	336,346	233,052	103,294
Extracurricular Activities	411,002	407,453	3,549
Debt Service:			
Principal Retirement	26,954	21,555	5,399
Interest and Fiscal Charges	4,882	4,975	(93)
Total	\$34,398,321	\$31,518,602	\$2,879,719

General Fund expenditures increased \$2,879,719 or approximately 9%. This increase can mostly be attributed to increases in salaries and benefits.

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 2017 the District amended its General Fund budget several times. Final budgeted revenue estimates were 4% more than original estimates due to increases in open enrollment tuition, investment earnings, State foundation monies, and Federal reimbursements. Actual budget basis revenues of \$37.5 million were equal to final budget estimates. Original budgeted expenditures were 5% higher than final estimates due to lower than expected costs for building maintenance, as well as shifting of some capital costs to the Permanent Improvement Fund. Actual budget basis expenditures of \$37.4 million were equal to final budget estimates.



**PIQUA CITY SCHOOL DISTRICT**

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**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets*

At the end of fiscal year 2017 the District had \$69,644,694 net of accumulated depreciation invested in land, construction in progress, buildings, improvements, equipment and vehicles. Of this total, \$69,243,094 was related to governmental activities and \$401,600 to the business-type activities. The following tables show fiscal year 2017 and 2016 balances:

	Governmental Activities		Increase (Decrease)
	2017	2016	
Land	\$314,811	\$314,811	\$0
Construction in Progress	619,585	0	619,585
Land Improvements	6,321,195	6,321,195	0
Buildings and Improvements	75,537,560	75,534,085	3,475
Machinery and Equipment	2,527,053	2,599,431	(72,378)
Vehicles	2,767,034	2,341,880	425,154
Less: Accumulated Depreciation	(18,844,144)	(17,264,815)	(1,579,329)
Totals	\$69,243,094	\$69,846,587	(\$603,493)

	Business-Type Activities		Increase (Decrease)
	2017	2016	
Machinery and Equipment	\$792,700	\$814,300	(\$21,600)
Less: Accumulated Depreciation	(391,100)	(382,675)	(8,425)
Totals	\$401,600	\$431,625	(\$30,025)

Significant additions to capital assets in fiscal year 2017 consisted of athletic track improvements, bus purchases, and security system improvements. Additional information on the District's capital assets can be found in Note 9.

## **PIQUA CITY SCHOOL DISTRICT**

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**Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017**

**Unaudited**

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### **Debt**

At June 30, 2017, the District had \$29.1 million in bonds outstanding, \$1,680,000 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, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Governmental Activities:		
General Obligation Bonds:		
2015 School Improvement Refunding	\$3,122,110	\$4,106,146
2012 School Facility Construction	25,986,755	26,699,657
Certificates of Participation	3,770,000	3,770,000
Capital Leases Payable	93,797	120,751
Net Pension Liability	51,177,113	41,215,126
Compensated Absences	2,024,643	2,010,033
Total Governmental Activities	<u>86,174,418</u>	<u>77,921,713</u>
Business-Type Activities:		
Net Pension Liability	1,080,540	773,306
Compensated Absences	77,691	82,084
Total Business-Type Activities	<u>1,158,231</u>	<u>855,390</u>
Totals	<u>\$87,332,649</u>	<u>\$78,777,103</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, 2017, 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. Growth in the tax base of Piqua has been for the most part nonexistent since the economic downturn in 2007. The slow growing economy has had an impact on the school district income tax and as a result, the school district has been forced to reduce costs through the years. 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 a stable financial condition.

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

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

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***Management's Discussion and Analysis  
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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, 2017**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Pooled Cash and Investments	\$ 27,057,039	\$ 985,927	\$ 28,042,966
Receivables:			
Taxes	15,674,153	0	15,674,153
Accounts	15,421	0	15,421
Intergovernmental	966,888	0	966,888
Interest	6,208	0	6,208
Internal Balance	(261,436)	261,436	0
Inventory of Supplies at Cost	0	54,603	54,603
Prepaid Items	29,589	1,304	30,893
Restricted Assets:			
Cash with Fiscal Agent	762	0	762
Investments	1,500,000	0	1,500,000
Non-Depreciable Capital Assets	934,396	0	934,396
Depreciable Capital Assets, Net	68,308,698	401,600	68,710,298
<b>Total Assets</b>	<b>114,231,718</b>	<b>1,704,870</b>	<b>115,936,588</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Loss on Early Retirement of Debt	62,249	0	62,249
Pension:			
STRS	8,640,367	0	8,640,367
SERS	2,124,087	367,894	2,491,981
<b>Total Deferred Outflows of Resources</b>	<b>10,826,703</b>	<b>367,894</b>	<b>11,194,597</b>
<b>Liabilities:</b>			
Accounts Payable	114,423	125	114,548
Accrued Wages and Benefits	2,392,362	93,418	2,485,780
Intergovernmental Payable	465,853	16,610	482,463
Matured Bonds and Interest Payable	762	0	762
Accrued Interest Payable	170,022	0	170,022
Long Term Liabilities:			
Due Within One Year	2,036,413	7,063	2,043,476
Due in More Than One Year:			
Net Pension Liability	51,177,113	1,080,540	52,257,653
Other Amounts Due in More Than One Year	32,960,892	70,628	33,031,520
<b>Total Liabilities</b>	<b>89,317,840</b>	<b>1,268,384</b>	<b>90,586,224</b>
<b>Deferred Inflows of Resources:</b>			
Property Tax Levy for Next Fiscal Year	11,678,786	0	11,678,786
Pension:			
SERS	107,251	0	107,251
<b>Total Deferred Inflows of Resources</b>	<b>11,786,037</b>	<b>0</b>	<b>11,786,037</b>

**PIQUA CITY SCHOOL DISTRICT**

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	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	36,332,681	401,600	36,734,281
Restricted For:			
Capital Projects	4,995,248	0	4,995,248
Debt Service	4,150,656	0	4,150,656
Other Purposes	1,986,848	0	1,986,848
Permanent Fund:			
Expendable	13,524	0	13,524
Nonexpendable	48,919	0	48,919
Unrestricted (Deficit)	(23,573,332)	402,780	(23,170,552)
<b>Total Net Position</b>	<u>\$ 23,954,544</u>	<u>\$ 804,380</u>	<u>\$ 24,758,924</u>

See accompanying notes to the basic financial statements

# PIQUA CITY SCHOOL DISTRICT

## Statement of Activities For the Fiscal Year Ended June 30, 2017

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Instruction	\$ 26,077,417	\$ 835,657	\$ 3,014,237	\$ 0
Support Services:				
Pupils	2,228,050	122	38,389	0
Instructional Staff	2,294,068	0	259,901	0
Board of Education	37,803	0	0	0
Administration	2,756,091	0	0	0
Fiscal Services	869,154	0	0	0
Business	580	0	0	0
Operation and Maintenance of Plant	3,569,768	0	0	0
Pupil Transportation	1,784,827	49,826	0	178,258
Central	2,024,940	0	0	0
Operation of Non-Instructional Services	531,216	0	537,194	0
Extracurricular Activities	1,018,618	469,922	6,042	0
Interest and Fiscal Charges	1,256,588	0	221,078	0
<b>Total Governmental Activities</b>	44,449,120	1,355,527	4,076,841	178,258
<b>Business-Type Activities:</b>				
Food Service	1,849,949	397,791	1,136,358	0
TV Station	563	0	0	0
<b>Total Business-Type Activities</b>	1,850,512	397,791	1,136,358	0
<b>Totals</b>	\$ 46,299,632	\$ 1,753,318	\$ 5,213,199	\$ 178,258

### General Revenues

#### Taxes:

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

Income Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

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
\$ (22,227,523)	\$ 0	\$ (22,227,523)
(2,189,539)	0	(2,189,539)
(2,034,167)	0	(2,034,167)
(37,803)	0	(37,803)
(2,756,091)	0	(2,756,091)
(869,154)	0	(869,154)
(580)	0	(580)
(3,569,768)	0	(3,569,768)
(1,556,743)	0	(1,556,743)
(2,024,940)	0	(2,024,940)
5,978	0	5,978
(542,654)	0	(542,654)
(1,035,510)	0	(1,035,510)
(38,838,494)	0	(38,838,494)
0	(315,800)	(315,800)
0	(563)	(563)
0	(316,363)	(316,363)
\$ (38,838,494)	\$ (316,363)	\$ (39,154,857)
9,581,540	0	9,581,540
165,267	0	165,267
2,348,637	0	2,348,637
927,938	0	927,938
6,020,378	0	6,020,378
19,912,421	0	19,912,421
75,389	0	75,389
753,230	1,052	754,282
39,784,800	1,052	39,785,852
946,306	(315,311)	630,995
23,008,238	1,119,691	24,127,929
\$ 23,954,544	\$ 804,380	\$ 24,758,924

## PIQUA CITY SCHOOL DISTRICT

### **Balance Sheet Governmental Funds June 30, 2017**

	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Pooled Cash and Investments	\$ 15,445,549	\$ 2,459,695	\$ 4,854,969	\$ 1,539,976	\$ 24,300,189
Receivables:					
Taxes	12,068,139	2,460,842	972,393	172,779	15,674,153
Accounts	15,337	0	0	84	15,421
Intergovernmental	140,652	0	0	826,236	966,888
Interest	6,208	0	0	0	6,208
Interfund Loans Receivable	295,248	0	0	0	295,248
Prepaid Items	29,589	0	0	0	29,589
Restricted Assets:					
Cash with Fiscal Agent	0	762	0	0	762
Investments	0	1,500,000	0	0	1,500,000
<b>Total Assets</b>	<b>\$ 28,000,722</b>	<b>\$ 6,421,299</b>	<b>\$ 5,827,362</b>	<b>\$ 2,539,075</b>	<b>\$ 42,788,458</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 70,291	\$ 0	\$ 2,164	\$ 41,968	\$ 114,423
Accrued Wages and Benefits	2,165,475	0	0	226,887	2,392,362
Intergovernmental Payable	428,766	0	0	37,087	465,853
Matured Bonds and Interest Payable	0	762	0	0	762
Interfund Loans Payable	0	0	0	295,248	295,248
Compensated Absences Payable	44,149	0	0	0	44,149
<b>Total Liabilities</b>	<b>2,708,681</b>	<b>762</b>	<b>2,164</b>	<b>601,190</b>	<b>3,312,797</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable Amounts	371,293	87,414	34,518	537,120	1,030,345
Property Tax Levy for Next Fiscal Year	8,601,499	2,099,859	829,950	147,478	11,678,786
<b>Total Deferred Inflows of Resources</b>	<b>8,972,792</b>	<b>2,187,273</b>	<b>864,468</b>	<b>684,598</b>	<b>12,709,131</b>
<b>Fund Balance:</b>					
Nonspendable	29,589	0	0	48,919	78,508
Restricted	0	4,233,264	4,960,730	1,463,252	10,657,246
Assigned	504,741	0	0	0	504,741
Unassigned	15,784,919	0	0	(258,884)	15,526,035
<b>Total Fund Balance</b>	<b>16,319,249</b>	<b>4,233,264</b>	<b>4,960,730</b>	<b>1,253,287</b>	<b>26,766,530</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 28,000,722</b>	<b>\$ 6,421,299</b>	<b>\$ 5,827,362</b>	<b>\$ 2,539,075</b>	<b>\$ 42,788,458</b>

See accompanying notes to the basic financial statements



## *PIQUA CITY SCHOOL DISTRICT*

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### *Reconciliation of Total Governmental Fund Balances To Net Position of Governmental Activities June 30, 2017*

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<b>Total Governmental Fund Balances</b>		\$ 26,766,530
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		69,243,094
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		1,030,345
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	10,764,454	
Deferred Inflows - Pension	(107,251)	
Net Pension Liability	<u>(51,177,113)</u>	(40,519,910)
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.		2,495,414
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	(29,108,865)	
Certificates of Participation	(3,770,000)	
Deferred Loss on Early Retirement of Debt	62,249	
Capital Leases Payable	(93,797)	
Compensated Absences Payable	(1,980,494)	
Accrued Interest Payable	<u>(170,022)</u>	<u>(35,060,929)</u>
<b><i>Net Position of Governmental Activities</i></b>		<b><u>\$ 23,954,544</u></b>

See accompanying notes to the basic financial statements

## PIQUA CITY SCHOOL DISTRICT

### Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Fiscal Year Ended June 30, 2017

	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Local Sources:					
Taxes	\$ 15,667,672	\$ 2,368,483	\$ 935,804	\$ 166,732	\$ 19,138,691
Tuition	634,995	0	0	0	634,995
Transportation Fees	49,826	0	0	0	49,826
Investment Earnings	106,708	(9,691)	(26,589)	5,083	75,511
Extracurricular Activities	77,786	0	0	469,922	547,708
Class Materials and Fees	122,726	0	150	0	122,876
Intermediate Sources	0	0	0	222,887	222,887
Intergovernmental - State	19,600,155	420,703	131,746	805,725	20,958,329
Intergovernmental - Federal	394,220	221,078	0	2,333,315	2,948,613
All Other Revenue	511,462	0	126,963	114,805	753,230
<b>Total Revenues</b>	<b>37,165,550</b>	<b>3,000,573</b>	<b>1,168,074</b>	<b>4,118,469</b>	<b>45,452,666</b>
<b>Expenditures:</b>					
Current:					
Instruction	21,486,033	0	619,388	2,145,621	24,251,042
Supporting Services:					
Pupils	2,063,496	0	0	45,633	2,109,129
Instructional Staff	1,903,632	0	0	255,965	2,159,597
Board of Education	37,803	0	0	0	37,803
Administration	2,888,758	0	3,002	0	2,891,760
Fiscal Services	762,854	43,010	17,297	3,029	826,190
Operation and Maintenance of Plant	3,139,135	0	17,366	16,448	3,172,949
Pupil Transportation	1,337,426	0	186,222	197,415	1,721,063
Central	336,346	0	0	0	336,346
Operation of Non-Instructional Services	0	0	0	521,985	521,985
Extracurricular Activities	411,002	0	0	519,779	930,781
Capital Outlay	0	0	693,602	847,817	1,541,419
Debt Service:					
Principal Retirement	26,954	1,635,000	0	0	1,661,954
Interest and Fiscal Charges	4,882	1,296,106	0	0	1,300,988
<b>Total Expenditures</b>	<b>34,398,321</b>	<b>2,974,116</b>	<b>1,536,877</b>	<b>4,553,692</b>	<b>43,463,006</b>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	2,767,229	26,457	(368,803)	(435,223)	1,989,660

**PIQUA CITY SCHOOL DISTRICT**

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	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>Other Financing Sources (Uses):</b>					
Sale of Capital Assets	0	0	71,715	1,549	73,264
Transfers In	0	1,182,926	2,944,297	0	4,127,223
Transfers Out	(2,715,888)	0	(250,000)	(1,161,335)	(4,127,223)
<b>Total Other Financing Sources (Uses)</b>	<u>(2,715,888)</u>	<u>1,182,926</u>	<u>2,766,012</u>	<u>(1,159,786)</u>	<u>73,264</u>
Net Change in Fund Balance	51,341	1,209,383	2,397,209	(1,595,009)	2,062,924
<b>Fund Balance at Beginning of Year</b>	<u>16,267,908</u>	<u>3,023,881</u>	<u>2,563,521</u>	<u>2,848,296</u>	<u>24,703,606</u>
<b>Fund Balance End of Year</b>	<u>\$ 16,319,249</u>	<u>\$ 4,233,264</u>	<u>\$ 4,960,730</u>	<u>\$ 1,253,287</u>	<u>\$ 26,766,530</u>

See accompanying notes to the basic financial statements

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds To the Statement of Activities For the Fiscal Year Ended June 30, 2017***

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 2,062,924</b>
<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(450,428)
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.	(153,065)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(57,240)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	2,501,394
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.	(4,537,207)
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.	1,703,142
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	3,212
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.	(55,406)
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>(71,020)</u>
<b><i>Change in Net Position of Governmental Activities</i></b>	<b><u>\$ 946,306</u></b>

See accompanying notes to the basic financial statements



## PIQUA CITY SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended June 30, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 15,496,613	\$ 15,670,507	\$ 15,670,507	\$ 0
Tuition	492,000	634,995	634,995	0
Transportation Fees	45,000	39,407	39,407	0
Investment Earnings	150,000	225,572	225,572	0
Class Material and Fees	135,231	122,308	122,308	0
Intergovernmental - State	19,109,651	19,600,155	19,600,155	0
Intergovernmental - Federal	185,000	369,622	369,622	0
All Other Revenues	181,400	206,901	206,901	0
Total Revenues	35,794,895	36,869,467	36,869,467	0
<b>Expenditures:</b>				
Current:				
Instructional Services:				
Regular	15,519,557	15,809,462	15,809,462	0
Special	5,582,324	4,767,362	4,767,362	0
Other	550,541	789,513	789,513	0
Support Services:				
Pupils	1,649,797	2,070,354	2,070,354	0
Instructional Staff	2,012,286	1,902,652	1,902,652	0
Board of Education	44,628	37,996	37,996	0
Administration	2,808,856	2,599,505	2,599,505	0
Fiscal Services	638,859	737,127	737,127	0
Operation and Maintenance of Plant	4,540,943	3,438,584	3,438,584	0
Pupil Transportation	1,406,394	1,357,186	1,357,186	0
Central	233,428	336,422	336,422	0
Extracurricular Activities	484,823	412,680	412,680	0
Total Expenditures	35,472,436	34,258,843	34,258,843	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	322,459	2,610,624	2,610,624	0

**PIQUA CITY SCHOOL DISTRICT**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Transfers In	1,265	254,374	254,374	0
Transfers Out	0	(2,819,814)	(2,819,814)	0
Advances In	0	203,975	203,975	0
Advances Out	0	(295,248)	(295,248)	0
Refund of Prior Year's Expenditures	115,000	143,064	143,064	0
Refund of Prior Year's Receipts	0	(35,144)	(35,144)	0
Total Other Financing Sources (Uses):	<u>116,265</u>	<u>(2,548,793)</u>	<u>(2,548,793)</u>	<u>0</u>
 Net Change in Fund Balance	 438,724	 61,831	 61,831	 0
 Fund Balance at Beginning of Year	 14,356,338	 14,356,338	 14,356,338	 0
Prior Year Encumbrances	541,000	541,000	541,000	0
Fund Balance at End of Year	<u>\$ 15,336,062</u>	<u>\$ 14,959,169</u>	<u>\$ 14,959,169</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

# PIQUA CITY SCHOOL DISTRICT

**Statement of Net Position  
Proprietary Funds  
June 30, 2017**

	Business-Type Activities			Governmental Activities
	Major	Nonmajor	Total Enterprise Funds	Internal Service Fund
	Food Service	TV Station		
<b>Assets:</b>				
<i>Current Assets:</i>				
Pooled Cash and Investments	\$ 985,062	\$ 865	\$ 985,927	\$ 2,756,850
Inventory of Supplies at Cost	54,603	0	54,603	0
Prepaid Items	1,304	0	1,304	0
<b>Total Current Assets</b>	<b>1,040,969</b>	<b>865</b>	<b>1,041,834</b>	<b>2,756,850</b>
<i>Non Current Assets:</i>				
Capital Assets, Net	401,600	0	401,600	0
<b>Total Assets</b>	<b>1,442,569</b>	<b>865</b>	<b>1,443,434</b>	<b>2,756,850</b>
<b>Deferred Outflows of Resources:</b>				
Pension:				
SERS	367,894	0	367,894	0
<b>Total Deferred Outflows of Resources</b>	<b>367,894</b>	<b>0</b>	<b>367,894</b>	<b>0</b>
<b>Liabilities:</b>				
<i>Current Liabilities:</i>				
Accounts Payable	125	0	125	0
Accrued Wages and Benefits	93,068	350	93,418	0
Intergovernmental Payable	16,584	26	16,610	0
Compensated Absences - Current	7,063	0	7,063	0
<b>Total Current Liabilities</b>	<b>116,840</b>	<b>376</b>	<b>117,216</b>	<b>0</b>
<i>Long Term Liabilities:</i>				
Compensated Absences Payable	70,628	0	70,628	0
Net Pension Liability	1,080,540	0	1,080,540	0
<b>Total Long Term Liabilities</b>	<b>1,151,168</b>	<b>0</b>	<b>1,151,168</b>	<b>0</b>
<b>Total Liabilities</b>	<b>1,268,008</b>	<b>376</b>	<b>1,268,384</b>	<b>0</b>
<b>Net Position:</b>				
Investment in Capital Assets	401,600	0	401,600	0
Unrestricted	140,855	489	141,344	2,756,850
<b>Total Net Position</b>	<b>\$ 542,455</b>	<b>\$ 489</b>	<b>\$ 542,944</b>	<b>\$ 2,756,850</b>
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.			261,436	
Net Position of Business-type Activities			<b>\$ 804,380</b>	

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, 2017

	Business-Type Activities			Governmental Activities
	Major	Nonmajor	Total Enterprise Funds	Internal Service Fund
	Food Service	TV Station		
<b>Operating Revenues:</b>				
Sales	\$ 381,202	\$ 0	\$ 381,202	\$ 0
Interfund Charges	0	0	0	484,012
Other Operating Revenues	14,733	1,052	15,785	0
<b>Total Operating Revenues</b>	<u>395,935</u>	<u>1,052</u>	<u>396,987</u>	<u>484,012</u>
<b>Operating Expenses:</b>				
Salaries and Wages	582,979	512	583,491	5,135
Fringe Benefits	416,071	51	416,122	547,900
Contractual Services	29,882	0	29,882	4,437
Supplies and Materials	787,272	0	787,272	1,280
Depreciation	30,025	0	30,025	0
<b>Total Operating Expenses</b>	<u>1,846,229</u>	<u>563</u>	<u>1,846,792</u>	<u>558,752</u>
Operating Income (Loss)	(1,450,294)	489	(1,449,805)	(74,740)
<b>Nonoperating Revenues (Expenses):</b>				
Operating Grants	1,136,358	0	1,136,358	0
Investment Earnings	1,856	0	1,856	0
<b>Total Nonoperating Revenues (Expenses)</b>	<u>1,138,214</u>	<u>0</u>	<u>1,138,214</u>	<u>0</u>
<b>Change in Net Position</b>	(312,080)	489	(311,591)	(74,740)
Net Position Beginning of Year	854,535	0	854,535	2,831,590
Net Position End of Year	<u>\$ 542,455</u>	<u>\$ 489</u>	<u>\$ 542,944</u>	<u>\$ 2,756,850</u>
Change in Net Position - Total Enterprise Funds			(311,591)	
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.			<u>(3,720)</u>	
Change in Net Position - Total Business-type Activities			<u>\$ (315,311)</u>	

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, 2017**

	Business-Type Activities			Governmental
	Major	Nonmajor	Total Enterprise	Activities
	Food Service	TV Station		Funds
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Customers	\$395,935	\$1,052	\$396,987	\$0
Cash Received from Interfund Charges	0	0	0	484,012
Cash Payments for Goods and Services	(683,073)	0	(683,073)	(5,717)
Cash Payments to Employees for Services and Benefits	(925,830)	(187)	(926,017)	(553,035)
Net Cash Provided (Used) by Operating Activities	(1,212,968)	865	(1,212,103)	(74,740)
<b>Cash Flows from Noncapital Financing Activities:</b>				
Operating Grants Received	1,028,496	0	1,028,496	0
Net Cash Provided by Noncapital Financing Activities	1,028,496	0	1,028,496	0
<b>Cash Flows from Investing Activities:</b>				
Receipts of Interest	1,856	0	1,856	0
Net Cash Provided by Investing Activities	1,856	0	1,856	0
Net Increase (Decrease) in Cash and Cash Equivalents	(182,616)	865	(181,751)	(74,740)
Cash and Cash Equivalents at Beginning of Year	1,167,678	0	1,167,678	2,831,590
Cash and Cash Equivalents at End of Year	\$985,062	\$865	\$985,927	\$2,756,850
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	(\$1,450,294)	\$489	(\$1,449,805)	(\$74,740)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	30,025	0	30,025	0
Donated Commodities Used During the Year	107,862	0	107,862	0
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:				
Decrease in Inventory	28,544	0	28,544	0
Increase in Prepaid Items	(1,304)	0	(1,304)	0
Increase in Deferred Outflows	(201,580)	0	(201,580)	0
Decrease in Accounts Payable	(2,325)	0	(2,325)	0
Increase (Decrease) in Accrued Wages and Benefits	(1,882)	350	(1,532)	0
Increase in Intergovernmental Payables	767	26	793	0
Decrease in Compensated Absences	(4,393)	0	(4,393)	0
Decrease in Deferred Inflows	(25,622)	0	(25,622)	0
Increase in Net Pension Liability	307,234	0	307,234	0
Total Adjustments	237,326	376	237,702	0
Net Cash Provided (Used) by Operating Activities	(\$1,212,968)	\$865	(\$1,212,103)	(\$74,740)

See accompanying notes to the basic financial statements

**PIQUA CITY SCHOOL DISTRICT**

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**Statement of Net Position**  
**Fiduciary Funds**  
**June 30, 2017**

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	Private Purpose Trust	
	Special Trust	
	Fund	Agency
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 547,232	\$ 51,442
Investments with Fiscal Agent	378,149	0
<b>Total Assets</b>	<u>925,381</u>	<u>51,442</u>
 <b>Liabilities:</b>		
Accounts Payable	182	0
Due to Students	0	51,442
<b>Total Liabilities</b>	<u>182</u>	<u>51,442</u>
 <b>Net Position:</b>		
Held in Trust	925,199	0
<b>Total Net Position</b>	<u>\$ 925,199</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

**PIQUA CITY SCHOOL DISTRICT**

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**Statement of Changes in Net Position**  
**Fiduciary Fund**  
**For the Fiscal Year Ended June 30, 2017**

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	Private Purpose Trust Special Trust Fund
<b>Additions:</b>	
Contributions:	
Sales	\$ 1,452
Private Donations	22,185
Total Contributions	<u>23,637</u>
Investment Earnings:	
Interest	101,078
Net Increase in the Fair Value of Investments	207
Total Investment Earnings	<u>101,285</u>
Total Additions	<u>124,922</u>
<b>Deductions:</b>	
Administrative Expenses	642
Community Gifts, Awards and Scholarships	22,789
Total Deductions	<u>23,431</u>
Change in Net Position	101,491
Net Position at Beginning of Year	<u>823,708</u>
Net Position End of Year	<u><u>\$ 925,199</u></u>

See accompanying notes to the basic financial statements

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 200 teachers, 21 certified administrators, 124 classified staff, and 8 classified administrators providing education to 3,492 students.

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

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

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

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

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

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

**Permanent Improvement Fund** - The permanent improvement fund accounts for financial resources to be used for the acquisition or construction of major capital assets.

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

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

The other enterprise fund of the District accounts for television station operations.

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

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

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

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

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

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

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

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



# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

Current property taxes measurable at June 30, 2017, and which are not intended to finance fiscal year 2017 operations, have been recorded as deferred inflows of resources. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end.

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

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# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

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

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

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

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

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

# PIQUA CITY SCHOOL DISTRICT

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## *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017*

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

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

##### 2. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement as final budget reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2017.

##### 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.

##### 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.

**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017***

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

**E. Budgetary Process (Continued)**

5. Basis of Budgeting (Continued)

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

	Net Change in Fund Balance
	General Fund
GAAP Basis (as reported)	\$51,341
Increase (Decrease):	
Accrued Revenues	
at June 30, 2017,	
received during FY 2018	(3,507,438)
Accrued Revenues	
at June 30, 2016,	
received during FY 2017	3,455,079
Accrued Expenditures	
at June 30, 2017,	
paid during FY 2018	2,708,681
Accrued Expenditures	
at June 30, 2016,	
paid during FY 2017	(2,660,338)
FY 2017 Prepays for FY 2018	(29,589)
Encumbrances Outstanding	(378,880)
Perspective Difference:	
Activity of Funds Reclassified	
for GAAP Reporting Purposes	422,975
Budget Basis	\$61,831

**F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, investments with original maturities of less than three months, and the State Treasury Asset Reserve (STAR Ohio). The amounts in STAR Ohio are considered cash equivalents because they are highly liquid investments with original maturity dates of three months or less.

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

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

#### **G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The District allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" and GASB Statement No. 72, "Fair Value Measurement and Application," the District records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. See Note 6, "Cash, Cash Equivalents and Investments."

The District's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the District. The District measures the investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

#### **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. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased and in the proprietary funds when used.

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

#### **I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2017, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

#### **J. 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 their acquisition value as of 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.

##### **2. Property, Plant and Equipment – Business Type Activities**

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at their acquisition value as of 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.

**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017***

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

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

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:

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

**K. Long-Term Obligations**

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

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Bond Retirement Fund
Certificates of Participation	Bond Retirement Fund*
Capital Leases	General Fund
Compensated Absences	General Fund, Food Service Fund, IDEA-B Fund, Title I Fund, Title II-A Fund
Net Pension Liability	General Fund, Food Service Fund, Auxiliary Services Fund, IDEA-B Fund, Title I Fund, Title II-A Fund

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

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

##### **L. 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.

##### **M. 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 \$11,195,195 in restricted net position, none is restricted by enabling legislation.

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



## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

##### **N. Pensions**

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

##### **O. 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.

##### **P. Restricted Assets**

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

##### **Q. Fund Balance**

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

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

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

##### **Q. 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.

##### **R. Estimates**

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

# **PIQUA CITY SCHOOL DISTRICT**

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

#### **T. 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.

#### **U. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during fiscal year 2017.

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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#### **NOTE 2 – COMPLIANCE AND ACCOUNTABILITY**

***Fund Deficits*** - The fund deficits at June 30, 2017 of \$114,887 in the IDEA-B Fund, \$121,473 in the Title I Fund, and \$22,524 in the Title II-A Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

#### **NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE**

For the fiscal year ended June 30, 2017, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*, GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14* and GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*.

GASB Statement No. 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments that reduce the reporting government's tax revenues.

GASB Statement No. 78 amends the scope of GASB Statement No. 68 to exclude certain multiple employer defined benefit pension plans provided to employees of state and local governments on the basis that obtaining the measurements and other information required by GASB Statement No. 68 was not feasible. The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the District.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the District.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the District's fiscal year 2017 financial statements; however, there was no effect on beginning net position/fund balance.

**PIQUA CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**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	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid Items	\$29,589	\$0	\$0	\$0	\$29,589
Endowments	0	0	0	48,919	48,919
Total Nonspendable	<u>29,589</u>	<u>0</u>	<u>0</u>	<u>48,919</u>	<u>78,508</u>
Restricted:					
Endowments	0	0	0	13,524	13,524
Classroom Facilities Maintenance	0	0	0	1,018,237	1,018,237
Conflict Management	0	0	0	704	704
Auxiliary Services	0	0	0	53,530	53,530
Extracurricular Activities	0	0	0	342,173	342,173
Technology Improvements	0	0	0	500	500
Targeted Academic Assistance	0	0	0	34,584	34,584
Debt Service Payments	0	4,233,264	0	0	4,233,264
Capital Acquisition and Improvement	0	0	4,960,730	0	4,960,730
Total Restricted	<u>0</u>	<u>4,233,264</u>	<u>4,960,730</u>	<u>1,463,252</u>	<u>10,657,246</u>
Assigned:					
Public School Support	152,332	0	0	0	152,332
Services and Supplies	352,409	0	0	0	352,409
Total Assigned:	<u>504,741</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>504,741</u>
Unassigned (Deficit)	<u>15,784,919</u>	<u>0</u>	<u>0</u>	<u>(258,884)</u>	<u>15,526,035</u>
Total Fund Balances	<u><u>\$16,319,249</u></u>	<u><u>\$4,233,264</u></u>	<u><u>\$4,960,730</u></u>	<u><u>\$1,253,287</u></u>	<u><u>\$26,766,530</u></u>

**PIQUA CITY SCHOOL DISTRICT**

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017*

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

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

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

Capital Outlay	\$1,491,583
Depreciation Expense	<u>(1,942,011)</u>
	(\$450,428)

*Governmental revenues not reported in the funds:*

Decrease in Delinquent Tax Revenue	(\$94,931)
Increase in Grants Receivable	<u>37,691</u>
	(\$57,240)

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

Bond Principal Payment	\$1,635,000
Deferred Loss on Early Retirement of Debt	(20,750)
Bond Premium Amortization	61,938
Capital Lease Principal Retirement	<u>26,954</u>
	\$1,703,142

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

Increase in Compensated Absences Payable	<u>(\$55,406)</u>
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## ***PIQUA CITY SCHOOL DISTRICT***

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

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

## **PIQUA CITY SCHOOL DISTRICT**

### **Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017**

#### **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 \$10,635,601 and the bank balance was \$11,680,274. Federal depository insurance covered \$11,536,232 of the bank balance and \$144,042 was collateralized by the financial institutions' public entity deposit pools in the manner described above.

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

The District's investments at June 30, 2017 were as follows:

	Fair Value	Credit Rating	Fair Value Hierarchy	Investment Maturities (in Years)		
				less than 1	1-3	3-5
STAR Ohio <sup>4</sup>	\$160,901	AAA <sup>1</sup>	NA	\$160,901	\$0	\$0
Money Market Fund <sup>4</sup>	22,853	AAA <sup>1</sup> /Aaa <sup>1,2</sup>	NA	22,853	0	0
U.S. Treasuries	32,146	AA <sup>1</sup>	Level 1	32,146	0	0
Corporate Bond Fund	65,637	AAA-BB <sup>1</sup>	Level 2	65,637	0	0
Corporate Equities Fund	253,060	NA	Level 2	253,060	0	0
REIT Fund	36,599	NA	Level 2	36,599	0	0
Marketable CD's	13,670,732	AAA <sup>3</sup>	Level 2	5,730,085	6,586,935	1,353,712
FNMA	2,425,782	AA+/aa3 <sup>1,2</sup>	Level 2	100,442	1,095,693	1,229,647
FFCB	499,575	AA+/aa3 <sup>1,2</sup>	Level 2	499,575	0	0
FHLB	499,120	AA+/aa3 <sup>1,2</sup>	Level 2	0	0	499,120
FHLMC	2,218,545	AA+/aa3 <sup>1,2</sup>	Level 2	0	249,525	1,969,020
<b>Total Investments</b>	<b>\$19,884,950</b>			<b>\$6,901,298</b>	<b>\$7,932,153</b>	<b>\$5,051,499</b>

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

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

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

<sup>4</sup> Reported at amortized cost



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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

*Concentration of Credit Risk* – The District places no limit on the amount the District may invest in one issuer. Of the District’s total investments, 69% are in Marketable CD’s, 2% are FFCB, 2% are FHLB, 12% are FNMA, 11% are FHLMC, and 4% are in other investments.

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

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# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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### **NOTE 7 - TAXES**

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

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

Property taxes include amounts levied against all real and public utility property located in the District. Real property tax revenue received in calendar year 2017 represents collections of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed value listed as of January 1, 2016, 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 2017 represents collections of calendar year 2016 taxes. Public utility real and tangible personal property taxes received in calendar year 2017 became a lien December 31, 2015, were levied after April 1, 2016 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 2017 were as follows:

	<u>2016 Second Half Collections</u>	<u>2017 First Half Collections</u>
Agricultural/Residential and Other Real Estate	\$377,749,340	\$380,414,560
Public Utility Personal	6,902,690	7,570,670
Total Assessed Value	<u>\$384,652,030</u>	<u>\$387,985,230</u>
Tax rate per \$1,000 of assessed valuation	\$50.52	\$50.41

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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#### **NOTE 7 - TAXES (Continued)**

##### **B. Income Tax**

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

##### **C. Tax Abatements**

###### ***Real Estate Tax Abatements***

In prior years the City of Piqua has provided various tax incentives under Community Reinvestment Area (CRA) programs. The City authorizes incentives through passage of public ordinances, based upon each businesses investment criteria and through a contractual application process with each entity, including proof that the improvement has been made and certification by the local housing officer. The tax abatement under the program is equal to 100% of the additional property tax resulting from the increase in the assessed value as a result of the improvements for fifteen years following the year of certification. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the Community Reinvestment Area gave the City the ability to maintain and expand business located within the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes.

The City of Piqua had 47 individual agreements under the CRA program. These abatements reduced the District's property tax revenues by \$504,224 in calendar year 2016 (the latest information available).

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

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**NOTE 8 – INTERFUND TRANSACTIONS**

On the Statement of Net Position, the Business-Type Activities reported an internal balance at June 30, 2017 of \$261,436 which is offset in the Governmental Activities by the same amount.

**A. Interfund Loans**

Following is a summary of interfund receivables/payables for all funds at June 30, 2017:

	Interfund Loans Receivable	Interfund Loans Payable
General Fund	\$295,248	\$0
Other Governmental Funds	0	295,248
Totals	\$295,248	\$295,248

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

**B. Transfers**

Following is a summary of transfers in and out for all funds for the fiscal year ended June 30, 2017:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$2,715,888
Bond Retirement Fund	1,182,926	0
Permanent Improvement Fund	2,944,297	250,000
Other Governmental Funds	0	1,161,335
Total All Funds	\$4,127,223	\$4,127,223

During fiscal year 2017 the Permanent Improvement Fund transferred \$250,000 to the Bond Retirement Fund for debt retirement on HVAC improvement bonds. The residual fund balance in the Ohio School Facilities Commission Construction Fund was transferred to the Bond Retirement and Permanent Improvement Funds. In addition, the General Fund transferred \$2,500,000 to the Permanent Improvement Fund to be used for repairs and renovations at the high school.

**PIQUA CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

**NOTE 9 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at June 30, 2017:

**Historical Cost:**

Class	June 30, 2016	Additions	Deletions	June 30, 2017
<b>Capital assets not being depreciated:</b>				
Land	\$314,811	\$0	\$0	\$314,811
Construction in Progress	0	619,585	0	619,585
	<u>314,811</u>	<u>619,585</u>	<u>0</u>	<u>934,396</u>
<b>Capital assets being depreciated:</b>				
Land Improvements	6,321,195	0	0	6,321,195
Buildings and Improvements	75,534,085	3,475	0	75,537,560
Machinery and Equipment	2,599,431	329,947	(402,325)	2,527,053
Vehicles	2,341,880	538,576	(113,422)	2,767,034
Total Cost	<u>\$87,111,402</u>	<u>\$1,491,583</u>	<u>(\$515,747)</u>	<u>\$88,087,238</u>
<b>Accumulated Depreciation:</b>				
Class	June 30, 2016	Additions	Deletions	June 30, 2017
Land Improvements	(\$3,537,659)	(\$229,745)	\$0	(\$3,767,404)
Buildings and Improvements	(10,558,854)	(1,370,067)	0	(11,928,921)
Machinery and Equipment	(1,233,688)	(206,619)	249,260	(1,191,047)
Vehicles	(1,934,614)	(135,580)	113,422	(1,956,772)
Total Depreciation	<u>(\$17,264,815)</u>	<u>(\$1,942,011) *</u>	<u>\$362,682</u>	<u>(\$18,844,144)</u>
<b>Net Value:</b>	<u>\$69,846,587</u>			<u>\$69,243,094</u>

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

Instruction	\$29,599
Support Services:	
Pupils	71
Instructional Staff	340
Administration	8,625
Fiscal	1,685
Business	580
Operation and Maintenance of Plant	33,232
Pupil Transportation	160,013
Central	1,673,956
Operation of Non-Instructional Services	1,446
Extracurricular Activities	32,464
Total Depreciation Expense	<u>\$1,942,011</u>

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

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

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

Summary by Category at June 30, 2017:

***Historical Cost:***

Class	June 30, 2016	Additions	Deletions	June 30, 2017
Machinery and Equipment	\$814,300	\$0	(\$21,600)	\$792,700
Total Cost	<u>\$814,300</u>	<u>\$0</u>	<u>(\$21,600)</u>	<u>\$792,700</u>

***Accumulated Depreciation:***

Class	June 30, 2016	Additions	Deletions	June 30, 2017
Machinery and Equipment	(\$382,675)	(\$30,025)	\$21,600	(\$391,100)
Total Depreciation	<u>(\$382,675)</u>	<u>(\$30,025)</u>	<u>\$21,600</u>	<u>(\$391,100)</u>
<b><i>Net Value:</i></b>	<u>\$431,625</u>			<u>\$401,600</u>

**NOTE 10 - RECEIVABLES**

Receivables at June 30, 2017 consisted of taxes, accounts, interest, and intergovernmental receivables.

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

##### **A. Net Pension Liability**

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

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

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

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

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

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

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

**B. Plan Description**

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

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

Age and service requirements for retirement are as follows:

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

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

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary. One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the allocation to pension, death benefits, and Medicare B was 14.00 percent. None of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$612,573 for fiscal year 2017.



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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

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

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

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2017, the employer rate was 14% and the member rate was 14% of covered payroll. The entire 14% was used to fund pension obligations. The statutory maximum employer rate is 14%.

The District's contractually required contribution to STRS was \$1,955,768 for fiscal year 2017. Of this amount \$322,812 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, 2017**

**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, 2016, 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	\$9,886,014	\$42,371,639	\$52,257,653
Proportion of the Net Pension Liability -2017	0.1350718%	0.1265845%	
Proportion of the Net Pension Liability -2016	<u>0.1335200%</u>	<u>0.1243607%</u>	
Percentage Change	<u>0.0015518%</u>	<u>0.0022238%</u>	
Pension Expense	\$1,095,589	\$3,588,597	\$4,684,186

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$133,340	\$1,712,019	\$1,845,359
Change of assumptions	659,945	0	659,945
Net difference between projected and actual earnings on pension plan investments	815,451	3,517,984	4,333,435
School District contributions subsequent to the measurement date	612,573	1,955,768	2,568,341
Changes in proportionate share	<u>270,672</u>	<u>1,454,596</u>	<u>1,725,268</u>
Total Deferred Outflows of Resources	<u>\$2,491,981</u>	<u>\$8,640,367</u>	<u>\$11,132,348</u>
<b>Deferred Inflows of Resources</b>			
Changes in proportionate share	<u>\$107,251</u>	<u>\$0</u>	<u>\$107,251</u>
Total Deferred Inflows of Resources	<u>\$107,251</u>	<u>\$0</u>	<u>\$107,251</u>

\$2,568,341 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 fiscal year ending June 30, 2018. 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:			
2018	\$472,581	\$1,270,880	\$1,743,461
2019	471,995	1,270,882	1,742,877
2020	599,951	2,620,829	3,220,780
2021	<u>227,630</u>	<u>1,522,008</u>	<u>1,749,638</u>
Total	<u>\$1,772,157</u>	<u>\$6,684,599</u>	<u>\$8,456,756</u>

# PIQUA CITY SCHOOL DISTRICT

## Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017

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

#### D. Actuarial Assumptions

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

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2016, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an experience study that was completed June 30, 2015. As a result of the actuarial experience study, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

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

**D. Actuarial Assumptions (Continued)**

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

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

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

**Discount Rate** - The total pension liability was calculated using the discount rate of 7.50 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 (7.50 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 7.50 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 (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	\$13,088,460	\$9,886,014	\$7,205,425

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

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

**D. Actuarial Assumptions (Continued)**

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

The total pension liability in the June 30, 2016 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, 2016, 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>	<u>7.61 %</u>

\* 10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.50% and does not include investment expenses. The total fund long-term expected return reflects diversification among the asset classes and therefore is not a weighted average return of the individual asset classes.

# ***PIQUA CITY SCHOOL DISTRICT***

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## ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

**Discount Rate** - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2016. 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, 2016.

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
School District's proportionate share of the net pension liability	\$56,308,468	\$42,371,639	\$30,615,106

#### **E. Changes Between Measurement Date and Report Date**

In March 2017, the STRS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of June 30, 2017. The most significant change is a reduction in the discount rate from 7.75 percent to 7.45 percent. In April 2017, the STRS Board voted to suspend cost of living adjustments granted on or after July 1, 2017. Although the exact amount of these changes is not known, the overall change to the School District's Net Pension Liability is expected to be significant.

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2017, no percentage of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount (\$23,500 for 2017), 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, 2017, 2016, and 2015 were \$71,509, \$67,915, and \$112,897 respectively; which were equal to the required contributions for each year.



## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2017, 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, 2017, 2016, and 2015 were \$0, \$0, and \$0 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, 2017**

**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, 2017 is as follows:

	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017	Amount Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Bonds:					
2015 School Improvement Refunding 2.0-4.0%	\$3,910,000	\$0	(\$935,000)	\$2,975,000	\$965,000
Bond Premium	196,146	0	(49,036)	147,110	0
Total 2015 School Improvement Refunding Bonds	<u>4,106,146</u>	<u>0</u>	<u>(984,036)</u>	<u>3,122,110</u>	<u>965,000</u>
2012 School Facility Construction 1.5-5.0%	26,390,000	0	(700,000)	25,690,000	715,000
Bond Premium	309,657	0	(12,902)	296,755	0
Total 2012 School Facility Construction Bonds	<u>26,699,657</u>	<u>0</u>	<u>(712,902)</u>	<u>25,986,755</u>	<u>715,000</u>
Total General Obligation Bonds	30,805,803	0	(1,696,938)	29,108,865	1,680,000
Certificates of Participation:					
Energy Conservation Improvement 6.75%	3,770,000	0	0	3,770,000	0
Capital Leases Payable	120,751	0	(26,954)	93,797	28,192
Net Pension Liability:					
State Teachers Retirement System	34,369,651	8,001,988	0	42,371,639	0
School Employees Retirement System	6,845,475	1,959,999	0	8,805,474	0
Total Net Pension Liability	<u>41,215,126</u>	<u>9,961,987</u>	<u>0</u>	<u>51,177,113</u>	<u>0</u>
Compensated Absences	2,010,033	363,613	(349,003)	2,024,643	328,221
Total Governmental Activities	<u>77,921,713</u>	<u>10,325,600</u>	<u>(2,072,895)</u>	<u>86,174,418</u>	<u>2,036,413</u>
<b>Business-Type Activities:</b>					
Net Pension Liability					
School Employees Retirement System	773,306	307,234	0	1,080,540	0
Compensated Absences	82,084	7,199	(11,592)	77,691	7,063
Total Business-Type Activities	<u>855,390</u>	<u>314,433</u>	<u>(11,592)</u>	<u>1,158,231</u>	<u>7,063</u>
Total Long-Term Debt and Other Obligations	<u>\$78,777,103</u>	<u>\$10,640,033</u>	<u>(\$2,084,487)</u>	<u>\$87,332,649</u>	<u>\$2,043,476</u>

The District's overall debt margin was \$10,404,327 with an unvoted debt margin of \$387,985 at June 30, 2017.

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

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**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, 2017, follows:

Years	General Obligation Bonds			Certificates of Participation		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$1,680,000	\$1,015,207	\$2,695,207	\$0	\$254,476	\$254,476
2019	1,725,000	971,807	2,696,807	0	254,476	254,476
2020	1,765,000	941,144	2,706,144	0	254,476	254,476
2021	760,000	876,906	1,636,906	0	254,476	254,476
2022	790,000	852,819	1,642,819	0	254,476	254,476
2023-2027	4,420,000	3,740,010	8,160,010	3,770,000	1,272,380	5,042,380
2028-2032	5,280,000	2,883,080	8,163,080	0	0	0
2033-2037	6,270,000	1,838,206	8,108,206	0	0	0
2038-2042	5,975,000	490,300	6,465,300	0	0	0
Totals	<u>\$28,665,000</u>	<u>\$13,609,479</u>	<u>\$42,274,479</u>	<u>\$3,770,000</u>	<u>\$2,544,760</u>	<u>\$6,314,760</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 \$2,775,000 at June 30, 2017, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017***

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**NOTE 14 - CAPITAL LEASE COMMITMENTS**

The District leases copiers under a capital lease. The cost of the equipment obtained under capital lease is \$142,306, the accumulated depreciation is \$56,922 and the net book value is \$85,384, which is included in the Governmental Activities Capital Assets and the related liability is included in the Governmental Activities Long-Term Liabilities.

The following is a schedule of the future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of June 30, 2017:

<u>Year Ending June 30,</u>	<u>Capital Lease</u>
2018	\$31,836
2019	31,836
2020	31,836
2021	5,307
Minimum Lease Payments	100,815
Less: Amount representing interest at the District's incremental borrowing rate of interest	<u>(7,018)</u>
Present Value of minimum lease payments	<u><u>\$93,797</u></u>

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

The District purchases property and liability insurance through Liberty Mutual.

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

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

The District established the Self Insurance Fund during fiscal year 1997 to account for the proceeds of the contingent premium program administered by Anthem Blue Cross and Blue Shield. The program allows the District to limit the risk of loss to a pre-determined level while benefiting from cash flow advantages and sharing in gains for positive claims experience. Under the contingent premium program, the District remits to Anthem a reduced insurance premium, 90% of the normal fully insured premium, during the twelve month rating period. The District deposits the difference between the contingent premium and the risk premium, 112% of the normal fully insured premium, into the Self Insurance Fund. The risk premium is the maximum liability rate established at the beginning of the contract year. Incurred claims and administrative expenses are calculated at the end of every twelve month period. If the total expenses for the year are equal to or below the amount paid in the contingent premium, no additional payment is due. If total expenses exceed the contingent premium, the District must pay the excess, but only up to the risk premium. Settlement has not yet occurred for plan year 2017, but there is no expectation of additional premium. The district loss ratio was approximately 96% for 2016 (the latest information available).

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**PIQUA CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017***

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**NOTE 16 – SET-ASIDES**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into reserve. During the fiscal year ended June 30, 2017, the reserve activity (cash-basis) was as follows:

	<u>Capital Acquisition</u>
Set-aside Cash Balance as of June 30, 2016	\$0
Current Year Set-Aside Requirement	610,344
Current Year Offset Credits	(935,615)
Qualifying Disbursements	<u>(693,047)</u>
Total	<u>(\$1,018,318)</u>
Set-aside Cash Balance	<u><u>\$0</u></u>

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

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

The Metropolitan Educational Technology Association (META) is a computer consortium and educational solutions partner providing services across Ohio. META provides cost-effective fiscal, network, technology and student services, a purchasing cooperative, and other individual services based on each client's needs.

The governing board of META consists of a president, vice president and six board members who represent the members of META. The Board works with META's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organization's mission, vision, and values. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. The District paid META \$37,731 for services provided during the fiscal year. Financial information can be obtained from David Varda, who serves as Chief Financial Officer, at 100 Executive Drive, Marion, Ohio 43302.

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

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

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to the SOEPC are made from the General Fund. During fiscal year 2017 no monies were paid to SOEPC. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Cooperative, Ken Swink, Director, 303 Corporate Center Drive, Suite 208 Vandalia, Ohio 45377.

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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

All member districts are obligated to pay fees, charges or other assessments as established by the SOITA. Upon dissolution, the net position shall be distributed to the federal government, or to a state or local government, for a public purpose. Payments to SOITA are made from the General Fund. During fiscal year 2017, the Piqua City School District paid \$4,679 to the SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Gary Greenberg, Executive Director, 1205 East Fifth Street, Dayton, Ohio 45402.

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

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



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

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### ***Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2017***

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

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

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

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

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

**PIQUA CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**

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**NOTE 19 - CONTINGENCIES**

**A. Grants**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2017.

**B. Litigation**

The District is not a party to any legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2017.

**C. School Foundation**

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2017 Foundation funding for the school district; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

**NOTE 20 – SIGNIFICANT COMMITMENTS**

At June 30, 2017 the District had encumbrance commitments in the Governmental Funds as follows:

Fund	Encumbrances
General Fund	\$383,642
Permanent Improvement Fund	406,847
Other Governmental Funds	426,585
Total Governmental Funds	\$1,217,074

At June 30, 2017 the District had the following contractual commitments:

Project	Remaining Contractual Commitment	Expected Date of Completion
Piqua High School Exterior Restoration	\$17,296	November 2017
	\$17,296	

*PIQUA CITY SCHOOL DISTRICT*

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*REQUIRED SUPPLEMENTAL INFORMATION*

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## **PIQUA CITY SCHOOL DISTRICT**

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

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#### **State Teachers Retirement System**

	<u>2015</u>	<u>2016</u>	<u>2017</u>
District's proportion of the net pension liability (asset)	0.1188226%	0.1243607%	0.1265845%
District's proportionate share of the net pension liability (asset)	\$28,901,770	\$34,369,651	\$42,371,639
District's covered-employee payroll	\$12,156,608	\$12,118,571	\$13,639,879
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	237.75%	283.61%	310.65%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	72.10%	66.80%

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

#### **School Employees Retirement System**

	<u>2015</u>	<u>2016</u>	<u>2017</u>
District's proportion of the net pension liability (asset)	0.1302800%	0.1335200%	0.1350718%
District's proportionate share of the net pension liability (asset)	\$6,593,398	\$7,618,781	\$9,886,014
District's covered-employee payroll	\$3,807,165	\$4,017,800	\$4,192,064
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	173.18%	189.63%	235.83%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	69.16%	62.98%

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

Notes: The District implemented GASB Statements 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2015 is not available.

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

**PIQUA CITY SCHOOL DISTRICT**

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

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**State Teachers Retirement System**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$1,580,359	\$1,696,600	\$1,909,583	\$1,955,768
Contributions in relation to the contractually required contribution	<u>1,580,359</u>	<u>1,696,600</u>	<u>1,909,583</u>	<u>1,955,768</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered-employee payroll	\$12,156,608	\$12,118,571	\$13,639,879	\$13,969,771
Contributions as a percentage of covered-employee payroll	13.00%	14.00%	14.00%	14.00%

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

**School Employees Retirement System**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$527,673	\$529,546	\$586,889	\$612,573
Contributions in relation to the contractually required contribution	<u>527,673</u>	<u>529,546</u>	<u>586,889</u>	<u>612,573</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered-employee payroll	\$3,807,165	\$4,017,800	\$4,192,064	\$4,375,521
Contributions as a percentage of covered-employee payroll	13.86%	13.18%	14.00%	14.00%

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

Notes: The District implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2014 is not available.

## **PIQUA CITY SCHOOL DISTRICT**

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### ***Notes to the Required Supplemental Information For the Fiscal Year Ended June 30, 2017***

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#### **SERS**

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for fiscal years 2014 - 2017.

*Changes in assumptions:* There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rate, and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

#### **STRS**

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for fiscal years 2014 - 2017.

*Changes in assumptions:* There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. See the notes to the basic financials for the methods and assumptions in this calculation.

*PIQUA CITY SCHOOL DISTRICT*

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*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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

# *PIQUA CITY SCHOOL DISTRICT*

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## *Nonmajor Governmental Funds*

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### *Special Revenue Funds*

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

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

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

#### **Other Grant Fund**

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

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

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

#### **Auxiliary Services Fund**

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

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

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

#### **IDEA-B Fund**

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

#### **Title I Fund**

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

#### **Public Schools Connectivity Fund**

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

(Continued)



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

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### ***Special Revenue Funds (Continued)***

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#### **Classroom Facilities Maintenance Fund**

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

#### **Miscellaneous Federal Grants Fund**

To account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

#### **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.

### ***Capital Projects Fund***

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

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

To account for state grant monies and debt proceeds to be used for the construction of new school facilities. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

### ***Permanent Fund***

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

#### **Permanent Fund**

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

**PIQUA CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2017**

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Pooled Cash and Investments	\$ 1,477,533	\$ 62,443	\$ 1,539,976
Receivables:			
Taxes	172,779	0	172,779
Accounts	84	0	84
Intergovernmental	826,236	0	826,236
<b>Total Assets</b>	<b>\$ 2,476,632</b>	<b>\$ 62,443</b>	<b>\$ 2,539,075</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 41,968	\$ 0	\$ 41,968
Accrued Wages and Benefits	226,887	0	226,887
Intergovernmental Payable	37,087	0	37,087
Interfund Loans Payable	295,248	0	295,248
<b>Total Liabilities</b>	<b>601,190</b>	<b>0</b>	<b>601,190</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable Amounts	537,120	0	537,120
Property Tax Levy for Next Fiscal Year	147,478	0	147,478
<b>Total Deferred Inflows of Resources</b>	<b>684,598</b>	<b>0</b>	<b>684,598</b>
<b>Fund Balance:</b>			
Nonspendable	0	48,919	48,919
Restricted	1,449,728	13,524	1,463,252
Unassigned	(258,884)	0	(258,884)
<b>Total Fund Balance</b>	<b>1,190,844</b>	<b>62,443</b>	<b>1,253,287</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 2,476,632</b>	<b>\$ 62,443</b>	<b>\$ 2,539,075</b>

## PIQUA CITY SCHOOL DISTRICT

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Fiscal Year Ended June 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 166,732	\$ 0	\$ 0	\$ 166,732
Investment Earnings	2,639	2,322	122	5,083
Extracurricular Activities	469,922	0	0	469,922
Intermediate Sources	222,887	0	0	222,887
Intergovernmental - State	805,725	0	0	805,725
Intergovernmental - Federal	2,333,315	0	0	2,333,315
All Other Revenue	113,805	0	1,000	114,805
<b>Total Revenues</b>	<u>4,115,025</u>	<u>2,322</u>	<u>1,122</u>	<u>4,118,469</u>
<b>Expenditures:</b>				
Current:				
Instruction	2,145,621	0	0	2,145,621
Supporting Services:				
Pupils	43,483	0	2,150	45,633
Instructional Staff	255,965	0	0	255,965
Fiscal Services	3,029	0	0	3,029
Operation and Maintenance of Plant	16,448	0	0	16,448
Pupil Transportation	197,415	0	0	197,415
Operation of Non-Instructional Services	521,985	0	0	521,985
Extracurricular Activities	519,779	0	0	519,779
Capital Outlay	67,892	779,925	0	847,817
<b>Total Expenditures</b>	<u>3,771,617</u>	<u>779,925</u>	<u>2,150</u>	<u>4,553,692</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	343,408	(777,603)	(1,028)	(435,223)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	1,549	0	0	1,549
Transfers Out	0	(1,161,335)	0	(1,161,335)
<b>Total Other Financing Sources (Uses)</b>	<u>1,549</u>	<u>(1,161,335)</u>	<u>0</u>	<u>(1,159,786)</u>
Net Change in Fund Balance	344,957	(1,938,938)	(1,028)	(1,595,009)
<b>Fund Balance at Beginning of Year</b>	<u>845,887</u>	<u>1,938,938</u>	<u>63,471</u>	<u>2,848,296</u>
<b>Fund Balance End of Year</b>	<u>\$ 1,190,844</u>	<u>\$ 0</u>	<u>\$ 62,443</u>	<u>\$ 1,253,287</u>

**PIQUA CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2017**

	Other Grant	District Managed Activity	Auxiliary Services	School Conflict Management Grant
<b>Assets:</b>				
Pooled Cash and Investments	\$ 36,642	\$ 362,351	\$ 75,401	\$ 704
Receivables:				
Taxes	0	0	0	0
Accounts	0	84	0	0
Intergovernmental	0	0	0	0
<b>Total Assets</b>	<u>\$ 36,642</u>	<u>\$ 362,435</u>	<u>\$ 75,401</u>	<u>\$ 704</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 2,058	\$ 20,212	\$ 16,831	\$ 0
Accrued Wages and Benefits	0	0	4,203	0
Intergovernmental Payable	0	50	837	0
Interfund Loans Payable	0	0	0	0
<b>Total Liabilities</b>	<u>2,058</u>	<u>20,262</u>	<u>21,871</u>	<u>0</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Amounts	0	0	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance:</b>				
Restricted	34,584	342,173	53,530	704
Unassigned	0	0	0	0
<b>Total Fund Balance (Deficit)</b>	<u>34,584</u>	<u>342,173</u>	<u>53,530</u>	<u>704</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 36,642</u>	<u>\$ 362,435</u>	<u>\$ 75,401</u>	<u>\$ 704</u>

**PIQUA CITY SCHOOL DISTRICT**

IDEA-B	Title I	Public Schools Connectivity	Classroom Facilities Maintenance	Title II-A	Straight A Grant	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 500	\$ 1,001,935	\$ 0	\$ 0	\$ 1,477,533
0	0	0	172,779	0	0	172,779
0	0	0	0	0	0	84
216,708	432,879	0	0	39,680	136,969	826,236
<u>\$ 216,708</u>	<u>\$ 432,879</u>	<u>\$ 500</u>	<u>\$ 1,174,714</u>	<u>\$ 39,680</u>	<u>\$ 136,969</u>	<u>\$ 2,476,632</u>
\$ 0	\$ 0	\$ 0	\$ 2,867	\$ 0	\$ 0	\$ 41,968
98,234	104,664	0	0	19,786	0	226,887
16,653	16,809	0	0	2,738	0	37,087
81,500	63,225	0	0	13,554	136,969	295,248
196,387	184,698	0	2,867	36,078	136,969	601,190
135,208	369,654	0	6,132	26,126	0	537,120
0	0	0	147,478	0	0	147,478
135,208	369,654	0	153,610	26,126	0	684,598
0	0	500	1,018,237	0	0	1,449,728
(114,887)	(121,473)	0	0	(22,524)	0	(258,884)
(114,887)	(121,473)	500	1,018,237	(22,524)	0	1,190,844
<u>\$ 216,708</u>	<u>\$ 432,879</u>	<u>\$ 500</u>	<u>\$ 1,174,714</u>	<u>\$ 39,680</u>	<u>\$ 136,969</u>	<u>\$ 2,476,632</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, 2017**

	Other Grant	District Managed Activity	Auxiliary Services	School Conflict Management Grant	IDEA-B
<b>Revenues:</b>					
Local Sources:					
Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Investment Earnings	0	742	156	0	0
Extracurricular Activities	0	469,922	0	0	0
Intermediate Sources	44,629	0	0	0	0
Intergovernmental - State	0	0	152,523	0	0
Intergovernmental - Federal	0	0	0	0	845,512
All Other Revenue	160	113,645	0	0	0
<b>Total Revenues</b>	44,789	584,309	152,679	0	845,512
<b>Expenditures:</b>					
Current:					
Instruction	47,310	36,043	3,571	0	777,288
Supporting Services:					
Pupils	0	7,978	35,161	0	344
Instructional Staff	0	0	0	0	26,633
Fiscal Services	0	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0	0
Pupil Transportation	1,000	18,157	0	0	0
Operation of Non-Instructional Services	0	0	103,011	0	49,471
Extracurricular Activities	7,647	512,132	0	0	0
Capital Outlay	0	275	0	0	0
<b>Total Expenditures</b>	55,957	574,585	141,743	0	853,736
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(11,168)	9,724	10,936	0	(8,224)
<b>Other Financing Sources (Uses):</b>					
Sale of Capital Assets	0	1,549	0	0	0
<b>Total Other Financing Sources (Uses)</b>	0	1,549	0	0	0
Net Change in Fund Balance	(11,168)	11,273	10,936	0	(8,224)
<b>Fund Balance (Deficit) at Beginning of Year</b>	45,752	330,900	42,594	704	(106,663)
<b>Fund Balance (Deficit) End of Year</b>	\$ 34,584	\$ 342,173	\$ 53,530	\$ 704	\$ (114,887)

**PIQUA CITY SCHOOL DISTRICT**

Title I	Public Schools Connectivity	Classroom Facilities Maintenance	Miscellaneous Federal Grants	Title II-A	Straight A Grant	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 166,732	\$ 0	\$ 0	\$ 0	\$ 166,732
0	0	1,741	0	0	0	2,639
0	0	0	0	0	0	469,922
0	0	0	178,258	0	0	222,887
0	0	72,865	0	0	580,337	805,725
1,323,364	0	0	0	164,439	0	2,333,315
0	0	0	0	0	0	113,805
<u>1,323,364</u>	<u>0</u>	<u>241,338</u>	<u>178,258</u>	<u>164,439</u>	<u>580,337</u>	<u>4,115,025</u>
1,125,880	0	0	0	155,529	0	2,145,621
0	0	0	0	0	0	43,483
4,596	0	0	0	0	224,736	255,965
0	0	3,029	0	0	0	3,029
0	0	16,448	0	0	0	16,448
0	0	0	178,258	0	0	197,415
13,902	0	0	0	0	355,601	521,985
0	0	0	0	0	0	519,779
0	0	67,617	0	0	0	67,892
<u>1,144,378</u>	<u>0</u>	<u>87,094</u>	<u>178,258</u>	<u>155,529</u>	<u>580,337</u>	<u>3,771,617</u>
178,986	0	154,244	0	8,910	0	343,408
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,549</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,549</u>
178,986	0	154,244	0	8,910	0	344,957
(300,459)	500	863,993	0	(31,434)	0	845,887
<u>\$ (121,473)</u>	<u>\$ 500</u>	<u>\$ 1,018,237</u>	<u>\$ 0</u>	<u>\$ (22,524)</u>	<u>\$ 0</u>	<u>\$ 1,190,844</u>

## PIQUA CITY SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - General Fund  
For the Fiscal Year Ended June 30, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Local Sources:				
Taxes	\$ 15,496,613	\$ 15,670,507	\$ 15,670,507	\$ 0
Tuition	492,000	634,995	634,995	0
Transportation Fees	45,000	39,407	39,407	0
Investment Earnings	150,000	225,572	225,572	0
Class Material and Fees	135,231	122,308	122,308	0
Intergovernmental - State	19,109,651	19,600,155	19,600,155	0
Intergovernmental - Federal	185,000	369,622	369,622	0
All Other Revenues	181,400	206,901	206,901	0
Total Revenues	<u>35,794,895</u>	<u>36,869,467</u>	<u>36,869,467</u>	<u>0</u>
<b>Expenditures:</b>				
Instructional Services:				
Regular:				
Salaries and Wages	9,954,786	9,478,566	9,478,566	0
Fringe Benefits	3,704,505	3,824,344	3,824,344	0
Purchased Services	1,177,348	1,984,160	1,984,160	0
Supplies and Materials	558,086	429,617	429,617	0
Capital Outlay	124,832	92,775	92,775	0
Total Regular	<u>15,519,557</u>	<u>15,809,462</u>	<u>15,809,462</u>	<u>0</u>
Special:				
Salaries and Wages	1,041,312	1,181,797	1,181,797	0
Fringe Benefits	425,104	480,086	480,086	0
Purchased Services	4,113,766	3,101,444	3,101,444	0
Supplies and Materials	892	4,035	4,035	0
Capital Outlay	1,250	0	0	0
Total Special	<u>5,582,324</u>	<u>4,767,362</u>	<u>4,767,362</u>	<u>0</u>
Other:				
Salaries and Wages	210	886	886	0
Fringe Benefits	56	168	168	0
Purchased Services	550,000	788,459	788,459	0
Supplies and Materials	275	0	0	0
Total Other	<u>550,541</u>	<u>789,513</u>	<u>789,513</u>	<u>0</u>
Total Instructional Services	<u>21,652,422</u>	<u>21,366,337</u>	<u>21,366,337</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, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Support Services:				
Pupils:				
Salaries and Wages	1,034,054	1,023,621	1,023,621	0
Fringe Benefits	575,018	549,171	549,171	0
Purchased Services	23,175	461,713	461,713	0
Supplies and Materials	17,550	33,024	33,024	0
Capital Outlay	0	2,825	2,825	0
Total Pupils	1,649,797	2,070,354	2,070,354	0
Instructional Staff:				
Salaries and Wages	1,198,561	1,132,042	1,132,042	0
Fringe Benefits	635,300	659,668	659,668	0
Purchased Services	151,139	89,608	89,608	0
Supplies and Materials	24,286	18,244	18,244	0
Other Expenditures	3,000	3,090	3,090	0
Total Instructional Staff	2,012,286	1,902,652	1,902,652	0
Board of Education:				
Salaries and Wages	11,619	8,125	8,125	0
Fringe Benefits	2,560	1,600	1,600	0
Purchased Services	30,449	28,271	28,271	0
Total Board of Education	44,628	37,996	37,996	0
Administration:				
Salaries and Wages	1,728,095	1,516,875	1,516,875	0
Fringe Benefits	672,752	681,626	681,626	0
Purchased Services	319,252	325,219	325,219	0
Supplies and Materials	39,857	30,310	30,310	0
Other Expenditures	15,400	14,932	14,932	0
Capital Outlay	33,500	30,543	30,543	0
Total Administration	2,808,856	2,599,505	2,599,505	0
Fiscal Services:				
Salaries and Wages	293,284	299,197	299,197	0
Fringe Benefits	131,935	155,989	155,989	0
Purchased Services	28,263	71,716	71,716	0
Supplies and Materials	1,070	1,932	1,932	0
Other Expenditures	180,456	208,293	208,293	0
Capital Outlay	3,851	0	0	0
Total Fiscal Services	638,859	737,127	737,127	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, 2017***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation and Maintenance of Plant:				
Salaries and Wages	1,173,995	978,389	978,389	0
Fringe Benefits	538,482	476,985	476,985	0
Purchased Services	2,719,324	1,598,551	1,598,551	0
Supplies and Materials	89,142	284,092	284,092	0
Capital Outlay	20,000	100,567	100,567	0
Total Operation and Maintenance of Plant	4,540,943	3,438,584	3,438,584	0
Pupil Transportation:				
Salaries and Wages	790,364	727,163	727,163	0
Fringe Benefits	366,077	316,293	316,293	0
Purchased Services	63,363	111,291	111,291	0
Supplies and Materials	170,040	190,559	190,559	0
Capital Outlay	16,550	11,880	11,880	0
Total Pupil Transportation	1,406,394	1,357,186	1,357,186	0
Central:				
Salaries and Wages	139,751	183,365	183,365	0
Fringe Benefits	78,677	96,424	96,424	0
Purchased Services	15,000	56,633	56,633	0
Total Central	233,428	336,422	336,422	0
Total Support Services	13,335,191	12,479,826	12,479,826	0
Extracurricular Activities:				
Salaries and Wages	413,031	351,996	351,996	0
Fringe Benefits	69,630	56,708	56,708	0
Purchased Services	2,162	3,976	3,976	0
Total Extracurricular Activities	484,823	412,680	412,680	0
Total Expenditures	35,472,436	34,258,843	34,258,843	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	322,459	2,610,624	2,610,624	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, 2017***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Transfers In	1,265	254,374	254,374	0
Transfers Out	0	(2,819,814)	(2,819,814)	0
Advances In	0	203,975	203,975	0
Advances Out	0	(295,248)	(295,248)	0
Refund of Prior Year's Expenditures	115,000	143,064	143,064	0
Refund of Prior Year's Receipts	0	(35,144)	(35,144)	0
Total Other Financing Sources (Uses):	116,265	(2,548,793)	(2,548,793)	0
 Net Change in Fund Balance	 438,724	 61,831	 61,831	 0
 Fund Balance at Beginning of Year	 14,356,338	 14,356,338	 14,356,338	 0
Prior Year Encumbrances	541,000	541,000	541,000	0
Fund Balance at End of Year	\$ 15,336,062	\$ 14,959,169	\$ 14,959,169	\$ 0

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - Debt Service Fund  
For the Fiscal Year Ended June 30, 2017***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 4,198,580</u>	<u>\$ 4,198,580</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>2,974,116</u>	<u>2,974,116</u>	<u>0</u>
Net Change in Fund Balance	1,224,464	1,224,464	0
Fund Balance at Beginning of Year	<u>2,750,847</u>	<u>2,750,847</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,975,311</u>	<u>\$ 3,975,311</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - Capital Projects Fund  
For the Fiscal Year Ended June 30, 2017***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 6,653,518	\$ 6,653,518	\$ 0
Total Expenditures and Other Financing Uses	4,637,013	4,637,013	0
Net Change in Fund Balance	2,016,505	2,016,505	0
Fund Balance at Beginning of Year	1,847,739	1,847,739	0
Prior Year Encumbrances	589,156	589,156	0
Fund Balance at End of Year	<u>\$ 4,453,400</u>	<u>\$ 4,453,400</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 166,585	\$ 166,585	\$ 0
 Total Expenditures and Other Financing Uses	 594,321	 594,321	 0
 Net Change in Fund Balance	 (427,736)	 (427,736)	 0
 Fund Balance at Beginning of Year	 230,462	 230,462	 0
Prior Year Encumbrances	345,367	345,367	0
Fund Balance at End of Year	<u>\$ 148,093</u>	<u>\$ 148,093</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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	<b>OTHER GRANT FUND</b>		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	\$ 44,789	\$ 44,789	\$ 0
Total Expenditures and Other Financing Uses	<u>64,260</u>	<u>64,260</u>	<u>0</u>
Net Change in Fund Balance	(19,471)	(19,471)	0
Fund Balance at Beginning of Year	45,190	45,190	0
Prior Year Encumbrances	<u>3,151</u>	<u>3,151</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 28,870</u>	<u>\$ 28,870</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 594,714	\$ 594,714	\$ 0
Total Expenditures and Other Financing Uses	<u>573,256</u>	<u>573,256</u>	<u>0</u>
Net Change in Fund Balance	21,458	21,458	0
Fund Balance at Beginning of Year	305,573	305,573	0
Prior Year Encumbrances	<u>31,541</u>	<u>31,541</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 358,572</u>	<u>\$ 358,572</u>	<u>\$ 0</u>



**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 195,305</u>	<u>\$ 195,305</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>238,766</u>	<u>238,766</u>	<u>0</u>
Net Change in Fund Balance	(43,461)	(43,461)	0
Fund Balance at Beginning of Year	40,916	40,916	0
Prior Year Encumbrances	<u>3,021</u>	<u>3,021</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 476</u>	<u>\$ 476</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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	<b>IDEA-B FUND</b>		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	\$ 1,092,891	\$ 845,512	\$ (247,379)
Total Expenditures and Other Financing Uses	847,398	847,398	0
Net Change in Fund Balance	245,493	(1,886)	(247,379)
Fund Balance at Beginning of Year	(11,762)	(11,762)	0
Prior Year Encumbrances	11,762	11,762	0
Fund Balance at End of Year	<u>\$ 245,493</u>	<u>\$ (1,886)</u>	<u>\$ (247,379)</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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	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	\$ 1,632,097	\$ 1,323,364	\$ (308,733)
Total Expenditures and Other Financing Uses	<u>1,338,064</u>	<u>1,338,064</u>	<u>0</u>
Net Change in Fund Balance	294,033	(14,700)	(308,733)
Fund Balance at Beginning of Year	(6,654)	(6,654)	0
Prior Year Encumbrances	6,654	6,654	0
Fund Balance at End of Year	<u>\$ 294,033</u>	<u>\$ (14,700)</u>	<u>\$ (308,733)</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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**PUBLIC SCHOOLS CONNECTIVITY FUND**

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

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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**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	\$ 241,506	\$ 241,506	\$ 0
Total Expenditures and Other Financing Uses	88,583	88,583	0
Net Change in Fund Balance	152,923	152,923	0
Fund Balance at Beginning of Year	823,849	823,849	0
Prior Year Encumbrances	21,394	21,394	0
Fund Balance at End of Year	<u>\$ 998,166</u>	<u>\$ 998,166</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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**MISCELLANEOUS FEDERAL GRANTS FUND**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues and Other Financing Sources	\$ 178,258	\$ 178,258	\$ 0
Total Expenditures and Other Financing Uses	178,258	178,258	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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	TITLE II-A FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 215,976</u>	<u>\$ 164,439</u>	<u>\$ (51,537)</u>
Total Expenditures and Other Financing Uses	<u>164,439</u>	<u>164,439</u>	<u>0</u>
Net Change in Fund Balance	51,537	0	(51,537)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 51,537</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (51,537)</u></u>



**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2017***

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	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 899,090</u>	<u>\$ 580,337</u>	<u>\$ (318,753)</u>
Total Expenditures and Other Financing Uses	<u>899,090</u>	<u>899,090</u>	<u>0</u>
Net Change in Fund Balance	0	(318,753)	(318,753)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (318,753)</u>	<u>\$ (318,753)</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Fund  
For the Fiscal Year Ended June 30, 2017***

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**OHIO SCHOOL FACILITIES COMMISSION CONSTRUCTION FUND**

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	\$ 870,282	\$ 870,282	\$ 0
Total Expenditures and Other Financing Uses	2,856,424	2,856,424	0
Net Change in Fund Balance	(1,986,142)	(1,986,142)	0
Fund Balance at Beginning of Year	1,718,690	1,718,690	0
Prior Year Encumbrances	267,452	267,452	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**PIQUA CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Fund  
For the Fiscal Year Ended June 30, 2017***

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	<b>PERMANENT FUND</b>		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Total Revenues and Other Financing Sources	<u>\$ 1,122</u>	<u>\$ 1,122</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>3,150</u>	<u>3,150</u>	<u>0</u>
Net Change in Fund Balance	(2,028)	(2,028)	0
Fund Balance at Beginning of Year	61,471	61,471	0
Prior Year Encumbrances	<u>2,000</u>	<u>2,000</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 61,443</u></u>	<u><u>\$ 61,443</u></u>	<u><u>\$ 0</u></u>

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

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### ***Fiduciary Funds***

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

### ***Agency Funds***

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

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

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

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

**PIQUA CITY SCHOOL DISTRICT**

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***Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2017***

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	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017
<b><u>Student Managed Activity Fund</u></b>				
Assets:				
Cash and Cash Equivalents	\$54,879	\$44,914	(\$48,351)	\$51,442
Total Assets	<u>\$54,879</u>	<u>\$44,914</u>	<u>(\$48,351)</u>	<u>\$51,442</u>
Liabilities:				
Due to Students	\$54,879	\$44,914	(\$48,351)	\$51,442
Total Liabilities	<u>\$54,879</u>	<u>\$44,914</u>	<u>(\$48,351)</u>	<u>\$51,442</u>
<b><u>OHSAA Tournament Fund</u></b>				
Assets:				
Cash and Cash Equivalents	\$0	\$124,521	(\$124,521)	\$0
Total Assets	<u>\$0</u>	<u>\$124,521</u>	<u>(\$124,521)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$0	\$124,521	(\$124,521)	\$0
Total Liabilities	<u>\$0</u>	<u>\$124,521</u>	<u>(\$124,521)</u>	<u>\$0</u>
<b><u>Totals - All Agency Funds</u></b>				
Assets:				
Cash and Cash Equivalents	\$54,879	\$169,435	(\$172,872)	\$51,442
Total Assets	<u>\$54,879</u>	<u>\$169,435</u>	<u>(\$172,872)</u>	<u>\$51,442</u>
Liabilities:				
Due to Others	\$0	\$124,521	(\$124,521)	\$0
Due to Students	54,879	44,914	(48,351)	51,442
Total Liabilities	<u>\$54,879</u>	<u>\$169,435</u>	<u>(\$172,872)</u>	<u>\$51,442</u>



## *STATISTICAL SECTION*

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***STATISTICAL TABLES***

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

***Contents***

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

	2008	2009	2010	2011
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$17,911,256	\$17,985,350	\$18,168,187	\$18,928,936
Restricted for:				
Capital Projects	1,560,221	1,913,605	2,082,762	2,589,369
Debt Service	788,458	840,185	857,711	942,770
Other Purposes	416,859	0	580,141	912,316
Permanent Fund:				
Expendable	28,582	27,126	23,050	21,902
Nonexpendable	38,609	40,049	43,919	44,184
Unrestricted	4,263,735	7,421,574	7,370,622	7,867,316
Total Governmental Activities Net Position	<u>\$25,007,720</u>	<u>\$28,227,889</u>	<u>\$29,126,392</u>	<u>\$31,306,793</u>
<b>Business-type Activities:</b>				
Net Investment in Capital Assets	\$342,971	\$314,533	\$327,699	\$315,934
Unrestricted	877,825	889,595	801,579	1,081,342
Total Business-type Activities Net Position	<u>\$1,220,796</u>	<u>\$1,204,128</u>	<u>\$1,129,278</u>	<u>\$1,397,276</u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	\$18,254,227	\$18,299,883	\$18,495,886	\$19,244,870
Restricted	2,832,729	2,820,965	3,587,583	4,510,541
Unrestricted	5,141,560	8,311,169	8,172,201	8,948,658
Total Primary Government Net Position	<u>\$26,228,516</u>	<u>\$29,432,017</u>	<u>\$30,255,670</u>	<u>\$32,704,069</u>

\* As Restated

Note: The District implemented GASB Statement 68 in 2015, resulting in a significant decrease in net position due to reporting a net pension liability.

Source: District Treasurer's Office

*Piqua City School District*

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2012	2013	* 2014	* 2015	2016	2017
\$19,340,046	\$21,394,368	\$16,365,362	\$35,412,859	\$35,233,032	\$36,332,681
27,756,367	26,783,068	28,663,014	8,580,230	4,659,193	4,995,248
2,070,747	2,198,752	2,224,714	2,813,093	2,957,907	4,150,656
328,593	581,067	1,273,869	1,161,290	1,670,987	1,986,848
21,002	20,841	18,712	17,620	15,552	13,524
44,919	44,919	45,919	46,919	47,919	48,919
8,964,093	9,149,244	(28,068,377)	(25,013,950)	(21,576,352)	(23,573,332)
<u>\$58,525,767</u>	<u>\$60,172,259</u>	<u>\$20,523,213</u>	<u>\$23,018,061</u>	<u>\$23,008,238</u>	<u>\$23,954,544</u>
\$297,028	\$268,486	\$207,011	\$483,878	\$431,625	\$401,600
1,271,588	1,271,971	616,706	620,896	688,066	402,780
<u>\$1,568,616</u>	<u>\$1,540,457</u>	<u>\$823,717</u>	<u>\$1,104,774</u>	<u>\$1,119,691</u>	<u>\$804,380</u>
\$19,637,074	\$21,662,854	\$16,572,373	\$35,896,737	\$35,664,657	\$36,734,281
30,221,628	29,628,647	32,226,228	12,619,152	9,351,558	11,195,195
10,235,681	10,421,215	(27,451,671)	(24,393,054)	(20,888,286)	(23,170,552)
<u>\$60,094,383</u>	<u>\$61,712,716</u>	<u>\$21,346,930</u>	<u>\$24,122,835</u>	<u>\$24,127,929</u>	<u>\$24,758,924</u>

**Piqua City School District**

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

	2008	2009	2010	2011
<b>Expenses</b>				
Governmental Activities:				
Instruction	\$19,105,320	\$19,185,487	\$20,847,397	\$21,406,030
Support Services:				
Pupils	1,549,456	1,563,984	1,526,170	1,491,789
Instructional Staff	2,085,124	1,954,338	2,064,970	2,034,765
Board of Education	20,339	32,189	29,714	23,825
Administration	2,361,191	2,330,316	2,377,327	2,390,523
Fiscal Services	401,055	382,588	400,031	629,529
Business	52,433	56,246	26,713	2,338
Operation and Maintenance of Plant	2,882,505	2,903,991	2,883,562	3,018,583
Pupil Transportation	1,442,206	1,262,006	1,432,056	1,522,099
Central	192,486	211,194	314,184	269,213
Operation of Non-Instructional Services	289,838	295,329	148,034	301,869
Extracurricular Activities	717,482	790,688	845,301	915,886
Interest and Fiscal Charges	607,378	552,623	493,693	493,346
<i>Total Governmental Activities Expenses</i>	<u>31,706,813</u>	<u>31,520,979</u>	<u>33,389,152</u>	<u>34,499,795</u>
Business-type Activities:				
Food Service	1,682,680	1,808,378	1,762,234	1,677,921
TV Station	0	0	0	0
<i>Total Business-type Activities Expenses</i>	<u>1,682,680</u>	<u>1,808,378</u>	<u>1,762,234</u>	<u>1,677,921</u>
<i>Total Primary Government Expenses</i>	<u><u>\$33,389,493</u></u>	<u><u>\$33,329,357</u></u>	<u><u>\$35,151,386</u></u>	<u><u>\$36,177,716</u></u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
Instruction	\$286,554	\$243,635	\$294,387	\$291,930
Support Services:				
Pupils	1,151	144	124	52
Pupil Transportation	37,531	37,192	49,100	49,763
Extracurricular Activities	321,306	388,078	425,665	425,579
Operating Grants and Contributions	2,711,846	2,511,226	4,265,347	4,526,847
Capital Grants and Contributions	22,757	46,110	0	0
<i>Total Governmental Activities</i>	<u>3,381,145</u>	<u>3,226,385</u>	<u>5,034,623</u>	<u>5,294,171</u>
<i>Program Revenues</i>	<u>3,381,145</u>	<u>3,226,385</u>	<u>5,034,623</u>	<u>5,294,171</u>

*Piqua City School District*

2012	2013	2014	2015	2016	2017
\$22,684,939	\$22,155,945	\$21,934,785	\$23,167,197	\$23,331,406	\$26,077,417
1,335,557	870,161	972,157	1,105,305	1,281,827	2,228,050
2,120,361	2,164,903	1,715,488	2,929,248	2,019,011	2,294,068
24,845	30,160	40,625	40,010	41,484	37,803
2,291,914	2,318,480	2,480,794	2,695,336	2,380,233	2,756,091
658,690	682,210	660,369	687,199	672,639	869,154
6,432	261	263	503	491	580
2,775,724	2,912,605	2,812,103	3,166,532	6,566,039	3,569,768
1,722,426	1,677,670	1,679,345	1,580,322	1,653,836	1,784,827
302,710	228,016	236,868	1,369,176	2,106,009	2,024,940
257,682	189,833	136,472	191,076	180,753	531,216
875,739	919,219	937,821	985,661	898,912	1,018,618
1,223,052	1,839,145	1,554,211	1,419,981	1,287,472	1,256,588
<u>36,280,071</u>	<u>35,988,608</u>	<u>35,161,301</u>	<u>39,337,546</u>	<u>42,420,112</u>	<u>44,449,120</u>
1,774,101	1,809,390	1,697,492	1,772,835	1,618,415	1,849,949
0	0	0	0	0	563
<u>1,774,101</u>	<u>1,809,390</u>	<u>1,697,492</u>	<u>1,772,835</u>	<u>1,618,415</u>	<u>1,850,512</u>
<u>\$38,054,172</u>	<u>\$37,797,998</u>	<u>\$36,858,793</u>	<u>\$41,110,381</u>	<u>\$44,038,527</u>	<u>\$46,299,632</u>
\$293,716	\$540,703	\$836,070	\$680,563	\$704,407	\$835,657
35	39	71	108	82	122
51,565	45,884	46,213	49,931	45,393	49,826
344,182	379,305	362,582	517,498	404,401	469,922
3,452,569	2,825,291	3,097,272	5,283,836	3,710,040	4,076,841
25,793,854	0	0	6,000	0	178,258
<u>29,935,921</u>	<u>3,791,222</u>	<u>4,342,208</u>	<u>6,537,936</u>	<u>4,864,323</u>	<u>5,610,626</u>

(Continued)

**Piqua City School District**

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

	2008	2009	2010	2011
Business-type Activities:				
Charges for Services				
Food Service	679,999	685,399	613,175	546,857
Operating Grants and Contributions	1,112,561	1,106,311	1,074,209	1,399,062
<i>Total Business-type     Activities Program Revenues</i>	<u>1,792,560</u>	<u>1,791,710</u>	<u>1,687,384</u>	<u>1,945,919</u>
<i>Total Primary Government     Program Revenues</i>	<u>5,173,705</u>	<u>5,018,095</u>	<u>6,722,007</u>	<u>7,240,090</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(28,325,668)	(28,294,594)	(28,354,529)	(29,205,624)
Business-type Activities	109,880	(16,668)	(74,850)	267,998
<i>Total Primary Government     Net (Expense)/Revenue</i>	<u>(\$28,215,788)</u>	<u>(\$28,311,262)</u>	<u>(\$28,429,379)</u>	<u>(\$28,937,626)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$10,045,856	\$10,064,281	\$8,884,069	\$9,751,326
Facilities Maintenance	0	0	0	0
Debt Service	874,031	926,598	840,002	900,216
Capital Outlay	1,027,335	1,039,595	929,187	1,015,252
Income Taxes	2,260,523	3,382,521	4,494,674	4,724,090
Intergovernmental, Unrestricted	14,538,480	15,554,509	13,925,534	14,444,884
Investment Earnings	370,748	179,416	(134,954)	302,254
Miscellaneous	497,499	367,843	314,520	248,003
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	<u>29,614,472</u>	<u>31,514,763</u>	<u>29,253,032</u>	<u>31,386,025</u>
Business-type Activities:				
Miscellaneous	0	0	0	0
Transfers	0	0	0	0
<i>Total Business-type Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$29,614,472</u>	<u>\$31,514,763</u>	<u>\$29,253,032</u>	<u>\$31,386,025</u>
<b>Change in Net Position</b>				
Governmental Activities	1,288,804	3,220,169	898,503	2,180,401
Business-type Activities	109,880	(16,668)	(74,850)	267,998
<i>Total Primary Government     Change in Net Position</i>	<u>\$1,398,684</u>	<u>\$3,203,501</u>	<u>\$823,653</u>	<u>\$2,448,399</u>

Source: District Treasurer's Office

*Piqua City School District*

2012	2013	2014	2015	2016	2017
536,698	474,457	405,110	384,424	469,789	397,791
<u>1,408,743</u>	<u>1,306,774</u>	<u>1,262,409</u>	<u>1,237,888</u>	<u>1,163,543</u>	<u>1,136,358</u>
<u>1,945,441</u>	<u>1,781,231</u>	<u>1,667,519</u>	<u>1,622,312</u>	<u>1,633,332</u>	<u>1,534,149</u>
<u>31,881,362</u>	<u>5,572,453</u>	<u>6,009,727</u>	<u>8,160,248</u>	<u>6,497,655</u>	<u>7,144,775</u>
(6,344,150)	(32,197,386)	(30,819,093)	(32,799,610)	(37,555,789)	(38,838,494)
<u>171,340</u>	<u>(28,159)</u>	<u>(29,973)</u>	<u>(150,523)</u>	<u>14,917</u>	<u>(316,363)</u>
<u>(\$6,172,810)</u>	<u>(\$32,225,545)</u>	<u>(\$30,849,066)</u>	<u>(\$32,950,133)</u>	<u>(\$37,540,872)</u>	<u>(\$39,154,857)</u>
\$9,013,333	\$8,829,511	\$9,384,129	\$9,135,206	\$9,016,592	\$9,581,540
144,359	195,212	169,789	161,123	158,350	165,267
2,065,576	2,281,813	2,331,814	2,233,206	2,224,789	2,348,637
930,571	917,366	938,183	898,235	883,256	927,938
4,922,054	5,390,586	5,457,157	5,624,996	5,947,908	6,020,378
15,954,919	15,601,233	16,297,871	17,551,947	18,509,553	19,912,421
95,818	156,983	239,157	434,987	270,484	75,389
436,494	471,174	306,281	196,726	535,034	753,230
0	0	0	(431,580)	0	0
<u>33,563,124</u>	<u>33,843,878</u>	<u>35,124,381</u>	<u>35,804,846</u>	<u>37,545,966</u>	<u>39,784,800</u>
0	0	0	0	0	1,052
0	0	0	431,580	0	0
0	0	0	431,580	0	1,052
<u>\$33,563,124</u>	<u>\$33,843,878</u>	<u>\$35,124,381</u>	<u>\$36,236,426</u>	<u>\$37,545,966</u>	<u>\$39,785,852</u>
27,218,974	1,646,492	4,305,288	3,005,236	(9,823)	946,306
<u>171,340</u>	<u>(28,159)</u>	<u>(29,973)</u>	<u>281,057</u>	<u>14,917</u>	<u>(315,311)</u>
<u>\$27,390,314</u>	<u>\$1,618,333</u>	<u>\$4,275,315</u>	<u>\$3,286,293</u>	<u>\$5,094</u>	<u>\$630,995</u>

**Piqua City School District**

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

	2008	2009	* 2010	2011	2012
<b>General Fund</b>					
Nonspendable	\$0	\$0	\$0	\$16,476	\$1,533
Restricted	0	0	0	834,143	0
Assigned	0	0	0	596,081	582,016
Unassigned	0	0	0	5,463,244	7,199,254
Reserved	1,081,482	1,680,710	1,666,828	0	0
Unreserved	753,375	3,216,012	3,889,465	0	0
<b>Total General Fund</b>	<b>1,834,857</b>	<b>4,896,722</b>	<b>5,556,293</b>	<b>6,909,944</b>	<b>7,782,803</b>
<b>All Other Governmental Funds</b>					
Nonspendable	0	0	0	43,919	44,919
Restricted	0	0	0	7,072,488	35,123,558
Assigned	0	0	0	94,184	94,237
Unassigned	0	0	0	(194,496)	(144,671)
Reserved	979,919	1,173,221	1,286,033	0	0
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	705,088	552,290	366,883	0	0
Capital Projects Funds	1,418,931	1,638,364	1,851,071	0	0
<b>Total All Other Governmental Funds</b>	<b>3,103,938</b>	<b>3,363,875</b>	<b>3,503,987</b>	<b>7,016,095</b>	<b>35,118,043</b>
<b>Total Governmental Funds</b>	<b>\$4,938,795</b>	<b>\$8,260,597</b>	<b>\$9,060,280</b>	<b>\$13,926,039</b>	<b>\$42,900,846</b>

Source: District Treasurer's Office

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

\* As restated due to GASB 54 implementation



*Piqua City School District*

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2013	2014	2015	2016	2017
\$1,365	\$1,218	\$1,444	\$0	\$29,589
0	0	0	0	0
757,641	969,061	710,243	1,062,004	504,741
7,927,306	9,974,884	11,793,972	15,205,904	15,784,919
0	0	0	0	0
0	0	0	0	0
<u>8,686,312</u>	<u>10,945,163</u>	<u>12,505,659</u>	<u>16,267,908</u>	<u>16,319,249</u>
44,919	45,919	46,919	47,919	48,919
38,662,999	26,964,030	12,133,198	8,826,335	10,657,246
94,295	94,398	94,558	0	0
(85,589)	(486,311)	(85,760)	(438,556)	(258,884)
0	0	0	0	0
0	0	0	0	0
<u>38,716,624</u>	<u>26,618,036</u>	<u>12,188,915</u>	<u>8,435,698</u>	<u>10,447,281</u>
<u>\$47,402,936</u>	<u>\$37,563,199</u>	<u>\$24,694,574</u>	<u>\$24,703,606</u>	<u>\$26,766,530</u>

## *Piqua City School District*

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

	2008	2009	2010	2011
<b>Revenues:</b>				
Local Sources:				
Taxes	\$14,150,431	\$15,387,973	\$15,142,143	\$16,378,456
Tuition	7,460	5,030	3,625	3,980
Transportation Fees	37,531	37,192	49,100	49,763
Investment Earnings	214,974	102,858	(165,964)	281,495
Extracurricular Activities	457,060	491,461	588,007	588,873
Class Materials and Fees	143,340	135,222	128,420	124,656
Intermediate Sources	30,562	69,506	46,692	33,062
Intergovernmental - State	14,856,722	15,843,854	14,051,556	14,590,761
Intergovernmental - Federal	2,421,712	2,386,862	3,993,343	4,394,062
All Other Revenue	497,499	367,843	314,520	248,003
<b>Total Revenues</b>	<u>32,817,291</u>	<u>34,827,801</u>	<u>34,151,442</u>	<u>36,693,111</u>
<b>Expenditures:</b>				
Current:				
Instruction	18,247,045	18,235,730	19,869,739	21,059,021
Supporting Services:				
Pupils	1,574,056	1,596,274	1,474,825	1,498,317
Instructional Staff	2,075,287	1,955,021	1,999,864	2,004,830
Board of Education	20,339	32,189	29,714	23,825
Administration	2,274,443	2,199,678	2,258,046	2,404,543
Fiscal Services	404,047	376,558	393,654	625,762
Business	54,748	54,058	30,502	2,338
Operation and Maintenance of Plant	2,823,351	2,854,147	2,873,207	2,966,605
Pupil Transportation	1,369,429	1,597,794	1,638,063	1,368,692
Central	191,322	211,419	313,907	268,299
Operation of Non-Instructional Services	286,744	294,428	165,805	300,829
Extracurricular Activities	664,053	737,425	792,759	838,102
Capital Outlay	349,557	208,690	437,616	1,235,638
Debt Service:				
Principal Retirement	807,637	829,274	753,801	710,000
Interest and Fiscal Charges	337,922	324,805	313,420	292,868
<b>Total Expenditures</b>	<u>31,479,980</u>	<u>31,507,490</u>	<u>33,344,922</u>	<u>35,599,669</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,337,311	3,320,311	806,520	1,093,442

*Piqua City School District*

2012	2013	2014	2015	2016	2017
\$17,066,075	\$17,828,558	\$18,257,962	\$18,064,013	\$18,111,354	\$19,138,691
2,980	258,696	536,811	463,230	499,535	634,995
51,565	45,884	46,213	49,931	45,393	49,826
70,250	145,746	227,194	425,359	270,566	75,511
516,971	538,415	533,590	608,087	486,277	547,708
117,947	122,897	128,251	126,744	122,996	122,876
18,594	50,857	48,494	51,900	9,829	222,887
17,007,252	22,106,018	30,560,017	24,443,198	19,662,848	20,958,329
3,270,878	2,662,927	2,081,121	3,122,369	2,547,922	2,948,613
436,494	471,174	306,281	196,726	535,034	753,230
<u>38,559,006</u>	<u>44,231,172</u>	<u>52,725,934</u>	<u>47,551,557</u>	<u>42,291,754</u>	<u>45,452,666</u>
21,694,021	21,616,288	22,024,698	23,352,039	23,326,291	24,251,042
1,331,123	934,030	976,990	1,146,716	1,317,598	2,109,129
2,084,488	2,130,850	1,708,970	2,982,462	1,976,444	2,159,597
24,845	30,160	40,625	40,010	41,484	37,803
2,293,806	2,269,621	2,383,929	2,746,871	2,377,320	2,891,760
654,313	678,113	661,744	690,556	675,986	826,190
6,432	261	263	0	0	0
2,732,303	2,618,058	2,770,650	3,171,345	2,741,635	3,172,949
1,563,661	1,535,300	1,571,452	1,654,442	1,573,094	1,721,063
294,528	217,670	246,910	207,876	233,052	336,346
255,659	187,306	133,943	196,312	170,791	521,985
792,826	836,366	855,359	981,075	882,549	930,781
3,532,815	3,603,325	26,266,836	20,408,370	4,109,029	1,541,419
29,831,000	1,395,000	1,480,000	6,528,749	1,661,555	1,661,954
954,701	1,676,566	1,444,155	1,430,754	1,336,756	1,300,988
<u>68,046,521</u>	<u>39,728,914</u>	<u>62,566,524</u>	<u>65,537,577</u>	<u>42,423,584</u>	<u>43,463,006</u>
(29,487,515)	4,502,258	(9,840,590)	(17,986,020)	(131,830)	1,989,660

(Continued)

**Piqua City School District**

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

	2008	2009	2010	2011
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	900	1,400	0	2,292
Certificates of Participation Issued	0	0	0	3,770,000
General Obligation Notes Issued	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Bonds Issued	0	0	0	0
Refunding Bonds Issued	0	0	0	0
Other Financing Sources - Capital Leases	0	0	0	0
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>900</u>	<u>1,400</u>	<u>0</u>	<u>3,772,292</u>
<b>Net Change in Fund Balance</b>	<u>\$1,338,211</u>	<u>\$3,321,711</u>	<u>\$806,520</u>	<u>\$4,865,734</u>
 <b>Debt Service as a Percentage of Noncapital Expenditures</b>	 3.66%	 3.73%	 3.28%	 2.97%

Source: District Treasurer's Office

*Piqua City School District*

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2012	2013	2014	2015	2016	2017
0	0	1,000	6,987	0	73,264
0	0	0	0	0	0
29,086,000	0	0	0	0	0
29,030,000	0	0	0	0	0
361,265	0	0	245,182	0	0
0	0	0	4,865,000	0	0
0	0	0	0	142,306	0
300,079	302,982	0	703,046	418,032	4,127,223
(300,079)	(302,982)	0	(703,046)	(418,032)	(4,127,223)
<u>58,477,265</u>	<u>0</u>	<u>1,000</u>	<u>5,117,169</u>	<u>142,306</u>	<u>73,264</u>
<u>\$28,989,750</u>	<u>\$4,502,258</u>	<u>(\$9,839,590)</u>	<u>(\$12,868,851)</u>	<u>\$10,476</u>	<u>\$2,062,924</u>
47.75%	8.45%	8.24%	17.89%	7.12%	7.06%

**Piqua City School District**

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

<b>Tax year</b>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Real Property</b>				
Assessed	\$406,911,920	\$407,511,780	\$413,598,800	\$400,859,150
Actual	1,162,605,486	1,164,319,371	1,181,710,857	1,145,311,857
<b>Public Utility</b>				
Assessed	4,459,970	4,819,310	4,709,220	4,912,550
Actual	12,742,771	13,769,457	13,454,914	14,035,857
<b>Tangible Personal Property</b>				
Assessed	36,592,810	17,687,650	641,520	305,640
Actual	292,742,480	283,002,400	6,415,200	6,112,800
<b>Total</b>				
Assessed	447,964,700	430,018,740	418,949,540	406,077,340
Actual	1,468,090,737	1,461,091,228	1,201,580,971	1,165,460,514
<b>Assessed Value as a Percentage of Actual Value</b>	30.51%	29.43%	34.87%	34.84%
<b>Total Direct Tax Rate</b>	44.50	44.82	44.87	44.95

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 12.5% for 2007, 6.25% for 2008 and 0% for 2009 and forward.

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

*Piqua City School District*

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2011	2012	2013	2014	2015	2016
\$396,188,850	\$397,123,530	\$371,221,370	\$369,583,590	\$377,749,340	\$380,414,560
1,131,968,143	1,134,638,657	1,060,632,486	1,055,953,114	1,079,283,829	1,086,898,743
5,109,850	5,745,070	5,843,490	6,167,950	6,902,690	7,570,670
14,599,571	16,414,486	16,695,686	17,622,714	19,721,971	21,630,486
0	0	0	0	0	0
0	0	0	0	0	0
401,298,700	402,868,600	377,064,860	375,751,540	384,652,030	387,985,230
1,146,567,714	1,151,053,143	1,077,328,171	1,073,575,829	1,099,005,800	1,108,529,229
35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
49.87	49.88	50.45	50.46	50.52	50.41

## *Piqua City School District*

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

	2007	2008	2009	2010	2011
<b>Direct District Rates</b>					
General Fund	39.40	39.72	39.72	39.80	39.80
Bond Retirement Fund	2.30	2.30	2.35	2.35	7.27
Permanent Improvement Fund	2.80	2.80	2.80	2.80	2.80
Total	44.50	44.82	44.87	44.95	49.87
<b>Overlapping Rates</b>					
City of Piqua	4.40	4.42	4.42	4.42	4.42
Joint Vocational School	5.35	5.18	5.36	5.32	5.32
Miami County	8.80	8.81	8.81	8.81	8.81
Forest Hill Cemetery	0.50	0.50	0.50	0.50	0.50

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

Source:

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



*Piqua City School District*

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2012	2013	2014	2015	2016
39.80	40.22	40.23	40.16	40.16
7.28	6.93	6.93	7.06	6.95
2.80	3.30	3.30	3.30	3.30
<u>49.88</u>	<u>50.45</u>	<u>50.46</u>	<u>50.52</u>	<u>50.41</u>
4.42	4.42	4.47	4.49	4.56
5.32	5.32	5.32	5.32	5.26
8.81	8.81	8.81	8.81	8.82
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 2016		
		Assessed Value	Rank	Percent of Total Assessed Value
Harvey A Tolson Enterprises	Real Estate	\$3,516,520	1	0.91%
Midamco	Hospitality	3,386,730	2	0.87%
Wal-Mart	Retail	3,021,200	3	0.78%
Vectren Energy	Natural Gas	2,562,280	4	0.66%
Dayton Power and Light Co.	Electricity	2,462,890	5	0.63%
Teeters Real Estate	Real Estate	2,191,870	6	0.56%
Pioneer Rural Electric	Electricity	2,036,110	7	0.52%
Evenflo Juvenile	Manufacturer - Juvenile Furniture	1,967,950	8	0.51%
Hartzell Propeller Inc.	Aircraft Propeller Design	1,849,600	9	0.48%
Jideli Properties LLC	Real Estate	1,816,260	10	0.47%
Subtotal		24,811,410		6.39%
All Others		363,173,820		93.61%
Total		<u>\$387,985,230</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2007		
		Assessed Value	Rank	Percent of Total Assessed Value
Midamco	Hospitality	\$8,973,950	1	2.18%
Harvey A Tolson Enterprises	Real Estate	3,724,630	2	0.91%
Wal-Mart	Retail	3,230,090	3	0.79%
Jackson Tube	Manufacturer - Steel Tubing	2,662,390	4	0.65%
Evenflo Juvenile	Manufacturer - Juvenile Furniture	2,349,210	5	0.57%
Miami Valley Realty	Real Estate	2,324,010	6	0.56%
Med-Terra Inc.	Real Estate	2,227,090	7	0.54%
HK New Plan Exchange	Shopping Mall	2,120,300	8	0.52%
Home Depot Inc.	Retail	2,096,970	9	0.51%
Dayton Power and Light Co.	Electricity	1,846,610	10	0.45%
Subtotal		31,555,250		7.68%
All Others		379,816,640		92.32%
Total		<u>\$411,371,890</u>		<u>100.00%</u>

Source: Miami County Auditor - Land and Buildings  
Based on valuation of property in 2016 and 2007

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

***Piqua City School District***

*Property Tax Levies and Collections  
Last Ten Years*

<b>Collection Year</b>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Total Tax Levy</b>	\$13,678,615	\$13,196,070	\$12,524,772	\$12,544,610
<b>Collections within the Fiscal Year of the Levy</b>				
Current Tax Collections	13,147,245	12,774,025	12,097,727	12,145,139
Percent of Levy Collected	96.12%	96.80%	96.59%	96.82%
Delinquent Tax Collections <sup>(1)</sup>	<u>402,960</u>	<u>464,920</u>	<u>458,414</u>	<u>482,501</u>
Total Tax Collections	13,550,205	13,238,945	12,556,141	12,627,640
<b>Percent of Total Tax Collections To Tax Levy</b>	99.06%	100.32%	100.25%	100.66%
<b>Accumulated Outstanding Delinquent Taxes</b>	2,357,109	2,384,309	1,214,881	1,231,409
<b>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</b>	17.23%	18.07%	9.70%	9.82%

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

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

*Piqua City School District*

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2011	2012	2013	2014	2015	2016
\$12,837,246	\$14,469,502	\$14,375,763	\$14,466,849	\$14,569,702	\$14,621,570
12,454,909	14,060,718	13,864,575	13,981,355	14,083,891	14,169,998
97.02%	97.17%	96.44%	96.64%	96.67%	96.91%
<u>432,918</u>	<u>422,679</u>	<u>481,497</u>	<u>487,500</u>	<u>548,675</u>	<u>544,794</u>
12,887,827	14,483,397	14,346,072	14,468,855	14,632,566	14,714,792
100.39%	100.10%	99.79%	100.01%	100.43%	100.64%
1,172,973	1,140,871	1,029,644	1,033,559	1,016,671	979,822
9.14%	7.88%	7.16%	7.14%	6.98%	6.70%

## *Piqua City School District*

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

	2008	2009	2010	2011
<b>Governmental Activities</b> (1)				
Certificates of Participation	\$0	\$0	\$0	\$3,770,000
General Obligation Bonds Payable	9,290,773	8,805,425	8,262,560	7,672,565
Capital Leases	163,075	38,801	0	0
Total Primary Government	<u>\$9,453,848</u>	<u>\$8,844,226</u>	<u>\$8,262,560</u>	<u>\$11,442,565</u>
<b>Population</b> (2)				
Piqua City	20,738	20,582	20,551	20,522
Outstanding Debt Per Capita	\$456	\$430	\$402	\$558
<b>Income</b> (3) (a)				
Personal (in thousands)	\$747,003	\$713,743	\$717,661	\$718,824
Percentage of Personal Income	1.27%	1.24%	1.15%	1.59%

\* As Restated

Sources:

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

*Piqua City School District*

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2012	2013	2014	2015	2016	2017
\$3,770,000	\$3,770,000	\$3,770,000	\$3,770,000	\$3,770,000	\$3,770,000
36,751,472	35,454,737	34,043,453	32,507,741	30,805,803	29,108,865
0	0	0	0	120,751	93,797
<u>\$40,521,472</u>	<u>\$39,224,737</u>	<u>\$37,813,453</u>	<u>\$36,277,741</u>	<u>\$34,696,554</u>	<u>\$32,972,662</u>
20,592	20,619	20,699	20,759	20,790	20,906
\$1,968	\$1,902	\$1,827	\$1,748	\$1,669	\$1,577
\$784,493	\$836,492	\$847,914	\$854,627	\$868,627	\$938,178
5.17%	4.69%	4.46%	4.24%	3.99%	3.51%

***Piqua City School District***

*Ratios of General Bonded Debt Outstanding  
Last Ten Years*

Year	2008	2009	2010	2011
<b>Population</b> (1)	20,738	20,582	20,551	20,522
<b>Estimated Actual Value</b>	1,468,090,737	1,461,091,228	1,201,580,971	1,165,460,514
<b>General Bonded Debt</b> (2)				
General Obligation Bonds	9,290,773	8,805,425	8,262,560	7,672,565
<b>Resources Available to Pay Principal</b> (3)	788,458	840,185	857,711	942,770
<b>Net General Bonded Debt</b>	8,502,315	7,965,240	7,404,849	6,729,795
<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	0.58%	0.55%	0.62%	0.58%
<b>Net Bonded Debt per Capita</b>	410	387	360	328

\* As Restated

Source:

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

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

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



*Piqua City School District*

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2012	2013	2014	2015	2016	2017
20,592	20,619	20,699	20,759	20,790	20,906
1,146,567,714	1,151,053,143	1,077,328,171	1,073,575,829	1,099,005,800	1,108,529,229
36,751,472	35,454,737	34,043,453	32,507,741	30,805,803	29,108,865
2,070,747	2,198,752	2,224,714	2,813,093	2,957,907	4,150,656
34,680,725	33,255,985	31,818,739	29,694,648	27,847,896	24,958,209
3.02%	2.89%	2.95%	2.77%	2.53%	2.25%
1,684	1,613	1,537	1,430	1,339	1,194



**Piqua City School District**

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*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2017*

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<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to Piqua City School District (1)</u>	<u>Amount Applicable to Piqua City School District</u>
<b>Direct:</b>			
Piqua City School District	\$32,972,662	100.00%	\$32,972,662
<b>Overlapping:</b>			
Miami County	15,176,888	17.03%	2,584,624
City of Piqua	343,003	100.00%	343,003
		Subtotal	<u>2,927,627</u>
		Total	<u><u>\$35,900,289</u></u>

Source: Ohio Municipal Advisory Council, June 2017

(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*

	2008	2009	2010	2011
Net Assessed Valuation	\$447,964,700	\$430,018,740	\$418,949,540	\$406,077,340
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	40,316,823	38,701,687	37,705,459	36,546,961
Applicable District Debt Outstanding	9,290,773	8,805,425	8,262,560	7,672,565
Less: Applicable Debt Service Fund Amounts (2)	(779,667)	(827,565)	(844,123)	(924,162)
Net Indebtedness Subject to Limitation	<u>8,511,106</u>	<u>7,977,860</u>	<u>7,418,437</u>	<u>6,748,403</u>
Overall Legal Debt Margin	<u>\$31,805,717</u>	<u>\$30,723,827</u>	<u>\$30,287,022</u>	<u>\$29,798,558</u>
Debt Margin as a Percentage of Debt Limit	78.89%	79.39%	80.33%	81.53%
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	447,965	430,019	418,950	406,077
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$447,965</u>	<u>\$430,019</u>	<u>\$418,950</u>	<u>\$406,077</u>
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	4,031,682	3,870,169	3,770,546	3,654,696
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation				
Loans Legal Debt Margin	<u>\$4,031,682</u>	<u>\$3,870,169</u>	<u>\$3,770,546</u>	<u>\$3,654,696</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*

*					
2012	2013	2014	2015	2016	2017
\$401,298,700	\$402,868,600	\$377,064,860	\$375,751,540	\$384,652,030	\$387,985,230
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
36,116,883	36,258,174	33,935,837	33,817,639	34,618,683	34,918,671
36,751,472	35,454,737	34,043,453	32,507,741	30,805,803	28,665,000
(2,186,831)	(2,297,573)	(2,320,114)	(2,813,093)	(2,957,907)	(4,150,656)
<u>34,564,641</u>	<u>33,157,164</u>	<u>31,723,339</u>	<u>29,694,648</u>	<u>27,847,896</u>	<u>24,514,344</u>
<u>\$1,552,242</u>	<u>\$3,101,010</u>	<u>\$2,212,498</u>	<u>\$4,122,991</u>	<u>\$6,770,787</u>	<u>\$10,404,327</u>
4.30%	8.55%	6.52%	12.19%	19.56%	29.80%
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
401,299	402,869	377,065	375,752	384,652	387,985
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$401,299</u>	<u>\$402,869</u>	<u>\$377,065</u>	<u>\$375,752</u>	<u>\$384,652</u>	<u>\$387,985</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
3,611,688	3,625,817	3,393,584	3,381,764	3,461,868	3,491,867
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$3,611,688</u>	<u>\$3,625,817</u>	<u>\$3,393,584</u>	<u>\$3,381,764</u>	<u>\$3,461,868</u>	<u>\$3,491,867</u>

## *Piqua City School District*

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

Calendar Year	2007	2008	2009	2010	2011
<b>Population</b> (1)					
Piqua City	20,738	20,582	20,551	20,522	20,592
Miami County	102,130	102,430	102,526	102,479	102,846
<b>Income</b> (2) (a)					
Total Personal (in thousands)	747,003	713,743	717,661	718,824	784,493
Per Capita	36,021	34,678	34,921	35,027	38,097
<b>Unemployment Rate</b> (3)					
Federal	4.8%	5.8%	9.3%	9.6%	8.9%
State	5.7%	6.6%	10.2%	10.1%	8.6%
Miami County	5.0%	6.4%	11.7%	10.5%	8.7%
Fiscal Year	2008	2009	2010	2011	2012
<b>School Enrollment</b> (4)					
Grades K - 3	1,096	1,140	1,154	1,166	1,238
Grades 4 - 6	850	851	831	793	792
Grades 7 - 8	572	600	568	579	562
Grades 9 - 12	1,219	1,189	1,139	1,100	1,116
Total	<u>3,737</u>	<u>3,780</u>	<u>3,692</u>	<u>3,638</u>	<u>3,708</u>

Sources:

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

*Piqua City School District*

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2012	2013	2014	2015	2016
20,619	20,699	20,759	20,790	20,906
103,125	103,421	103,970	104,224	104,679
836,492	847,914	854,627	868,627	938,178
40,569	40,964	41,169	41,781	44,876
8.1%	7.2%	5.6%	5.0%	4.6%
7.2%	7.5%	5.2%	4.7%	4.9%
7.0%	6.7%	4.5%	3.9%	4.3%
2013	2014	2015	2016	2017
1,232	1,093	1,125	1,130	1,093
787	876	824	818	797
551	525	545	539	556
1,135	1,110	1,040	1,015	1,046
3,705	3,604	3,534	3,502	3,492





***Piqua City School District***

*Principal Employers  
Current Year and Nine Years Ago*

		<u>2017</u>	
<u>Employer</u>	<u>Nature of Business</u>	<u>Number of Employees</u>	<u>Rank</u>
Spalding & Evenflo Company Inc.	Manufacturer - Juvenile Furniture	485	1
Industry Products	Manufacturer - Auto Industry Seals	421	2
Nitto Denko Automotive Ohio	Manufacturer - Automotive Gaskets	408	3
Piqua City Schools	Public School District	353	4
Hartzell Propeller Inc.	Manufacturer - Aircraft Propellers	314	5
Crane Pumps & Systems Inc.	Manufacturer - Industrial Water Pumps	290	6
Apex Aluminum	Aluminum die casting	263	7
City of Piqua	Municipal Government	239	8
Walmart Stores Inc.	Retail Store	233	9
Upper Valley Career Center	Regional Joint Vocational School	200	10
Total		<u>3,206</u>	
Total Employment within the District		<u>NA</u>	

		<u>2008</u>	
<u>Employer</u>	<u>Nature of Business</u>	<u>Number of Employees</u>	<u>Rank</u>
Industry Products	Die Cutting, Silk Screening	350	1
Hartzell Propeller	Manufacturer - Aircraft Propellers	339	2
Evenflo Company	Manufacturer - Juvenile Furniture	315	3
Crane Pumps and Systems	Manufacturer - Industrial Pumps	310	4
Jackson Tube	Manufacturer - Steel Tubing	310	5
Piqua Technologies	Manufacturer - Auto Industry Seals	165	6
Miami Valley Steel	Manufacturer - Steel Products	150	7
ITW Hobart Brothers	Manufacturer - Welding Wire	120	8
Hartzell Fan Inc.	Manufacturer - Industrial Air Handlers	104	9
Apex Aluminum Die Casting	Aluminum Die Casting	100	10
Total		<u>2,263</u>	
Total Employment within the District		<u>NA</u>	

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

## *Piqua City School District*

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

	2008	2009	2010	2011	2012
<b>Supervisory</b>					
Instructional Administrators	4.00	4.00	4.00	4.00	4.00
Noninstructional Administrators	4.00	4.00	4.00	4.00	4.00
Consultants/Supervisors of Instruction	2.00	3.00	3.00	3.00	3.00
Principals	9.00	9.00	9.00	9.00	9.00
Assistant Principals	3.00	3.00	3.00	3.00	3.00
<b>Instruction</b>					
Classroom Teachers:					
Kindergarten Center	9.00	10.00	11.00	11.00	11.00
Primary: Grades 1-3	45.00	46.00	45.00	46.00	44.00
Intermediate: Grades 4-6	43.00	43.00	42.00	43.00	42.00
Junior High School	27.00	27.00	27.00	27.00	25.00
High School	43.00	44.00	44.00	44.00	42.00
<b>Student Services</b>					
Guidance Counselors	8.00	8.00	7.00	7.00	6.00
Psychologists	2.00	2.00	2.00	2.00	2.50
Librarians	1.00	1.00	0.00	0.00	0.00
Speech and Hearing Specialists	3.00	3.00	2.00	2.00	2.00
Nurses	2.00	1.00	1.00	1.00	1.00
Physical Education	7.00	7.00	7.00	6.00	6.00
Fine Arts	15.00	15.00	15.00	15.00	13.00
<b>Support Services</b>					
Clerical/Secretaries	23.00	23.00	22.00	22.00	21.00
EMIS Coordinator	1.00	1.00	1.00	1.00	1.00
Food Service	40.00	37.00	34.00	31.00	29.00
Library Aides	9.00	10.00	10.00	10.00	8.00
Maintenance/Grounds	24.00	25.00	21.00	21.00	18.00
Parents as Teachers	3.00	3.00	3.00	3.00	3.00
Transportation	22.00	22.00	21.00	21.00	21.00
Tutors/Aides	16.00	18.00	19.00	18.00	15.00
Technology	2.00	2.00	4.00	3.00	3.00
<i>Total Employees</i>	<u>367.00</u>	<u>371.00</u>	<u>361.00</u>	<u>357.00</u>	<u>336.50</u>

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

Source: District Treasurer's Office

*Piqua City School District*

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2013	2014	2015	2016	2017
4.00	3.00	2.00	2.00	2.00
4.00	5.00	5.00	6.00	6.00
3.00	3.00	3.00	3.00	3.00
8.00	8.00	10.00	5.00	5.00
3.00	3.00	3.00	7.00	7.00
11.00	12.00	13.00	13.00	16.00
43.00	43.00	45.00	45.00	46.00
42.00	42.00	41.00	41.00	44.00
24.00	23.00	22.00	25.00	24.00
42.00	36.00	36.00	40.00	41.00
5.00	4.00	3.00	7.00	8.00
2.50	2.50	3.00	3.00	3.00
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00
6.00	6.00	5.00	5.00	6.00
12.00	12.00	13.00	13.00	14.00
21.00	21.00	21.00	22.00	23.00
1.00	1.00	1.00	1.00	1.00
25.00	27.00	27.00	30.00	31.00
8.00	8.00	8.00	9.00	9.00
18.00	20.00	20.00	19.00	19.00
2.00	3.00	3.00	3.00	4.00
21.00	21.00	20.00	20.00	19.00
11.00	11.00	14.00	12.00	10.00
3.00	2.00	2.00	3.00	4.00
<u>320.50</u>	<u>317.50</u>	<u>321.00</u>	<u>335.00</u>	<u>346.00</u>

***Piqua City School District***

*Operating Indicators - Cost per Pupil  
Last Ten Years*

Fiscal Year	2008	2009	2010	2011	2012
Enrollment	3,737	3,780	3,692	3,638	3,708
Modified Accrual Basis					
Operating Expenditures	31,479,980	31,507,490	33,344,922	35,599,669	38,960,521
Cost per Pupil	8,424	8,335	9,032	9,786	10,507
Percentage of Change	(2.83%)	(1.05%)	8.4%	8.3%	7.4%
Accrual Basis					
Expenses	31,706,813	31,520,979	33,389,152	34,499,795	36,280,071
Cost per Pupil	8,485	8,339	9,044	9,483	9,784
Percentage of Change	(0.43%)	(1.72%)	8.5%	4.9%	3.2%
Teaching Staff	204	206	201	202	192

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

*Piqua City School District*

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2013	2014	2015	2016	2017
3,705	3,604	3,534	3,502	3,492
39,728,914	62,566,524	65,537,577	42,423,584	43,463,006
10,723	17,360	18,545	12,114	12,446
2.1%	61.9%	6.8%	(34.68%)	2.7%
35,988,608	35,161,301	39,337,546	42,420,112	44,449,120
9,714	9,756	11,131	12,113	12,729
(0.72%)	0.4%	14.1%	8.8%	5.1%
188	180	179	190	200

**Piqua City School District**

*Operating Indicators by Function  
Last Ten Years*

	2008	2009	2010	2011
<b>Governmental Activities</b>				
Support Services				
Pupils				
Enrollment	3,737	3,780	3,692	3,638
Graduates	255	273	285	244
Percent of Students with Disabilities	15.60%	13.64%	14.59%	14.35%
Percent of Students with English as Second Language	0.7%	0.4%	0.4%	0.5%
Administration				
School Attendance Rate	95.0%	95.2%	95.0%	95.3%
Operation and Maintenance of Plant				
District Square Footage Maintained	608,145	608,145	608,145	608,145
Pupil Transportation				
Average Daily Students Transported	2,474	2,437	2,141	1,939
Average Miles Driven per Day	2,053	1,911	1,891	1,664
Average Miles per Bus	15,311	16,727	16,762	14,262
Number of Buses	24	22	21	21
<b>Business-Type Activities</b>				
Food Service				
Student Meals Served Daily	2,510	2,599	2,598	2,586
Free/Reduced Price Meals Daily	1,340	1,447	1,562	1,607
Percentage of Free/Reduced Price Meals Daily	53.39%	55.68%	60.12%	62.14%
Student Breakfasts Served Daily	1,143	1,181	1,187	1,170
Free/Reduced Price Breakfasts Daily	864	920	966	967
Percentage of Free/Reduced Price Breakfasts Daily	75.59%	77.90%	81.38%	82.65%

Source: District Treasurer's Office

*Piqua City School District*

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2012	2013	2014	2015	2016	2017
3,708	3,705	3,604	3,534	3,502	3,492
239	257	251	272	249	239
16.50%	14.50%	17.28%	15.19%	20.50%	12.86%
0.0%	0.0%	0.2%	0.2%	0.2%	0.5%
95.0%	94.5%	94.9%	94.6%	94.7%	94.2%
608,145	608,145	608,145	603,812	546,992	546,992
1,955	1,971	1,834	2,180	2,259	1,850
1,671	1,704	1,505	1,576	1,663	1,490
14,322	14,605	12,900	12,895	12,240	12,771
21	21	21	22	22	21
2,559	2,145	1,934	1,895	1,893	1,904
1,660	1,531	1,437	1,353	1,363	1,323
64.87%	71.38%	74.30%	71.40%	72.00%	69.49%
1,183	1,089	989	856	802	764
1,019	946	875	735	700	658
86.14%	86.87%	88.47%	85.87%	87.28%	86.13%

***Piqua City School District***

*Operating Indicators - Teacher Base Salaries  
Last Ten Years*

Fiscal Year	2008	2009	2010	2011	2012
District Average Salary	53,979	53,788	54,891	55,761	55,346
County Average Salary	49,635	50,034	53,014	52,874	52,945
State Average Salary	54,210	55,583	56,995	57,904	58,119

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

*Operating Indicators - Teachers by Education  
Last Ten Years*

Fiscal Year	2008	2009	2010	2011	2012
Bachelor's Degree	17	14	13	13	13
Bachelor + 15	10	10	5	1	3
Bachelor + 30	25	22	18	15	14
Masters Degree	84	91	97	102	99
Masters Degree + 10	53	49	46	48	41
Masters Degree + 30	15	20	22	23	22
Total	204	206	201	202	192

Source: District Treasurer's Office



*Piqua City School District*

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<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
53,947	53,151	54,812	56,696	58,210
53,440	53,491	54,026	54,566	54,279
57,966	57,635	55,242	57,154	58,690

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<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
13	14	17	21	26
7	3	7	7	3
17	20	13	12	16
92	90	85	91	83
37	35	35	42	54
22	18	22	17	18
188	180	179	190	200

## *Piqua City School District*

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

	2008	2009	2010	2011
<b>Secondary</b>				
Piqua Senior High School				
Square Footage	185,375	185,375	185,375	185,375
Capacity (students)	1,200	1,200	1,200	1,200
Enrollment	1,219	1,189	1,139	1,100
Piqua Junior High School				
Square Footage	126,000	126,000	126,000	126,000
Capacity (students)	800	800	800	800
Enrollment	572	600	568	579
<b>Intermediate</b>				
Bennett Intermediate School				
Square Footage	48,739	48,739	48,739	48,739
Capacity (students)	800	800	800	800
Enrollment	242	245	293	292
Wilder Intermediate School				
Square Footage	47,651	47,651	47,651	47,651
Capacity (students)	800	800	800	800
Enrollment	299	297	299	281
Washington Intermediate School				
Square Footage	35,523	35,523	35,523	35,523
Capacity (students)	360	360	360	360
Enrollment	305	309	282	267
Central Intermediate School				
Square Footage	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
<b>Primary</b>				
Favorite Hill Primary School				
Square Footage	40,366	40,366	40,366	40,366
Capacity (students)	400	400	400	400
Enrollment	282	296	300	296
High Street Primary School				
Square Footage	20,816	20,816	20,816	20,816
Capacity (students)	360	360	360	360
Enrollment	253	302	271	272

*Piqua City School District*

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2012	2013	2014	2015	2016	2017
185,375	185,375	185,375	186,244	186,244	186,244
1,200	1,200	1,200	1,200	1,200	1,200
1,116	1,133	1,110	1,040	1,015	1,046
126,000	126,000	126,000	113,159	113,159	113,159
800	800	800	800	800	800
561	554	525	548	539	557
48,739	48,739	48,739	N/A	N/A	N/A
800	800	800	N/A	N/A	N/A
332	345	301	N/A	N/A	N/A
47,651	47,651	47,651	N/A	N/A	N/A
800	800	800	N/A	N/A	N/A
260	265	282	N/A	N/A	N/A
35,523	35,523	35,523	N/A	N/A	N/A
360	360	360	N/A	N/A	N/A
268	256	293	N/A	N/A	N/A
N/A	N/A	N/A	105,579	105,579	105,579
N/A	N/A	N/A	859	859	859
N/A	N/A	N/A	822	818	797
40,366	40,366	40,366	N/A	N/A	N/A
400	400	400	N/A	N/A	N/A
316	321	298	N/A	N/A	N/A
20,816	20,816	20,816	N/A	N/A	N/A
360	360	360	N/A	N/A	N/A
291	288	245	N/A	N/A	N/A

(Continued)

***Piqua City School District***

*Capital Asset Statistics by Building  
Last Ten Years*

	2008	2009	2010	2011
Springcreek Primary School (Old)				
Square Footage	25,326	25,326	25,326	25,326
Capacity (students)	360	360	360	360
Enrollment	268	229	238	255
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	297	313	302	296
Washington Primary School				
Square Footage	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
<b>All Other</b>				
Central Administration Building				
Square Footage	13,830	13,830	13,830	13,830
Transportation Building				
Square Footage	16,000	16,000	16,000	16,000
Maintenance Building				
Square Footage	27,000	27,000	27,000	27,000

Source: District Treasurer's Office

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

*Piqua City School District*

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2012	2013	2014	2015	2016	2017
25,326	25,326	25,326	N/A	N/A	N/A
360	360	360	N/A	N/A	N/A
274	266	277	N/A	N/A	N/A
N/A	N/A	N/A	71,000	71,005	71,005
N/A	N/A	N/A	600	600	600
N/A	N/A	N/A	541	556	513
21,519	21,519	21,519	N/A	N/A	N/A
375	375	375	N/A	N/A	N/A
290	277	273	N/A	N/A	N/A
N/A	N/A	N/A	71,000	71,005	71,005
N/A	N/A	N/A	600	600	600
N/A	N/A	N/A	583	574	579
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*

	2008	2009	2010	2011	2012
<b>Cost per Student (ODE)</b>					
Piqua (1)	8,654	8,345	9,377	9,905	9,613
Ohio (Average) (1)	9,939	9,990	10,253	10,571	10,697
<b>Attendance Rate</b>					
Piqua	95.00%	95.20%	95.00%	95.30%	95.00%
Ohio (Average) (1)	94.20%	94.30%	94.30%	94.50%	94.50%
<b>Graduation Rate</b>					
Piqua	92.40%	90.40%	93.10%	93.80%	92.60%
Ohio (Average) (1)	86.90%	84.60%	83.00%	84.30%	81.30%

Source:

District's Student Records and Ohio Department of Education

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

*Piqua City School District*

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2013	2014	2015	2016	2017
9,475	9,554	10,928	9,553	9,968
10,149	10,357	9,904	9,837	9,149
94.50%	94.90%	94.60%	94.70%	94.20%
94.20%	94.30%	94.10%	94.10%	93.90%
88.50%	88.50%	90.40%	85.90%	87.50%
82.20%	82.20%	83.00%	83.00%	83.50%







# 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 20, 2018