



Mary Taylor, CPA  
Auditor of State



**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

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**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2009**

<b>Federal Grantor/ Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Receipts</b>	<b>Disbursements</b>
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Ohio Department of Education</i>			
<b>Child Nutrition Cluster:</b>			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	\$140,459	\$140,459
Cash Assistance			
School Breakfast Program	10.553	24,724	24,724
National School Lunch Program	10.555	307,131	307,131
Cash Assistance Subtotal		<u>331,855</u>	<u>331,855</u>
Total Nutrition Cluster		<u>472,314</u>	<u>472,314</u>
Total United States Department of Agriculture		<u>472,314</u>	<u>472,314</u>
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>			
<i>Passed through Ohio Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	485,681	518,429
<b>Special Education Cluster:</b>			
Special Education Grants to States	84.027	1,312,984	1,515,499
Special Education Preschool Grants	84.173	<u>28,766</u>	<u>27,656</u>
Total Special Education Cluster		<u>1,341,750</u>	<u>1,543,155</u>
Career and Technical Education - Basic Grants to States	84.048	197,872	200,074
Safe and Drug-Free Schools and Communities State Grants	84.186	17,990	20,468
State Grants for Innovative Programs, Title V	84.298	9,842	9,704
Education Technology State Grants	84.318	5,161	5,257
English Language Acquisition Grants	84.365	32,801	31,666
Improving Teacher Quality State Grants	84.367	<u>175,568</u>	<u>174,455</u>
Total United States Department of Education		<u>2,266,665</u>	<u>2,503,208</u>
<b>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</b>			
<i>Passed through Ohio Emergency Management Agency</i>			
Disaster Grants - Public Assistance	97.036	<u>18,821</u>	<u>18,821</u>
Total United States Department of Homeland Security		<u>18,821</u>	<u>18,821</u>
Total Federal Assistance		<u>\$2,757,800</u>	<u>\$2,994,343</u>

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

**CENTERVILLE CSD  
MONTGOMERY COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2009**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - NUTRITION CLUSTER**

Non-monetary assistance, such as food received from the United States Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the United States Department of Agriculture are commingled with State Grants and local funds. It is assumed federal monies are expended first.

**NOTE C - MATCHING REQUIREMENTS**

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



# Mary Taylor, CPA

Auditor of State

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

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

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District, Montgomery County, (the District) as of and for the year ended June 30, 2009, which collectively comprise the Government's basic financial statements and have issued our report thereon dated December 21, 2009. 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 the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the District's management in a separate letter dated December 21, 2009.

### **Compliance and Other Matters**

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2009-001.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 21, 2009.

We intend this report solely for the information and use of management, the board of Education, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

December 21, 2009



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

To the Board of Education:

### Compliance

We have audited the compliance of Centerville City School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Centerville City School District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2009. In a separate letter to the District's management dated December 21, 2009, we reported another matter related to federal noncompliance not requiring inclusion in this report.

### Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

**Internal Control Over Compliance  
(Continued)**

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

**Schedule of Federal Awards Receipts and Expenditures**

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Centerville City School District as of and for the year ended June 30, 2009, and have issued our report thereon dated December 21, 2009. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Federal Awards Receipts and Expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

December 21, 2009

**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2009**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Title I – Grants to Local Educational Agencies: CFDA #84.010 Special Education Cluster: CFDA 84.027 and 84.173
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

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

**FINDING NUMBER 2009-001**

**Noncompliance Finding**

**Ohio Revised Code Section 5705.36(A)(4)** states that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the commission, and the commission shall certify an amended certificate reflecting the deficiency.

**FINDING NUMBER 2009-001  
 (Continued)**

The following funds had appropriations in excess of available resources at June 30, 2009:

<u>Fund</u>	<u>Final Appropriations</u>	<u>Available Resources</u>	<u>Actual Resources Less Appropriations</u>
019 Other Grants	\$ 5,000	\$ 4,479	(\$ 521)
020 Special Enterprise	600,000	548,081	(51,919)
401 Auxiliary Services	1,282,498	1,176,935	(105,563)
432 EMIS	33,627	24,294	(9,333)
451 Ohio K-12 Network	44,000	36,115	(7,885)
499 Miscellaneous State Grants	68,000	67,000	(1,000)
516 Title VI-B	1,547,627	1,339,923	(207,704)
524 Vocational Education	200,113	197,872	(2,241)
551 Title III	38,261	34,971	(3,290)
572 Title I	576,741	502,615	(74,126)
584 Drug Free Schools	20,520	19,486	(1,034)
587 EHA Pre-School Grant	30,000	28,766	(1,234)
599 Miscellaneous Federal Grants	24,245	24,045	(200)

The District should monitor available resources and appropriations throughout the year and obtain an amended certificate if available resources are going to significantly vary from the original estimate to prevent over-appropriating of available resources.

**Officials Response:** We did not receive a response from Officials to this finding.

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

**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2009**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2008-001	District did not set appropriate parameters for report generation and review such report for year-end financial statement preparation.	No	Improvements made. Comment will be issued in separate letter to management.
2008-002	Expenditures in Excess of Appropriations.	No	Improvements made. Comment will be issued in separate letter to management.

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# Mary Taylor, CPA

Auditor of State

## Independent Accountants' Report on Applying Agreed-Upon Procedures

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

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether the Centerville City School District (the District) has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on July 27, 2009.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
  - 1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
  - 2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
  - 3) A procedure for reporting prohibited incidents;
  - 4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
  - 5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
  - 6) A procedure for documenting any prohibited incident that is reported;

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- 7) A procedure for responding to and investigating any reported incident;
- 8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- 9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- 10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

December 21, 2009

**COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT**

**for the fiscal year ended June 30, 2009**

**CENTERVILLE**  

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**CITY SCHOOL DISTRICT**



Centerville City School District  
Centerville, Ohio 45458



**CENTERVILLE CITY SCHOOL DISTRICT  
CENTERVILLE, OHIO**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

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

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# INTRODUCTORY SECTION





# Centerville City Schools

December 21, 2009

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Centerville City School District (District) for the fiscal year ended June 30, 2009. This report represents the commitment of the District to adhere to nationally recognized standards of excellence in financial reporting.

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

Management is required to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent accountants within the financial section.

Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Dayton Area Chamber of Commerce, major businesses located within the District, other governmental entities in Montgomery County, the Washington-Centerville Libraries, Moody's and Standard and Poor's financial rating services, major banks, realtors, and other interested parties.

## **DISTRICT PROFILE**

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

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

### Blue Ribbon School District

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

### Preschool

The Centerville Preschool is an early childhood program that serves children with and without special needs who range in age from 3-5. The licensed program provides a comprehensive preschool experience to enhance each child's social skills, independence, communication, physical and academic growth.

### Primary Villages

There are two primary villages housing kindergarten and grade one. Both offer regular kindergarten programs in addition to Young 5s and Extended Day to provide developmentally appropriate programs for children ages five and six. The grade one program is similar to the elementary program.

### Elementary

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

### Middle School

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

### High School

Centerville High School is a comprehensive, four-year school that stresses academic excellence and physical and social development. Courses are offered in the fine and applied arts, business, career education, tech-prep and all academic areas. In the 2008-2009 National Merit Scholarship Program, 26 seniors were National Merit Finalists, Semi-finalists, or commended scholars. In addition, 196 seniors were inducted into the National Honor Society.

## ECONOMIC CONDITION AND OUTLOOK

### Community

The estimated population of this area is 52,991 residents as Centerville-Washington Township is primarily a residential area. Both Centerville and Washington Township attracts white-collar professionals, particularly doctors and managers. The Community (City of Centerville and Washington Township) has grown rapidly over the past twenty years and, given its attractiveness as the residence and business location of choice in the region, it will continue to grow well into the next several decades.

Understanding these critical issues, the Community developed a comprehensive plan called “Create the Vision.” This was a community process that involved citizens, businesses, organizations, and local government officials in a cooperative effort to plan for the future of Centerville and Washington Township. These groups worked together with the community at large to formulate goals in the areas of land use and development, transportation services, and other aspects of the community. The end result has been the adoption of a new community plan that outlines steps for implementing these goals over the next 20 years. More information can be found at the website <http://www.createthevision.org>.

The Centerville area continues to see moderate growth in business development. Built on a diversified base of small businesses, Centerville continues to be well positioned to weather the current economic downturn.

### District

The District retained its Aa2 rating from Moody’s Investors Service. This rating is the 3<sup>rd</sup> highest rating for a public school district in Ohio. Moody’s has stated, “The high-grade Aa2 rating reflects the district’s strong financial position, growing tax base with proximity to the Dayton and Cincinnati employment centers, and favorable debt position.”

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

### Academic Achievements

- The District earned an “Excellent with Distinction” rating - the highest rank in Ohio’s report card on school districts.
  - This is the eleventh straight year the District received top honors.
  - The District is one of only 13 districts in Ohio to have received that top rating in each year since the report cards were first issued in 1999.
  - In addition, the District met Adequate Yearly Progress for all 10 sub groups, meeting the requirements of the federal No Child Left Behind legislation.
- CHS Science Olympiad team won the State Championship for the seventh year in a row and placed 1<sup>st</sup> in national competition.
- Magsig Middle School Science Olympiad team won the State Championship and placed 3<sup>rd</sup> in national competition.

### Fine Arts Achievements

- The CHS Band was the 2<sup>nd</sup> highest rated band in at the Bands of America Centerville Regional and was a Bands of America Grand National Finalist, placing 12<sup>th</sup> nationally.
- The CHS Symphonic Orchestra earned a unanimous Superior rating at the Ohio Music Education Association state competition.

### Athletic Achievements

- CHS captured the Greater Western Ohio Conference (GWOC) All-Sports Trophy. This year's honor marks the 33<sup>rd</sup> time over the last 34 years that CHS has captured its conference all-sports trophy that rewards the overall performance of all athletic teams.
- CHS had 16 GWOC championships.
- Girls bowling finished 3<sup>rd</sup> at state competition.
- Girls swimming finished 3<sup>rd</sup> at state competition.
- Hockey finished in the Final Four at state competition.
- Boys swimming finished 5<sup>th</sup> at state competition.
- Boys golf finished 7<sup>th</sup> at state competition.
- Boys cross country finished 8<sup>th</sup> at state competition.

### Individual Student Achievements

- In the 2008-2009 National Merit Scholarship Program, 26 seniors were National Merit Finalists or Commended Scholars.
- 26 middle school students achieved "Recognized Scholar" status for their scores on the PSAT.
- 450 sophomores, juniors, and seniors took 834 advanced placement exams in 23 subject areas. Scores of 3, 4, or 5 on the A.P. scale were achieved on 81% of the examinations.
- 95.9% of the Class of 2008 have been accepted and intend to enroll at either two or four year institutions of higher learning.

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

### Major Initiatives

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

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

## **FINANCIAL INFORMATION**

### District Organization and Reporting Entity

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

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

### Government-wide Financial Statements

These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities in nature. The District did not have any business-type activities during fiscal year 2009.

### Fund Financial Statements

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

### Statement of Budgetary Comparisons

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

## Internal Accounting and Budgetary Control

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

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

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

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

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

## Cash Management

The District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. The District utilizes the STAROhio investment pool, operated by the Ohio Treasurer of State, for ready cash and yield. Repurchase agreements, treasury bonds and notes, money market mutual funds, and United States agency securities are utilized for long-term investments. Investment earnings for the General Fund totaled \$1,031,847 and \$1,334,585 for all funds during the fiscal year.

## Risk Management

The District continues to protect its assets through a comprehensive insurance program. Insurance policies for fleet liability, general liability, excess liability, directors and officers, property loss and boiler and machinery coverage are purchased from the Ohio Casualty Company. Employee health, dental, and life insurance coverage are provided by Anthem. In addition, the District offers a full range of supplementary retirement plans for eligible staff members. For more information on risk management see Note 7 of the Notes to the Basic Financial Statements.

## Relevant Financial Policies

In July, 2009, the Ohio's Governor signed HB 1, the state biennium budget bill. Included in this bill was a complete overhaul of the school funding model for all school districts in Ohio. The new Ohio Evidence-Based Model (OEBM) replaces the long-standing foundation formula that was declared unconstitutional by the Ohio Supreme Court. If ever fully-funded, the new model has the potential to drive funding based on student needs and could result in additional revenue. However, the current economic crisis has reduced revenue at the state level prompting budget reduction measures across the State. As such, the funding for the OEBM is going to be phased in for FY10 and FY11 by allocating the funding for each year based on 99% of the FY09 funding and 98% of the FY10 funding, respectively. Federal stimulus funds are being used in Ohio to balance the education budget and as such, funding for public education at the current level is not secure beyond FY11. This uncertainty could have a major impact on our instructional and operational programs. The need for additional revenue and or expenditure reductions will need to be monitored closely.

## Auditor of State

Included in this report is the unqualified opinion rendered on the District's basic financial statements as of and for the year ended June 30, 2009 by State of Ohio Auditor's Office. An annual independent audit of the District's financial statements is a requirement of Ohio statute, as well as an integral part of the annual preparation of a CAFR. This annual audit will continue to review, comment on and thereby strengthen the District's accounting and budgetary control.

## **AWARD FOR EXCELLENCE IN FINANCIAL REPORTING**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Centerville City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2008. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it the GFOA to determine its eligibility for another certificate.

### ACKNOWLEDGEMENTS

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

Respectfully submitted,



Mitch Biederman, Treasurer



Dr. Tom Henderson, Superintendent

**Centerville City School District**  
List of Principal Officials  
June 30, 2009

**ELECTED OFFICIALS**

President, Board of Education	Dr. David Roer
Vice President, Board of Education	Mrs. Karen Myers
Board of Education Member	Mr. John Doll
Board of Education Member	Mr. Bradley Evers
Board of Education Member	Mr. Jeff Shroyer

**ADMINISTRATIVE OFFICIALS**

Superintendent	Mr. Gary Smiga*
Associate Superintendent	Mr. Terry Riley
Treasurer	Dr. Steven Hinshaw**
Director of Pupil Services	Mr. Gary Perkins
Director of Information Technology	Mr. Roger Nefzer
Director of Personnel	Dr. Tom Henderson***
Director of Business Operations	Mr. Bob Yux

**OFFICE OF THE TREASURER**

Treasurer	Dr. Steven Hinshaw**
Accounting Supervisor	Mrs. Linda Bruner
Payroll Supervisor	Mr. Kevin Burr
Financial Analyst	Mrs. Laura Baker
Payroll Analyst	Mrs. Akemi Simon
Secretary/Benefits	Ms. Connie Cummins
CHS Student Activities	Mrs. Candi Trentel

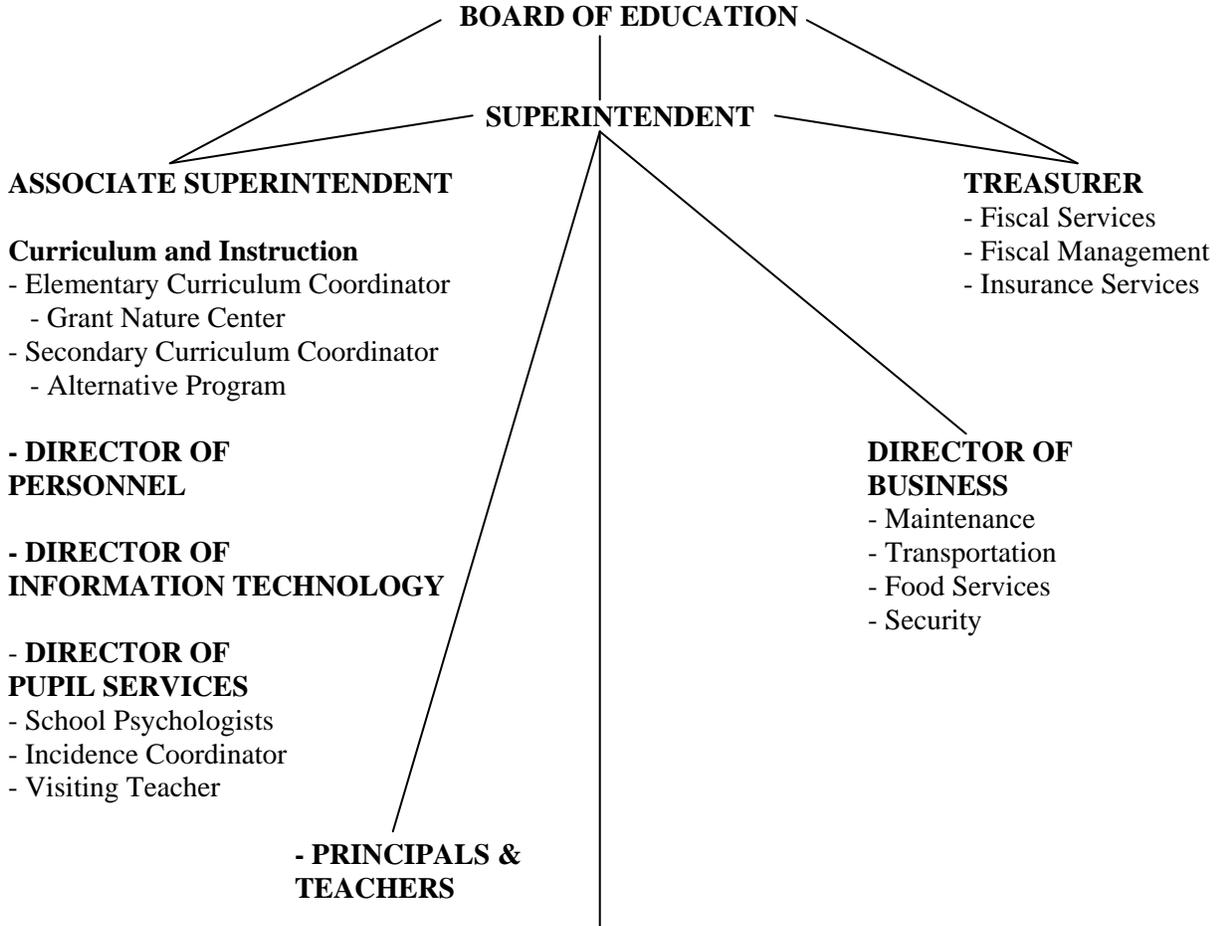
\*As of August 1, 2009, Dr. Thomas Henderson is the Superintendent of the District

\*\*As of July 1, 2009, Mr. Mitch Biederman is Treasurer of the District

\*\*\*As of August 1, 2009, Ms. Deb Crump is Director of Personnel

**Centerville City School District**  
**Organizational Chart**  
 June 30, 2009

Basic to the statement of policy is an organizational chart. The chart represents functional working relationships and should not be taken to depict strictly a line and staff organization. This is particularly true of directors and other specialists who are not charged with line or authoritative function, but rather that of providing leadership in a reciprocal working arrangement with other personnel in the planning, coordination, evaluation, and improvement of the school program.



<b>Business Groups</b>	<b>School Groups</b>	<b>Community Groups</b>	<b>Education Groups</b>	<b>Governmental Entities</b>
- Chamber	- PTOs	- Service Clubs	- GWOC	- Washington Twp
- Business Leaders	- IAC	- Hithergreen Senior Ctr	- Montgomery County	- Centerville City
- Committees	- Boosters	- Ministerial Assoc	- Middle Cities	- W-C Library
			- DASA	- Park District
			- Universities	- County
			- BASA	- State Officials
			- AASA	
			- Alliance/Adequate Funding	
			- ETPI	

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Centerville City School District  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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# FINANCIAL SECTION





# Mary Taylor, CPA

## Auditor of State

### INDEPENDENT ACCOUNTANTS' REPORT

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

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District, Montgomery County, Ohio (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District, Montgomery County, Ohio, as of June 30, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis and the General Fund budgetary comparison are not a required part of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

December 21, 2009

**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2009**  
**(Unaudited)**

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The discussion and analysis of Centerville City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

**Financial Highlights**

Key financial highlights for 2009 are as follows:

- Net assets of governmental activities decreased \$4,074,959 which represents a 8.5% decrease from 2008.
- General revenues accounted for \$78,364,051 in revenue or 88% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$10,233,443 or 12% of total revenues of \$88,597,494.
- The District had \$92,672,453 in expenses related to governmental activities; \$10,233,443 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of were also used to provide for these programs.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

## Government-wide Financial Statements

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2009?” The Government-wide Financial Statements answer this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

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

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

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

## Fund Financial Statements

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

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

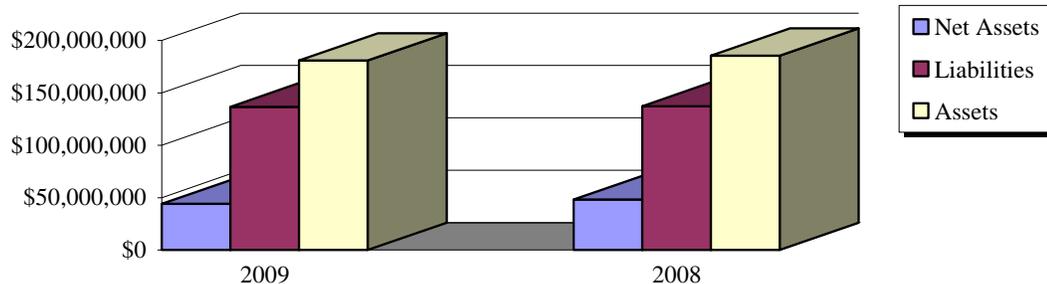
**Fiduciary Funds** Fiduciary funds are used to account for resources held for the benefits of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the District’s own programs.

## The District as a Whole

As stated previously, the Statement of Net Assets looks at the District as a whole. Table 1 provides a summary of the District's net assets for 2009 compared to 2008:

**Table 1**  
**Net Assets**

	Governmental Activities	
	2009	2008
<b>Assets:</b>		
Current and Other Assets	\$97,089,533	\$105,669,047
Capital Assets	83,706,754	79,754,816
<b>Total Assets</b>	<b>180,796,287</b>	<b>185,423,863</b>
<b>Liabilities:</b>		
Other Liabilities	63,034,464	60,355,378
Long-Term Liabilities	73,650,626	76,882,329
<b>Total Liabilities</b>	<b>136,685,090</b>	<b>137,237,707</b>
<b>Net Assets:</b>		
Invested in Capital Assets, Net of Related Debt	18,184,642	16,619,018
Restricted	15,791,775	14,227,591
Unrestricted	10,134,780	17,339,547
<b>Total Net Assets</b>	<b>\$44,111,197</b>	<b>\$48,186,156</b>



Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2009, the District's assets exceeded liabilities by \$44,111,197.

At year-end, capital assets represented 46% of total assets. Capital assets include land, construction in progress, buildings and improvements, equipment and vehicles. Capital assets, net of related debt to acquire the assets at June 30, 2009, was \$18,184,642. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net assets, \$15,791,775 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Current and Other Assets decreased mainly due to a decrease in equity in pooled cash and investments, which was mainly due to a decrease in the District's bank balance. Long-term liabilities decreased due to the District making regularly scheduled debt payments.

Table 2 shows the changes in net assets for fiscal years 2009 and 2008.

**Table 2**  
**Changes in Net Assets**

	Governmental Activities	
	2009	2008
Revenues:		
Program Revenues		
Charges for Services	\$4,680,434	\$4,817,559
Operating Grants, Contributions	5,553,009	6,324,849
Capital Grants and Contributions	0	52,398
General Revenues:		
Property Taxes	55,742,677	59,235,774
Grants and Entitlements	21,338,489	19,874,547
Other	1,282,885	1,804,286
Total Revenues	<u>88,597,494</u>	<u>92,109,413</u>
Program Expenses:		
Instruction	52,259,836	52,829,847
Support Services:		
Pupil and Instructional Staff	11,048,506	10,889,937
School Administrative, General		
Administration, Fiscal and Business	6,754,062	6,959,994
Operations and Maintenance	5,991,427	6,540,093
Pupil Transportation	6,258,860	6,287,495
Central	99,859	88,823
Operation of Non-Instructional Services	4,647,458	4,722,429
Extracurricular Activities	663,382	660,133
Interest and Fiscal Charges	3,296,412	3,351,454
Unallocated Depreciation	1,652,651	1,549,295
Total Program Expenses	<u>92,672,453</u>	<u>93,879,500</u>
Changes in Net Assets	(4,074,959)	(1,770,087)
Net Assets Beginning of Year	<u>48,186,156</u>	<u>49,956,243</u>
Net Assets End of Year	<u>\$44,111,197</u>	<u>\$48,186,156</u>

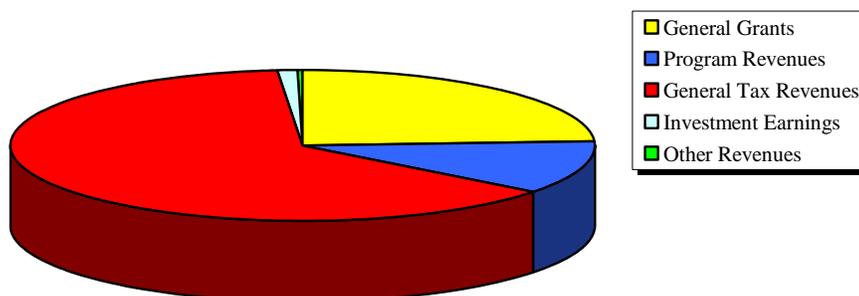
The District revenues are mainly from two sources. Property taxes levied for general, debt service and capital projects purposes and grants and entitlements comprised 87% of the District's revenues for governmental activities.

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

Thus Ohio districts do not receive additional property tax revenue from increases in appraisal values and must regularly return to the voters to maintain a constant level of service. Property taxes made up 63% of revenue for governmental activities for the District in fiscal year 2009.

**Governmental Activities  
Revenue Sources**

		<u>Percentage</u>
General Grants	\$21,338,489	24.08%
Program Revenues	10,233,443	11.55%
General Tax Revenues	55,742,677	62.92%
Investment Earnings	1,021,509	1.15%
Other Revenues	<u>261,376</u>	<u>0.30%</u>
Total Revenue Sources	<u>\$88,597,494</u>	<u>100.00%</u>



Instruction comprises 56.39% of governmental program expenses. Support services expenses were 32.54% of governmental program expenses. All other expenses including interest expense were 11.07%. Interest expense was attributable to the outstanding bond and borrowings.

Property taxes decreased mainly due to a decrease in property tax receipts received during the fiscal year. Total expenses decreased from fiscal year 2008 to 2009 mainly due to the District's effort to cut costs District-wide.

## Government Activities

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

**Table 3**  
**Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2009	2008	2009	2008
Instruction	\$52,259,836	\$52,829,847	(\$49,067,519)	(\$48,870,074)
Support Services:				
Pupil and Instructional Staff	11,048,506	10,889,937	(10,047,538)	(9,868,392)
School Administrative, General				
Administration, Fiscal and Business	6,754,062	6,959,994	(6,704,187)	(6,865,659)
Operations and Maintenance	5,991,427	6,540,093	(5,910,681)	(6,387,494)
Pupil Transportation	6,258,860	6,287,495	(5,880,483)	(5,719,115)
Central	99,859	88,823	(99,859)	(88,823)
Operation of Non-Instructional Services	4,647,458	4,722,429	(19,701)	(206,016)
Extracurricular Activities	663,382	660,133	240,021	221,628
Interest and Fiscal Charges	3,296,412	3,351,454	(3,296,412)	(3,351,454)
Unallocated Depreciation	1,652,651	1,549,295	(1,652,651)	(1,549,295)
Total Expenses	<u>\$92,672,453</u>	<u>\$93,879,500</u>	<u>(\$82,439,010)</u>	<u>(\$82,684,694)</u>

## The District's Funds

The District has two major governmental funds: the General Fund and the Bond Retirement Fund. Assets of these funds comprise \$81,624,911 (84%) of the total \$97,180,816 governmental funds assets.

**General Fund:** Fund balance at June 30, 2009 was \$12,317,939 including \$8,667,764 of unreserved balance which represents 11% of expenditures for 2009. Fund balance decreased from 2008 due mainly to the decrease in property tax revenues.

**Bond Retirement Fund:** Fund balance at June 30, 2009 was \$8,194,620 which increased \$206,535 from the prior year due to increased intergovernmental revenues.

## General Fund Budgeting Highlights

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

For the General Fund, original and final budget basis revenue was \$74,425,634. Actual instruction expenses were lower than the final budgeted amount due to overestimates of these expenses for the year.

The District's ending unobligated fund balance was \$1,958,753, above the final budgeted amount.

## Capital Assets and Debt Administration

### Capital Assets

At fiscal year end, the District had \$83,706,754 invested in land, construction in progress, buildings and improvements, equipment and vehicles. Table 4 shows fiscal year 2009 balances compared to fiscal year 2008:

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

	Governmental Activities	
	2009	2008
Land	\$2,260,182	\$2,260,182
Construction in Progress	4,266,870	2,090,626
Buildings and Improvements	72,538,598	70,702,110
Equipment	1,010,104	1,207,612
Vehicles	3,631,000	3,494,286
Total Net Capital Assets	<u>\$83,706,754</u>	<u>\$79,754,816</u>

The increase in capital assets from 2008 to 2009 is mainly due to the completion of some construction projects relating to the school's construction and improvements throughout the District and vehicle additions.

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

### Debt

At fiscal year end, the District had \$70,663,795 in debt outstanding, \$3,225,000 due within one year. Table 5 summarizes debt outstanding.

**Table 5**  
**Outstanding Debt at Year End**

	Governmental Activities	
	2009	2008
<u>General Obligation Bonds</u>		
2003 Refunding Bonds		
Current Interest	\$2,865,000	\$3,755,000
Capital Appreciation - Principal	385,000	385,000
Capital Appreciation - Interest	615,777	474,024
2004 Refunding Bonds	5,735,000	6,400,000
2005 School Improvement	59,250,000	60,430,000
Deferred Amounts		
Add: Bond Premium	2,472,677	2,683,633
Less: Deferred Amount on Refunding	(659,659)	(783,245)
Total General Obligation Bonds	<u>\$70,663,795</u>	<u>\$73,344,412</u>

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

## **For the Future**

The Community (City of Centerville and Washington Township) has grown rapidly over the past twenty years and, given its attractiveness as the residence and business location of choice in the region, it will continue to grow well into the next several decades. The land to support past growth has been consumed at an increasing rate and will be exhausted, if present trends continue, within the next 35 years as the Community is 77% developed (86% city and 73% township). By then, the Community will have matured, with redevelopment as the only option to accommodate growth and change. How this limited supply of land is eventually used will dictate everything from fiscal health, to Community appearance, and ultimately its continued attractiveness as a place to live, work, and play.

Understanding these critical issues, the Community developed a comprehensive plan called "Create the Vision". This was a community process that has involved citizens, businesses, organizations, and local government officials in a cooperative effort to plan for the future of Centerville and Washington Township. These groups worked together with the community at large to formulate goals in the areas of land use and development, transportation services, and other aspects of the community. The end result has been the adoption of a new community plan that outlines steps for implementing these goals over the next 20 years.

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

The School District retained its "Excellent with Distinction" rating, the highest rank in Ohio's report card for school districts. This is the tenth straight year the School District received top honors. In addition, the School District is one of only 116 districts in Ohio to have received that top rating in each year since the report cards were first issued in 1999. Funding this continued excellence in education will remain the primary focus for the future.

## **Contacting the School District's Financial Management**

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

Centerville City School District, Ohio  
Statement of Net Assets  
June 30, 2009

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$38,964,126
Restricted Cash and Investments	141,886
Receivables:	
Taxes	57,104,470
Interest	243,535
Intergovernmental	476,309
Deferred Bond Issuance Costs	117,036
Inventory	42,171
Nondepreciable Capital Assets	6,527,052
Depreciable Capital Assets, Net	<u>77,179,702</u>
 Total Assets	 <u>180,796,287</u>
Liabilities:	
Accounts Payable	379,641
Accrued Wages and Benefits	9,932,698
Accrued Interest Payable	264,734
Accrued Contracts Payable	294,202
Unearned Revenue	52,163,189
Long-Term Liabilities:	
Due Within One Year	4,050,144
Due In More Than One Year	<u>69,600,482</u>
 Total Liabilities	 <u>136,685,090</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	18,184,642
Restricted for:	
Debt Service	8,013,468
Capital Projects	6,863,654
Budget Stabilization	141,886
Other Purposes	772,767
Unrestricted	<u>10,134,780</u>
 Total Net Assets	 <u><u>\$44,111,197</u></u>

See accompanying notes to the basic financial statements.

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Centerville City School District, Ohio  
Statement of Activities  
For the Fiscal Year Ended June 30, 2009

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$40,396,937	\$446,990	\$504,561	(\$39,445,386)
Special	8,380,002	228,868	1,862,917	(6,288,217)
Vocational	2,539,172	0	148,981	(2,390,191)
Other	943,725	0	0	(943,725)
<b>Support Services:</b>				
Pupil	4,051,547	0	177,154	(3,874,393)
Instructional Staff	6,996,959	4,278	819,536	(6,173,145)
General Administration	33,370	0	0	(33,370)
School Administration	4,579,795	0	49,875	(4,529,920)
Fiscal	1,479,988	0	0	(1,479,988)
Business	660,909	0	0	(660,909)
Operations and Maintenance	5,991,427	64,861	15,885	(5,910,681)
Pupil Transportation	6,258,860	58,796	319,581	(5,880,483)
Central	99,859	0	0	(99,859)
Operation of Non-Instructional Services	4,647,458	2,973,238	1,654,519	(19,701)
Extracurricular Activities	663,382	903,403	0	240,021
Interest and Fiscal Charges	3,296,412	0	0	(3,296,412)
Unallocated Depreciation	1,652,651	0	0	(1,652,651)
<b>Total Governmental Activities</b>	<b>\$92,672,453</b>	<b>\$4,680,434</b>	<b>\$5,553,009</b>	<b>(82,439,010)</b>
<b>General Revenues:</b>				
<b>Property Taxes Levied for:</b>				
				48,166,506
				5,500,160
				2,076,011
				21,338,489
				1,021,509
				261,376
				<b>78,364,051</b>
				<b>(4,074,959)</b>
				<b>48,186,156</b>
				<b>\$44,111,197</b>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Balance Sheet  
Governmental Funds  
June 30, 2009

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$18,098,876	\$7,802,259	\$13,062,991	\$38,964,126
Restricted Cash and Investments	141,886	0	0	141,886
<b>Receivables:</b>				
Taxes	49,860,784	5,269,252	1,974,434	57,104,470
Interest	243,535	0	0	243,535
Intergovernmental	0	0	476,309	476,309
Interfund	208,319	0	0	208,319
Inventory	0	0	42,171	42,171
<b>Total Assets</b>	<b>68,553,400</b>	<b>13,071,511</b>	<b>15,555,905</b>	<b>97,180,816</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	163,808	0	215,833	379,641
Accrued Wages and Benefits	9,173,118	0	759,580	9,932,698
Compensated Absences	412,777	0	0	412,777
Accrued Contracts Payable	0	0	294,202	294,202
Interfund Payable	0	0	208,319	208,319
Deferred Revenue	46,485,758	4,876,891	1,840,545	53,203,194
<b>Total Liabilities</b>	<b>56,235,461</b>	<b>4,876,891</b>	<b>3,318,479</b>	<b>64,430,831</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	133,263	0	965,148	1,098,411
Reserved for Inventory	0	0	42,171	42,171
Reserved for Property Tax Advances	3,375,026	392,361	148,989	3,916,376
Reserved for Budget Stabilization	141,886	0	0	141,886
<b>Unreserved, Undesignated, Reported in:</b>				
General Fund	8,667,764	0	0	8,667,764
Special Revenue Funds	0	0	713,027	713,027
Debt Service Funds	0	7,802,259	0	7,802,259
Capital Projects Funds	0	0	10,368,091	10,368,091
<b>Total Fund Balances</b>	<b>12,317,939</b>	<b>8,194,620</b>	<b>12,237,426</b>	<b>32,749,985</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$68,553,400</b>	<b>\$13,071,511</b>	<b>\$15,555,905</b>	<b>\$97,180,816</b>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 June 30, 2009

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Total Governmental Fund Balance \$32,749,985

Amounts reported for governmental activities in the  
 statement of net assets are different because:

Capital assets in government activities are not financial resources  
 and therefore are not reported in the funds. 83,706,754

Other long-term assets are not available to pay for current-  
 period expenditures and therefore are deferred in the funds.

Delinquent Property Taxes	1,024,905	
Intergovernmental	<u>15,100</u>	
		1,040,005

In the statement of net assets interest payable is accrued when  
 incurred, whereas in the governmental funds interest is  
 reported as a liability only when it will require the use of  
 current financial resources. (264,734)

Some liabilities reported in the statement of net assets do not  
 require the use of current financial resources and therefore  
 are not reported as liabilities in governmental funds.

Compensated Absences	<u>(2,574,054)</u>	
		(2,574,054)

Deferred bond issuance costs associated with long-term liabilities  
 are not reported in the funds. 117,036

Long-term liabilities, are not due and payable in the current  
 period and therefore are not reported in the funds. (70,663,795)

Net Assets of Governmental Activities \$44,111,197

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2009

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$48,173,421	\$5,495,920	\$2,074,930	\$55,744,271
Tuition and Fees	501,865	0	559,467	1,061,332
Investment Earnings	1,031,847	0	302,738	1,334,585
Intergovernmental	21,353,144	750,012	4,467,855	26,571,011
Extracurricular Activities	131,262	0	1,060,600	1,191,862
Charges for Services	0	0	2,427,631	2,427,631
Other Revenues	0	0	261,375	261,375
<b>Total Revenues</b>	<b>71,191,539</b>	<b>6,245,932</b>	<b>11,154,596</b>	<b>88,592,067</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	38,547,683	0	1,202,296	39,749,979
Special	7,788,668	0	1,252,716	9,041,384
Vocational	2,667,507	0	31,320	2,698,827
Other	943,725	0	0	943,725
<b>Support Services:</b>				
Pupil	4,101,213	0	174,312	4,275,525
Instructional Staff	6,287,721	0	770,834	7,058,555
General Administration	33,370	0	0	33,370
School Administration	4,568,852	0	37,514	4,606,366
Fiscal	1,383,327	75,464	28,678	1,487,469
Business	656,005	0	0	656,005
Operations and Maintenance	5,496,731	0	284,560	5,781,291
Pupil Transportation	5,721,555	0	698,619	6,420,174
Central	99,859	0	0	99,859
Operation of Non-Instructional Services	0	0	4,648,664	4,648,664
Extracurricular Activities	0	0	662,240	662,240
Capital Outlay	0	0	5,543,888	5,543,888
<b>Debt Service:</b>				
Principal Retirement	0	2,735,000	0	2,735,000
Interest and Fiscal Charges	0	3,228,933	0	3,228,933
<b>Total Expenditures</b>	<b>78,296,216</b>	<b>6,039,397</b>	<b>15,335,641</b>	<b>99,671,254</b>
<b>Net Change in Fund Balance</b>	<b>(7,104,677)</b>	<b>206,535</b>	<b>(4,181,045)</b>	<b>(11,079,187)</b>
<b>Fund Balance Beginning of Year</b>	<b>19,422,616</b>	<b>7,988,085</b>	<b>16,418,471</b>	<b>43,829,172</b>
<b>Fund Balance End of Year</b>	<b>\$12,317,939</b>	<b>\$8,194,620</b>	<b>\$12,237,426</b>	<b>\$32,749,985</b>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2009

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Net Change in Fund Balance - Total Governmental Funds (\$11,079,187)

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

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

Capital asset additions used in governmental activities	7,242,111	
Depreciation Expense	<u>(3,290,173)</u>	3,951,938

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

Delinquent Property Taxes	(1,594)	
Intergovernmental	<u>7,021</u>	5,427

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

2,735,000

In the statement of activities interest expense is accrued when incurred, whereas in governmental funds an interest expenditure is reported when due.

8,688

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

Compensated Absences	379,342	
Amortization of Bond Issuance Cost	(21,784)	
Amortization of Bond Premium	210,956	
Amortization of Deferred Charge on Refunding	(123,586)	
Bond Accretion	<u>(141,753)</u>	303,175

Change in Net Assets of Governmental Activities (\$4,074,959)

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2009

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	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$41,298	\$177,103
Restricted Cash and Investments	<u>11,567</u>	<u>0</u>
Total Assets	<u>52,865</u>	<u>177,103</u>
Liabilities:		
Accounts Payable	0	4,840
Due to Students	<u>0</u>	<u>172,263</u>
Total Liabilities	<u>0</u>	<u>\$177,103</u>
Net Assets:		
Held in Trust	<u>52,865</u>	
Total Net Assets	<u>\$52,865</u>	

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2009

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	<u>Private Purpose Trust</u>
Additions:	
Donations	\$1,311
Investment Earnings	<u>2,488</u>
Total Additions	<u>3,799</u>
Deductions:	
Payments in accordance with trust agreements	<u>3,783</u>
Total Deductions	<u>3,783</u>
Change in Net Assets	16
Net Assets Beginning of Year	<u>52,849</u>
Net Assets End of Year	<u><u>\$52,865</u></u>

See accompanying notes to the basic financial statements.

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**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2009**

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**NOTE 1 - DESCRIPTION OF THE DISTRICT AND REPORTING ENTITY**

The Centerville City School District (the "District") is a body politic and corporate located in Montgomery County and encompasses the City of Centerville and Washington Township. The District serves an area of approximately 32 square miles. The District ranks as the 26<sup>th</sup> largest by enrollment among school districts in the State of Ohio, and it is the 2nd largest school district located within Montgomery County.

The District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charter and further mandated by state and/or federal agencies. This Board controls the District's instructional/support programs located at twelve instructional facilities and staffed by 430 non-certificated employees and 586 certified employees, who provide services to over 8,300 students and other community members.

Reporting Entity

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

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

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

The District does not have any component units.

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

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

### ***A. Basis of Presentation***

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

#### **Government-Wide Financial Statements**

The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

#### **Fund Financial Statements**

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

## ***B. Fund Accounting***

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

### Governmental Funds

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

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

Bond Retirement Fund – The Bond Retirement Fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment.

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

### Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has two private purpose trust funds (Scholarship Trust Fund and Memorial Scholarship Trust Fund) established to provide scholarships to its students. Funds used to account for the activity of the numerous student managed activities within the District are classified as agency funds. The District has one Agency Fund, the Student Managed Activities agency fund, which accounts for assets and liabilities generated by student managed activities.

### ***C. Measurement Focus***

#### **Government-wide Financial Statements**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Assets.

#### **Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for government funds. The private purpose trust funds are reported using the economic resources measurement focus.

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

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Private-purpose trust and agency funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

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

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

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2009, but which were levied to finance fiscal year 2010 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

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

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

### ***E. Equity in Pooled Cash and Investments***

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

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

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

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2009. The District has invested funds in the State Treasury Assets Reserves of Ohio (STAROhio) during fiscal year 2009.

Following State statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Investment earnings are to be credited to the specified funds based on the month end fund balance. Of the District's interest revenue credited to the General Fund during the fiscal year amounted to \$1,031,847. Interest was also recorded on Other Governmental Funds and Private Purpose Trust Funds in the amounts of \$302,738 and \$2,488, respectively.

### ***F. Inventory***

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

### ***G. Restricted Cash and Investments***

The Restricted Cash and Investments account represents the amount of pooled cash and investments of the District, which have external restrictions as to how the funds may be expended. The budget stabilization reserve, which totaled \$141,886, is required by State statute and is offset by a corresponding reservation of fund balance in the General Fund. The nonexpendable principal balance of the private purpose trust, which totaled \$11,567, is required by the trust agreement and is restricted on the Statement of Fiduciary Net Assets.

## ***H. Estimates***

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

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

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

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

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

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

## ***J. Interfund Activity***

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

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

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

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

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

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

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

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

### ***L. Accrued Liabilities and Long-Term Obligations***

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

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

### ***M. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 assets are reported as restricted when there are limitations

imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the District's \$15,791,775 in restricted net assets, none were restricted by enabling legislation.

#### ***N. Reservations of Fund Balance***

Reservations of fund balances are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current appropriation or expenditure or the portion of fund balance that is legally segregated for a specific future use. Fund balances have been reserved for encumbrances, inventory, property tax advances, and budget stabilization.

### **NOTE 3 - EQUITY IN POOLED CASH AND INVESTMENTS**

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

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

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

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

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

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but not limited to, passbook accounts.
- (5) Bonds, and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAROhio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

## **Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities or a line of credit. At year end, the carrying amount of the District's deposits was \$9,436,615. As of June 30, 2009, \$9,597,669 of the District's bank balance of \$9,851,717 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

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

## Investments

As of June 30, 2009, the District had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Money Market Mutual Funds	\$2,123,041	0.00
Repurchase Agreements	6,039,882	0.00
STAROhio	782,756	0.16
Federal Home Loan Bank	1,348,438	2.39
Federal Home Loan Mortgage Corporation	2,390,073	0.65
US Treasury Notes	10,500,388	1.15
Federal National Mortgage Association	6,714,785	1.49
Total Fair Value	\$29,899,363	
Portfolio Weighted Average Maturity		0.90

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

Credit Risk – It is the District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The District’s investments in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and U. S. Treasury Notes were rated AAA by Standard and Poor’s and Fitch ratings and Aaa by Moody’s Investment Service. Investments in STAROhio were rated AAAM by Standard & Poors. The money market mutual funds are not rated. Repurchase agreements, which are unrated, shall be transacted only through banks located within the State of Ohio with which the Treasurer has signed a master repurchase agreement as required in Ohio Revised Code 135.

Concentration of Credit Risk – The District should normally seek to diversify its holdings of other investments by avoiding concentration of specific issuers. The District has invested 7% of the District's investments in Money Market Mutual Funds, 5% in Federal Home Loan Bank, 8% in Federal Home Loan Mortgage Corporation, 22% in Federal National Mortgage Association, 35% in US Treasury Notes, 3% in STAROhio and 20% in Repurchase Agreements.

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

#### **NOTE 4 - PROPERTY TAXES**

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

Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value for capital assets and 23 percent of true value for inventory.

The tangible personal property tax will phase out over a four-year period starting with tax year 2006 and ending with no tax due in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing machinery and equipment first reportable on the 2006 and subsequent year returns is not subject to the personal property tax.

Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by July 20.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30 with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Centerville City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The full tax rate for all District operations for the year ended June 30, 2009 was \$67.65 per \$1,000 of assessed value.

The assessed values upon which the fiscal year 2009 taxes were collected are as follows:

	<u>2009 First Half Collections</u>	<u>2008 Second Half Collections</u>
Agricultural/Residential and Other Real Estate	\$1,671,026,740	\$1,666,917,860
Public Utility Personal	22,815,220	21,909,160
Tangible Personal Property	0	21,998,498
Telecommunications	<u>3,997,360</u>	<u>0</u>
Total Assessed Property Value	<u>\$1,697,839,320</u>	<u>\$1,710,825,518</u>

Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of June 30, 2009. Although total property tax collections for the next year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. For the governmental fund financial statements, the receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2009 was recognized as revenue.

The amount available as an advance at June 30 was \$3,375,026 in the General Fund, \$392,361 in the Bond Retirement Fund and \$148,989 in the Other Governmental Funds. These amounts have been reserved as a reserve of fund balance.

#### **NOTE 5 – RECEIVABLES**

Receivables at June 30, 2009, consisted of current and delinquent property taxes, interest, intergovernmental grants, and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

## NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$2,260,182	\$0	\$0	\$2,260,182
Construction in Progress	2,090,626	5,543,888	(3,367,644)	4,266,870
Total Capital Assets, not being depreciated	4,350,808	5,543,888	(3,367,644)	6,527,052
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	101,660,787	4,357,441	0	106,018,228
Equipment	8,753,490	42,705	0	8,796,195
Vehicles	7,547,320	665,721	(352,665)	7,860,376
Total Capital Assets, being depreciated:	117,961,597	5,065,867	(352,665)	122,674,799
Totals at Historical Cost	122,312,405	10,609,755	(3,720,309)	129,201,851
Less Accumulated Depreciation:				
Buildings and Improvements	30,958,677	2,520,953	0	33,479,630
Equipment	7,545,878	240,213	0	7,786,091
Vehicles	4,053,034	529,007	(352,665)	4,229,376
Total Accumulated Depreciation	42,557,589	3,290,173	(352,665)	45,495,097
Governmental Activities Capital Assets, Net	\$79,754,816	\$7,319,582	(\$3,367,644)	\$83,706,754

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$843,861
Special	3,202
Vocational	3,520
Support Services:	
School Administration	7,982
Operations and Maintenance	240,524
Pupil Transportation	524,341
Operation of Non-Instructional Services	12,950
Extracurricular Activities	1,142
Unallocated Depreciation	1,652,651
Total Depreciation Expense	\$3,290,173

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

## **NOTE 7 - RISK MANAGEMENT**

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The District is exposed to various risks of loss related to torts, thefts-of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters for which the District carries commercial insurance. During fiscal year 2009, the District contracted with Ohio Casualty Company for these various risks. Coverage terms provided by Ohio Casualty Company are as follows:

Buildings and Contents - replacement cost (\$5,000 deductible)	\$184,431,735
Employee Dishonesty - Money in Security	100,000
Automotive Liability (\$500/vehicle and \$1,000/bus deductible)	1,000,000
Uninsured Motorist Bodily Injury Liability	1,000,000
General Liability (Per Occurrence)	1,000,000
Umbrella Policy	10,000,000

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

## **NOTE 8 - PENSION PLANS**

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### **SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO**

#### Plan Description

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. 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 state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Employers/Audit Resources*.

#### Funding Policy

Plan members are required to contribute 10% of their annual covered salary and District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care fund) of the System. For fiscal year ending June 30, 2009, the allocation to pension and death benefits is 9.09%. The remaining 4.91% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's contributions to SERS for the years ended June 30, 2009, 2008, and 2007 were \$1,828,500, \$1,620,276 and \$1,565,184 respectively; 46% has been contributed for fiscal year 2009 and 100% for fiscal years 2008 and 2007.

## STATE TEACHERS RETIREMENT SYSTEM OF OHIO

### Plan Description

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution, or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. Additional information or copies of STRS Ohio's *Comprehensive Annual Financial Report* can be requested by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio web site at [www.strsoh.org](http://www.strsoh.org).

### Plan Options

New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. The Combined Plan offers features of the DC Plan and DB Plan. In the Combined Plan, member contributions are allocated to 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. Contributions into the DC Plan and Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

### DB Plan Benefits

Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit," the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31<sup>st</sup> year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

### DC Plan Benefits

Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. 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. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

### Combined Plan Benefits

Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

Eligible faculty of Ohio's public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalizations, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

### Funding Policy

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2009, were 10% of covered payroll for members and 14% for employers. The District's contributions to STRS for the years ended June 30, 2009, 2008, and 2007 were \$6,321,960, \$5,639,988 and \$5,501,688, respectively; 82% has been contributed for fiscal year 2009 and 100% for fiscal years 2008 and 2007.

### Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2009, four members of the Board of Education have elected Social Security. The contribution rate is 6.2 percent of wages.

## **NOTE 9 - POST EMPLOYMENT BENEFITS**

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### **SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO**

#### Plan Description

In addition to a cost-sharing multiple-employer defined benefit pension plan, the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

#### Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2009 was \$96.40; SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2009, the actuarially required allocation was .75%. District contributions for the year ended June 30, 2009, 2008 and 2007 were \$97,955, \$78,699 and \$76,023, respectively, which equaled the required contributions each year.

### Health Care Plan

ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMO's, PPO's, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2009, the health care allocation was 4.16%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, 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. For fiscal year 2009, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District contributions assigned to health care for the years ended June 30, 2009, 2008, and 2007 were \$543,325, \$384,237, and \$382,552, respectively.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Employers/Audit Resources*.

## **STATE TEACHERS RETIREMENT SYSTEM OF OHIO**

### Plan Description

STRS Ohio administers a pension plan that is comprised of: a Defined Benefit Plan; a self-directed Defined Contribution Plan and a Combined Plan that is a hybrid of the Defined Benefit and the Defined Contribution Plan.

Ohio law authorized STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent *Comprehensive Annual Financial Report* by visiting [www.strsoh.org](http://www.strsoh.org) or by requesting a copy by calling toll-free 1-888-227-7877.

#### Funding Policy

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contributions rate, 1% of covered payroll was allocated to post-employment health care for the year ended June 30, 2009, 2008 and 2007. The 14% employer contribution rate is the maximum rate established under Ohio law. The District contributions for the years ended June 30, 2009, 2008, and 2007 were \$451,569, \$402,856, and \$392,978, respectively.

### **NOTE 10 - LONG-TERM OBLIGATIONS**

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#### General Obligation Bonds

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

During fiscal year 2005, the District refunded a portion of the 1996 bond issue by issuing a \$6.455 million refunding general obligation bond which mature in fiscal year 2016. In prior fiscal years, a portion of the 1994 bond issue was refunded by issuing \$7.355 million in refunding general obligation bonds. These bonds mature in fiscal year 2014 and include current interest bonds and capital appreciation bonds. The capital appreciation bonds will mature in fiscal years 2013 and 2014. The maturity amount of the bonds is \$1,795,000. For fiscal year 2009, \$141,753 was accreted for a total bond value of \$1,000,777.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
2003 Refunding Bonds		
Current Interest	2.00%-4.00%	\$2,865,000
Capital Appreciation	15.77%-16.12%	1,000,777
2004 Refunding Bonds	2.00%-5.00%	5,735,000
2005 School Improvement	3.00%-5.00%	59,250,000
		<u>\$68,850,777</u>

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

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>General Obligation Bonds</u>		<u>Capital Appreciation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2010	\$3,225,000	\$3,119,429	\$0	\$0
2011	3,450,000	2,984,739	0	0
2012	3,715,000	2,826,002	0	0
2013	3,295,000	2,663,689	230,000	790,000
2014	3,820,000	2,492,632	155,000	620,000
2015-2019	4,705,000	11,534,715	0	0
2020-2024	8,245,000	10,135,474	0	0
2025-2029	14,450,000	7,464,360	0	0
2030-2034	22,945,000	2,942,705	0	0
Total	<u>\$67,850,000</u>	<u>\$46,163,745</u>	<u>\$385,000</u>	<u>\$1,410,000</u>

### Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2009, was as follows:

<u>General Obligation Bonds:</u>	<u>Interest Rate</u>	<u>Balance</u> <u>06/30/2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/2009</u>	<u>Due in One</u> <u>Year</u>
2003 Refunding Bonds						
Current Interest	2.00% - 4.00%	\$3,755,000	\$0	(\$890,000)	\$2,865,000	\$925,000
Capital Appreciation - Principal	15.77% - 16.12%	385,000	0	0	385,000	0
Capital Appreciation - Interest	15.77% - 16.12%	474,024	141,753	0	615,777	0
2004 Refunding Bonds	2.00% - 5.00%	6,400,000	0	(665,000)	5,735,000	740,000
2005 School Improvement	3.00% - 5.00%	60,430,000	0	(1,180,000)	59,250,000	1,560,000
Deferred Amounts						
Add: Bond Premium		2,683,633	0	(210,956)	2,472,677	0
Less: Deferred Amount on Refunding		(783,245)	0	123,586	(659,659)	0
Total General Obligation Bonds		<u>73,344,412</u>	<u>141,753</u>	<u>(2,822,370)</u>	<u>70,663,795</u>	<u>3,225,000</u>
Compensated Absences	N/A	<u>3,537,917</u>	<u>396,073</u>	<u>(947,159)</u>	<u>2,986,831</u>	<u>825,144</u>
Total Long-Term Liabilities		<u>\$76,882,329</u>	<u>\$537,826</u>	<u>(\$3,769,529)</u>	<u>\$73,650,626</u>	<u>\$4,050,144</u>

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

The general obligation bonds balance at June 30, 2009 of \$70,048,018 is used in the calculation of net assets invested in capital assets, net of related debt. This amount equals total general obligation bonds of \$70,663,795 minus accreted interest of \$615,777.

#### **NOTE 11 - JOINTLY GOVERNED ORGANIZATIONS**

##### *Miami Valley Career Technology Center*

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

##### *Southwestern Ohio Educational Purchasing Cooperative*

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

Each member district has one voting representative. Title to any and all equipment and supplies purchased by SOEPC is held in trust for the member districts by the fiscal agent. Any district withdrawing from SOEPC shall forfeit its claim to any and all SOEPC assets. One year's prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member organizations. Payments to SOEPC are made from the District's General Fund. During fiscal year 2009, the District paid \$7,869.26 to SOEPC. Financial information may be obtained from SOEPC by contacting Ken Swink, Director, at 303 Corporate Drive, Suite 208, Vandalia, OH 45377.

##### *Metropolitan Dayton Educational Cooperative Association*

The District is a participant in the Metropolitan Dayton Educational Cooperative Association (MDECA), which is a computer consortium. MDECA is an association of 25 public school districts within the boundaries of Darke, Greene, Miami and Montgomery Counties. The organization was formed for the purpose of applying modern technology (with the aid of computers and other electronic equipment) to administrative and instructional functions among member school districts. The governing board of MDECA consists of one representative from each member school district plus one representative from the fiscal agent. The District pays MDECA an enrollment based fee for internet and EMIS services provided during the year; this fee totaled \$50,217.24 for fiscal year 2009. Financial information can be obtained from Jerry Woodyard, Executive Director of MDECA at 225 Linwood Street, Dayton, Ohio 45405.

### *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 the 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 the SOITA member schools or institutions. Nineteen representatives are elected from within the counties by the qualified members of those counties, i.e., Auglaize, Butler, Champaign, Clark, Clinton, Darke, Fayette, Greene, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby, and Warren. Montgomery, Greene, and Butler Counties elect two representatives per area. All others elect one representative per area.

All superintendents except for those from educational service centers vote on the representatives after the nomination committee selects individuals to run. One at-large non-public representative is elected by the non-public school SOITA members in the State assigned SOITA service area. One at-large higher education representative is elected by higher education SOITA members from within the State assigned SOITA service area.

All member districts are obligated to pay all fees, charges or other assessments as established by SOITA. Upon dissolution, the net assets shall be distributed to the federal government, or to a state or local government, for public purpose. Payments to SOITA are made from the District's General Fund. During fiscal year 2009, the District paid \$150 to SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Larry Pogue, who serves as Director, at 150 East Sixth Street, Franklin, Ohio 45005.

### **NOTE 12 - RELATED ORGANIZATIONS**

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#### *Washington-Centerville Public Library*

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

### **NOTE 13 – CONTINGENCIES**

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#### Grants

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2009.

## Litigation

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

## **NOTE 14 - STATUTORY RESERVES**

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

During the fiscal year ended June 30, 2009, the reserve activity (cash-basis) was as follows:

	<u>Textbooks</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization</u>
Beginning Balance as of June 30, 2008	\$0	\$0	\$141,886
Qualifying Carryover	(1,647,167)	0	0
Current Year Set Aside Requirement	1,310,344	1,310,344	0
Qualified Disbursements	(1,529,844)	(1,832,210)	0
Current Year Offsets	0	(62,328,798)	0
Set Aside Reserve Balance as of June 30, 2009	<u>(\$1,866,667)</u>	<u>(\$62,850,664)</u>	<u>\$141,886</u>
Qualifying Carryover as of June 30, 2009	(\$1,866,667)		
Offset Balance Carryover		\$62,328,798	

The Textbook set-aside expenditures and offsets in excess of the set-aside requirements may be carried forward to offset future years set-aside requirements. The District had qualifying expenditures and offsets for carry-over to the fiscal year ending June 30, 2009, of (\$1,866,667) for the Textbook Reserve. For capital acquisitions, the extra amount was a result of bond or note issuances, which will be used to offset set-aside requirements in future years.

**NOTE 15 – ACCOUNTABILITY AND COMPLIANCE**

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**Accountability**

Fund Balances

At June 30, 2009, seven Special Revenue funds had fund deficits:

<u>Other Governmental Funds</u>	<u>Deficit</u>
Auxiliary Services	\$7,843
Miscellaneous State Grants	5,146
Title VI-B	123,526
Title I	63,864
EHA Pre-School	968
Reducing Class Size	12,704
Special Enterprise	21,729

The deficits in these Special Revenue funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2010. The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when the accruals occur.

**Compliance**

Excess of final appropriations over actual resources

During fiscal year 2009, the Other Grants Fund, Special Enterprise Fund, Auxiliary Services Fund, Network Connect Fund, Title VI-B Fund, Title III Fund, and Title I Fund had appropriations exceed actual resources by \$521, \$51,919, \$105,563, \$7,885, \$207,704, \$3,290, and \$74,126, respectively. In addition, there were less significant instances in other funds where final appropriations exceeded actual resources.

**NOTE 16 – CONSTRUCTION COMMITMENTS**

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As of June 30, 2009, the District had the following commitment with respects to capital projects:

<u>Project</u>	<u>Remaining Construction Commitment</u>
School Improvements	\$1,174,620

**NOTE 17 - INTERFUND BALANCES/TRANSFERS**

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Interfund transactions at June 30, 2009, consisted of the following individual fund receivables and payable:

	Interfund	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$208,319	\$0
Other Governmental Funds	<u>0</u>	<u>208,319</u>
Total All Funds	<u>\$208,319</u>	<u>\$208,319</u>

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

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

**NOTE 18 – SUBSEQUENT EVENTS**

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On November 23, 2009 the Board approved the purchase of ten school buses from Miami Valley International for a total cost of \$763,605.

# REQUIRED SUPPLEMENTARY INFORMATION

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Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2009

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$49,308,567	\$49,308,567	\$48,491,309	(\$817,258)
Tuition and Fees	510,323	510,323	501,865	(8,458)
Investment Earnings	1,045,343	1,045,343	1,028,017	(17,326)
Intergovernmental	21,713,023	21,713,023	21,353,144	(359,879)
Extracurricular Activities	133,474	133,474	131,262	(2,212)
Charges for Services	1,714,904	1,714,904	1,686,481	(28,423)
<b>Total Revenues</b>	<b>74,425,634</b>	<b>74,425,634</b>	<b>73,192,078</b>	<b>(1,233,556)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	40,932,481	40,932,481	39,356,765	1,575,716
Special	8,066,693	8,066,693	7,756,162	310,531
Vocational	2,804,803	2,804,803	2,696,831	107,972
Other	986,957	986,957	948,964	37,993
<b>Support Services:</b>				
Pupil	4,349,971	4,349,971	4,182,517	167,454
Instructional Staff	6,517,210	6,517,210	6,266,327	250,883
General Administration	34,910	34,910	33,566	1,344
School Administration	4,873,378	4,873,378	4,685,775	187,603
Fiscal	1,494,794	1,494,794	1,437,251	57,543
Business	727,670	727,670	699,658	28,012
Operations and Maintenance	5,987,149	5,987,149	5,756,671	230,478
Pupil Transportation	6,044,829	6,044,829	5,812,130	232,699
Central	106,003	106,003	101,922	4,081
<b>Total Expenditures</b>	<b>82,926,848</b>	<b>82,926,848</b>	<b>79,734,539</b>	<b>3,192,309</b>
<b>Net Change in Fund Balance</b>	<b>(8,501,214)</b>	<b>(8,501,214)</b>	<b>(6,542,461)</b>	<b>1,958,753</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>24,535,961</b>	<b>24,535,961</b>	<b>24,535,961</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$16,034,747</b>	<b>\$16,034,747</b>	<b>\$17,993,500</b>	<b>\$1,958,753</b>

See accompanying notes to the required supplementary information.

**Centerville City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended June 30, 2009**

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**NOTE 1 - BUDGETARY PROCESS**

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All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Board. The legal level of control has been established by Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. During the course of fiscal year 2009, the District amended its budget several times, however none were significant.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during fiscal year 2009.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Board during the year. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

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

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

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

Net Change in Fund Balance

	<u>General Fund</u>
GAAP Basis	(\$7,104,677)
Revenue Accruals	2,000,539
Expenditures Accruals	(1,141,347)
Encumbrances	<u>(296,976)</u>
 Budget Basis	 <u><u>(\$6,542,461)</u></u>

# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

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## Description of Funds - Nonmajor Governmental Funds

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### NONMAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes.

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#### Public School Support

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

#### Other Grants

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

#### District Managed Student Services

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

#### Auxiliary Services

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

#### Management Information Systems

To account for state funds that are provided to assist the District in implementing a staff, student and financial information system as mandated by the Omnibus Education Reform Act of 1989.

#### Network Connect

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

#### SchoolNet Professional Development

To account for state funds provided for technology professional development within the District.

#### Miscellaneous State Grants

To account for revenues received from state agencies which are not classified elsewhere.

### Title VI-B

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

### Vocational Education

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

### Title I

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

### Title VI

To consolidate various programs into a single authorization of grants to states for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

### Drug Free Schools

To account for monies received under a federal program to support the implementation of programs for drug abuse education and prevention.

### EHA Pre-School

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

### FCC E-Rate

To account for federal grant funds which are paid directly to the telecommunications provider of the district.

### Reducing Class Size

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

### Miscellaneous Federal Grants

To account for monies received under federal grants which are not classified elsewhere.

### Food Service

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

Uniform School Supply

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

Entry Year Programs

To implement entry-year programs pursuant to Section 3317.024(T) of the Revised Code.

Title III

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

Special Enterprise

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

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NONMAJOR CAPITAL PROJECTS FUND

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects, other than those financed by proprietary funds.

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Permanent Improvement

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

Building

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

Centerville City School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$1,520,281	\$11,542,710	\$13,062,991
Receivables:			
Taxes	0	1,974,434	1,974,434
Intergovernmental	476,309	0	476,309
Inventory	42,171	0	42,171
<b>Total Assets</b>	<b>2,038,761</b>	<b>13,517,144</b>	<b>15,555,905</b>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	174,048	41,785	215,833
Accrued Wages and Benefits	759,580	0	759,580
Accrued Contracts Payable	0	294,202	294,202
Interfund Payable	208,319	0	208,319
Deferred Revenue	15,100	1,825,445	1,840,545
<b>Total Liabilities</b>	<b>1,157,047</b>	<b>2,161,432</b>	<b>3,318,479</b>
Fund Balances:			
Reserved for Encumbrances	126,516	838,632	965,148
Reserved for Inventory	42,171	0	42,171
Reserved for Property Tax Advances	0	148,989	148,989
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	713,027	0	713,027
Capital Projects Funds	0	10,368,091	10,368,091
<b>Total Fund Balances</b>	<b>881,714</b>	<b>11,355,712</b>	<b>12,237,426</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$2,038,761</b>	<b>\$13,517,144</b>	<b>\$15,555,905</b>

Centerville City School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2009

	Public School Support	Other Grants	District Managed Student Services	Auxiliary Services	Management Information Systems
Assets:					
Equity in Pooled Cash and Investments	\$484,732	\$0	\$275,909	\$240,062	\$1,203
Receivables:					
Intergovernmental	0	0	0	0	0
Inventory	0	0	0	0	0
<b>Total Assets</b>	<b>484,732</b>	<b>0</b>	<b>275,909</b>	<b>240,062</b>	<b>1,203</b>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	13,515	0	15,315	132,938	253
Accrued Wages and Benefits	0	0	0	114,967	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
<b>Total Liabilities</b>	<b>13,515</b>	<b>0</b>	<b>15,315</b>	<b>247,905</b>	<b>253</b>
Fund Balances:					
Reserved for Encumbrances	7,428	0	796	107,123	950
Reserved for Inventory	0	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	463,789	0	259,798	(114,966)	0
<b>Total Fund Balances</b>	<b>471,217</b>	<b>0</b>	<b>260,594</b>	<b>(7,843)</b>	<b>950</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$484,732</b>	<b>\$0</b>	<b>\$275,909</b>	<b>\$240,062</b>	<b>\$1,203</b>

Network Connect	SchoolNet Professional Development	Miscellaneous State Grants	Title VI-B	Vocational Education	Title I	Title VI
\$0	\$1,261	\$695	\$0	\$436	\$0	\$352
0	0	0	371,797	3,276	65,365	0
0	0	0	0	0	0	0
0	1,261	695	371,797	3,712	65,365	352
0	1,000	694	0	450	1,300	0
0	0	5,147	320,992	0	115,226	0
0	0	0	174,331	0	12,703	0
0	0	0	0	0	0	0
0	1,000	5,841	495,323	450	129,229	0
0	0	0	529	0	1,654	0
0	0	0	0	0	0	0
0	261	(5,146)	(124,055)	3,262	(65,518)	352
0	261	(5,146)	(123,526)	3,262	(63,864)	352
\$0	\$1,261	\$695	\$371,797	\$3,712	\$65,365	\$352

Continued

Centerville City School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2009

	Drug Free Schools	EHA Pre-School	FCC E-Rate	Reducing Class Size	Miscellaneous Federal Grants
Assets:					
Equity in Pooled Cash and Investments	\$52	\$1,111	\$70,579	\$1,678	\$18,989
Receivables:					
Intergovernmental	0	3,953	0	21,307	0
Inventory	0	0	0	0	0
<b>Total Assets</b>	<b>52</b>	<b>5,064</b>	<b>70,579</b>	<b>22,985</b>	<b>18,989</b>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	0	600	0	0	0
Accrued Wages and Benefits	0	5,361	0	31,271	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	0	71	0	4,418	0
<b>Total Liabilities</b>	<b>0</b>	<b>6,032</b>	<b>0</b>	<b>35,689</b>	<b>0</b>
Fund Balances:					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Inventory	0	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	52	(968)	70,579	(12,704)	18,989
<b>Total Fund Balances</b>	<b>52</b>	<b>(968)</b>	<b>70,579</b>	<b>(12,704)</b>	<b>18,989</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$52</b>	<b>\$5,064</b>	<b>\$70,579</b>	<b>\$22,985</b>	<b>\$18,989</b>

Food Service	Uniform School Supply	Entry Year Programs	Title III	Special Enterprise	Total Nonmajor Special Revenue Funds
\$148,555	\$271,362	\$0	\$3,305	\$0	\$1,520,281
0	0	0	10,611	0	476,309
42,171	0	0	0	0	42,171
<u>190,726</u>	<u>271,362</u>	<u>0</u>	<u>13,916</u>	<u>0</u>	<u>2,038,761</u>
3,500	4,039	0	0	444	174,048
166,616	0	0	0	0	759,580
0	0	0	0	21,285	208,319
0	0	0	10,611	0	15,100
<u>170,116</u>	<u>4,039</u>	<u>0</u>	<u>10,611</u>	<u>21,729</u>	<u>1,157,047</u>
2,755	5,281	0	0	0	126,516
42,171	0	0	0	0	42,171
(24,316)	262,042	0	3,305	(21,729)	713,027
<u>20,610</u>	<u>267,323</u>	<u>0</u>	<u>3,305</u>	<u>(21,729)</u>	<u>881,714</u>
<u>\$190,726</u>	<u>\$271,362</u>	<u>\$0</u>	<u>\$13,916</u>	<u>\$0</u>	<u>\$2,038,761</u>

Centerville City School District, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2009

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$2,268,044	\$9,274,666	\$11,542,710
Receivables:			
Taxes	1,974,434	0	1,974,434
Total Assets	<u>4,242,478</u>	<u>9,274,666</u>	<u>13,517,144</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	41,785	0	41,785
Accrued Contracts Payable	266,248	27,954	294,202
Deferred Revenue	1,825,445	0	1,825,445
Total Liabilities	<u>2,133,478</u>	<u>27,954</u>	<u>2,161,432</u>
Fund Balances:			
Reserved for Encumbrances	148,476	690,156	838,632
Reserved for Property Tax Advances	148,989	0	148,989
Unreserved, Undesignated, Reported in:			
Capital Projects Funds	1,811,535	8,556,556	10,368,091
Total Fund Balances	<u>2,109,000</u>	<u>9,246,712</u>	<u>11,355,712</u>
Total Liabilities and Fund Balances	<u>\$4,242,478</u>	<u>\$9,274,666</u>	<u>\$13,517,144</u>

Centerville City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$0	\$2,074,930	\$2,074,930
Tuition and Fees	559,467	0	559,467
Investment Earnings	16,976	285,762	302,738
Intergovernmental	4,185,326	282,529	4,467,855
Extracurricular Activities	1,060,600	0	1,060,600
Charges for Services	2,427,631	0	2,427,631
Other Revenues	133,878	127,497	261,375
<b>Total Revenues</b>	<b>8,383,878</b>	<b>2,770,718</b>	<b>11,154,596</b>
Expenditures:			
Current:			
Instruction:			
Regular	652,583	549,713	1,202,296
Special	1,252,716	0	1,252,716
Vocational	31,320	0	31,320
Support Services:			
Pupil	174,312	0	174,312
Instructional Staff	770,834	0	770,834
School Administration	35,018	2,496	37,514
Fiscal	0	28,678	28,678
Operations and Maintenance	21,195	263,365	284,560
Pupil Transportation	883	697,736	698,619
Operation of Non-Instructional Services	4,648,664	0	4,648,664
Extracurricular Activities	662,240	0	662,240
Capital Outlay	58,000	5,485,888	5,543,888
<b>Total Expenditures</b>	<b>8,307,765</b>	<b>7,027,876</b>	<b>15,335,641</b>
Net Change in Fund Balance	76,113	(4,257,158)	(4,181,045)
Fund Balance Beginning of Year	805,601	15,612,870	16,418,471
Fund Balance End of Year	<u>\$881,714</u>	<u>\$11,355,712</u>	<u>\$12,237,426</u>

Centerville City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009

	Public School Support	Other Grants	District Managed Student Services	Auxiliary Services	Management Information Systems
Revenues:					
Tuition and Fees	\$13,860	\$0	\$0	\$0	\$0
Investment Earnings	16,843	0	0	0	0
Intergovernmental	0	0	0	1,024,221	24,294
Extracurricular Activities	359,529	0	701,071	0	0
Charges for Services	0	0	0	0	0
Other Revenues	107,363	2,898	20,610	0	0
Total Revenues	497,595	2,898	721,681	1,024,221	24,294
Expenditures:					
Current:					
Instruction:					
Regular	426,823	3,456	0	0	0
Special	8,426	0	0	0	0
Vocational	0	0	0	0	0
Support Services:					
Pupil	0	63	0	0	0
Instructional Staff	5,461	463	0	0	0
School Administration	0	0	0	0	25,144
Operations and Maintenance	19,588	0	0	0	0
Pupil Transportation	883	0	0	0	0
Operation of Non-Instructional Services	0	0	0	1,162,801	0
Extracurricular Activities	10,291	497	651,452	0	0
Capital Outlay	0	0	58,000	0	0
Total Expenditures	471,472	4,479	709,452	1,162,801	25,144
Net Change in Fund Balance	26,123	(1,581)	12,229	(138,580)	(850)
Fund Balance Beginning of Year	445,094	1,581	248,365	130,737	1,800
Fund Balance End of Year	\$471,217	\$0	\$260,594	(\$7,843)	\$950

Network Connect	SchoolNet Professional Development	Miscellaneous State Grants	Title VI-B	Vocational Education	Title I	Title VI
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
36,000	2,970	40,531	1,519,442	201,148	551,046	6,862
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>36,000</u>	<u>2,970</u>	<u>40,531</u>	<u>1,519,442</u>	<u>201,148</u>	<u>551,046</u>	<u>6,862</u>
44,149	3,399	114	0	0	0	0
0	0	694	625,287	0	580,111	0
0	0	0	0	31,320	0	0
0	0	0	0	153,281	0	5,872
0	0	66,243	658,122	0	0	0
0	0	0	0	9,874	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	155,510	0	0	3,832
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>44,149</u>	<u>3,399</u>	<u>67,051</u>	<u>1,438,919</u>	<u>194,475</u>	<u>580,111</u>	<u>9,704</u>
(8,149)	(429)	(26,520)	80,523	6,673	(29,065)	(2,842)
<u>8,149</u>	<u>690</u>	<u>21,374</u>	<u>(204,049)</u>	<u>(3,411)</u>	<u>(34,799)</u>	<u>3,194</u>
<u>\$0</u>	<u>\$261</u>	<u>(\$5,146)</u>	<u>(\$123,526)</u>	<u>\$3,262</u>	<u>(\$63,864)</u>	<u>\$352</u>

Continued

Centerville City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2009

	Drug Free Schools	EHA Pre-School	FCC E-Rate	Reducing Class Size	Miscellaneous Federal Grants
Revenues:					
Tuition and Fees	\$0	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	0	0
Intergovernmental	17,990	27,849	55,843	166,948	23,982
Extracurricular Activities	0	0	0	0	0
Charges for Services	0	0	0	0	0
Other Revenues	0	0	0	0	0
<b>Total Revenues</b>	<b>17,990</b>	<b>27,849</b>	<b>55,843</b>	<b>166,948</b>	<b>23,982</b>
Expenditures:					
Current:					
Instruction:					
Regular	0	0	0	158,412	3,186
Special	0	6,532	0	0	0
Vocational	0	0	0	0	0
Support Services:					
Pupil	15,096	0	0	0	0
Instructional Staff	0	21,876	0	17,335	1,334
School Administration	0	0	0	0	0
Operations and Maintenance	0	0	0	0	530
Pupil Transportation	0	0	0	0	0
Operation of Non-Instructional Services	4,339	0	0	871	0
Extracurricular Activities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
<b>Total Expenditures</b>	<b>19,435</b>	<b>28,408</b>	<b>0</b>	<b>176,618</b>	<b>5,050</b>
Net Change in Fund Balance	(1,445)	(559)	55,843	(9,670)	18,932
Fund Balance Beginning of Year	1,497	(409)	14,736	(3,034)	57
<b>Fund Balance End of Year</b>	<b>\$52</b>	<b>(\$968)</b>	<b>\$70,579</b>	<b>(\$12,704)</b>	<b>\$18,989</b>

Food Service	Uniform School Supply	Entry Year Programs	Title III	Special Enterprise	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$545,607	\$559,467
0	0	0	0	133	16,976
440,799	0	12,600	32,801	0	4,185,326
0	0	0	0	0	1,060,600
2,076,069	351,562	0	0	0	2,427,631
3,007	0	0	0	0	133,878
<u>2,519,875</u>	<u>351,562</u>	<u>12,600</u>	<u>32,801</u>	<u>545,740</u>	<u>8,383,878</u>
0	0	12,600	0	444	652,583
0	0	0	31,666	0	1,252,716
0	0	0	0	0	31,320
0	0	0	0	0	174,312
0	0	0	0	0	770,834
0	0	0	0	0	35,018
1,077	0	0	0	0	21,195
0	0	0	0	0	883
2,428,243	323,702	0	0	569,366	4,648,664
0	0	0	0	0	662,240
0	0	0	0	0	58,000
<u>2,429,320</u>	<u>323,702</u>	<u>12,600</u>	<u>31,666</u>	<u>569,810</u>	<u>8,307,765</u>
90,555	27,860	0	1,135	(24,070)	76,113
(69,945)	239,463	0	2,170	2,341	805,601
<u>\$20,610</u>	<u>\$267,323</u>	<u>\$0</u>	<u>\$3,305</u>	<u>(\$21,729)</u>	<u>\$881,714</u>

Centerville City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2009

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Taxes	\$2,074,930	\$0	\$2,074,930
Investment Earnings	0	285,762	285,762
Intergovernmental	282,529	0	282,529
Other Revenues	124,297	3,200	127,497
<b>Total Revenues</b>	<b>2,481,756</b>	<b>288,962</b>	<b>2,770,718</b>
Expenditures:			
Current:			
Instruction:			
Regular	549,713	0	549,713
Support Services:			
School Administration	2,496	0	2,496
Fiscal	28,678	0	28,678
Operations and Maintenance	263,365	0	263,365
Pupil Transportation	697,736	0	697,736
Capital Outlay	354,297	5,131,591	5,485,888
<b>Total Expenditures</b>	<b>1,896,285</b>	<b>5,131,591</b>	<b>7,027,876</b>
Net Change in Fund Balance	585,471	(4,842,629)	(4,257,158)
Fund Balance Beginning of Year	1,523,529	14,089,341	15,612,870
Fund Balance End of Year	\$2,109,000	\$9,246,712	\$11,355,712

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2009

	Public School Support Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$12,534	\$13,860	\$1,326
Investment Earnings	15,232	16,843	1,611
Extracurricular Activities	325,140	359,529	34,389
Other Revenues	97,094	107,363	10,269
<b>Total Revenues</b>	<b>450,000</b>	<b>497,595</b>	<b>47,595</b>
Expenditures:			
Current:			
Instruction:			
Regular	513,738	452,174	61,564
Special	9,656	8,499	1,157
Support Services:			
Instructional Staff	6,851	6,030	821
Operations and Maintenance	22,383	19,701	2,682
Pupil Transportation	1,003	883	120
Extracurricular Activities	11,692	10,291	1,401
<b>Total Expenditures</b>	<b>565,323</b>	<b>497,578</b>	<b>67,745</b>
<b>Net Change in Fund Balance</b>	<b>(115,323)</b>	<b>17</b>	<b>115,340</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	463,772	463,772	0
<b>Fund Balance End of Year</b>	<b>\$348,449</b>	<b>\$463,789</b>	<b>\$115,340</b>

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Final Budget	Other Grants Fund Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$7,356	\$2,898	(\$4,458)
Total Revenues	7,356	2,898	(4,458)
Expenditures:			
Current:			
Instruction:			
Regular	3,858	3,456	402
Support Services:			
Pupil	70	63	7
Instructional Staff	517	463	54
Extracurricular Activities	555	497	58
Total Expenditures	5,000	4,479	521
Net Change in Fund Balance	2,356	(1,581)	(3,937)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,581	1,581	0
Fund Balance End of Year	\$3,937	\$0	(\$3,937)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	District Managed Student Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$680,009	\$701,071	\$21,062
Other Revenues	19,991	20,610	619
<b>Total Revenues</b>	<b>700,000</b>	<b>721,681</b>	<b>21,681</b>
Expenditures:			
Current:			
Extracurricular Activities	688,671	660,023	28,648
Capital Outlay	60,517	58,000	2,517
<b>Total Expenditures</b>	<b>749,188</b>	<b>718,023</b>	<b>31,165</b>
<b>Net Change in Fund Balance</b>	<b>(49,188)</b>	<b>3,658</b>	<b>52,846</b>
<b>Fund Balance Beginning of Year (includes   prior year encumbrances appropriated)</b>	<b>256,139</b>	<b>256,139</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$206,951</b>	<b>\$259,797</b>	<b>\$52,846</b>

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,250,000	\$1,024,221	(\$225,779)
Total Revenues	1,250,000	1,024,221	(225,779)
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,393,384	1,287,821	105,563
Total Expenditures	1,393,384	1,287,821	105,563
Net Change in Fund Balance	(143,384)	(263,600)	(120,216)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	263,600	263,600	0
Fund Balance End of Year	\$120,216	\$0	(\$120,216)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Management Information Systems Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$45,000	\$24,294	(\$20,706)
Total Revenues	45,000	24,294	(20,706)
Expenditures:			
Current:			
Support Services:			
School Administration	37,577	28,244	9,333
Total Expenditures	37,577	28,244	9,333
Net Change in Fund Balance	7,423	(3,950)	(11,373)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,950	3,950	0
Fund Balance End of Year	\$11,373	\$0	(\$11,373)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Network Connect Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$55,000	\$36,000	(\$19,000)
Total Revenues	55,000	36,000	(19,000)
Expenditures:			
Current:			
Instruction:			
Regular	52,034	44,149	7,885
Total Expenditures	52,034	44,149	7,885
Net Change in Fund Balance	2,966	(8,149)	(11,115)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,149	8,149	0
Fund Balance End of Year	\$11,115	\$0	(\$11,115)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	SchoolNet Professional Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$3,000	\$2,970	(\$30)
Total Revenues	3,000	2,970	(30)
Expenditures:			
Current:			
Instruction:			
Regular	3,660	3,399	261
Total Expenditures	3,660	3,399	261
Net Change in Fund Balance	(660)	(429)	231
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	690	690	0
Fund Balance End of Year	\$30	\$261	\$231

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$42,000	\$40,531	(\$1,469)
Total Revenues	42,000	40,531	(1,469)
Expenditures:			
Current:			
Instruction:			
Regular	116	114	2
Support Services:			
Instructional Staff	67,179	66,192	987
School Administration	705	695	10
Total Expenditures	68,000	67,001	999
Net Change in Fund Balance	(26,000)	(26,470)	(470)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	26,470	26,470	0
Fund Balance End of Year	\$470	\$0	(\$470)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Title VI-B Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,868,591	\$1,312,984	(\$555,607)
Total Revenues	1,868,591	1,312,984	(555,607)
Expenditures:			
Current:			
Instruction:			
Special	672,698	658,433	14,265
Support Services:			
Instructional Staff	691,517	676,853	14,664
Operation of Non-Instructional Services	184,657	180,741	3,916
Total Expenditures	1,548,872	1,516,027	32,845
Net Change in Fund Balance	319,719	(203,043)	(522,762)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	28,184	28,184	0
Fund Balance End of Year	\$347,903	(\$174,859)	(\$522,762)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Vocational Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$203,000	\$197,872	(\$5,128)
Total Revenues	203,000	197,872	(5,128)
Expenditures:			
Current:			
Instruction:			
Vocational	31,672	31,320	352
Support Services:			
Pupil	161,096	159,306	1,790
School Administration	9,985	9,874	111
Total Expenditures	202,753	200,500	2,253
Net Change in Fund Balance	247	(2,628)	(2,875)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,639	2,639	0
Fund Balance End of Year	\$2,886	\$11	(\$2,875)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$576,741	\$485,681	(\$91,060)
Total Revenues	576,741	485,681	(91,060)
Expenditures:			
Current:			
Instruction:			
Special	579,850	521,383	58,467
Total Expenditures	579,850	521,383	58,467
Net Change in Fund Balance	(3,109)	(35,702)	(32,593)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	20,045	20,045	0
Fund Balance End of Year	\$16,936	(\$15,657)	(\$32,593)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Title VI Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$13,291	\$9,841	(\$3,450)
Total Revenues	13,291	9,841	(3,450)
Expenditures:			
Current:			
Support Services:			
Pupil	6,051	5,872	179
Operation of Non-Instructional Services	3,949	3,832	117
Total Expenditures	10,000	9,704	296
Net Change in Fund Balance	3,291	137	(3,154)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	215	215	0
Fund Balance End of Year	\$3,506	\$352	(\$3,154)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Drug Free Schools Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$24,057	\$17,990	(\$6,067)
Total Revenues	24,057	17,990	(6,067)
Expenditures:			
Current:			
Support Services:			
Pupil	15,896	15,096	800
Operation of Non-Instructional Services	5,657	5,372	285
Total Expenditures	21,553	20,468	1,085
Net Change in Fund Balance	2,504	(2,478)	(4,982)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,530	2,530	0
Fund Balance End of Year	\$5,034	\$52	(\$4,982)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	EHA Pre-School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$33,529	\$28,766	(\$4,763)
Total Revenues	33,529	28,766	(4,763)
Expenditures:			
Current:			
Instruction:			
Special	6,935	6,532	403
Support Services:			
Instructional Staff	23,065	21,723	1,342
Total Expenditures	30,000	28,255	1,745
Net Change in Fund Balance	3,529	511	(3,018)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$3,529	\$511	(\$3,018)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	FCC E-Rate Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$55,800	\$55,843	\$43
Total Revenues	55,800	55,843	43
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	50,046	0	50,046
Total Expenditures	50,046	0	50,046
Net Change in Fund Balance	5,754	55,843	50,089
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,736	14,736	0
Fund Balance End of Year	\$20,490	\$70,579	\$50,089

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Reducing Class Size Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$175,000	\$175,568	\$568
Total Revenues	175,000	175,568	568
Expenditures:			
Current:			
Instruction:			
Regular	154,255	156,250	(1,995)
Support Services:			
Instructional Staff	17,114	17,335	(221)
Operation of Non-Instructional Services	860	871	(11)
Total Expenditures	172,229	174,456	(2,227)
Net Change in Fund Balance	2,771	1,112	(1,659)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	566	566	0
Fund Balance End of Year	\$3,337	\$1,678	(\$1,659)

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2009

	Miscellaneous Federal Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$25,000	\$23,982	(\$1,018)
Total Revenues	25,000	23,982	(1,018)
Expenditures:			
Current:			
Instruction:			
Regular	14,815	3,186	11,629
Support Services:			
Instructional Staff	6,203	1,334	4,869
Operation of Non-Instructional Services	3,427	737	2,690
Total Expenditures	24,445	5,257	19,188
Net Change in Fund Balance	555	18,725	18,170
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	264	264	0
Fund Balance End of Year	\$819	\$18,989	\$18,170

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$336,037	\$338,498	\$2,461
Charges for Services	2,060,977	2,076,069	15,092
Other Revenues	2,985	3,007	22
Total Revenues	<u>2,399,999</u>	<u>2,417,574</u>	<u>17,575</u>
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	15,754	15,198	556
Operation of Non-Instructional Services	2,389,326	2,305,018	84,308
Total Expenditures	<u>2,405,080</u>	<u>2,320,216</u>	<u>84,864</u>
Net Change in Fund Balance	(5,081)	97,358	102,439
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>44,942</u>	<u>44,942</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$39,861</u></u>	<u><u>\$142,300</u></u>	<u><u>\$102,439</u></u>

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Uniform School Supply Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Charges for Services	\$350,000	\$351,562	\$1,562
Total Revenues	350,000	351,562	1,562
Expenditures:			
Current:			
Operation of Non-Instructional Services	434,079	345,699	88,380
Total Expenditures	434,079	345,699	88,380
Net Change in Fund Balance	(84,079)	5,863	89,942
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	256,179	256,179	0
Fund Balance End of Year	\$172,100	\$262,042	\$89,942

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Entry Year Programs Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$12,600	\$12,600	\$0
Total Revenues	12,600	12,600	0
Expenditures:			
Current:			
Instruction:			
Regular	12,600	12,600	0
Total Expenditures	12,600	12,600	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$45,783	\$32,801	(\$12,982)
Total Revenues	45,783	32,801	(12,982)
Expenditures:			
Current:			
Instruction:			
Special	38,261	31,666	6,595
Total Expenditures	38,261	31,666	6,595
Net Change in Fund Balance	7,522	1,135	(6,387)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,170	2,170	0
Fund Balance End of Year	\$9,692	\$3,305	(\$6,387)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Special Enterprise Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$599,854	\$545,607	(\$54,247)
Investment Earnings	146	133	(13)
Total Revenues	<u>600,000</u>	<u>545,740</u>	<u>(54,260)</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	<u>600,000</u>	<u>569,810</u>	<u>30,190</u>
Total Expenditures	<u>600,000</u>	<u>569,810</u>	<u>30,190</u>
Net Change in Fund Balance	0	(24,070)	(24,070)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,341</u>	<u>2,341</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,341</u>	<u>(\$21,729)</u>	<u>(\$24,070)</u>

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2009

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$5,377,000	\$5,536,898	\$159,898
Intergovernmental	728,353	750,012	21,659
Total Revenues	<u>6,105,353</u>	<u>6,286,910</u>	<u>181,557</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	75,771	75,464	307
Debt Service:			
Principal Retirement	2,746,111	2,735,000	11,111
Interest and Fiscal Charges	3,242,051	3,228,933	13,118
Total Expenditures	<u>6,063,933</u>	<u>6,039,397</u>	<u>24,536</u>
Net Change in Fund Balance	41,420	247,513	206,093
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>7,554,746</u>	<u>7,554,746</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$7,596,166</u></u>	<u><u>\$7,802,259</u></u>	<u><u>\$206,093</u></u>

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2009

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,080,562	\$2,088,660	\$8,098
Intergovernmental	281,434	282,529	1,095
Other Revenues	123,815	124,297	482
Total Revenues	<u>2,485,811</u>	<u>2,495,486</u>	<u>9,675</u>
Expenditures:			
Current:			
Instruction:			
Regular	802,718	553,285	249,433
Support Services:			
School Administration	3,621	2,496	1,125
Fiscal	41,607	28,678	12,929
Operations and Maintenance	499,028	343,962	155,066
Pupil Transportation	1,015,693	700,081	315,612
Capital Outlay	926,192	638,391	287,801
Total Expenditures	<u>3,288,859</u>	<u>2,266,893</u>	<u>1,021,966</u>
Net Change in Fund Balance	(803,048)	228,593	1,031,641
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,582,941</u>	<u>1,582,941</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$779,893</u></u>	<u><u>\$1,811,534</u></u>	<u><u>\$1,031,641</u></u>

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2009

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,979,764	\$313,076	(\$1,666,688)
Other Revenues	20,235	3,200	(17,035)
Total Revenues	1,999,999	316,276	(1,683,723)
Expenditures:			
Current:			
Capital Outlay	12,665,962	7,099,640	5,566,322
Total Expenditures	12,665,962	7,099,640	5,566,322
Net Change in Fund Balance	(10,665,963)	(6,783,364)	3,882,599
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,339,921	15,339,921	0
Fund Balance End of Year	\$4,673,958	\$8,556,557	\$3,882,599

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## Description of Funds - Fiduciary Funds

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### PRIVATE PURPOSE TRUST FUNDS

Private purpose trust funds are used to account for assets held by the District, which have been restricted so that the principal and income of the fund benefit individuals, private organizations, or other governments and are not available to support the operations of the District.

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#### Scholarship Trust Fund

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

#### Memorial Scholarship Trust Fund

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

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### AGENCY FUND

Agency funds account for monies held by the District in a purely custodial nature for other organizations. Accordingly, all assets reported in an agency fund are offset by a liability to the party on whose behalf they are held.

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#### Student Managed Activities

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

Centerville City School District, Ohio  
 Combining Statement of Fiduciary Net Assets  
 Fiduciary Funds - Private Purpose Trust  
 June 30, 2009

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total Private Purpose Trust
Assets:			
Equity in Pooled Cash and Investments	\$41,298	\$0	\$41,298
Restricted Cash and Investments	0	11,567	11,567
Total Assets	41,298	11,567	52,865
Liabilities:			
Due to Students	0	0	0
Total Liabilities	0	0	0
Net Assets:			
Held in Trust	41,298	11,567	52,865
Total Net Assets	\$41,298	\$11,567	\$52,865

Centerville City School District, Ohio  
 Combining Statement of Changes in Fiduciary Net Assets  
 Fiduciary Funds - Private Purpose Trust  
 For the Fiscal Year Ended June 30, 2009

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total Private Purpose Trust
Additions:			
Donations	\$1,311	\$0	\$1,311
Investment Earnings	1,488	1,000	2,488
Total Additions	2,799	1,000	3,799
Deductions:			
Payments in accordance with trust agreements	3,783	0	3,783
Total Deductions	3,783	0	3,783
Change in Net Assets	(984)	1,000	16
Net Assets Beginning of Year	42,282	10,567	52,849
Net Assets End of Year	<u>\$41,298</u>	<u>\$11,567</u>	<u>\$52,865</u>

Centerville City School District, Ohio  
Statement of Changes in Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended June 30, 2009

	Student Managed Activities			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$184,879	\$327,827	\$335,603	\$177,103
Total Assets	<u>184,879</u>	<u>327,827</u>	<u>335,603</u>	<u>177,103</u>
Liabilities:				
Accounts Payable	3,389	4,840	3,389	4,840
Due to Students	181,490	322,987	332,214	172,263
Total Liabilities	<u>\$184,879</u>	<u>\$327,827</u>	<u>\$335,603</u>	<u>\$177,103</u>

# STATISTICAL SECTION



## **Statistical Section**

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

### **CONTENTS**

#### Financial Trends

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

#### Revenue Capacity

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

#### Debt Capacity

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

#### Economic and Demographic Information

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

#### Operating Information

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

#### Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

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

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Governmental Activities							
Invested in Capital Assets, Net of Related Debt	\$10,913,479	\$9,878,697	\$13,095,557	\$12,178,880	\$19,898,816	\$16,619,018	\$18,184,642
Restricted	6,074,261	6,596,859	7,715,166	12,578,928	9,701,906	14,227,591	15,791,775
Unrestricted	17,241,379	18,875,247	16,986,667	16,917,979	20,355,521	17,339,547	10,134,780
Total Net Assets	\$34,229,119	\$35,350,803	\$37,797,390	\$41,675,787	\$49,956,243	\$48,186,156	\$44,111,197

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

Centerville City School District, Ohio  
Expenses, Program Revenues and Net (Expense)/Revenue  
Last Seven Fiscal Years (1)  
(acrual basis of accounting)  
Schedule 2

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Expenses							
Governmental activities:							
Instruction	\$39,903,025	\$43,355,730	\$43,658,310	\$45,673,093	\$46,700,195	\$52,829,847	\$52,259,836
Pupil	2,961,925	3,088,292	3,331,856	3,331,802	3,577,115	3,968,691	4,051,547
Instructional Staff	5,280,429	5,403,371	5,515,202	5,241,760	6,062,995	6,921,246	6,996,959
General Administration	19,884	19,255	29,910	23,955	28,630	27,428	33,370
School Administration	3,759,173	3,820,320	4,138,307	3,854,617	4,244,080	4,689,445	4,579,795
Fiscal	1,380,517	1,314,217	1,213,651	1,349,764	1,413,598	1,598,472	1,479,988
Business	519,122	539,761	470,198	527,471	621,270	644,649	660,909
Operations and Maintenance	5,785,183	6,434,103	4,892,584	5,175,782	5,790,712	6,540,093	5,991,427
Pupil Transportation	4,188,147	4,633,431	4,918,168	4,783,618	5,425,018	6,287,495	6,258,860
Central	102,201	93,373	100,071	74,810	71,357	88,823	99,859
Operation of Non-Instructional Services	2,891,264	3,043,987	3,404,785	3,600,223	4,198,295	4,722,429	4,647,458
Extracurricular Activities	579,868	577,028	604,548	621,024	695,810	660,133	663,382
Interest and Fiscal Charges	986,240	882,859	798,114	3,322,128	3,417,104	3,351,454	3,296,412
Unallocated Depreciation	966,213	919,310	952,149	848,220	804,630	1,549,295	1,652,651
Total Expenses	69,323,191	74,125,037	74,027,853	78,428,267	83,050,809	93,879,500	92,672,453
Program Revenues							
Governmental activities:							
* Charges for Services and Sales	4,311,331	4,579,238	4,913,491	4,281,743	4,173,776	4,817,559	4,680,434
Operating Grants and Contributions	2,951,841	3,438,001	3,865,453	7,489,083	8,203,029	6,324,849	5,553,009
Capital Grants and Contributions	200,441	48,917	114,693	51,881	88,306	52,398	0
Total Program Revenues	7,463,613	8,066,156	8,893,637	11,822,707	12,465,111	11,194,806	10,233,443
Net (Expense)/Revenue	(\$61,859,578)	(\$66,058,881)	(\$65,134,216)	(\$66,605,560)	(\$70,585,698)	(\$82,684,694)	(\$82,439,010)

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

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

Centerville City School District, Ohio  
 General Revenues and Total Change in Net Assets  
 Last Seven Fiscal Years (1)  
 (accrual basis of accounting)  
 Schedule 3

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Net (Expense)/Revenue	(\$61,859,578)	(\$66,058,881)	(\$65,134,216)	(\$66,605,560)	(\$70,585,698)	(\$82,684,694)	(\$82,439,010)
General Revenues and Other Changes in Net Assets							
Governmental Activities:							
Property Taxes	42,208,394	48,122,564	48,367,659	51,373,142	58,898,441	59,235,774	55,742,677
Grants and Entitlements Not Restricted to Specific Programs	17,307,126	18,457,781	18,114,065	17,111,338	18,110,062	19,874,547	21,338,489
Investment Earnings	670,707	370,634	754,742	1,773,382	1,591,521	1,520,441	1,021,509
Other Revenue	397,873	268,493	344,337	226,095	266,130	283,845	261,376
Total General Revenues	60,584,100	67,219,472	67,580,803	70,483,957	78,866,154	80,914,607	78,364,051
Change in Net Assets	(\$1,275,478)	\$1,160,591	\$2,446,587	\$3,878,397	\$8,280,456	(\$1,770,087)	(\$4,074,959)

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$2,272,622	\$4,445,731	\$4,005,443	\$1,344,847	\$2,166,848	\$4,872,736	\$2,677,271	\$2,789,507	\$3,981,849	\$3,650,175
Unreserved	12,737,493	16,888,407	17,958,131	17,268,991	17,097,022	14,983,828	16,853,699	19,723,460	15,440,767	8,667,764
Total General Fund	15,010,115	21,334,138	21,963,574	18,613,838	19,263,870	19,856,564	19,530,970	22,512,967	19,422,616	12,317,939
All Other Governmental Funds										
Reserved	1,800,630	2,736,495	1,103,274	2,767,689	739,802	1,207,172	23,095,605	8,210,841	4,456,077	1,548,669
Unreserved, Reported in:										
Capital Project Funds	751,055	654,276	970,467	1,098,274	1,084,385	794,733	1,081,333	571,577	11,709,007	10,368,091
Debt Service Funds	4,114,351	3,947,049	3,814,476	3,902,493	3,985,476	6,156,237	5,988,448	6,946,014	7,554,746	7,802,259
Special Revenue Funds	(2,402,378)	(3,641,515)	(779,126)	(759,377)	1,401,065	64,145,114	28,404,180	17,895,293	686,726	713,027
Total all Other Governmental Funds	\$4,263,658	\$3,696,305	\$5,109,091	\$7,009,079	\$7,210,728	\$72,303,256	\$58,569,566	\$33,623,725	\$24,406,556	\$20,432,046

Source: District Records

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues:										
Taxes	\$37,402,668	\$44,377,736	\$43,511,440	\$42,083,380	\$47,160,709	\$49,758,871	\$51,338,798	\$59,213,557	\$59,168,982	\$55,744,271
Tuition and Fees	418,436	380,928	470,138	702,530	778,434	688,288	842,313	1,037,675	1,097,171	1,061,332
Investment Earnings	1,568,175	1,969,887	1,274,537	497,789	543,552	741,439	3,752,682	4,396,507	2,625,527	1,334,585
Intergovernmental	15,176,742	16,110,112	17,863,933	20,201,707	21,921,351	22,042,895	22,726,984	23,601,016	25,161,650	26,571,011
Rentals	0	0	89,757	26,293	115,285	45,433	0	0	0	0
Extracurricular Activities	868,436	874,113	977,341	860,073	891,852	999,557	1,167,481	885,909	1,223,915	1,191,862
Gifts and Donations	0	0	71,447	94,265	101,906	0	0	0	0	0
Charges for Services	0	0	0	2,722,435	2,793,667	3,180,213	2,236,945	2,255,480	2,313,093	2,427,631
Other Revenues	891,915	1,047,876	990,480	397,873	268,493	433,927	226,094	278,243	457,226	261,375
Total Revenues	\$56,326,372	\$64,760,652	\$65,249,073	\$67,586,345	\$74,575,249	\$77,890,623	\$82,291,297	\$91,668,387	\$92,047,564	\$88,592,067

Source: District Records

Centerville City School District, Ohio  
 Governmental Funds Expenditures and Debt Service Ratio

Last Ten Fiscal Years

(modified accrual basis of accounting)

Schedule 6

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Instruction	\$32,503,677	\$34,205,309	\$35,835,751	\$39,570,440	\$42,648,014	\$43,622,480	\$45,788,425	\$46,617,935	\$51,027,205	\$52,433,915
Pupil	2,168,021	2,249,952	2,609,403	2,938,608	3,082,285	3,348,409	3,379,885	3,559,857	4,025,867	4,275,525
Instructional Staff	3,785,926	4,186,823	4,832,987	5,280,845	5,318,952	5,659,283	5,177,858	6,057,715	6,920,528	7,058,555
General Administration	22,177	27,102	21,920	19,884	19,255	29,910	23,955	28,630	27,428	33,370
School Administration	3,570,085	3,910,958	3,971,428	4,012,844	3,616,969	4,159,496	3,774,237	4,237,603	4,581,370	4,606,366
Fiscal	1,274,805	1,186,762	1,354,309	1,494,696	1,313,102	1,292,183	1,318,307	1,388,142	1,571,277	1,487,469
Business	425,516	449,905	459,865	545,042	517,818	481,356	525,942	615,981	637,467	656,005
Operation and Maintenance	4,028,377	4,427,377	4,996,475	5,345,385	6,192,896	5,434,200	5,029,584	5,566,692	6,315,309	5,781,291
Pupil Transportation	3,117,883	2,987,755	3,808,085	3,891,787	4,294,902	4,942,666	5,022,534	5,688,794	6,526,641	6,420,174
Central	66,567	134,116	152,168	102,201	93,373	100,071	74,810	71,357	88,823	99,859
Operation of Non-Instructional Services	713,036	925,423	1,006,468	2,875,277	3,103,232	3,364,611	3,596,081	4,206,291	4,708,867	4,648,664
Extracurricular Activities	543,326	545,382	567,964	579,868	576,202	603,406	619,882	694,793	658,991	662,240
Capital Outlay	4,759,850	1,528,268	1,351,524	982,308	1,892,707	584,671	16,597,650	29,118,134	11,400,943	5,543,888
Debt service										
Principal Retirement	1,515,000	975,000	1,020,000	1,075,000	2,335,000	2,355,000	1,630,000	2,373,798	2,550,000	2,735,000
Interest and Fiscal Charges	1,248,533	1,263,850	1,218,503	921,550	823,861	516,225	3,294,757	3,406,509	3,324,368	3,228,933
Total Expenditures	\$59,742,779	\$59,003,982	\$63,206,850	\$69,635,735	\$75,828,568	\$76,493,967	\$95,853,907	\$113,632,231	\$104,365,084	\$99,671,254

Debt Service as a percentage of  
 Noncapital Expenditures 5.08% 4.10% 3.71% 2.89% 4.26% 3.85% 6.27% 6.90% 6.26% 6.45%

Source: District Records

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Other Financing Sources (Uses)										
Issuance of Long Term Debt	\$0	\$0	\$0	\$7,355,000	\$0	\$68,783,798	\$0	\$0	\$0	\$0
Premium on Issuance of Long Term Debt	0	0	0	861,191	0	2,665,801	0	0	0	0
Payment to Refunded Bonds Escrow Agent	0	0	0	(8,090,451)	0	(7,161,003)	0	0	0	0
Transfers In	355,642	720	2,248,279	2,300,000	1,135,951	1,127,936	0	0	0	0
Transfers (Out)	(355,642)	(720)	(2,248,279)	(2,300,000)	(1,135,951)	(1,127,936)	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	125,740	0	64,288,596	0	0	0	0
Net Change in Fund Balances	(\$3,416,407)	\$5,756,670	\$2,042,223	(\$1,923,650)	(\$1,253,319)	\$65,685,252	(\$13,562,610)	(\$21,963,844)	(\$12,317,520)	(\$11,079,187)

Source: District Records

N/A - Information Not Available

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

Calendar Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total		Total Direct Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1999	\$1,081,155,740	\$3,089,016,400	\$53,341,537	\$213,366,148	\$52,214,890	\$59,335,102	\$1,186,712,167	\$3,361,717,650	56.38
2000	1,155,768,080	3,302,194,514	61,395,951	245,583,804	47,650,820	54,148,659	1,264,814,851	3,601,926,977	56.05
2001	1,178,917,510	3,368,335,743	64,129,189	256,516,756	44,654,110	50,743,307	1,287,700,809	3,675,595,806	60.75
2002	1,210,417,410	3,458,335,457	63,261,033	253,044,132	33,204,690	85,275,681	1,306,883,133	3,796,655,270	60.81
2003	1,379,869,910	3,942,485,457	61,203,686	244,814,744	34,597,520	88,852,722	1,475,671,116	4,276,152,923	61.80
2004	1,409,883,200	4,028,237,714	52,513,577	210,054,308	33,290,900	85,497,084	1,495,687,677	4,323,789,106	60.75
2005	1,443,169,480	4,123,341,371	57,530,705	239,711,271	32,988,410	49,236,433	1,533,688,595	4,412,289,075	60.75
2006	1,623,847,360	4,639,563,886	33,208,833	138,370,138	29,168,980	43,535,791	1,686,225,173	4,821,469,815	67.65
2007	1,666,917,860	4,762,622,457	21,998,498	91,660,408	21,909,160	32,700,239	1,710,825,518	4,886,983,104	67.65
2008	1,671,026,740	4,774,362,114	3,997,360	16,655,667	22,815,220	34,052,567	1,697,839,320	4,825,070,348	67.65

Source: County Auditor

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

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

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

Calendar Year	District Direct Rates			Total	County	Overlapping Rates			
	General Purpose	Debt	Capital Purpose			City of Centerville	City of Kettering	Library	Township/ Park
1999	56.38	0.00	0.00	56.38	16.64	0.00	N/A	1.30	16.00
2000	56.05	0.00	0.00	56.05	16.64	0.00	N/A	1.33	7.90
2001	57.77	1.18	1.80	60.75	17.24	0.00	6.92	1.63	7.90
2002	57.83	1.18	1.80	60.81	17.24	0.00	6.91	1.63	7.90
2003	58.82	1.18	1.80	61.80	17.24	2.35	6.85	3.03	15.95
2004	57.77	1.18	1.80	60.75	18.24	2.35	6.85	3.03	15.95
2005	57.77	1.18	1.80	60.75	18.24	2.35	6.85	3.03	16.85
2006	62.17	3.68	1.80	67.65	18.24	2.35	6.80	3.03	16.85
2007	62.17	3.68	1.80	67.65	20.24	2.35	6.80	2.70	16.85
2008	62.17	3.68	1.80	67.65	20.94	2.35	6.79	2.70	16.85

Source: County Auditor

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

N/A - Information Not Available

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

Taxpayer	2008 (2)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Dayton Power and Light Company	\$18,665,180	1.10%
Miller Farm Apartments	7,106,860	0.42%
Washington Place Limited	6,478,950	0.38%
Cross Pointe Associates, Inc	5,867,750	0.35%
Steeplechase Advisors Ltd	4,570,460	0.27%
Medford Hah LLC	4,322,160	0.25%
BCC Washington Township	4,272,260	0.25%
Chesapeake Landing	3,859,010	0.23%
Washington Park Office	3,657,500	0.22%
G&I Washington Park	3,630,180	0.21%
Total Principal Tax Payers	62,430,310	3.68%
All Others	1,635,409,010	96.32%
Total Assessed Value	\$1,697,839,320	100.00%

Taxpayer	2005 (2)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Dayton Power and Light Company	\$16,438,750	0.97%
Ohio Bell Telephone Co.	8,567,360	0.51%
Cross Pointe Associates, Inc.	8,052,120	0.48%
Miller Farm Apartments	7,790,470	0.46%
Voss Chevrolet, Inc.	6,636,970	0.40%
Washington Place Limited	6,506,070	0.39%
Streetplacechase Advisors	5,220,870	0.31%
CVS Partnerships	4,593,100	0.27%
Bob Ross Buick, Inc.	4,406,480	0.26%
Chesapeake Landing	3,953,350	0.23%
Total Principal Tax Payers	72,165,540	4.28%
All Others	1,614,059,633	95.72%
Total Assessed Value	\$1,686,225,173	100.00%

Source: County Auditor

(1) - Current and three years ago information only available

(2) - Denotes calendar year

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

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Delinquent Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	\$40,935,720	\$37,788,893	92.31%	N/A	N/A	N/A
2000	42,680,479	42,315,844	99.15%	N/A	N/A	N/A
2001	47,862,143	47,004,769	98.21%	\$1,057,732	\$48,062,501	100.42%
2002	48,234,819	47,128,143	97.71%	1,166,628	48,294,771	100.12%
2003	50,055,153	48,696,062	97.28%	1,335,449	50,031,511	99.95%
2004	50,640,981	49,794,399	98.33%	1,169,296	50,963,695	100.64%
2005	51,512,265	50,733,702	98.49%	1,111,261	51,844,963	100.65%
2006	64,029,196	63,076,291	98.51%	1,387,764	64,464,055	100.68%
2007	63,496,813	63,030,395	99.27%	1,389,764	64,420,159	101.45%
2008	62,933,120	61,541,770	97.79%	1,160,290	62,702,060	99.63%

Source: County Auditor

N/A - Information Not Available

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

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Long-Term Capital Notes	Tax Anticipation Notes			
2000	\$20,955,000	\$0	\$3,500,000	\$24,455,000	0.15%	\$492
2001	19,980,000	0	3,845,000	23,825,000	0.14%	444
2002	18,960,000	0	2,990,000	21,950,000	0.13%	450
2003	18,077,877	2,105,000	0	20,182,877	0.12%	381
2004	16,667,327	1,180,000	0	17,847,327	0.10%	337
2005	80,019,566	210,000	0	80,229,566	0.46%	1,514
2006	78,500,038	0	0	78,500,038	0.43%	1,481
2007	75,860,108	0	0	75,860,108	0.41%	1,432
2008	73,344,412	0	0	73,344,412	N/A	1,384
2009	70,663,795	0	0	70,663,795	N/A	1,334

Source: District Records

N/A - Information Not Available

Centerville City School District, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2009  
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Montgomery County	\$12,356,496	16.19%	\$2,000,517
City of Kettering	16,180,599	0.16%	25,889
Washington Township Park District	1,395,000	100.00%	1,395,000
Miami Regional Transit Authority	3,885,000	16.19%	628,982
Subtotal Overlapping Debt	33,817,095		4,050,388
District Direct Debt	68,235,000	100.00%	68,235,000
Total Direct and Overlapping Debt	\$102,052,095		\$72,285,388

Source: Ohio Municipal Advisory Council

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

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

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed value (1)	\$1,697,839,320
Debt limit (9% of assessed value)	152,805,539
Debt applicable to limit	68,235,000
Legal debt margin	<u>\$84,570,539</u>

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$106,804,095	\$113,833,337	\$115,893,073	\$117,619,482	\$132,810,400	\$134,611,891	\$138,031,974	\$151,760,266	\$153,974,297	\$152,805,539
Total net debt applicable to limit	24,455,000	23,825,000	21,950,000	13,982,591	12,489,608	71,315,829	77,893,798	73,520,000	70,970,000	68,235,000
Legal debt margin	<u>\$82,349,095</u>	<u>\$90,008,337</u>	<u>\$93,943,073</u>	<u>\$103,636,891</u>	<u>\$120,320,792</u>	<u>\$63,296,062</u>	<u>\$60,138,176</u>	<u>\$78,240,266</u>	<u>\$83,004,297</u>	<u>\$84,570,539</u>
Total net debt applicable to the limit as a percentage of debt limit	22.90%	20.93%	18.94%	11.89%	9.40%	52.98%	56.43%	48.44%	46.09%	44.65%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2009 is calendar year 2008)

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

Calendar Year	(1) Population	(2) Personal Income (Thousands of Dollars)	(3) Per Capita Personal Income	(4) Unemployment Rate
1999	49,696	\$15,446,351	\$27,487	3.9%
2000	53,700	16,167,661	28,949	3.9%
2001	48,812	16,563,468	29,827	4.5%
2002	52,992	16,810,295	30,404	5.8%
2003	52,991	16,984,405	30,784	5.8%
2004	52,991	17,461,179	31,773	6.4%
2005	52,991	17,531,793	32,133	6.6%
2006	52,991	18,219,910	33,658	6.0%
2007	52,991	18,677,485	34,732	6.2%
2008	52,991	N/A	N/A	11.4%

(1) - City of Centerville and Washington Township; 2003-2006 based on U.S. Census data, other years are estimates

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

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

(4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

N/A - Information Not Available

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

2009

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

2008

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

Source: Ohio Department of Development

- (1) - For all of Montgomery County
- (2) - Only current fiscal year and fiscal period one year ago information available. Information for fiscal period nine years ago not available.
- (3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.
- (4) - The number of employees of each listed major employer was not available.
- (5) - The employer's percentage of total employment for each major employer was not available.

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Instruction</b>										
Classroom Teachers	392.0	388.6	395.9	403.9	411.3	414.4	416.4	424.4	425.9	406.0
Special Education Teachers and Tutors	87.0	88.5	91.0	100.0	103.1	104.1	106.1	107.1	112.4	106.0
Educational Aides	47.5	49.5	51.5	51.5	51.6	51.0	51.0	51.0	52.1	56.0
Special Education Aides and Attendants	63.0	63.0	65.0	75.0	72.0	72.0	73.0	72.0	73.5	77.0
<b>Total Instruction</b>	<b>589.5</b>	<b>589.6</b>	<b>603.4</b>	<b>630.4</b>	<b>638.0</b>	<b>641.5</b>	<b>646.5</b>	<b>654.5</b>	<b>663.9</b>	<b>645.0</b>
<b>Support and Administration</b>										
<b>Support Personnel</b>										
Librarians, Nurses, Counselors, Visiting Teacher	42.9	43.9	46.9	50.0	51.6	52.6	52.6	53.6	57.4	51.0
Principals	14.0	14.0	14.0	14.0	14.0	14.5	14.5	14.5	15.5	14.0
Central Office Administration	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Secretaries and Clerical	33.0	33.0	33.0	33.0	39.0	39.0	39.0	41.0	39.0	37.0
Transportation	76.0	80.0	83.0	85.0	90.0	92.0	93.0	96.0	97.2	99.0
Food Service	51.0	54.0	55.0	56.0	56.0	54.0	55.0	56.0	61.0	60.0
Custodial	36.5	38.5	40.3	40.3	40.0	40.0	40.0	41.0	44.0	47.0
Maintenance and Mechanics	8.0	8.0	8.0	8.0	8.0	8.0	8.0	12.0	13.0	10.0
<b>Total Support and Administration</b>	<b>268.4</b>	<b>278.4</b>	<b>287.2</b>	<b>293.3</b>	<b>305.6</b>	<b>307.1</b>	<b>309.1</b>	<b>321.1</b>	<b>334.1</b>	<b>325.0</b>
<b>Total Employees</b>	<b>857.9</b>	<b>868.0</b>	<b>890.6</b>	<b>923.7</b>	<b>943.5</b>	<b>948.6</b>	<b>955.6</b>	<b>975.6</b>	<b>998.0</b>	<b>970.0</b>

Source: District Records

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

Fiscal Year	Enrollment	Operating Expenditure	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2000	7,380	\$52,219,396	\$7,076	5.18%	N/A	N/A	N/A	392.0	18.8	10.90%
2001	7,419	55,236,864	7,445	5.22%	N/A	N/A	N/A	388.6	19.1	12.60%
2002	7,560	59,616,823	7,886	5.91%	N/A	N/A	N/A	395.9	19.1	13.30%
2003	7,821	66,656,877	8,523	8.08%	\$69,323,191	\$8,864	N/A	403.9	19.4	13.90%
2004	8,055	70,777,000	8,787	3.10%	74,125,037	9,202	3.81%	411.3	19.6	14.40%
2005	8,248	73,038,071	8,855	0.78%	74,027,853	8,975	(2.48%)	414.4	19.9	13.40%
2006	8,227	74,331,500	9,035	2.02%	78,428,267	9,533	6.21%	416.4	19.8	14.50%
2007	8,307	78,733,790	9,478	4.90%	83,050,809	9,998	4.88%	424.4	19.6	14.50%
2008	8,336	87,089,773	10,447	10.23%	93,879,500	11,262	12.66%	425.9	19.6	13.90%
2009	8,287	88,163,433	10,639	1.83%	92,672,453	11,183	(0.69%)	406.0	20.4	14.20%

Source: District Records

N/A - Information not available

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<u>School</u>										
Primary Schools (2)										
Centerville Primary Village North (1970)										
Square feet	48,276	48,276	48,276	48,276	48,276	48,276	48,276	48,276	64,371	64,371
Capacity (1)	650	650	650	650	650	650	650	650	500	500
Enrollment	639	630	641	653	684	699	690	635	451	454
Site Acreage	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Centerville Primary Village South (2007)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	72,990	72,990
Capacity (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	700	700
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	760	765
Site Acreage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.9	5.9
Elementary Schools (2)										
Cline Elementary (1954)										
Square feet	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500
Capacity (1)	550	550	550	550	550	550	550	550	550	550
Enrollment	573	558	542	550	566	562	580	595	475	478
Site Acreage (with Magsig)	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Driscoll Elementary (1962)										
Square feet	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	393	371	380	406	399	413	403	386	310	312
Site Acreage	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4
Dr. John Hole Elementary (1956)										
Square feet	45,110	45,100	45,100	45,100	45,100	45,100	45,100	45,100	45,100	45,100
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	362	356	391	379	418	431	452	428	352	354
Site Acreage	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3
Normandy Elementary (1964)										
Square feet	48,000	58,108	58,108	58,108	58,108	58,108	58,108	58,108	58,108	58,108
Capacity (1)	400	550	550	550	550	550	550	550	550	550
Enrollment	484	479	490	516	556	563	544	567	462	465
Site Acreage	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7
Stingley Elementary (1962)										
Square feet	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	372	377	399	412	436	446	435	441	346	348
Site Acreage (with Tower Hts)	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Weller Elementary (1959)										
Square feet	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955
Capacity (1)	550	550	550	550	550	550	550	550	550	550
Enrollment	476	453	467	475	526	540	524	579	490	492
Site Acreage	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6

Source: District Records

Note: The District updated prior year amounts that were incorrect.

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

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<u>School</u>										
Middle Schools										
Magsig Middle School (1919)										
Square feet	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100
Capacity (1)	600	600	600	600	600	600	600	600	600	600
Enrollment	547	579	585	628	581	571	569	579	592	596
Site Acreage (with Cline)	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Tower Heights Middle School (1966)										
Square feet	66,885	66,885	66,885	66,885	66,885	66,885	66,885	66,885	82,685	82,685
Capacity (1)	600	600	600	600	600	600	600	600	600	600
Enrollment	596	608	594	581	578	590	590	603	578	582
Site Acreage (with Stingley)	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Watts Middle School (1969)										
Square feet	64,369	64,369	64,369	64,369	64,369	64,369	64,369	97,369	97,369	97,369
Capacity (1)	600	600	600	600	600	600	600	750	750	750
Enrollment	578	582	592	636	645	643	630	685	739	743
Site Acreage	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
High School										
Centerville High School (1973)										
Square feet	370,380	413,102	413,102	413,102	413,102	413,102	413,102	489,243	489,243	489,243
Capacity (1)	2,500	2,700	2,700	2,700	2,700	2,700	2,700	2,700	3,000	3,000
Enrollment	2,362	2,419	2,468	2,468	2,657	2,740	2,748	2,721	2,682	2,698
Site Acreage	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0

Source: District Records

Note: The District updated prior year amounts that were incorrect.

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

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**Mary Taylor, CPA**  
Auditor of State

**CENTERVILLE CITY SCHOOL DISTRICT**  
**MONTGOMERY COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED**  
**FEBRUARY 2, 2010**