

Piqua City School District
Miami County
Single Audit
For the Fiscal Year Ended June 30, 2010



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Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Piqua City School District, Miami County, prepared by Millhuff-Stang, CPA, Inc., for the audit period July 1, 2009 through June 30, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

February 4, 2011

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Piqua City School District
Miami County
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For the Fiscal Year Ended June 30, 2010

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Piqua City School District
Miami County
Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2010

| Federal Grantor/Pass Through Grantor/Program Title | Pass Through Entity Number | Federal CFDA Number | Receipts | Non-Cash Receipts | Disbursements | Non-Cash Disbursements |
|---|-------------------------------|---------------------------|-------------|----------------------|---------------|---------------------------|
| <u>United States Department of Agriculture</u> | | | | | | |
| <i>Passed through the Ohio Department of Education</i> | | | | | | |
| Child Nutrition Cluster: | | | | | | |
| School Breakfast Program | 3L70 | 10.553 | \$242,296 | \$0 | \$242,296 | \$0 |
| National School Lunch Program | 3L60 | 10.555 | 645,481 | 164,530 | 645,481 | 164,530 |
| Total Child Nutrition Cluster | | | 887,777 | 164,530 | 887,777 | 164,530 |
| Fresh Fruit and Vegetable Program | 3L60 | 10.582 | 0 | 15,743 | 0 | 15,743 |
| Total United States Department of Agriculture | | | 887,777 | 180,273 | 887,777 | 180,273 |
| <u>United States Department of Education</u> | | | | | | |
| <i>Passed through the Ohio Department of Education</i> | | | | | | |
| Special Education Cluster: | | | | | | |
| Special Education-Grants to States | 3M20 | 84.027 | 848,794 | 0 | 836,015 | 0 |
| ARRA Special Education-Grants to States, Recovery Act | 3DJ0 | 84.391 | 450,200 | 0 | 259,866 | 0 |
| Total Special Education Cluster | | | 1,298,994 | 0 | 1,095,881 | 0 |
| Title I Cluster: | | | | | | |
| Title I Grants to Local Educational Agencies | 3M00 | 84.010 | 1,063,640 | 0 | 1,066,289 | 0 |
| ARRA Title I Grants to Local Educational Agencies, Recovery Act | 3DK0 | 84.389 | 465,658 | 0 | 389,059 | 0 |
| Total Title I Cluster | | | 1,529,298 | 0 | 1,455,348 | 0 |
| ARRA State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act | GRF | 84.394 | 809,992 | 0 | 809,992 | 0 |
| Safe and Drug Free Schools and Communities-State Grants | 3D10 | 84.186 | 15,127 | 0 | 9,169 | 0 |
| Educational Technology State Grants | 3S20 | 84.318 | 9,077 | 0 | 0 | 0 |
| Improving Teacher Quality State Grants | 3Y60 | 84.367 | 236,617 | 0 | 236,465 | 0 |
| Total United States Department of Education | | | 3,899,105 | 0 | 3,606,855 | 0 |
| <u>Corporation for National and Community Service</u> | | | | | | |
| <i>Passed through the Ohio Department of Education</i> | | | | | | |
| Learn and Serve America-School and Community Based Programs | 3780 | 94.004 | 3,000 | 0 | 2,212 | 0 |
| Total Corporation for National and Community Service | | | 3,000 | 0 | 2,212 | 0 |
| Total Federal Financial Assistance | | | \$4,789,882 | \$180,273 | \$4,496,844 | \$180,273 |

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

Piqua City School District
Miami County

Notes to the Schedule of Federal Awards Expenditures
For the Fiscal Year Ended June 30, 2010

Note 1 – Significant Accounting Policies

The accompanying schedule of federal awards expenditures includes the federal grant activity of the District and has been prepared on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 – Child Nutrition Cluster

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed that federal monies are expended first. Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the schedule using the entitlement value of the commodities received.

Note 3 – Food Donation

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

Note 4 – Matching

Certain Federal programs require that the District contribute non-federal funds (matching funds) to support the federally-funded programs. The expenditures of non-federal matching funds are not included on the schedule.

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

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

We have audited the financial statements the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 20, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. This item is identified in the accompanying schedule of findings and questioned costs as finding 2010-2. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Piqua City School District
Miami County

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

Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as finding 2010-1.

We noted certain matters that we reported to management of the District in a separate letter dated December 20, 2010.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of Education, others within the District, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Natalie Millhuff-Stang, CPA
President/Owner
Millhuff-Stang, CPA, Inc.

December 20, 2010

Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

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

Compliance

We have audited Piqua City School District's, Miami County (the District) compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2010. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. 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. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the District 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 the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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 Expenditures

We have audited the financial statements the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2010, and have issued our report thereon dated December 20, 2010. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board of Education, others within the District, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Natalie Millhuff-Stang, CPA
President/Owner
Millhuff-Stang, CPA, Inc.

December 20, 2010

Piqua City School District
Miami County
Schedule of Findings and Questioned Costs
OMB Circular A-133 Section .505
For the Fiscal Year Ended June 30, 2010

Section I – Summary of Auditor’s Results

| | | |
|---|---|--|
| <i>Financial Statements</i> | | |
| Type of financial statement opinion: | | Unqualified |
| Internal control over financial reporting: | | |
| | Material weakness(es) identified? | No |
| | Significant deficiency(ies) identified that are not considered to be material weaknesses? | Yes |
| Noncompliance material to financial statements noted? | | Yes |
| <i>Federal Awards</i> | | |
| Internal control over major program(s): | | |
| | Material weakness(es) identified? | No |
| | Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| Type of auditor’s report issued on compliance for major programs: | | Unqualified |
| Any auditing findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? | | No |
| Identification of major program(s): | | Child Nutrition Cluster (CFDA #10.553 and #10.555) Special Education Cluster (CFDA #84.027 and #84.391) Title I Cluster (CFDA #84.010 and #84.389) State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act (CFDA #84.394) |
| Dollar threshold used to distinguish between type A and type B programs: | | \$300,000 |
| Auditee qualified as low-risk auditee? | | Yes |

Piqua City School District
Miami County
Schedule of Findings and Questioned Costs
OMB Circular A-133 Section .505
For the Fiscal Year Ended June 30, 2010

Section II – Financial Statement Findings

Finding 2010-1

Noncompliance – Prior Encumbrance of Funds

Ohio Revised Code Section 5705.41(D) states that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. The statute provides the following exceptions to this basic requirement:

Then and Now Certificate: This exception provides that, if the Treasurer can certify that both at the time that the contract or order was made and at the time that he is completing his certification, sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance. If approval is not made within 30 days, there is no legal liability on the part of the subdivision or taxing district.

Amounts of less than \$3,000 for political subdivisions other than counties, may be paid by the fiscal officer without such affirmation of the taxing authority upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the taxing authority.

Thirty-three percent of disbursements tested had invoice dates preceding the certification date. Failure to certify the availability of funds properly can result in overspending or unauthorized spending of funds. The District should implement budgetary monitoring procedures to ensure that funds are properly and timely certified prior to commitment.

Client Response:

We have been working on this for a number of years and continue to stress to the staff the importance of following the proper procedures that are in place.

Finding 2010-2

Significant Deficiency – Financial Reporting

A monitoring system by the District should be in place to prevent or detect misstatements for the accurate presentation of the District's financial statements. Errors were identified within the property tax revenue balances and related expenses for deductions withheld by the County, intergovernmental revenues and cash balances and, in certain instances, expenses due to postings to incorrect funds, accounts payable due to unrecorded liabilities, and investment balances due to failure to report investments at fair market value. Certain errors were corrected in order to properly present balances. Correction of other errors was passed on based on materiality considerations. Certain misstatements were due to processing errors that went undetected by District personnel. Other misstatements were due to errors in computations performed by the District's outside consultant, which is used for compiling the comprehensive annual financial report. The District should implement additional monitoring procedures over work performed by District personnel and its consultant to ensure financial transactions and reports are fairly stated.

Piqua City School District
Miami County
Schedule of Findings and Questioned Costs
OMB Circular A-133 Section .505
For the Fiscal Year Ended June 30, 2010

Section II – Financial Statement Findings

Finding 2010-2 (Continued)

Significant Deficiency – Financial Reporting (Continued)

Client Response:

This was a result of a coding error by the Treasurer's staff member and was not caught until the audit period. Other issues will be more closely monitored in the future.

Section III – Federal Award Findings and Questioned Costs

None

Piqua City School District
Miami County
Schedule of Prior Audit Findings
OMB Circular A-133 Section .315(b)
For the Fiscal Year Ended June 30, 2010

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i> |
|-----------------|--|------------------|--|
| Finding 2009-01 | Noncompliance with ORC Section 5705.41(B) – Expenditures in Excess of Appropriations | No | Partially corrected – reissued in management letter |

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PIQUA CITY SCHOOL DISTRICT

Miami County, Ohio



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2010**



PIQUA CITY SCHOOL DISTRICT

Miami County, Ohio

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2010**

Prepared by:
Jeffrey W. Price
Treasurer



PIQUA CITY SCHOOL DISTRICT

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PIQUA CITY SCHOOL DISTRICT



INTRODUCTORY SECTION



PIQUA CITY SCHOOL DISTRICT

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



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

fax (937) 778-4518

December 20, 2010

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

As the Superintendent and Treasurer of the Piqua City School District (the District), we are pleased to submit to you this Comprehensive Annual Financial Report (CAFR) issued by the District. This CAFR for the year ended June 30, 2010 is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

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

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

THE DISTRICT AND ITS FACILITIES

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

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2010

The District provides a full range of education programs and services to 3,692 students. These include elementary and secondary curriculum offerings at the general, college preparatory, and vocational levels, a broad range of co-curricular and extracurricular activities, and special education services. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a special revenue fund. The non-public school operations have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

The Piqua Education Foundation, a legally separate organization, is included in the District's reporting entity and reported as a discreetly presented component unit. Additional information on the reporting entity can be found in note 1 of the basic financial statements included within the financial section of this report.

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

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

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

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

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

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

STAFF DEVELOPMENT -- Staff development is planned by the curriculum department and director of student services with input from building level administrators and classroom teachers. Surveys are conducted to identify professional development needs at all levels. In addition to this student data is analyzed to target professional development that will provide opportunities for improvement. Teacher release times throughout the school year are used for professional development at the building and district levels. All professional development is evaluated by the staff and administration. It is reinforced with follow up training, professional discussions, and monitoring of implementation.

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2010

INTERVENTION AND SPECIAL PROGRAMS -- The Piqua City School District recognizes its responsibility to serve students who are at risk of not achieving in school. Established Intervention Assistance Teams meet regularly with parents to design interventions, monitor progress, and measure student response to intervention. Data is then used to determine the need to continue interventions, modify interventions or conduct further assessment in order to advance student progress. Specialized programming has been created to assist educators with intervening for students who need additional supports. These programs include but are not limited too; guidance programs at all grade levels, at Piqua High School, the students may access American School programming, the night school program, full time social work intervention services, tutoring services and the PHS Success Academy (Nova Net). As of June of 2010, more than one hundred students have graduated from PHS due to the availability of these programs.

GIFTED AND TALENTED PROGRAMMING AND ADVANCED PLACEMENT COURSES -- The Piqua City School District recognizes its responsibility to provide appropriate programming for its most capable students. The program provides enrolled students enrichment opportunities for advanced thinking skill development and independent research. The gifted services continuum begins with comprehensive screening for eligibility as outlined by the Ohio Department of Education. Once identified, students are provided services through a Written Education Plan that is updated yearly. Gifted services may include but are not limited to; whole class instruction, small group instruction, content specific academy experiences, independent studies, gifted tutorials, and advanced placement coursework at the high school level. Currently, PHS offers AP courses in Art, Biology, Calculus, Chemistry, Physics, Economics, English Literature and Composition, Government, Statistics, Macroeconomics, World History, Spanish, German, French, and Chinese. Currently, over two hundred and twenty one students are enrolled in AP courses for the 2010-2011 school year.

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

ECONOMIC CONDITIONS AND OUTLOOK -- During calendar year 2007 the county's six-year reappraisal of property valuations was completed. In accordance with millage rollback provisions of HB920, the District has assessed millage at the 20 mill-floor, the lowest millage permitted by Ohio Revised Code. As a result of this, the District is able to benefit financially from increased assessed valuations. The benefits of any growth were realized by the district during the second half of the 2007-08 school year and were fully realized during the 2008-09 school year. A Triennial update will be performed during 2010 by the Miami County Auditor's office. This will take effect during calendar year 2011.

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2010

A 1/2% School District Income Tax was approved by the voters of Piqua in 1990. This tax generates over \$2,000,000 annually for general operations of the District. In Fiscal Year 1995, the district began to feel growth in the income tax revenues and has experienced average increases of 4.9% until 2001-02. The overall decline in the economy impacted the District's income tax collections and a decrease of 7% was realized in Fiscal Year 2002, a 2% decrease in Fiscal Year 2003, and another 2% decrease in Fiscal Year 2004.

However, in Fiscal Year 2005, the district realized a slight recovery of a 2.3% increase from the prior year. For Fiscal Year 2006, the District realized a 10.7% increase from the 2005 collections and a 2.66% increase in Fiscal Year 2007 collections over the Fiscal Year 2006 collections. As we ended the 2008 fiscal year, collections increased from 2007 collections by 13.25%. A large portion of this increase was due to the Ohio Department of Taxation releasing some of the holdings from past years collections due to those years audits being completed. In May of 2008 the community approved an increase to our income tax rate of .75%. This increase began collection during Calendar Year 2009. We also received an additional substantial amount during Fiscal Year 2009. The large increase was due to the fact that several residents won the lottery late in calendar year 2008. With the ending of fiscal year 2010, we have completed the phase in of the recently voter approved increase of .75% income tax. The total income tax rate for Piqua City Schools now stands at 1.25%.

RECENT SIGNIFICANT ACCOMPLISHMENTS -- The Piqua Board of Education annually updates the district strategic plan which focuses on academic performance, school facilities, high quality staff, school and community relations, and finance. Student opportunities and experiences have been expanded due to a promotion of "best practice" research based instruction, focusing on 21st Century Skills and utilizing student achievement data to drive instruction. The district implemented an operational data application system, JustFiveClicks, to capture, manage and communicate student achievement data information. The goal with this application is to provide timely and relevant information for teachers, principals and district staff to help in instructional planning strategies.

Student opportunities and experiences have once again been expanded at Piqua High School with a course catalog which now boasts over 133 course offerings including 15 Advanced Placement Courses, the addition of Mandarin Chinese III in the World Language Department, a new Financial Literacy course, and a Survival Skills for College course. In the English Department, two new courses, The Novel and Film as Literature were added. Piqua High School (PHS) also implemented a credit recovery system, known as PHS Success Academy, which has helped increase the capability of graduation for credit deficient students. At Piqua Junior High School students now have access to over 25 World Languages to study through a newly implemented software program.

Science/Technology/Engineering/Math (STEM) education as defined in the strategic plan was targeted for staff development. Thanks to a partnership with Miami University (Oxford, Ohio) over 100 K-12 district teachers have been trained in "inquiry" based education through iDiscovery. Three district teachers were also designated as STEM fellows by the Dayton Regional STEM Center. The district also continued technology initiatives which have significantly increased the number of SmartBoards and student response systems throughout district classrooms.

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2010

To address the “facilities” components of the strategic plan, much emphasis was placed during the year on preparing the district for a possible Ohio School Facilities Commission (OSFC) Classroom Facilities Assistance Program for the potential of new K-6 buildings. A design firm was selected through the process dictated by Ohio law. A Facility Planning Committee comprised of 44 individuals representing parents, business, organizations, community leaders, district staff and other district stakeholders was formed to provide input to the Board of Education regarding facilities. A public opinion survey was conducted by an outside research firm in April 2010 to provide input on the quality of public education provided by the District, assessment of the job the District is doing spending tax dollars, and initial dialogue about facility needs. After several months of work, the committee recommended a facilities master plan consisting of two new Kindergarten – Third Grade buildings and one Fourth Grade – Sixth Grade building. Although Piqua City Schools’ potential facilities project was in the top half of the priority order among the districts in active planning, the district did not receive an OSFC funding offer for 2010.

MAJOR INITIATIVES FOR THE FUTURE -- Student achievement continues to be the focal point for Piqua City Schools with strategies aimed at increasing 21st Century Skills through career and college readiness. Initiatives with iDiscovery in partnership with Miami University (Oxford, Ohio) are planned for teachers and administrators. STEM education will be enhanced with a partnership with Discovery Education to provide technological teaching resources. Strategic plan initiatives will be strengthened at the building and classroom levels by incorporating the Rigor and Relevance Framework.

Piqua City Schools will continue the Ohio School Facilities Commission planning process for potential approval in July 2011 of a possible K-6 segmented school construction project with state funding at 47% and district funding at 53%. A bond levy campaign would be needed to provide the district share.

Piqua City Schools Strategic Plan for 2010-2013

Mission Statement- The faculty, staff, administration and parents of the Piqua City Schools accept the responsibility to provide our students with the best possible opportunities for the intellectual, moral and physical development necessary to become informed, ethical and responsible 21st Century citizens.

Academic Performance

Goal: By 2013 all students will reach high standards of Mastery, attaining proficiency or better

Objectives:

To maintain curriculum alignment with state standards and establish high expectations

To continue utilizing data to drive instruction and monitor student levels of Mastery related to Blooms Taxonomy

To continue expansion of all-day kindergarten

To continue to update instructional delivery, materials, resources and technology

Determine and monitor each student’s reading level to create action plans to meet the needs and foster growth of students at all levels

Apply co-ownership strategies with classroom teachers and support staff to strengthen instructional opportunities that increase Value-Added results for students at all performance levels

To meet Adequate Yearly Progress

To provide a safe environment that is conducive to learning

To promote student participation in extra-curricular and co-curricular activities

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2010

Facilities

Goal: By 2011 a master plan will be further developed and considered to support academic performance

Objectives:

To align the facility improvement process with district financial resources

To continue to improve and maintain district facilities to a level which meet local and state standards/codes

To continue to communicate facility improvement needs and processes to the community

To continue the Ohio School Facilities Commission (OSFC) planning process for potential approval in July 2011 of a possible K-6 segmented school construction project

Staff

Goal: By 2011 professional development will be provided in content, instructional practices, state standards, data, and assessments

Objectives:

To recruit, select and retain high quality staff

To promote maximum teacher interaction and student engagement by increasing independent 21st Century skills that will advance career and college readiness

Apply Rigor/Relevance Framework in district classrooms where roles shift from teacher centered instruction to student centered learning which leads to mastery

To regularly apply in all classrooms character education, positive behavior systems and expectations in partnership with students, families and community

To provide staff development for all staff to establish relevant goals promoting student academic performance

To continue to improve the content knowledge skill for STEM (Science/Technology/Engineering/Math)

To recognize and celebrate staff contributions and accomplishments

To promote positive staff relations

School/Community Relations

Goal: By 2011 staff, parent and community involvement will be increased in support of student learning

Objectives:

To promote opportunities for individual volunteerism

To maintain quality school/business partnerships

To explore opportunities for the development of future school/business partnerships

To increase information flow with stakeholders

To encourage staff to become an active member of the Piqua community

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2010

Finance

Goal: By 2011 sound conservative fiscal forecasting and management will be utilized to operate with the resources available

Objectives:

- To provide good schools at a good value
- To focus spending on classroom instruction
- To continue to find creative ways to save taxpayer money
- To continue a Superintendent's Executive Advisory Council to meet with the Superintendent and Treasurer on a quarterly basis to review all District operations
- To be transparent in financial dealings
- To participate in external audits beyond state requirements
- To continue to target sound conservation and efficiency practices to apply in daily operations

ACCOUNTING INFORMATION

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

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2010

BUDGETARY CONTROLS -- All governmental fund types are subject to annual expenditure budgets. The procedures below outline the District's budgetary procedures:

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

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

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

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

CASH MANAGEMENT -- It is the policy of the Piqua City School District, that with due regard to the safety and risk of investments, all available funds shall be invested in conformance with existing legal requirements and Board-adopted policy guidelines, to the maximum extent possible, at the highest rates obtainable at the time of investment. Effective cash management is recognized as essential to good fiscal management. An investment policy has been formulated to take advantage of investment interest as a viable and material source of revenue to all funds involved. The District's investments are designed and managed in a manner responsive to public trust and consistent with state and local laws.

Investments are made with the primary objectives of:

- Preservation of capital and protection of principal.
- Maintenance of liquidity to meet cash flow requirements.
- Diversification of assets to avoid undue credit and liquidity risks.
- Optimization of portfolio returns within objectives outlined above.
- Use of good judgment and care to provide safety to the District's assets.

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2010

Administrative guidelines and investment policies apply to all financial assets of the District contained in the Comprehensive Annual Financial Report (CAFR). The investment portfolio shall consist of investment securities, permissible by law, recognizing that all participants involved in the process shall act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might impair public confidence in the District's ability to govern effectively.

RISK MANAGEMENT -- The District is adequately insured in all areas including buildings, contents, vehicles, equipment and general liability. The District is also covered under the State Workers' Compensation Fund. The District makes every effort to monitor insurance costs and related risk of accident to ensure proper fiscal management in this area. Detailed information regarding the risk management activities of the District can be found in note 12 of the basic financial statements included within the financial section of this report.

OTHER INFORMATION

INDEPENDENT AUDIT -- State statutes require an annual audit. Millhuff-Stang, CPA, Inc. conducted the audit for the fiscal year ended June 30, 2010. The auditor's unqualified opinion on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

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

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

To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity. A Certificate of Achievement is valid for a period of one year only. The District has received a Certificate of Achievement for the last thirteen consecutive years (fiscal years ended 1997-2009). We believe this current Comprehensive Annual Financial Report meets the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting and we are submitting it to GFOA.

PIQUA CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2010

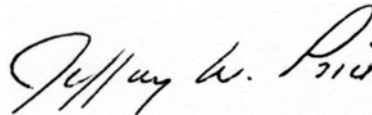
ACKNOWLEDGMENTS -- The preparation of this Comprehensive Annual Financial Report was made possible by the diligence of the Treasurer's staff under the coordination of Sarah Deavours, Assistant to the Treasurer. We are also grateful for the services of Donald J. Schonhardt & Associates, Inc. for their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

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

Respectfully submitted,



Richard A. Hanes, Superintendent



Jeffrey W. Price, Treasurer

PIQUA CITY SCHOOL DISTRICT

Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June 30, 2010

Members of the Board of Education

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

| December 2009 Board | Began Service as A Board Member | Present Term Expires |
|------------------------------|--|---------------------------------|
| Mimi Crawford, President | January 2006 | December 31, 2009 |
| Lori Webster, Vice President | September 2002 | December 31, 2011 |
| Andy Hite | January 2006 | December 31, 2009 |
| Bob Luby | January 2006 | December 31, 2009 |
| Marjorie Zimpher | January 2004 | December 31, 2011 |

| December 2010 Board | Began Service as A Board Member | Present Term Expires |
|------------------------------|--|---------------------------------|
| Mimi Crawford, President | January 2006 | December 31, 2013 |
| Lori Webster, Vice President | September 2002 | December 31, 2011 |
| Andy Hite | January 2006 | December 31, 2013 |
| Bob Luby | January 2006 | December 31, 2013 |
| Marjorie Zimpher | January 2004 | December 31, 2011 |

Superintendent of Schools

The Superintendent is the executive officer of the District and is responsible for administering policies adopted by the Board of Education. The Superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. The Board appointed Mr. Richard A. Hanes, Superintendent of the Piqua City School District effective April 16, 2007. His term of office expires on July 31, 2015.

Treasurer

The Treasurer serves as the fiscal officer of the District and, with the Board President, executes all conveyances made by the Board of Education. The Treasurer, Jeffrey Price has held the position since August, 2004. His term expires on July 31, 2014.

PIQUA CITY SCHOOL DISTRICT

Management Team Members and Treasurer's Office Staff For the Fiscal Year Ended June 30, 2010

Management Team Members

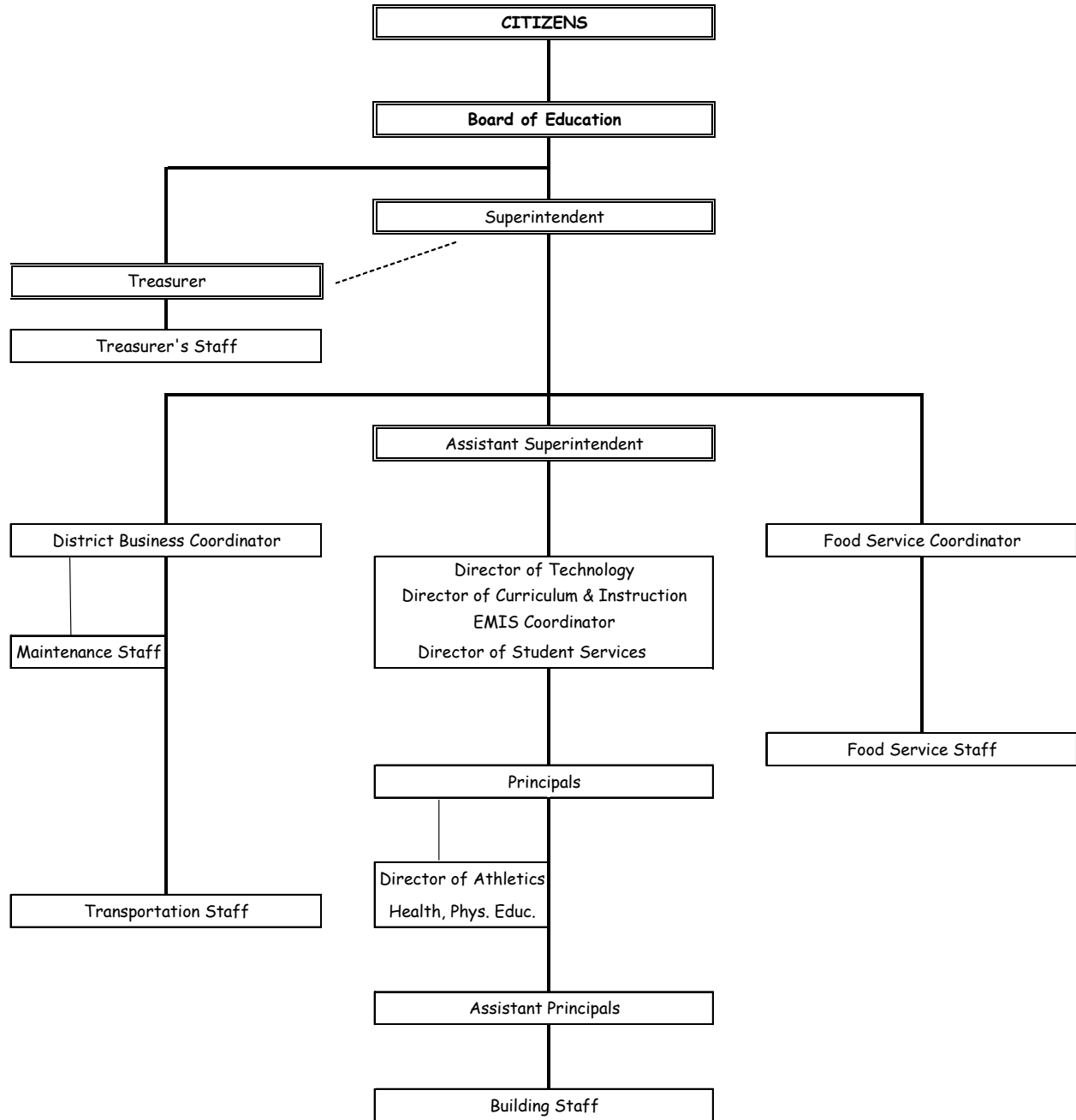
| | |
|----------------------------|---|
| Richard A. Hanes | Superintendent of Schools |
| Jeffrey W. Price | Treasurer |
| Brad Hall | Assistant Superintendent |
| Jean Hill | EMIS Coordinator |
| Roger Ely | District Business Coordinator |
| Dave Palmer | Athletic Director |
| Terri Meyer | Food Service Coordinator |
| Neil Long, Dwayne Thompson | Director of Curriculum and Instruction |
| Jim Conley | District Technology Coordinator |
| Kimberly Piper | Director of Student Services |
| Thomas Roeser, Ph.D. | School Psychologist |
| Daryl Boyd | School Psychologist |
| Tony Lyons | Principal, Piqua High School |
| Darrell Hite | Assistant Principal, Piqua High School |
| Kenny Chaffin | Assistant Principal, Piqua High School |
| Jeff Clark | Principal, Piqua Junior High School |
| Chad Albers | Assistant Principal, Piqua Junior High School |
| Mindy Gearhardt | Principal, Favorite Hill Primary School |
| Rick E. Fry | Principal, High Street Primary School |
| Teresa Anderson | Principal, Nicklin Learning Center |
| Molly Hay | Principal, Springcreek Primary School |
| Loretta Henderson | Principal, Washington Intermediate School |
| Dan Hake | Principal, Bennett Intermediate School |
| Curt Montgomery | Principal, Wilder Intermediate School |

Treasurer's Office Staff

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

PIQUA CITY SCHOOL DISTRICT

School District Organizational Chart For the Fiscal Year Ended June 30, 2010



PIQUA CITY SCHOOL DISTRICT

***Job Description Listing
For the Fiscal Year Ended June 30, 2010***

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

PIQUA CITY SCHOOL DISTRICT

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

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Piqua City Schools
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

PIQUA CITY SCHOOL DISTRICT



FINANCIAL SECTION



Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Piqua City School District, Miami County (the District) as of and for the year ended June 30, 2010, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that 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, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Piqua City School District, Miami County as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund 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 20, 2010 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Piqua City School District
Miami County
Independent Auditor's Report
Page 2

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Natalie Millhuff-Stang, CPA
President/Owner
Millhuff-Stang, CPA, Inc.

December 20, 2010

PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010*

Unaudited

The discussion and analysis of Piqua City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2010 are as follows:

- ❑ In total, net assets increased \$823,653. Net assets of governmental activities increased \$898,503, which represents a 3% increase from 2009. Net assets of business-type activities decreased \$74,850, which represents a 6% decrease from 2009.
- ❑ General revenues accounted for \$29,253,032 in revenue or 81% of all revenues. Program specific revenues in the form of charges for services and sales and grants and contributions accounted for \$6,722,007 or 19% of total revenues of \$35,975,039.
- ❑ The District had \$33,389,152 in expenses related to governmental activities; only \$5,034,623 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes) of \$29,253,032 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$27,130,613 in revenues and \$26,708,538 in expenditures. The general fund's fund balance increased from a balance of \$4,896,722 to an ending balance of \$5,311,960.
- ❑ Net assets of the enterprise fund decreased \$39,126.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These statements are as follows:

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

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

PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010*

Unaudited

Government-wide Statements

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

The two government-wide statements report the District's net assets and how they have changed. Net assets (the difference between the District's assets and liabilities) is one way to measure the District's financial health or position.

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

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

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

Fund Financial Statements

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

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

PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010*

Unaudited

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

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

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District's net assets for 2010 compared to 2009:

| | Governmental Activities | | Business-type Activities | | Total | |
|--|----------------------------|---------------------|-----------------------------|--------------------|---------------------|---------------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Current and other assets | \$29,904,762 | \$28,968,738 | \$1,080,648 | \$1,126,008 | \$30,985,410 | \$30,094,746 |
| Capital assets, Net | 25,969,693 | 26,096,588 | 327,699 | 314,533 | 26,297,392 | 26,411,121 |
| Total assets | <u>55,874,455</u> | <u>55,065,326</u> | <u>1,358,347</u> | <u>1,440,541</u> | <u>57,232,802</u> | <u>56,505,867</u> |
| Long-term Liabilities | 10,513,221 | 11,259,145 | 81,164 | 75,234 | 10,594,385 | 11,334,379 |
| Current and other liabilities | 16,234,842 | 15,578,292 | 147,905 | 161,179 | 16,382,747 | 15,739,471 |
| Total liabilities | <u>26,748,063</u> | <u>26,837,437</u> | <u>229,069</u> | <u>236,413</u> | <u>26,977,132</u> | <u>27,073,850</u> |
| Net assets | | | | | | |
| Invested in capital assets, net of related debt | 18,168,187 | 17,985,350 | 327,699 | 314,533 | 18,495,886 | 18,299,883 |
| Restricted | 3,587,583 | 2,820,965 | 0 | 0 | 3,587,583 | 2,820,965 |
| Unrestricted | <u>7,370,622</u> | <u>7,421,574</u> | <u>801,579</u> | <u>889,595</u> | <u>8,172,201</u> | <u>8,311,169</u> |
| Total net assets | <u>\$29,126,392</u> | <u>\$28,227,889</u> | <u>\$1,129,278</u> | <u>\$1,204,128</u> | <u>\$30,255,670</u> | <u>\$29,432,017</u> |

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PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010**

Unaudited

Changes in Net Assets – The following table shows the changes in net assets for the fiscal year 2010 compared to 2009:

| | Governmental Activities | | Business-type Activities | | Total | |
|---|----------------------------|---------------------|-----------------------------|--------------------|---------------------|---------------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Revenues | | | | | | |
| Program revenues: | | | | | | |
| Charges for Services and Sales | \$769,276 | \$669,049 | \$613,175 | \$685,399 | \$1,382,451 | \$1,354,448 |
| Operating Grants | 4,265,347 | 2,511,226 | 1,074,209 | 1,106,311 | 5,339,556 | 3,617,537 |
| Capital Grants | 0 | 46,110 | 0 | 0 | 0 | 46,110 |
| Total Program Revenues | <u>5,034,623</u> | <u>3,226,385</u> | <u>1,687,384</u> | <u>1,791,710</u> | <u>6,722,007</u> | <u>5,018,095</u> |
| General Revenues: | | | | | | |
| Property Taxes | 10,653,258 | 12,030,474 | 0 | 0 | 10,653,258 | 12,030,474 |
| Income Taxes | 4,494,674 | 3,382,521 | 0 | 0 | 4,494,674 | 3,382,521 |
| Intergovernmental, Unrestricted | 13,925,534 | 15,554,509 | 0 | 0 | 13,925,534 | 15,554,509 |
| Other | 179,566 | 547,259 | 0 | 0 | 179,566 | 547,259 |
| Total General Revenues | <u>29,253,032</u> | <u>31,514,763</u> | <u>0</u> | <u>0</u> | <u>29,253,032</u> | <u>31,514,763</u> |
| Total Revenues | <u>34,287,655</u> | <u>34,741,148</u> | <u>1,687,384</u> | <u>1,791,710</u> | <u>35,975,039</u> | <u>36,532,858</u> |
| Program Expenses | | | | | | |
| Instruction | 20,847,397 | 19,185,487 | 0 | 0 | 20,847,397 | 19,185,487 |
| Support Services: | | | | | | |
| Pupils | 1,526,170 | 1,563,984 | 0 | 0 | 1,526,170 | 1,563,984 |
| Instructional Staff | 2,064,970 | 1,954,338 | 0 | 0 | 2,064,970 | 1,954,338 |
| Board of Education | 29,714 | 32,189 | 0 | 0 | 29,714 | 32,189 |
| Administration | 2,377,327 | 2,330,316 | 0 | 0 | 2,377,327 | 2,330,316 |
| Fiscal Services | 400,031 | 382,588 | 0 | 0 | 400,031 | 382,588 |
| Business | 26,713 | 56,246 | 0 | 0 | 26,713 | 56,246 |
| Operation and Maintenance of Plant | 2,883,562 | 2,903,991 | 0 | 0 | 2,883,562 | 2,903,991 |
| Pupil Transportation | 1,432,056 | 1,262,006 | 0 | 0 | 1,432,056 | 1,262,006 |
| Central | 314,184 | 211,194 | 0 | 0 | 314,184 | 211,194 |
| Operation of Non-Instructional Services | 148,034 | 295,329 | 0 | 0 | 148,034 | 295,329 |
| Extracurricular Activities | 845,301 | 790,688 | 0 | 0 | 845,301 | 790,688 |
| Interest and Fiscal Charges | 493,693 | 552,623 | 0 | 0 | 493,693 | 552,623 |
| Food Service | 0 | 0 | 1,762,234 | 1,808,378 | 1,762,234 | 1,808,378 |
| Total Expenses | <u>33,389,152</u> | <u>31,520,979</u> | <u>1,762,234</u> | <u>1,808,378</u> | <u>35,151,386</u> | <u>33,329,357</u> |
| Change in Net Assets | 898,503 | 3,220,169 | (74,850) | (16,668) | 823,653 | 3,203,501 |
| Beginning Net Assets | <u>28,227,889</u> | <u>25,007,720</u> | <u>1,204,128</u> | <u>1,220,796</u> | <u>29,432,017</u> | <u>26,228,516</u> |
| Ending Net Assets | <u>\$29,126,392</u> | <u>\$28,227,889</u> | <u>\$1,129,278</u> | <u>\$1,204,128</u> | <u>\$30,255,670</u> | <u>\$29,432,017</u> |

Governmental Activities

Net assets of the District's governmental activities increased \$898,503. The receipt of federal stimulus money resulted in a substantial increase in operating grants as well as instructional expenses. A decrease in state foundation monies resulted in the decrease in unrestricted intergovernmental revenues. The decrease in property tax receipts can be attributed to the phase out of the tangible personal property tax.

PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010**

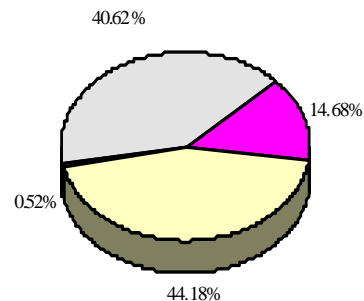
Unaudited

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

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

Property taxes and income taxes made up 31% and 13% respectively of revenues for governmental activities for Piqua City Schools in fiscal year 2010. The District's reliance upon tax revenues is demonstrated by the following graph indicating 44% of total revenues from general tax revenues:

| Revenue Sources | 2010 | Percent of Total |
|----------------------|---------------------|---------------------|
| General Grants | \$13,925,534 | 40.62% |
| Program Revenues | 5,034,623 | 14.68% |
| General Tax Revenues | 15,147,932 | 44.18% |
| General Other | 179,566 | 0.52% |
| Total Revenue | <u>\$34,287,655</u> | <u>100.00%</u> |



Business-Type Activities

Net assets of the business-type activities decreased \$74,850 or approximately 6%. These programs had revenues of \$1,687,384 and expenses of \$1,762,234 for fiscal year 2010. Business-type activities receive no support from tax revenues and remain self-supporting.

PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010*

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FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$9,060,280, which is above last year's total of \$8,260,597. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2010 and 2009.

| | Fund Balance June 30, 2010 | Fund Balance June 30, 2009 | Increase (Decrease) |
|-----------------------|-------------------------------|-------------------------------|------------------------|
| General | \$5,311,960 | \$4,896,722 | \$415,238 |
| Bond Retirement | 844,123 | 827,565 | 16,558 |
| Permanent Improvement | 1,943,323 | 1,774,632 | 168,691 |
| Other Governmental | 960,874 | 761,678 | 199,196 |
| Total | \$9,060,280 | \$8,260,597 | \$799,683 |

Bond Retirement Fund – The Bond Retirement Fund increased \$16,558 or approximately 2%. Revenues and expenditures remained consistent with the previous year.

Permanent Improvement Fund – The Permanent Improvement Fund reported an increase in fund balance of \$168,691, or approximately 10%. Revenues remained consistent with the previous year.

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

| | 2010 Revenues | 2009 Revenues | Increase (Decrease) |
|-----------------------------|------------------|------------------|------------------------|
| Taxes | \$13,373,851 | \$13,428,018 | (\$54,167) |
| Tuition | 3,625 | 5,030 | (1,405) |
| Transportation Fees | 49,100 | 37,192 | 11,908 |
| Investment Earnings | (171,472) | 94,815 | (266,287) |
| Class Materials and Fees | 128,420 | 135,222 | (6,802) |
| Intermediate Sources | 25,000 | 40,722 | (15,722) |
| Intergovernmental - State | 13,382,161 | 15,246,938 | (1,864,777) |
| Intergovernmental - Federal | 195,614 | 90,329 | 105,285 |
| All Other Revenue | 144,314 | 198,037 | (53,723) |
| Total | \$27,130,613 | \$29,276,303 | (\$2,145,690) |

PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010**

Unaudited

General Fund revenues in 2010 decreased approximately 7% when compared to revenues in fiscal year 2009. A decrease in state foundation monies resulted in the decrease in intergovernmental state revenues while overall economic conditions resulted in negative investment earnings.

| | 2010 Expenditures | 2009 Expenditures | Increase (Decrease) |
|----------------------------------|----------------------|----------------------|------------------------|
| Instruction | \$15,831,759 | \$15,509,967 | \$321,792 |
| Supporting Services: | | | |
| Pupils | 1,377,771 | 1,498,642 | (120,871) |
| Instructional Staff | 1,895,663 | 1,805,544 | 90,119 |
| Board of Education | 29,714 | 32,189 | (2,475) |
| Administration | 2,207,591 | 2,181,816 | 25,775 |
| Fiscal Services | 393,654 | 376,558 | 17,096 |
| Business | 30,502 | 54,058 | (23,556) |
| Operation & Maintenance of Plant | 2,840,859 | 2,836,612 | 4,247 |
| Pupil Transportation | 1,422,758 | 1,254,309 | 168,449 |
| Central | 303,857 | 211,219 | 92,638 |
| Extracurricular Activities | 334,994 | 321,541 | 13,453 |
| Principal Retirement | 38,801 | 124,274 | (85,473) |
| Interest and Fiscal Charges | 615 | 7,800 | (7,185) |
| Total | \$26,708,538 | \$26,214,529 | \$494,009 |

General fund expenditures remained stable when compared with the prior year, increasing \$494,009 or about 2%.

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

During the course of fiscal year 2010 the District amended its General Fund budget several times. Original budget basis revenue of \$28.2 million was greater than final estimates due to decreases in taxes and intergovernmental state revenues. Actual budget basis revenue of \$27.1 million was not significantly different from the final budget. Original budgeted, final budgeted and actual budget basis expenditures were not significantly different.

PIQUA CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010*

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2010 the School District had \$26,297,392 net of accumulated depreciation invested in land, buildings, improvements, equipment and vehicles. Of this total, \$25,969,693 was related to governmental activities and \$327,699 to the business-type activities. The following table shows fiscal year 2010 and 2009 balances:

| | Governmental Activities | | Increase (Decrease) |
|--------------------------------|----------------------------|--------------|------------------------|
| | 2010 | 2009 | |
| | Land | \$323,722 | \$323,722 |
| Land Improvements | 2,330,722 | 2,316,823 | 13,899 |
| Buildings and Improvements | 31,501,647 | 31,383,091 | 118,556 |
| Machinery and Equipment | 4,515,733 | 4,731,702 | (215,969) |
| Vehicles | 2,409,492 | 2,373,504 | 35,988 |
| Less: Accumulated Depreciation | (15,111,623) | (15,032,254) | (79,369) |
| Totals | \$25,969,693 | \$26,096,588 | (\$126,895) |

| | Business-Type Activities | | Increase (Decrease) |
|--------------------------------|-----------------------------|-----------|------------------------|
| | 2010 | 2009 | |
| | Machinery and Equipment | \$946,852 | \$906,967 |
| Less: Accumulated Depreciation | (619,153) | (592,434) | (26,719) |
| Totals | \$327,699 | \$314,533 | \$13,166 |

The disposal of computers contributed to the net decrease in machinery and equipment while the installation of new school roofs resulted in the increase in buildings and improvements in governmental activities. The increase in business-type activities capital assets can be attributed to the purchase of convection steamers. Additional information on the District's capital assets can be found in Note 7.

PIQUA CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010**

Unaudited

Debt

At June 30, 2010, the School District had \$8.3 million in bonds outstanding, \$710,000 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2010 and 2009:

| | <u>2010</u> | <u>2009</u> |
|-------------------------------|---------------------|---------------------|
| Governmental Activities: | | |
| General Obligation Bond: | | |
| School Improvement | \$0 | \$522,629 |
| School Improvement Refunding | 8,262,560 | 8,282,796 |
| Capital Leases Payable | 0 | 38,801 |
| Compensated Absences | 2,250,661 | 2,414,919 |
| Total Governmental Activities | <u>10,513,221</u> | <u>11,259,145</u> |
| Business-Type Activities: | | |
| Compensated Absences | 81,164 | 75,234 |
| Totals | <u>\$10,594,385</u> | <u>\$11,334,379</u> |

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2010, the School District's overall legal debt margin was below the legal limit. Additional information on the District's long-term debt can be found in Note 11.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Like most public school districts in Ohio, the Piqua City School District relies on its property and income taxes and state aide to provide the funds necessary to maintain its educational programs. In recent years residential growth in Piqua has been moderate, the economy of the community has been impacted by the closure of several key industries and the school district income tax has been effected by a stagnate economy. As a result, the school district has been forced to reduce costs and generate additional income. As the District headed into the 2007-2008 school year, costs were reduced by a major staff reduction resulting in savings of \$758,000 along with \$1.85 million of cuts effective on June 11, 2008. Additional income was generated by passage, on the third attempt in March of 2008, of a .75% increase to our current .50% income tax levy. This increase in the income tax takes 18 months to fully reach its potential. The slow down in the local, state and national economy has definitely made it more difficult to project in the short term. The Board of Education's willingness to confront difficult decisions regarding the instructional programs and staffing coupled with the community's willingness to provide additional funding has resulted in the stabilization of the District's financial condition. In order to maintain the District's commitment to a strong educational program, we asked our community to renew our expiring 5 year emergency levy on November 4, 2008. The approval of this levy renewal allows Piqua City Schools to maintain our Commitment to Excellence. The Board placed a renewal of its 5 year permanent improvement levy on the ballot on November 3, 2009. The community continued to show its support toward the District with the approval of both of these issues.

PIQUA CITY SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010***

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A challenge facing the District is the future of state funding. On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including a change in the school districts that are used as the basis for determining the base cost support amount and fully funding parity aid no later than the beginning of fiscal year 2004. In November 2001, the Court granted the state's motion for reconsideration but also ordered the parties to participate in a settlement conference with a court appointed mediator.

On March 21, 2002, the mediator issued his final report indicating that the conference was unable to produce a settlement. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..." As of the date of these financial statements, the District is unable to determine what effect, if any, the decision and the reconsideration will have on its future state funding and on its financial operations. The state foundation dollars are now flowing through a new formula. This formula is known by Ohio Evidence Based Model. At this point it is not fully funded due to the economic situation within the state of Ohio. Many of the professional organization feel at this point that it is a move in the right direction to satisfy the unconstitutionality of the prior funding formula. Currently, we are learning more and more detail to this new funding mechanism and the effects it has on Piqua City Schools. We are also beginning to see some coding changes come about from this funding formula change. This constitutes the beginning of making sure that we as a District are spending the state funds according to how the new funding formula was laid out.

In conclusion, the Piqua City School District has committed itself to financial excellence for many years.

REQUESTS FOR INFORMATION

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

PIQUA CITY SCHOOL DISTRICT

Statement of Net Assets
June 30, 2010

| | Primary Government | | | Component Unit |
|---|----------------------------|-----------------------------|----------------------|----------------------------------|
| | Governmental Activities | Business-Type Activities | Total | Piqua Education Foundation |
| Assets: | | | | |
| Cash and Cash Equivalents | \$ 11,085,954 | \$ 684,584 | \$ 11,770,538 | \$ 58,224 |
| Investments | 2,937,875 | 0 | 2,937,875 | 2,374,388 |
| Receivables: | | | | |
| Taxes | 15,581,452 | 0 | 15,581,452 | 0 |
| Accounts | 48,455 | 48 | 48,503 | 14,520 |
| Intergovernmental | 123,934 | 0 | 123,934 | 0 |
| Interest | 2,317 | 0 | 2,317 | 0 |
| Internal Balance | (315,199) | 315,199 | 0 | 0 |
| Inventory of Supplies at Cost | 16,451 | 30,817 | 47,268 | 0 |
| Restricted Assets: | | | | |
| Cash and Cash Equivalents | 346,249 | 0 | 346,249 | 269,054 |
| Cash with Fiscal Agent | 762 | 0 | 762 | 0 |
| Unamortized Bond Issuance Cost | 76,512 | 0 | 76,512 | 0 |
| Non-Depreciable Capital Assets | 323,722 | 0 | 323,722 | 0 |
| Depreciable Capital Assets, Net | 25,645,971 | 327,699 | 25,973,670 | 0 |
| Total Assets | 55,874,455 | 1,358,347 | 57,232,802 | 2,716,186 |
| Liabilities: | | | | |
| Accounts Payable | 323,928 | 996 | 324,924 | 8,184 |
| Accrued Wages and Benefits | 3,012,628 | 77,949 | 3,090,577 | 3,362 |
| Intergovernmental Payable | 661,327 | 68,960 | 730,287 | 0 |
| Scholarships Payable | 0 | 0 | 0 | 219,500 |
| Matured Bonds and Interest Payable | 762 | 0 | 762 | 0 |
| Unearned Revenue | 12,210,312 | 0 | 12,210,312 | 1,689 |
| Accrued Interest Payable | 25,885 | 0 | 25,885 | 0 |
| Long Term Liabilities: | | | | |
| Due Within One Year | 1,346,822 | 1,823 | 1,348,645 | 0 |
| Due in More Than One Year | 9,166,399 | 79,341 | 9,245,740 | 0 |
| Total Liabilities | 26,748,063 | 229,069 | 26,977,132 | 232,735 |
| Net Assets: | | | | |
| Invested in Capital Assets, Net of Related Debt | 18,168,187 | 327,699 | 18,495,886 | 0 |
| Restricted For: | | | | |
| Capital Projects | 2,082,762 | 0 | 2,082,762 | 0 |
| Debt Service | 857,711 | 0 | 857,711 | 0 |
| Other Purposes | 580,141 | 0 | 580,141 | 0 |
| Permanent Fund: | | | | |
| Expendable | 23,050 | 0 | 23,050 | 0 |
| Nonexpendable | 43,919 | 0 | 43,919 | 0 |
| Unrestricted | 7,370,622 | 801,579 | 8,172,201 | 2,483,451 |
| Total Net Assets | \$ 29,126,392 | \$ 1,129,278 | \$ 30,255,670 | \$ 2,483,451 |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Activities For the Fiscal Year Ended June 30, 2010

| | Expenses | Program Revenues | |
|---|----------------------|--------------------------------------|--|
| | | Charges for Services and Sales | Operating Grants and Contributions |
| Governmental Activities: | | | |
| Instruction | \$ 20,847,397 | \$ 294,387 | \$ 3,600,080 |
| Support Services: | | | |
| Pupils | 1,526,170 | 124 | 102,336 |
| Instructional Staff | 2,064,970 | 0 | 122,481 |
| Board of Education | 29,714 | 0 | 0 |
| Administration | 2,377,327 | 0 | 17,612 |
| Fiscal Services | 400,031 | 0 | 0 |
| Business | 26,713 | 0 | 0 |
| Operation and Maintenance of Plant | 2,883,562 | 0 | 0 |
| Pupil Transportation | 1,432,056 | 49,100 | 207,323 |
| Central | 314,184 | 0 | 8,240 |
| Operation of Non-Instructional Services | 148,034 | 0 | 207,275 |
| Extracurricular Activities | 845,301 | 425,665 | 0 |
| Interest and Fiscal Charges | 493,693 | 0 | 0 |
| Total Governmental Activities | <u>33,389,152</u> | <u>769,276</u> | <u>4,265,347</u> |
| Business-Type Activities: | | | |
| Food Service | 1,762,234 | 613,175 | 1,074,209 |
| Total Business-Type Activities | <u>1,762,234</u> | <u>613,175</u> | <u>1,074,209</u> |
| Total Primary Government | <u>\$ 35,151,386</u> | <u>\$ 1,382,451</u> | <u>\$ 5,339,556</u> |
| Component Unit: | | | |
| Piqua Education Foundation | \$ 237,220 | \$ 0 | \$ 0 |
| Total Component Unit | <u>\$ 237,220</u> | <u>\$ 0</u> | <u>\$ 0</u> |

General Revenues

Taxes:

Property Taxes levied for: General Purposes

Property Taxes levied for: Debt Service

Property Taxes levied for: Capital Outlay

Income Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

| Net (Expense) Revenue and Changes in Net Assets | | | Component Unit |
|--|-----------------------------|----------------------|----------------------------------|
| Governmental Activities | Business-Type Activities | Total | Piqua Education Foundation |
| \$ (16,952,930) | \$ 0 | \$ (16,952,930) | |
| (1,423,710) | 0 | (1,423,710) | |
| (1,942,489) | 0 | (1,942,489) | |
| (29,714) | 0 | (29,714) | |
| (2,359,715) | 0 | (2,359,715) | |
| (400,031) | 0 | (400,031) | |
| (26,713) | 0 | (26,713) | |
| (2,883,562) | 0 | (2,883,562) | |
| (1,175,633) | 0 | (1,175,633) | |
| (305,944) | 0 | (305,944) | |
| 59,241 | 0 | 59,241 | |
| (419,636) | 0 | (419,636) | |
| <u>(493,693)</u> | <u>0</u> | <u>(493,693)</u> | |
| <u>(28,354,529)</u> | <u>0</u> | <u>(28,354,529)</u> | |
| <u>0</u> | <u>(74,850)</u> | <u>(74,850)</u> | |
| <u>0</u> | <u>(74,850)</u> | <u>(74,850)</u> | |
| <u>(28,354,529)</u> | <u>(74,850)</u> | <u>(28,429,379)</u> | |
| | | | <u>\$ (237,220)</u> |
| | | | <u>(237,220)</u> |
| 8,884,069 | 0 | 8,884,069 | 0 |
| 840,002 | 0 | 840,002 | 0 |
| 929,187 | 0 | 929,187 | 0 |
| 4,494,674 | 0 | 4,494,674 | 0 |
| 13,925,534 | 0 | 13,925,534 | 0 |
| (134,954) | 0 | (134,954) | 181,785 |
| <u>314,520</u> | <u>0</u> | <u>314,520</u> | <u>309,669</u> |
| <u>29,253,032</u> | <u>0</u> | <u>29,253,032</u> | <u>491,454</u> |
| 898,503 | (74,850) | 823,653 | 254,234 |
| <u>28,227,889</u> | <u>1,204,128</u> | <u>29,432,017</u> | <u>2,229,217</u> |
| <u>\$ 29,126,392</u> | <u>\$ 1,129,278</u> | <u>\$ 30,255,670</u> | <u>\$ 2,483,451</u> |

PIQUA CITY SCHOOL DISTRICT

Balance Sheet Governmental Funds June 30, 2010

| | General | Bond Retirement | Permanent Improvement | Other Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------|--------------------------|--------------------------------|--------------------------------|
| Assets: | | | | | |
| Cash and Cash Equivalents | \$ 3,056,910 | \$ 759,379 | \$ 1,962,922 | \$ 1,273,093 | \$ 7,052,304 |
| Investments | 2,937,875 | 0 | 0 | 0 | 2,937,875 |
| Receivables: | | | | | |
| Taxes | 13,389,282 | 1,038,439 | 1,153,731 | 0 | 15,581,452 |
| Accounts | 48,178 | 0 | 0 | 277 | 48,455 |
| Intergovernmental | 3,524 | 0 | 0 | 120,410 | 123,934 |
| Interest | 2,317 | 0 | 0 | 0 | 2,317 |
| Interfund Loans Receivable | 2,823 | 0 | 0 | 0 | 2,823 |
| Inventory of Supplies at Cost | 16,451 | 0 | 0 | 0 | 16,451 |
| Restricted Assets: | | | | | |
| Cash and Cash Equivalents | 346,249 | 0 | 0 | 0 | 346,249 |
| Cash with Fiscal Agent | 0 | 762 | 0 | 0 | 762 |
| Total Assets | \$ 19,803,609 | \$ 1,798,580 | \$ 3,116,653 | \$ 1,393,780 | \$ 26,112,622 |
| Liabilities: | | | | | |
| Accounts Payable | \$ 148,314 | \$ 0 | \$ 112,803 | \$ 62,811 | \$ 323,928 |
| Accrued Wages and Benefits | 2,780,761 | 0 | 0 | 231,867 | 3,012,628 |
| Intergovernmental Payable | 625,212 | 0 | 0 | 36,115 | 661,327 |
| Matured Bonds and Interest Payable | 0 | 762 | 0 | 0 | 762 |
| Interfund Loans Payable | 0 | 0 | 0 | 2,823 | 2,823 |
| Deferred Revenue - Taxes | 10,850,798 | 953,695 | 1,060,527 | 0 | 12,865,020 |
| Deferred Revenue | 0 | 0 | 0 | 99,290 | 99,290 |
| Compensated Absences Payable | 86,564 | 0 | 0 | 0 | 86,564 |
| Total Liabilities | 14,491,649 | 954,457 | 1,173,330 | 432,906 | 17,052,342 |
| Fund Balance: | | | | | |
| Reserved for Encumbrances | 498,873 | 0 | 101,593 | 189,579 | 790,045 |
| Reserved for Supplies Inventory | 16,451 | 0 | 0 | 0 | 16,451 |
| Reserved for Debt Service | 0 | 766,955 | 0 | 0 | 766,955 |
| Reserved for Property Taxes | 805,255 | 77,168 | 84,769 | 0 | 967,192 |
| Reserved for Endowments | 0 | 0 | 0 | 65,969 | 65,969 |
| Textbooks and Instructional Supplies | 346,249 | 0 | 0 | 0 | 346,249 |
| Unreserved, Undesignated in: | | | | | |
| General Fund | 3,645,132 | 0 | 0 | 0 | 3,645,132 |
| Special Revenue Funds | 0 | 0 | 0 | 611,216 | 611,216 |
| Capital Projects Funds | 0 | 0 | 1,756,961 | 94,110 | 1,851,071 |
| Total Fund Balance | 5,311,960 | 844,123 | 1,943,323 | 960,874 | 9,060,280 |
| Total Liabilities and Fund Balance | \$ 19,803,609 | \$ 1,798,580 | \$ 3,116,653 | \$ 1,393,780 | \$ 26,112,622 |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

***Reconciliation Of Total Governmental Fund Balances
To Net Assets Of Governmental Activities
June 30, 2010***

| | | |
|---|-----------------------------|------------------------------------|
| Total Governmental Fund Balances | | \$ 9,060,280 |
| <i>Amounts reported for governmental activities in the statement of net assets are different because</i> | | |
| Capital Assets used in governmental activities are not resources and therefore are not reported in the funds. | | 25,969,693 |
| Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds. | | 753,998 |
| Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. | | 3,718,451 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. | | |
| General Obligation Bonds Payable | (8,183,473) | |
| Deferred Loss on Early Retirement of Debt | 381,967 | |
| Unamortized Bond Issuance Cost | 76,512 | |
| Interest Accretion on Capital Appreciation Bonds | (461,054) | |
| Compensated Absences Payable | (2,164,097) | |
| Accrued Interest Payable | (25,885) | |
| | <u> </u> | <u>(10,376,030)</u> |
| <i>Net Assets of Governmental Activities</i> | | <u><u>\$ 29,126,392</u></u> |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Fiscal Year Ended June 30, 2010

| | General | Bond Retirement | Permanent Improvement | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|-------------------|--------------------------|--------------------------------|--------------------------------|
| Revenues: | | | | | |
| Local Sources: | | | | | |
| Taxes | \$ 13,373,851 | \$ 839,398 | \$ 928,894 | \$ 0 | \$ 15,142,143 |
| Tuition | 3,625 | 0 | 0 | 0 | 3,625 |
| Transportation Fees | 49,100 | 0 | 0 | 0 | 49,100 |
| Investment Earnings | (171,472) | 996 | 2,917 | 1,595 | (165,964) |
| Extracurricular Activities | 0 | 0 | 0 | 588,007 | 588,007 |
| Class Materials and Fees | 128,420 | 0 | 0 | 0 | 128,420 |
| Intermediate Sources | 25,000 | 0 | 0 | 21,692 | 46,692 |
| Intergovernmental - State | 13,382,161 | 203,969 | 292,712 | 172,714 | 14,051,556 |
| Intergovernmental - Federal | 195,614 | 0 | 0 | 3,797,729 | 3,993,343 |
| All Other Revenue | 144,314 | 0 | 0 | 170,206 | 314,520 |
| Total Revenue | 27,130,613 | 1,044,363 | 1,224,523 | 4,751,943 | 34,151,442 |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction | 15,831,759 | 0 | 564,985 | 3,472,995 | 19,869,739 |
| Supporting Services: | | | | | |
| Pupils | 1,377,771 | 0 | 0 | 97,054 | 1,474,825 |
| Instructional Staff | 1,895,663 | 0 | 0 | 104,201 | 1,999,864 |
| Board of Education | 29,714 | 0 | 0 | 0 | 29,714 |
| Administration | 2,207,591 | 0 | 12,332 | 38,123 | 2,258,046 |
| Fiscal Services | 393,654 | 0 | 0 | 0 | 393,654 |
| Business | 30,502 | 0 | 0 | 0 | 30,502 |
| Operation and Maintenance of Plant | 2,840,859 | 0 | 2,154 | 30,194 | 2,873,207 |
| Pupil Transportation | 1,422,758 | 0 | 38,745 | 176,560 | 1,638,063 |
| Central | 303,857 | 0 | 0 | 10,050 | 313,907 |
| Operation of Non-Instructional Services | 0 | 0 | 0 | 165,805 | 165,805 |
| Extracurricular Activities | 334,994 | 0 | 0 | 457,765 | 792,759 |
| Capital Outlay | 0 | 0 | 437,616 | 0 | 437,616 |
| Debt Service: | | | | | |
| Principal Retirement | 38,801 | 715,000 | 0 | 0 | 753,801 |
| Interest and Fiscal Charges | 615 | 312,805 | 0 | 0 | 313,420 |
| Total Expenditures | 26,708,538 | 1,027,805 | 1,055,832 | 4,552,747 | 33,344,922 |
| Net Change in Fund Balance | 422,075 | 16,558 | 168,691 | 199,196 | 806,520 |
| Fund Balance at Beginning of Year | 4,896,722 | 827,565 | 1,774,632 | 761,678 | 8,260,597 |
| Decrease in Inventory Reserve | (6,837) | 0 | 0 | 0 | (6,837) |
| Fund Balance End of Year | \$ 5,311,960 | \$ 844,123 | \$ 1,943,323 | \$ 960,874 | \$ 9,060,280 |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For The Fiscal Year Ended June 30, 2010***

| | |
|--|--------------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ 806,520 |
| <i>Amounts reported for governmental activities in the statement of activities are different because</i> | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. | (116,922) |
| Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets net of proceeds received. | (9,973) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | 105,079 |
| The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. | 573,164 |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. | 364 |
| Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. | (25,046) |
| The internal service funds are used by management to charge the costs of services to individual funds and is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. | (434,683) |
| <i>Change in Net Assets of Governmental Activities</i> | <u>\$ 898,503</u> |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

***Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2010***

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|---------------|---------------|---|
| Revenues: | | | | |
| Local Sources: | | | | |
| Taxes | \$ 13,543,543 | \$ 12,955,895 | \$ 12,955,895 | \$ 0 |
| Tuition | 3,789 | 3,625 | 3,625 | 0 |
| Transportation Fees | 35,608 | 34,063 | 45,682 | 11,619 |
| Investment Earnings | 23,815 | 22,782 | 23,445 | 663 |
| Class Material and Fees | 134,006 | 128,192 | 128,152 | (40) |
| Intermediate Sources | 26,134 | 25,000 | 25,000 | 0 |
| Intergovernmental - State | 14,120,026 | 13,507,365 | 13,574,860 | 67,495 |
| Intergovernmental - Federal | 204,487 | 195,614 | 195,614 | 0 |
| All Other Revenues | 147,459 | 141,061 | 141,061 | 0 |
| Total Revenues | 28,238,867 | 27,013,597 | 27,093,334 | 79,737 |
| Expenditures: | | | | |
| Current: | | | | |
| Instructional Services: | | | | |
| Regular | 12,451,315 | 12,824,518 | 12,557,285 | 267,233 |
| Special | 3,685,211 | 3,620,821 | 3,593,103 | 27,718 |
| Other | 74,002 | 68,632 | 66,479 | 2,153 |
| Support Services: | | | | |
| Pupils | 1,364,901 | 1,416,579 | 1,409,912 | 6,667 |
| Instructional Staff | 1,962,810 | 1,862,860 | 1,839,975 | 22,885 |
| Board of Education | 19,372 | 31,983 | 30,862 | 1,121 |
| Administration | 2,403,341 | 2,263,366 | 2,276,103 | (12,737) |
| Fiscal Services | 405,359 | 384,107 | 384,571 | (464) |
| Business | 55,156 | 35,671 | 35,525 | 146 |
| Operation and Maintenance of Plant | 2,733,433 | 3,148,411 | 3,155,545 | (7,134) |
| Pupil Transportation | 1,241,955 | 1,425,418 | 1,425,674 | (256) |
| Central | 205,155 | 283,706 | 283,736 | (30) |
| Extracurricular Activities | 480,736 | 335,210 | 334,960 | 250 |
| Total Expenditures | 27,082,746 | 27,701,282 | 27,393,730 | 307,552 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,156,121 | (687,685) | (300,396) | 387,289 |

PIQUA CITY SCHOOL DISTRICT

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|--------------|--------------|---|
| Other Financing Sources (Uses): | | | | |
| Advances Out | (2,823) | (2,823) | (2,823) | 0 |
| Refund of Prior Year's Expenditures | 81,888 | 81,888 | 81,888 | 0 |
| Refund of Prior Year's Receipts | (150,000) | (192,750) | (192,699) | 51 |
| Total Other Financing Sources (Uses): | (70,935) | (113,685) | (113,634) | 51 |
| Net Change in Fund Balance | 1,085,186 | (801,370) | (414,030) | 387,340 |
| Fund Balance at Beginning of Year | 5,371,512 | 5,371,512 | 5,371,512 | 0 |
| Prior Year Encumbrances | 729,853 | 729,853 | 729,853 | 0 |
| Fund Balance at End of Year | \$ 7,186,551 | \$ 5,299,995 | \$ 5,687,335 | \$ 387,340 |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Net Assets
Proprietary Funds
June 30, 2010

| | Business-Type Activities | Governmental Activities - |
|---|---------------------------------|------------------------------|
| | Enterprise Fund Food Service | Internal Service Funds |
| Assets: | | |
| <i>Current Assets:</i> | | |
| Cash and Cash Equivalents | \$ 684,584 | \$ 4,033,650 |
| Receivables: | | |
| Accounts | 48 | 0 |
| Inventory of Supplies at Cost | 30,817 | 0 |
| <i>Total Current Assets</i> | 715,449 | 4,033,650 |
| <i>Non Current Assets:</i> | | |
| Capital Assets, Net | 327,699 | 0 |
| Total Assets | 1,043,148 | 4,033,650 |
| Liabilities: | | |
| <i>Current Liabilities:</i> | | |
| Accounts Payable | 996 | 0 |
| Accrued Wages and Benefits | 77,949 | 0 |
| Intergovernmental Payable | 68,960 | 0 |
| Compensated Absences - Current | 1,823 | 0 |
| <i>Total Current Liabilities</i> | 149,728 | 0 |
| <i>Long Term Liabilities:</i> | | |
| Compensated Absences Payable | 79,341 | 0 |
| Total Liabilities | 229,069 | 0 |
| Net Assets: | | |
| Invested in Capital Assets | 327,699 | 0 |
| Unrestricted | 486,380 | 4,033,650 |
| Total Net Assets | \$ 814,079 | \$ 4,033,650 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | 315,199 | |
| Net Assets of Business-type Activities | \$ 1,129,278 | |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

**Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2010**

| | Business-Type Activities | Governmental Activities - |
|---|---------------------------------|------------------------------|
| | Enterprise Fund Food Service | Internal Service Funds |
| Operating Revenues: | | |
| Sales | \$ 611,904 | \$ 0 |
| Total Operating Revenues | <u>611,904</u> | <u>0</u> |
| Operating Expenses: | | |
| Salaries and Wages | 604,234 | 0 |
| Fringe Benefits | 248,367 | 501,541 |
| Contractual Services | 32,395 | 0 |
| Supplies and Materials | 809,945 | 0 |
| Depreciation | 28,857 | 0 |
| Total Operating Expenses | <u>1,723,798</u> | <u>501,541</u> |
| Operating Loss | (1,111,894) | (501,541) |
| Nonoperating Revenue (Expenses): | | |
| Operating Grants | 1,074,209 | 0 |
| Investment Earnings | 1,271 | 31,134 |
| Loss on Disposal of Capital Assets | (2,712) | 0 |
| Total Nonoperating Revenues (Expenses) | <u>1,072,768</u> | <u>31,134</u> |
| Change in Net Assets | (39,126) | (470,407) |
| Net Assets Beginning of Year | 853,205 | 4,504,057 |
| Net Assets End of Year | <u>\$ 814,079</u> | <u>\$ 4,033,650</u> |
| Change in Net Assets - Total Enterprise Funds | <u>(39,126)</u> | |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | <u>(35,724)</u> | |
| Change in Net Assets - Total Business-type Activities | <u>\$ (74,850)</u> | |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2010

| | Business-Type Activities | Governmental Activities |
|--|-----------------------------|----------------------------|
| | Enterprise Funds | Internal |
| | Food Service | Service Fund |
| <u>Cash Flows from Operating Activities:</u> | | |
| Cash Received from Customers | \$611,856 | \$0 |
| Cash Payments for Goods and Services | (678,949) | 0 |
| Cash Payments to Employees for Services and Benefits | (860,514) | (501,541) |
| Net Cash Used by Operating Activities | (927,607) | (501,541) |
| <u>Cash Flows from Noncapital Financing Activities:</u> | | |
| Operating Grants Received | 909,679 | 0 |
| Net Cash Provided by Noncapital Financing Activities | 909,679 | 0 |
| <u>Cash Flows from Capital and Related Financing Activities:</u> | | |
| Acquisition of Equipment | (44,735) | 0 |
| Net Cash Used by Capital and Related Financing Activities | (44,735) | 0 |
| <u>Cash Flows from Investing Activities:</u> | | |
| Receipts of Interest | 1,271 | 31,134 |
| Net Cash Provided by Investing Activities | 1,271 | 31,134 |
| Net Decrease in Cash and Cash Equivalents | (61,392) | (470,407) |
| Cash and Cash Equivalents at Beginning of Year | 745,976 | 4,504,057 |
| Cash and Cash Equivalents at End of Year | \$684,584 | \$4,033,650 |
| <u>Reconciliation of Operating Loss to Net Cash</u> | | |
| <u>Used by Operating Activities:</u> | | |
| Operating Loss | (\$1,111,894) | (\$501,541) |
| Adjustments to Reconcile Operating Loss to | | |
| Net Cash Used by Operating Activities: | | |
| Depreciation Expense | 28,857 | 0 |
| Donated Commodities Used During the Year | 164,530 | 0 |
| Changes in Assets and Liabilities: | | |
| Increase in Accounts Receivable | (48) | 0 |
| Increase in Inventory | (1,708) | 0 |
| Increase in Accounts Payable | 894 | 0 |
| Decrease in Accrued Wages and Benefits | (270) | 0 |
| Decrease in Intergovernmental Payables | (13,898) | 0 |
| Increase in Compensated Absences | 5,930 | 0 |
| Total Adjustments | 184,287 | 0 |
| Net Cash Used by Operating Activities | (\$927,607) | (\$501,541) |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Net Assets
Fiduciary Funds
June 30, 2010

| | Private Purpose Trust | |
|---------------------------|--------------------------|---------------|
| | Special Trust | Agency |
| | Fund | |
| Assets: | | |
| Cash and Cash Equivalents | \$ 303,456 | \$ 39,669 |
| Investments | 110,905 | 0 |
| Total Assets | <u>414,361</u> | <u>39,669</u> |
| Liabilities: | | |
| Accounts Payable | 1,183 | 0 |
| Due to Students | 0 | 39,669 |
| Total Liabilities | <u>1,183</u> | <u>39,669</u> |
| Net Assets: | | |
| Unrestricted | 413,178 | 0 |
| Total Net Assets | <u>\$ 413,178</u> | <u>\$ 0</u> |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Statement of Changes in Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2010

| | Private Purpose Trust |
|---|-------------------------------|
| | <u>Special Trust Fund</u> |
| Additions: | |
| Contributions: | |
| Sales | \$ 215 |
| Private Donations | <u>6,371</u> |
| Total Contributions | <u>6,586</u> |
| Investment Earnings: | |
| Interest | 5,150 |
| Net Increase in the Fair Value of Investments | <u>46,835</u> |
| Total Investment Earnings | <u>51,985</u> |
| Total Additions | <u>58,571</u> |
| Deductions: | |
| Administrative Expenses | 760 |
| Community Gifts, Awards and Scholarships | <u>26,113</u> |
| Total Deductions | <u>26,873</u> |
| Change in Net Assets | 31,698 |
| Net Assets at Beginning of Year | <u>381,480</u> |
| Net Assets End of Year | <u>\$ 413,178</u> |

See accompanying notes to the basic financial statements

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 139 noncertified and approximately 222 certified teaching personnel and administrative employees providing education to 3,692 students.

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

The District is a member of the Metropolitan Dayton Educational Cooperative Association, the Southwestern Ohio Educational Purchasing Council, the Southwestern Ohio Instructional Technology Association, the Upper Valley Joint Vocational School, and the Educational Regional Service System Region 10. All of the aforementioned entities are jointly governed organizations that provide various services to member school districts, see Note 14 "Jointly Governed Organizations." Sometimes a government may appoint the voting majority of board members for another entity without establishing a bond of financial accountability with that entity that would justify its inclusion as a component unit. Generally accepted accounting principles refer to entities that meet this description as related organizations. The Piqua Public Library was determined to be a related organization, see Note 15.

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discretely Presented Component Unit - The component unit column in the government-wide financial statements includes the financial data of the District's component unit. It is reported in a separate column to emphasize that it is legally separate from the District. The Piqua Education Foundation is a legally separate, non-profit community organization whose purpose is exclusively educational and charitable and whose charge is to secure and distribute contributions from individuals, corporations and foundations for the benefit of the students in the Piqua City Schools. Financial information can be obtained from Sam Robinson, Treasurer, 326 N. Wayne Street, Piqua, Ohio 45356.

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

B. Basis of Presentation - Fund Accounting

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

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

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

Bond Retirement Fund - This fund is used for the accumulation of resources for, and the payment of, long-term debt principal and interest.

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

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

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

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

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

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

C. Basis of Presentation – Financial Statements

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. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. Other interfund services provided and used are not eliminated. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

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

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

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

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

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

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

Current property taxes measurable at June 30, 2010, and which are not intended to finance fiscal year 2010 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2010 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

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

Pursuant to GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The District has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

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

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

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

E. Budgetary Process

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

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

1. Tax Budget

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement as final budget reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2010.

3. Appropriations

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

4. Lapsing of Appropriations

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Basis of Budgeting

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

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

| | Net Change in Fund Balance |
|--|----------------------------|
| | <u>General Fund</u> |
| GAAP Basis (as reported) | \$422,075 |
| Increase (Decrease): | |
| Accrued Revenues at June 30, 2010, received during FY 2011 | (2,310,465) |
| Accrued Revenues at June 30, 2009, received during FY 2010 | 2,355,074 |
| Accrued Expenditures at June 30, 2010, paid during FY 2011 | 3,328,458 |
| Accrued Expenditures at June 30, 2009, paid during FY 2010 | (3,583,005) |
| Encumbrances Outstanding | <u>(626,167)</u> |
| Budget Basis | <u><u>(\$414,030)</u></u> |

F. Cash and Cash Equivalents

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

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 4, "Cash, Cash Equivalents and Investments."

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District reports its investments at fair value, except for nonparticipating investment contracts (certificates of deposit) which are reported at cost. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments."

H. Inventory

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

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

I. Capital Assets and Depreciation

Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life threshold of five or more years.

1. Property, Plant and Equipment - Governmental Activities

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

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

PIQUA CITY SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets and Depreciation (Continued)

2. Property, Plant and Equipment – Business Type Activities

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

3. Depreciation

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

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

J. Long-Term Obligations

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

| <u>Obligation</u> | <u>Fund</u> |
|-------------------------|--|
| General Obligation Bond | Debt Service Fund |
| Capital Leases | General Fund |
| Compensated Absences | General Fund, Title I Fund, Food Services Fund |

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Compensated Absences

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation benefits are accrued as a liability when an employee's right to receive compensation is attributable to services already rendered, and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Administrators and classified staff who work twelve month contracts are granted vacation leave based on length of service and position. Sick leave benefits are accrued as a liability using the vesting method. Employees may earn 15 days of sick leave per year up to a maximum of 270 days. Upon retirement, employees will receive twenty-five percent of the accumulated sick leave up to a maximum of 67.5 days. The employees are also eligible to receive payment for "earned days", one additional day of pay for each fiscal year the employee has perfect attendance. The payment for these "earned days" are in addition to the maximum of 67.5 days. Employees who retire at the end of the year in which they reach a total of thirty years with the state retirement system will receive a bonus equal to 23% of their base salary. The aforementioned severance is added to the bonus and paid over three years. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. In the government wide statement of net assets, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

L. Net 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. Net assets restricted for other purposes represents balances in special revenue funds which are restricted in use per grant agreement.

Of the District's \$3,587,583 in restricted net assets, none is restricted by enabling legislation.

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Pensions

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

N. Interfund Activity

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

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

O. Restricted Assets

Restricted assets in the debt service fund represent cash and cash equivalents set aside for outstanding bonds and coupons not yet redeemed. Amounts in the general fund are set aside to establish reserves for textbooks. The textbook reserves are required by state statute.

P. Reservations of Fund Balance

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for debt service, endowments, supplies, property taxes, textbooks and instructional supplies, and encumbered amounts which have not been accrued at year end. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles, but not available for appropriation under State statute.

Q. Estimates

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Operating Revenues and Expenses

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

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during fiscal year 2010.

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

Fund Deficits - The fund deficits at June 30, 2010 of \$69,787 in the Title I Fund, \$8,469 in the Poverty Based Assistance Fund, and \$39,425 in the Title II-A Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

Contrary to Ohio Revised Code Section 5705.41 (D), the District did not always certify funds prior to commitment.

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PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

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

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

| | |
|----------------------|--------------------|
| Capital Outlay | \$773,656 |
| Depreciation Expense | (890,578) |
| | <u>(\$116,922)</u> |

Amount of loss on disposal of capital assets net of proceeds received:

| | |
|-----------------------------------|-----------|
| Loss on Disposal of Capital Asset | (\$9,973) |
| Proceeds Received | <u>0</u> |
| | (\$9,973) |

Governmental revenues not reported in the funds:

| | |
|------------------------------------|---------------|
| Increase in Delinquent Tax Revenue | \$5,789 |
| Increase in Grants Receivable | <u>99,290</u> |
| | \$105,079 |

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

| | |
|--|------------------|
| Bond Principal Payment | \$262,428 |
| Capital Lease Payment | 38,801 |
| Deferred Loss on Early Retirement of Debt | (42,440) |
| Deferred Bond Issuance Cost | (8,502) |
| Bond Premium Amortization | 50,943 |
| Reduction in Accreted Interest | 452,572 |
| Interest Accretion on Capital Appreciation Bonds | <u>(180,638)</u> |
| | \$573,164 |

Expenses not requiring the use of current financial resources:

| | |
|--|----------------|
| Increase in Compensated Absences Payable | (\$18,209) |
| Decrease in Supplies Inventory | <u>(6,837)</u> |
| | (\$25,046) |

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010**

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Deposits

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

At fiscal year end the carrying amount of the District's deposits was \$13,321,635 and the bank balance was \$13,583,984. Federal depository insurance covered \$4,675,894 of the bank balance and \$8,908,090 was collateralized by the financial institutions' public entity deposit pools in the manner described above.

B. Investments

The District's investments at June 30, 2010 were as follows:

| | Fair Value | Credit Rating | Investment Maturities (in Years) | | |
|-------------------|--------------------|--------------------|----------------------------------|--------------------|----------------------|
| | | | less than 1 | 1-3 | 3-5 |
| Common Stocks | \$110,905 | N/A | \$110,905 | \$0 | \$0 |
| FNMA | 1,074,254 | AAA ^{1,2} | 0 | 698,409 | 375,845 ^a |
| FHLB | 501,250 | AAA ^{1,2} | 200,688 | 200,562 | 100,000 |
| FHLMC | 501,410 | AAA ^{1,2} | 0 | 250,162 | 251,248 |
| Total Investments | <u>\$2,187,819</u> | | <u>\$311,593</u> | <u>\$1,149,133</u> | <u>\$727,093</u> |

¹ Standard & Poor's

² Moody's Investor Service

^a Call Option – Beginning August 2010 and thereafter.

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments (Continued)

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

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

Concentration of Credit Risk – The District places no limit on the amount the District may invest in one issuer. Of the District’s total investments, 49.1% are FNMA, 22.9% are FHLB, 22.9% are FHLMC and 5.1% is common stock.

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

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

| | <u>Cash and Cash Equivalents</u> | <u>Investments</u> |
|--|--------------------------------------|---------------------------|
| Per Financial Statements | \$12,460,674 | \$3,048,780 |
| Certificates of Deposit (with maturities of more than 3 months) | <u>860,961</u> | <u>(860,961)</u> |
| Per GASB Statement No. 3 | <u><u>\$13,321,635</u></u> | <u><u>\$2,187,819</u></u> |

D. Component Unit

At fiscal year end, the carrying amount of the Piqua Education Foundation’s (component unit) deposits was \$58,224 and the bank balance was \$61,386. Federal depository insurance covered all of the bank balance.

The Piqua Education Foundation has no formal policy which addresses the depository and investment risks identified in parts A and B of this note.

PIQUA CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010**

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

D. Component Unit (Continued)

The Piqua Education Foundation's investments (component unit) at June 30, 2010 were as follows:

| | Fair Value | Credit Rating | Investment Maturities (in Years) | | |
|-------------------|--------------------|-------------------|----------------------------------|-----------------|-----------------|
| | | | less than 1 | 1-3 | 3-5 |
| Equities | \$1,857,513 | N/A | \$1,857,513 | \$0 | \$0 |
| FNMA | 103,438 | AAA ¹ | 0 | 50,969 | 52,469 |
| FHLMC | 102,053 | AAA ¹ | 102,053 | 0 | 0 |
| Corporate Bonds | 311,384 | A-AA ¹ | 311,384 | 0 | 0 |
| Total Investments | <u>\$2,374,388</u> | | <u>\$2,270,950</u> | <u>\$50,969</u> | <u>\$52,469</u> |

¹ Standard & Poor's

NOTE 5 - TAXES

A. Property Tax

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2010 were levied after April 1, 2009 on assessed values as of January 1, 2009, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last revaluation was completed in 2007. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. In prior years, tangible personal property used in business (except for public utilities) was assessed for ad valorem taxation purposes at 25 percent of its true value. As part of a phase out of the personal property tax, the assessment percentage for personal property was reduced to zero in 2009. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually, the first payment is due April 30; with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

PIQUA CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010**

NOTE 5 - TAXES (Continued)

A. Property Tax (Continued)

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Piqua City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2010 were as follows:

| | 2009 Second Half Collections | 2010 First Half Collections |
|--|---------------------------------|--------------------------------|
| Agricultural/Residential and Other Real Estate | \$407,511,780 | \$413,598,800 |
| Public Utility Personal | 4,819,310 | 4,709,220 |
| Tangible Personal Property | 17,687,650 | 641,520 |
| Total Assessed Value | \$430,018,740 | \$418,949,540 |
| Tax rate per \$1,000 of assessed valuation | \$44.82 | \$44.87 |

B. Income Tax

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

NOTE 6 – INTERFUND TRANSACTONS

On the Statement of Net Assets, the Business-Type Activities reported an internal balance at June 30, 2010 of \$315,199 which is offset in the Governmental Activities by the same amount.

Following is a summary of interfund receivables/payables for all funds at June 30, 2010:

| | Interfund Loan Receivable | Interfund Loan Payable |
|--------------------------|------------------------------|---------------------------|
| General Fund | \$2,823 | \$0 |
| Other Governmental Funds | 0 | 2,823 |
| Totals | \$2,823 | \$2,823 |

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

PIQUA CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010**

NOTE 7 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at June 30, 2010:

Historical Cost:

| Class | June 30, 2009 | Additions | Deletions | June 30, 2010 |
|--|---------------------|------------------|--------------------|---------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$323,722 | \$0 | \$0 | \$323,722 |
| Capital assets being depreciated: | | | | |
| Land Improvements | 2,316,823 | 13,899 | 0 | 2,330,722 |
| Buildings and Improvements | 31,383,091 | 174,345 | (55,789) | 31,501,647 |
| Machinery and Equipment | 4,731,702 | 345,296 | (561,265) | 4,515,733 |
| Vehicles | 2,373,504 | 240,116 | (204,128) | 2,409,492 |
| Total Cost | <u>\$41,128,842</u> | <u>\$773,656</u> | <u>(\$821,182)</u> | <u>\$41,081,316</u> |

Accumulated Depreciation:

| Class | June 30, 2009 | Additions | Deletions | June 30, 2010 |
|----------------------------|-----------------------|----------------------|------------------|-----------------------|
| Land Improvements | (\$330,942) | (\$45,920) | \$0 | (\$376,862) |
| Buildings and Improvements | (9,809,956) | (474,824) | 55,789 | (10,228,991) |
| Machinery and Equipment | (3,482,323) | (229,783) | 556,552 | (3,155,554) |
| Vehicles | (1,409,033) | (140,051) | 198,868 | (1,350,216) |
| Total Depreciation | <u>(\$15,032,254)</u> | <u>(\$890,578) *</u> | <u>\$811,209</u> | <u>(\$15,111,623)</u> |
| Net Value: | <u>\$26,096,588</u> | | | <u>\$25,969,693</u> |

* Depreciation expenses were charged to governmental functions as follows:

| | |
|---|------------------|
| Instruction | \$632,799 |
| Support Services: | |
| Pupils | 149 |
| Instructional Staff | 806 |
| Administration | 38,738 |
| Operations & Maintenance of Plant | 35,370 |
| Pupil Transportation | 129,205 |
| Operation of Non-Instructional Services | 969 |
| Extracurricular Activities | 52,542 |
| Total Depreciation Expense | <u>\$890,578</u> |

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 7 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at June 30, 2010:

Historical Cost:

| <u>Class</u> | <u>June 30, 2009</u> | <u>Additions</u> | <u>Deletions</u> | <u>June 30, 2010</u> |
|-------------------------|--------------------------|------------------|------------------|--------------------------|
| Machinery and Equipment | \$906,967 | \$44,735 | (\$4,850) | \$946,852 |
| Total Cost | <u>\$906,967</u> | <u>\$44,735</u> | <u>(\$4,850)</u> | <u>\$946,852</u> |

Accumulated Depreciation:

| <u>Class</u> | <u>June 30, 2009</u> | <u>Additions</u> | <u>Deletions</u> | <u>June 30, 2010</u> |
|--------------------------|--------------------------|-------------------|------------------|--------------------------|
| Machinery and Equipment | (\$592,434) | (\$28,857) | \$2,138 | (\$619,153) |
| Total Depreciation | <u>(\$592,434)</u> | <u>(\$28,857)</u> | <u>\$2,138</u> | <u>(\$619,153)</u> |
| <i>Net Value:</i> | <u>\$314,533</u> | | | <u>\$327,699</u> |

NOTE 8 - RECEIVABLES

Receivables at June 30, 2010 consisted of interfund loans, taxes, accounts, intergovernmental, and interest receivable.

NOTE 9- DEFINED BENEFIT PENSION PLANS

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

A. School Employees Retirement System

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (800) 878-5853. It is also posted on SERS' website, www.ohsers.org, under Employers/Audit Resources.

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 9- DEFINED BENEFIT PENSION PLANS (Continued)

A. School Employees Retirement System (Continued)

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2010, 12.78 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009 and 2008 were \$522,103, \$424,921 and \$480,193 respectively, which were equal to the required contributions for each year.

B. State Teachers Retirement System

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 9- DEFINED BENEFIT PENSION PLANS (Continued)

B. State Teachers Retirement System (Continued)

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 these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2009, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$1,809,143, \$1,868,735, and \$1,903,311 respectively; which were equal to the required contributions for each year. Contributions to the DC and Combined Plans for fiscal year 2010 were \$66,902 made by the District and \$47,786 made by the plan members.

C. 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 Employees Retirement System/State Teachers Retirement System. As of June 30, 2010, one employee of the Board of Education has elected Social Security. The contribution rate is 6.2 percent of wages.

NOTE 10 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description – The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program.

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)

A. School Employees Retirement System (Continued)

The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2010, 0.46 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2010, this amount was \$35,800.

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

The District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$79,184, \$252,302, and \$281,233 respectively; which were equal to the required contributions for each year.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2010, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were \$31,048, \$35,060, and \$34,599 respectively; which were equal to the required contributions for each year.

B. State Teachers Retirement System

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$139,165, \$143,749, and \$146,409 respectively; which were equal to the required contributions for each year.

PIQUA CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010**

NOTE 11 - LONG-TERM DEBT AND OTHER OBLIGATIONS

Detail of the changes in the bonds, compensated absences, and capital leases of the District for the year ended June 30, 2010 is as follows:

| | | Balance June 30, 2009 | Additions | Deductions | Balance June 30, 2010 | Amount Due Within One Year |
|---|------------|--------------------------|-----------|---------------|--------------------------|----------------------------------|
| Governmental Activities: | | | | | | |
| General Obligation Bonds: | | | | | | |
| School Improvement | 4.75-12.5% | \$137,428 | \$0 | (\$137,428) | \$0 | \$0 |
| School Improvement Refunding | 3.00-4.2% | 7,849,990 | 0 | (125,000) | 7,724,990 | 710,000 |
| Bond Premium | | 509,426 | 0 | (50,943) | 458,483 | 0 |
| Deferred Loss on Early Retirement | | (424,407) | 42,440 | 0 | (381,967) | 0 |
| | | 8,072,437 | 42,440 | (313,371) | 7,801,506 | 710,000 |
| Interest Accretion | | 732,988 | 180,638 | (452,572) | 461,054 | 0 |
| Total General Obligation Bonds: | | 8,805,425 | 223,078 | (765,943) | 8,262,560 | 710,000 |
| Capital Leases Payable | | 38,801 | 0 | (38,801) | 0 | 0 |
| Compensated Absences | | 2,414,919 | 386,000 | (550,258) | 2,250,661 | 636,822 |
| Total Governmental Activities | | 11,259,145 | 609,078 | (1,355,002) | 10,513,221 | 1,346,822 |
| Business-Type Activities: | | | | | | |
| Compensated Absences | | 75,234 | 7,753 | (1,823) | 81,164 | 1,823 |
| Total Long-Term Debt and Other Obligations | | \$11,334,379 | \$616,831 | (\$1,356,825) | \$10,594,385 | \$1,348,645 |

The District's overall debt margin was \$30,287,022 with an unvoted debt margin of \$418,950 at June 30, 2010.

A. Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements including principal and interest payments as of June 30, 2010, follows:

| Years | General Obligation Bonds | | |
|-----------|--------------------------|-------------|--------------|
| | Principal | Interest | Total |
| 2011 | \$710,000 | \$292,868 | \$1,002,868 |
| 2012 | 745,000 | 260,683 | 1,005,683 |
| 2013 | 775,000 | 226,873 | 1,001,873 |
| 2014 | 297,357 | 730,142 | 1,027,499 |
| 2015 | 262,634 | 759,865 | 1,022,499 |
| 2016-2020 | 4,414,999 | 589,189 | 5,004,188 |
| 2021 | 520,000 | 10,920 | 530,920 |
| Totals | \$7,724,990 | \$2,870,540 | \$10,595,530 |

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 11 - LONG-TERM DEBT AND OTHER OBLIGATIONS (Continued)

B. Defeased Debt

In April 2005, the District defeased \$8,390,000 of General Obligation Bonds for School Building Improvements, dated November 15, 1997, through the issuance of \$8,389,990 of General Obligation Bonds. The net proceeds of the 2005 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$7,805,000 at June 30, 2010, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

NOTE 12 - RISK MANAGEMENT

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

The District participates in the Ohio School Risk Sharing Authority (the Plan), an insurance purchasing pool established under Section 2744.081 of the Ohio Revised Code. The Plan is an unincorporated nonprofit association of its members which enables the participants to provide for a formalized joint insurance purchasing program for maintaining adequate insurance protection and provides risk management programs and other administrative services. The Plan's business and affairs are conducted by a nine member board consisting of superintendents, treasurers and business managers.

The Avizent Company is responsible for processing claims. Willis Pooling serves as the Plan's administrator, sales representative, and marketing representative which establishes agreements between the Plan and its members. Financial information can be obtained from SORSA, Attn: Executive Director, 8050 North High Street, Suite 160, Columbus, Ohio 43235-6483.

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

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 12 - RISK MANAGEMENT (Continued)

The District established the Self Insurance Fund during fiscal year 1997 to account for the proceeds of the contingent premium program administered by Anthem Blue Cross and Blue Shield. The program allows the District to limit the risk of loss to a pre-determined level while benefiting from cash flow advantages and sharing in gains for positive claims experience. Under the contingent premium program, the District remits to Anthem a reduced insurance premium, 90% of the normal fully insured premium, during the twelve month rating period. The District deposits the difference between the contingent premium and the risk premium, 110% of the normal fully insured premium, into the Self Insurance Fund. The risk premium is the maximum liability rate established at the beginning of the contract year. Incurred claims and administrative expenses are calculated at the end of every twelve month period. If the total expenses for the year are equal to or below the amount paid in the contingent premium, no additional payment is due. If total expenses exceed the contingent premium, the District must pay the excess, but only up to the risk premium. Settlement has not yet occurred for fiscal year end 2010, but the maximum amount of additional premium that may be levied against the District is \$791,899.

NOTE 13 – STATUTORY RESERVES

As stated in House Bill 412 and revised in House Bill 345, school districts are required to maintain two reserves; one for capital acquisition and maintenance and one for textbooks and other instructional materials. A reserve represents resources whose use is limited because of contractual or statutory restrictions.

The following demonstrates the District's compliance with set-aside requirements in House Bill 412:

| | Textbook Reserve | Capital Acquisition Reserve |
|--|---------------------|-----------------------------------|
| Set-aside Cash Balance as of June 30, 2009 | \$247,328 | \$0 |
| Current Year Set-Aside Requirement | 553,073 | 553,073 |
| Current Year Offset Credits | 0 | (940,975) |
| Qualifying Disbursements | (454,152) | (519,069) |
| Total | <u>\$346,249</u> | <u>(\$906,971)</u> |
| Set-aside Cash Balance | | |
| Carried Forward to FY 2011 | <u>\$346,249</u> | <u>\$0</u> |

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS

A. Metropolitan Dayton Educational Cooperative Association

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

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

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

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

A. Metropolitan Dayton Educational Cooperative Association (Continued)

For this reason, the Montgomery County Educational Service Center serves as the fiscal agent for the MDECA and performs certain functions that might otherwise be performed by the MDECA Board of Directors in order to ensure receipt of funds from the Ohio Educational Computer Network. Essentially, these functions are to apply for and maintain the Data Acquisition Site permit for the central data processing equipment and to hold legal title to the central data processing equipment. During fiscal year 2010, the Piqua City School District paid \$168,360 to MDECA. The MDECA's office is located in 225 Linwood Drive, Dayton, Ohio 45405.

B. Southwestern Ohio Educational Purchasing Council

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

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to the SOEPC are made from the General Fund. During fiscal year 2010, the Piqua City School District paid \$4,720 to SOEPC. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Cooperative, Ken Swink, Director, 303 Corporate Center Drive, Suite 208 Vandalia, Ohio 45377.

C. Southwestern Ohio Instructional Technology Association

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

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

C. Southwestern Ohio Instructional Technology Association (Continued)

All member districts are obligated to pay fees, charges or other assessments as established by the SOITA. Upon dissolution, the net assets shall be distributed to the federal government, or to a state or local government, for a public purpose. Payments to SOITA are made from the General Fund. During fiscal year 2010, the Piqua City School District paid \$1,890 to the SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Larry Pogue, Executive Director, 150 East Sixth Street, Franklin, Ohio 45005.

D. Upper Valley Joint Vocational School

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

E. Educational Regional Service System Region 10

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

PIQUA CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

NOTE 15 – RELATED ORGANIZATION

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

NOTE 16 - CONTINGENCIES

A. Grants

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2010.

B. Litigation

The District is not a party to any legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2010.

PIQUA CITY SCHOOL DISTRICT

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

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

PIQUA CITY SCHOOL DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds

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

Public School Support Fund

To account for specific local revenue sources, other than taxes that are restricted to expenditures for specified purposes, curricular and extracurricular, approved by board resolutions.

Other Grant Fund

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

District Managed Activity Fund

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

Auxiliary Services Fund

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

Management Information System Fund

To account for costs related to hardware and software development or other costs associated with the requirements of the management information system.

Entry Year Program Fund

To account for State grant monies to be used for Entry Year Teacher Program costs. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

(Continued)

PIQUA CITY SCHOOL DISTRICT

Special Revenue Funds

School Conflict Management Grant Fund

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

IDEA-B Fund

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

Title I Fund

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

Fiscal Stabilization Fund

To account for federal revenues received from the American Recovery and Reinvestment Act (ARRA) to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Title IV-A Fund

To account for grant funds to be used for drug abuse prevention, early intervention, rehabilitation referral and education.

One Net Fund

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

Poverty Based Assistance Fund

To account for disadvantaged pupil aid.

Title II-A Fund

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

Miscellaneous Federal Grant Fund

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

PIQUA CITY SCHOOL DISTRICT

Capital Projects Funds

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

Replacement Fund

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

Permanent Fund

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

Permanent Fund

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

PIQUA CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010**

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Fund | Permanent Fund | Total Nonmajor Governmental Funds |
|---|--------------------------------------|--------------------------------------|------------------|---|
| Assets: | | | | |
| Cash and Cash Equivalents | \$ 1,112,014 | \$ 94,110 | \$ 66,969 | \$ 1,273,093 |
| Receivables: | | | | |
| Accounts | 277 | 0 | 0 | 277 |
| Intergovernmental | 120,410 | 0 | 0 | 120,410 |
| Total Assets | \$ 1,232,701 | \$ 94,110 | \$ 66,969 | \$ 1,393,780 |
| Liabilities: | | | | |
| Accounts Payable | \$ 62,811 | \$ 0 | \$ 0 | \$ 62,811 |
| Accrued Wages and Benefits | 231,867 | 0 | 0 | 231,867 |
| Intergovernmental Payable | 36,115 | 0 | 0 | 36,115 |
| Interfund Loans Payable | 2,823 | 0 | 0 | 2,823 |
| Deferred Revenue | 99,290 | 0 | 0 | 99,290 |
| Total Liabilities | 432,906 | 0 | 0 | 432,906 |
| Fund Balance: | | | | |
| Reserved for Encumbrances | 188,579 | 0 | 1,000 | 189,579 |
| Reserved for Endowments | 0 | 0 | 65,969 | 65,969 |
| Unreserved, Undesignated in: | | | | |
| Special Revenue Funds | 611,216 | 0 | 0 | 611,216 |
| Capital Projects Funds | 0 | 94,110 | 0 | 94,110 |
| Total Fund Balance | 799,795 | 94,110 | 66,969 | 960,874 |
| Total Liabilities and Fund Balance | \$ 1,232,701 | \$ 94,110 | \$ 66,969 | \$ 1,393,780 |

PIQUA CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2010**

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Fund | Permanent Fund | Total Nonmajor Governmental Funds |
|--|--------------------------------------|--------------------------------------|------------------|---|
| Revenues: | | | | |
| Local Sources: | | | | |
| Investment Earnings | \$ 1,298 | \$ 173 | \$ 124 | \$ 1,595 |
| Extracurricular Activities | 588,007 | 0 | 0 | 588,007 |
| Intermediate Sources | 21,692 | 0 | 0 | 21,692 |
| Intergovernmental - State | 172,714 | 0 | 0 | 172,714 |
| Intergovernmental - Federal | 3,797,729 | 0 | 0 | 3,797,729 |
| All Other Revenue | 166,336 | 0 | 3,870 | 170,206 |
| Total Revenue | <u>4,747,776</u> | <u>173</u> | <u>3,994</u> | <u>4,751,943</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction | 3,472,995 | 0 | 0 | 3,472,995 |
| Supporting Services: | | | | |
| Pupils | 92,854 | 0 | 4,200 | 97,054 |
| Instructional Staff | 104,201 | 0 | 0 | 104,201 |
| Administration | 38,123 | 0 | 0 | 38,123 |
| Operation and Maintenance of Plant | 30,194 | 0 | 0 | 30,194 |
| Pupil Transportation | 176,560 | 0 | 0 | 176,560 |
| Central | 10,050 | 0 | 0 | 10,050 |
| Operation of Non-Instructional Services | 165,805 | 0 | 0 | 165,805 |
| Extracurricular Activities | 457,765 | 0 | 0 | 457,765 |
| Total Expenditures | <u>4,548,547</u> | <u>0</u> | <u>4,200</u> | <u>4,552,747</u> |
| Net Change in Fund Balance | 199,229 | 173 | (206) | 199,196 |
| Fund Balance at Beginning of Year | <u>600,566</u> | <u>93,937</u> | <u>67,175</u> | <u>761,678</u> |
| Fund Balance End of Year | <u>\$ 799,795</u> | <u>\$ 94,110</u> | <u>\$ 66,969</u> | <u>\$ 960,874</u> |

PIQUA CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010**

| | Public School Support | Other Grant | District Managed Activity | Auxiliary Services | Management Information System |
|---|--------------------------|------------------|---------------------------------|-----------------------|-------------------------------------|
| Assets: | | | | | |
| Cash and Cash Equivalents | \$ 248,534 | \$ 13,426 | \$ 358,500 | \$ 47,782 | \$ 90,812 |
| Receivables: | | | | | |
| Accounts | 0 | 0 | 277 | 0 | 0 |
| Intergovernmental | 0 | 0 | 0 | 0 | 0 |
| Total Assets | <u>\$ 248,534</u> | <u>\$ 13,426</u> | <u>\$ 358,777</u> | <u>\$ 47,782</u> | <u>\$ 90,812</u> |
| Liabilities: | | | | | |
| Accounts Payable | \$ 2,562 | \$ 1,287 | \$ 3,928 | \$ 2,062 | \$ 0 |
| Accrued Wages and Benefits | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental Payable | 1,639 | 0 | 1,899 | 5,469 | 0 |
| Interfund Loans Payable | 0 | 0 | 0 | 0 | 0 |
| Deferred Revenue | 0 | 0 | 0 | 0 | 0 |
| Total Liabilities | <u>4,201</u> | <u>1,287</u> | <u>5,827</u> | <u>7,531</u> | <u>0</u> |
| Fund Balance: | | | | | |
| Reserved for Encumbrances | 28,508 | 1,884 | 22,404 | 27,737 | 0 |
| Unreserved, Undesignated in: | | | | | |
| Special Revenue Funds (Deficit) | 215,825 | 10,255 | 330,546 | 12,514 | 90,812 |
| Total Fund Balance (Deficit) | <u>244,333</u> | <u>12,139</u> | <u>352,950</u> | <u>40,251</u> | <u>90,812</u> |
| Total Liabilities and Fund Balance | <u>\$ 248,534</u> | <u>\$ 13,426</u> | <u>\$ 358,777</u> | <u>\$ 47,782</u> | <u>\$ 90,812</u> |

PIQUA CITY SCHOOL DISTRICT

| School Conflict Management Grant | IDEA-B | Title I | Title IV-A | One Net | Poverty Based Assistance |
|--|-------------------|-------------------|-----------------|-----------------|-----------------------------|
| \$ 703 | \$ 240,409 | \$ 90,269 | \$ 5,958 | \$ 2,577 | \$ 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 99,290 | 21,120 | 0 | 0 | 0 |
| <u>\$ 703</u> | <u>\$ 339,699</u> | <u>\$ 111,389</u> | <u>\$ 5,958</u> | <u>\$ 2,577</u> | <u>\$ 0</u> |
| \$ 0 | \$ 49,186 | \$ 2,999 | \$ 0 | \$ 0 | \$ 0 |
| 0 | 31,762 | 158,266 | 0 | 0 | 0 |
| 0 | 786 | 19,911 | 0 | 0 | 5,646 |
| 0 | 0 | 0 | 0 | 0 | 2,823 |
| 0 | 99,290 | 0 | 0 | 0 | 0 |
| <u>0</u> | <u>181,024</u> | <u>181,176</u> | <u>0</u> | <u>0</u> | <u>8,469</u> |
| 0 | 78,584 | 18,056 | 0 | 2,577 | 0 |
| <u>703</u> | <u>80,091</u> | <u>(87,843)</u> | <u>5,958</u> | <u>0</u> | <u>(8,469)</u> |
| <u>703</u> | <u>158,675</u> | <u>(69,787)</u> | <u>5,958</u> | <u>2,577</u> | <u>(8,469)</u> |
| <u>\$ 703</u> | <u>\$ 339,699</u> | <u>\$ 111,389</u> | <u>\$ 5,958</u> | <u>\$ 2,577</u> | <u>\$ 0</u> |

(Continued)

PIQUA CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010**

| | <u>Title II-A</u> | <u>Miscellaneous Federal Grant</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|---|-------------------|--|---|
| Assets: | | | |
| Cash and Cash Equivalents | \$ 3,179 | \$ 9,865 | \$ 1,112,014 |
| Receivables: | | | |
| Accounts | 0 | 0 | 277 |
| Intergovernmental | 0 | 0 | 120,410 |
| Total Assets | <u>\$ 3,179</u> | <u>\$ 9,865</u> | <u>\$ 1,232,701</u> |
| Liabilities: | | | |
| Accounts Payable | \$ 0 | \$ 787 | \$ 62,811 |
| Accrued Wages and Benefits | 41,839 | 0 | 231,867 |
| Intergovernmental Payable | 765 | 0 | 36,115 |
| Interfund Loans Payable | 0 | 0 | 2,823 |
| Deferred Revenue | 0 | 0 | 99,290 |
| Total Liabilities | <u>42,604</u> | <u>787</u> | <u>432,906</u> |
| Fund Balance: | | | |
| Reserved for Encumbrances | 0 | 8,829 | 188,579 |
| Unreserved, Undesignated in: | | | |
| Special Revenue Funds (Deficit) | (39,425) | 249 | 611,216 |
| Total Fund Balance (Deficit) | <u>(39,425)</u> | <u>9,078</u> | <u>799,795</u> |
| Total Liabilities and Fund Balance | <u>\$ 3,179</u> | <u>\$ 9,865</u> | <u>\$ 1,232,701</u> |



PIQUA CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010**

| | Public School Support | Other Grant | District Managed Activity | Auxiliary Services | Management Information System |
|--|--------------------------|------------------|---------------------------------|-----------------------|-------------------------------------|
| Revenues: | | | | | |
| Local Sources: | | | | | |
| Investment Earnings | \$ 489 | \$ 0 | \$ 702 | \$ 107 | \$ 0 |
| Extracurricular Activities | 162,342 | 0 | 425,665 | 0 | 0 |
| Intermediate Sources | 0 | 21,692 | 0 | 0 | 0 |
| Intergovernmental - State | 0 | 0 | 0 | 143,870 | 6,103 |
| Intergovernmental - Federal | 0 | 0 | 0 | 0 | 0 |
| All Other Revenue | 117,922 | 0 | 48,414 | 0 | 0 |
| Total Revenue | <u>280,753</u> | <u>21,692</u> | <u>474,781</u> | <u>143,977</u> | <u>6,103</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction | 165,897 | 11,302 | 0 | 0 | 0 |
| Supporting Services: | | | | | |
| Pupils | 0 | 0 | 8,172 | 0 | 0 |
| Instructional Staff | 2,457 | 2 | 0 | 0 | 0 |
| Administration | 26,150 | 9,781 | 0 | 0 | 780 |
| Operation and Maintenance of Plant | 29,904 | 0 | 290 | 0 | 0 |
| Pupil Transportation | 9,622 | 0 | 1,688 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 | 10,050 |
| Operation of Non-Instructional Services | 0 | 0 | 0 | 112,861 | 0 |
| Extracurricular Activities | 0 | 0 | 457,765 | 0 | 0 |
| Total Expenditures | <u>234,030</u> | <u>21,085</u> | <u>467,915</u> | <u>112,861</u> | <u>10,830</u> |
| Net Change in Fund Balance | 46,723 | 607 | 6,866 | 31,116 | (4,727) |
| Fund Balance (Deficit) at Beginning of Year | 197,610 | 11,532 | 346,084 | 9,135 | 95,539 |
| Fund Balance (Deficit) End of Year | <u>\$ 244,333</u> | <u>\$ 12,139</u> | <u>\$ 352,950</u> | <u>\$ 40,251</u> | <u>\$ 90,812</u> |

PIQUA CITY SCHOOL DISTRICT

| Entry Year Program | School Conflict Management Grant | IDEA-B | Title I | Fiscal Stabilization | Title IV-A |
|-----------------------|--|------------|-------------|-------------------------|------------|
| \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 1,244,557 | 1,479,359 | 809,992 | 15,127 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 1,244,557 | 1,479,359 | 809,992 | 15,127 |
| 8,400 | 0 | 762,217 | 1,443,319 | 809,992 | 9,169 |
| 0 | 0 | 71,446 | 13,236 | 0 | 0 |
| 0 | 0 | 83,374 | 18,368 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 165,250 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 40,755 | 12,189 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 8,400 | 0 | 1,123,042 | 1,487,112 | 809,992 | 9,169 |
| (8,400) | 0 | 121,515 | (7,753) | 0 | 5,958 |
| 8,400 | 703 | 37,160 | (62,034) | 0 | 0 |
| \$ 0 | \$ 703 | \$ 158,675 | \$ (69,787) | \$ 0 | \$ 5,958 |

(Continued)

PIQUA CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010**

| | One Net | Poverty Based Assistance | Title II-A | Miscellaneous Federal Grant | Total Nonmajor Special Revenue Funds |
|--|-----------------|-----------------------------|--------------------|--------------------------------|---|
| Revenues: | | | | | |
| Local Sources: | | | | | |
| Investment Earnings | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 1,298 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 588,007 |
| Intermediate Sources | 0 | 0 | 0 | 0 | 21,692 |
| Intergovernmental - State | 2,577 | 20,164 | 0 | 0 | 172,714 |
| Intergovernmental - Federal | 0 | 0 | 236,617 | 12,077 | 3,797,729 |
| All Other Revenue | 0 | 0 | 0 | 0 | 166,336 |
| Total Revenue | 2,577 | 20,164 | 236,617 | 12,077 | 4,747,776 |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction | 0 | 28,633 | 232,479 | 1,587 | 3,472,995 |
| Supporting Services: | | | | | |
| Pupils | 0 | 0 | 0 | 0 | 92,854 |
| Instructional Staff | 0 | 0 | 0 | 0 | 104,201 |
| Administration | 0 | 0 | 0 | 1,412 | 38,123 |
| Operation and Maintenance of Plant | 0 | 0 | 0 | 0 | 30,194 |
| Pupil Transportation | 0 | 0 | 0 | 0 | 176,560 |
| Central | 0 | 0 | 0 | 0 | 10,050 |
| Operation of Non-Instructional Services | 0 | 0 | 0 | 0 | 165,805 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 457,765 |
| Total Expenditures | 0 | 28,633 | 232,479 | 2,999 | 4,548,547 |
| Net Change in Fund Balance | 2,577 | (8,469) | 4,138 | 9,078 | 199,229 |
| Fund Balance (Deficit) at Beginning of Year | 0 | 0 | (43,563) | 0 | 600,566 |
| Fund Balance (Deficit) End of Year | \$ 2,577 | \$ (8,469) | \$ (39,425) | \$ 9,078 | \$ 799,795 |

PIQUA CITY SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - General Fund
For the Fiscal Year Ended June 30, 2010**

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|------------------------------|------------------------|---------------------|-------------------|---|
| Revenues: | | | | |
| Local Sources: | | | | |
| Taxes | \$ 13,543,543 | \$ 12,955,895 | \$ 12,955,895 | \$ 0 |
| Tuition | 3,789 | 3,625 | 3,625 | 0 |
| Transportation Fees | 35,608 | 34,063 | 45,682 | 11,619 |
| Investment Earnings | 23,815 | 22,782 | 23,445 | 663 |
| Class Material and Fees | 134,006 | 128,192 | 128,152 | (40) |
| Intermediate Sources | 26,134 | 25,000 | 25,000 | 0 |
| Intergovernmental - State | 14,120,026 | 13,507,365 | 13,574,860 | 67,495 |
| Intergovernmental - Federal | 204,487 | 195,614 | 195,614 | 0 |
| All Other Revenues | 147,459 | 141,061 | 141,061 | 0 |
| Total Revenues | <u>28,238,867</u> | <u>27,013,597</u> | <u>27,093,334</u> | <u>79,737</u> |
| Expenditures: | | | | |
| Instructional Services: | | | | |
| Regular: | | | | |
| Salaries and Wages | 9,208,849 | 9,167,806 | 8,994,993 | 172,813 |
| Fringe Benefits | 1,843,889 | 2,549,746 | 2,631,783 | (82,037) |
| Purchased Services | 334,484 | 389,696 | 378,659 | 11,037 |
| Supplies and Materials | 950,470 | 621,922 | 478,738 | 143,184 |
| Other Expenditures | 3,999 | 11,500 | 10,127 | 1,373 |
| Capital Outlay | 109,624 | 83,848 | 62,985 | 20,863 |
| Total Regular | <u>12,451,315</u> | <u>12,824,518</u> | <u>12,557,285</u> | <u>267,233</u> |
| Special: | | | | |
| Salaries and Wages | 1,103,911 | 1,163,535 | 1,150,879 | 12,656 |
| Fringe Benefits | 341,135 | 475,433 | 483,192 | (7,759) |
| Purchased Services | 2,237,915 | 1,974,853 | 1,952,569 | 22,284 |
| Supplies and Materials | 250 | 1,500 | 1,316 | 184 |
| Capital Outlay | 2,000 | 5,500 | 5,147 | 353 |
| Total Special | <u>3,685,211</u> | <u>3,620,821</u> | <u>3,593,103</u> | <u>27,718</u> |
| Other: | | | | |
| Salaries and Wages | 42,492 | 45,000 | 43,835 | 1,165 |
| Fringe Benefits | 6,514 | 7,750 | 7,418 | 332 |
| Purchased Services | 0 | 500 | 310 | 190 |
| Supplies and Materials | 24,996 | 15,382 | 14,916 | 466 |
| Total Other | <u>74,002</u> | <u>68,632</u> | <u>66,479</u> | <u>2,153</u> |
| Total Instructional Services | <u>16,210,528</u> | <u>16,513,971</u> | <u>16,216,867</u> | <u>297,104</u> |

(Continued)

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - General Fund
For the Fiscal Year Ended June 30, 2010***

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------|------------------------|---------------------|---------------|---|
| Support Services: | | | | |
| Pupils: | | | | |
| Salaries and Wages | 1,058,688 | 1,051,570 | 1,042,926 | 8,644 |
| Fringe Benefits | 293,713 | 347,851 | 355,455 | (7,604) |
| Purchased Services | 252 | 5,125 | 1 | 5,124 |
| Supplies and Materials | 10,548 | 10,033 | 9,699 | 334 |
| Capital Outlay | <u>1,700</u> | <u>2,000</u> | <u>1,831</u> | <u>169</u> |
| Total Pupils | 1,364,901 | 1,416,579 | 1,409,912 | 6,667 |
| Instructional Staff: | | | | |
| Salaries and Wages | 1,219,349 | 1,136,612 | 1,123,490 | 13,122 |
| Fringe Benefits | 604,749 | 599,847 | 590,965 | 8,882 |
| Purchased Services | 100,684 | 93,102 | 92,583 | 519 |
| Supplies and Materials | 37,378 | 33,299 | 32,937 | 362 |
| Capital Outlay | <u>650</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total Instructional Staff | 1,962,810 | 1,862,860 | 1,839,975 | 22,885 |
| Board of Education: | | | | |
| Salaries and Wages | 8,124 | 8,563 | 8,125 | 438 |
| Fringe Benefits | 1,250 | 1,125 | 1,028 | 97 |
| Purchased Services | <u>9,998</u> | <u>22,295</u> | <u>21,709</u> | <u>586</u> |
| Total Board of Education | 19,372 | 31,983 | 30,862 | 1,121 |
| Administration: | | | | |
| Salaries and Wages | 1,339,270 | 1,326,250 | 1,326,054 | 196 |
| Fringe Benefits | 532,279 | 472,085 | 486,908 | (14,823) |
| Purchased Services | 497,709 | 419,903 | 421,387 | (1,484) |
| Supplies and Materials | 15,818 | 23,103 | 20,549 | 2,554 |
| Other Expenditures | 14,937 | 20,440 | 19,941 | 499 |
| Capital Outlay | <u>3,328</u> | <u>1,585</u> | <u>1,264</u> | <u>321</u> |
| Total Administration | 2,403,341 | 2,263,366 | 2,276,103 | (12,737) |
| Fiscal Services: | | | | |
| Salaries and Wages | 233,336 | 226,625 | 226,404 | 221 |
| Fringe Benefits | 114,946 | 98,359 | 99,958 | (1,599) |
| Purchased Services | 43,539 | 44,859 | 44,729 | 130 |
| Supplies and Materials | 4,391 | 6,291 | 5,934 | 357 |
| Other Expenditures | <u>9,147</u> | <u>7,973</u> | <u>7,546</u> | <u>427</u> |
| Total Fiscal Services | 405,359 | 384,107 | 384,571 | (464) |

(Continued)

PIQUA CITY SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - General Fund
For the Fiscal Year Ended June 30, 2010**

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|------------------------|---------------------|-------------------|---|
| Business: | | | | |
| Salaries and Wages | 35,994 | 18,900 | 18,862 | 38 |
| Fringe Benefits | 19,162 | 16,771 | 16,663 | 108 |
| Total Business | <u>55,156</u> | <u>35,671</u> | <u>35,525</u> | <u>146</u> |
| Operation and Maintenance of Plant: | | | | |
| Salaries and Wages | 1,043,096 | 1,128,751 | 1,128,012 | 739 |
| Fringe Benefits | 492,646 | 404,807 | 414,821 | (10,014) |
| Purchased Services | 1,048,676 | 1,387,355 | 1,386,304 | 1,051 |
| Supplies and Materials | 138,148 | 197,382 | 196,612 | 770 |
| Capital Outlay | 10,867 | 30,116 | 29,796 | 320 |
| Total Operation and Maintenance Of Plant | <u>2,733,433</u> | <u>3,148,411</u> | <u>3,155,545</u> | <u>(7,134)</u> |
| Pupil Transportation: | | | | |
| Salaries and Wages | 675,059 | 720,088 | 716,529 | 3,559 |
| Fringe Benefits | 294,620 | 319,835 | 326,326 | (6,491) |
| Purchased Services | 79,784 | 105,164 | 104,206 | 958 |
| Supplies and Materials | 192,467 | 204,628 | 203,411 | 1,217 |
| Other Expenditures | 25 | 125 | 124 | 1 |
| Capital Outlay | 0 | 75,578 | 75,078 | 500 |
| Total Pupil Transportation | <u>1,241,955</u> | <u>1,425,418</u> | <u>1,425,674</u> | <u>(256)</u> |
| Central: | | | | |
| Salaries and Wages | 95,634 | 107,075 | 106,640 | 435 |
| Fringe Benefits | 57,030 | 58,520 | 59,209 | (689) |
| Purchased Services | 51,991 | 118,111 | 117,887 | 224 |
| Supplies and Materials | 500 | 0 | 0 | 0 |
| Total Central | <u>205,155</u> | <u>283,706</u> | <u>283,736</u> | <u>(30)</u> |
| Total Support Services | <u>10,391,482</u> | <u>10,852,101</u> | <u>10,841,903</u> | <u>10,198</u> |
| Extracurricular Activities: | | | | |
| Salaries and Wages | 434,801 | 286,334 | 286,299 | 35 |
| Fringe Benefits | 44,168 | 48,088 | 47,946 | 142 |
| Purchased Services | 1,575 | 788 | 715 | 73 |
| Capital Outlay | 192 | 0 | 0 | 0 |
| Total Extracurricular Activities | <u>480,736</u> | <u>335,210</u> | <u>334,960</u> | <u>250</u> |
| Total Expenditures | <u>27,082,746</u> | <u>27,701,282</u> | <u>27,393,730</u> | <u>307,552</u> |

(Continued)

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - General Fund
For the Fiscal Year Ended June 30, 2010***

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|------------------------|---------------------|---------------------|---|
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 1,156,121 | (687,685) | (300,396) | 387,289 |
| Other Financing Sources (Uses): | | | | |
| Advances Out | (2,823) | (2,823) | (2,823) | 0 |
| Refund of Prior Year's Expenditures | 81,888 | 81,888 | 81,888 | 0 |
| Refund of Prior Year's Receipts | (150,000) | (192,750) | (192,699) | 51 |
| Total Other Financing Sources (Uses): | <u>(70,935)</u> | <u>(113,685)</u> | <u>(113,634)</u> | <u>51</u> |
| Net Change in Fund Balance | 1,085,186 | (801,370) | (414,030) | 387,340 |
| Fund Balance at Beginning of Year | 5,371,512 | 5,371,512 | 5,371,512 | 0 |
| Prior Year Encumbrances | 729,853 | 729,853 | 729,853 | 0 |
| Fund Balance at End of Year | <u>\$ 7,186,551</u> | <u>\$ 5,299,995</u> | <u>\$ 5,687,335</u> | <u>\$ 387,340</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - Debt Service Fund
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|-------------------|---|
| Total Revenues and Other Financing Sources | \$ 1,055,242 | \$ 1,055,315 | \$ 73 |
| Total Expenditures and Other Financing Uses | 1,028,381 | 1,027,805 | 576 |
| Net Change in Fund Balance | 26,861 | 27,510 | 649 |
| Fund Balance at Beginning of Year | 731,869 | 731,869 | 0 |
| Fund Balance at End of Year | <u>\$ 758,730</u> | <u>\$ 759,379</u> | <u>\$ 649</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds - Capital Projects Fund
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|----------------------------|----------------------------|---|
| Total Revenues and Other Financing Sources | \$ 1,096,400 | \$ 1,236,604 | \$ 140,204 |
| Total Expenditures and Other Financing Uses | <u>1,785,707</u> | <u>1,228,799</u> | <u>556,908</u> |
| Net Change in Fund Balance | (689,307) | 7,805 | 697,112 |
| Fund Balance at Beginning of Year | 1,547,926 | 1,547,926 | 0 |
| Prior Year Encumbrances | <u>192,850</u> | <u>192,850</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ 1,051,469</u></u> | <u><u>\$ 1,748,581</u></u> | <u><u>\$ 697,112</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|-------------------|---|
| Total Revenues and Other Financing Sources | \$ 281,029 | \$ 281,131 | \$ 102 |
| Total Expenditures and Other Financing Uses | <u>268,869</u> | <u>265,703</u> | <u>3,166</u> |
| Net Change in Fund Balance | 12,160 | 15,428 | 3,268 |
| Fund Balance at Beginning of Year | 186,777 | 186,777 | 0 |
| Prior Year Encumbrances | <u>14,275</u> | <u>14,275</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 213,212</u> | <u>\$ 216,480</u> | <u>\$ 3,268</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|------------------|---|
| Total Revenues and Other Financing Sources | \$ 30,338 | \$ 21,692 | \$ (8,646) |
| Total Expenditures and Other Financing Uses | <u>36,202</u> | <u>23,932</u> | <u>12,270</u> |
| Net Change in Fund Balance | (5,864) | (2,240) | 3,624 |
| Fund Balance at Beginning of Year | 7,656 | 7,656 | 0 |
| Prior Year Encumbrances | <u>4,839</u> | <u>4,839</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 6,631</u> | <u>\$ 10,255</u> | <u>\$ 3,624</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

DISTRICT MANAGED ACTIVITY FUND

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|-------------------|---|
| Total Revenues and Other Financing Sources | \$ 480,328 | \$ 482,744 | \$ 2,416 |
| Total Expenditures and Other Financing Uses | <u>495,738</u> | <u>494,917</u> | <u>821</u> |
| Net Change in Fund Balance | (15,410) | (12,173) | 3,237 |
| Fund Balance at Beginning of Year | 315,572 | 315,572 | 0 |
| Prior Year Encumbrances | <u>27,235</u> | <u>27,235</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 327,397</u> | <u>\$ 330,634</u> | <u>\$ 3,237</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|------------------|---|
| Total Revenues and Other Financing Sources | \$ 164,033 | \$ 143,977 | \$ (20,056) |
| Total Expenditures and Other Financing Uses | <u>143,488</u> | <u>146,175</u> | <u>(2,687)</u> |
| Net Change in Fund Balance | 20,545 | (2,198) | (22,743) |
| Fund Balance at Beginning of Year | 39 | 39 | 0 |
| Prior Year Encumbrances | <u>20,141</u> | <u>20,141</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 40,725</u> | <u>\$ 17,982</u> | <u>\$ (22,743)</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

MANAGEMENT INFORMATION SYSTEM FUND

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------------|---|
| Total Revenues and Other Financing Sources | \$ 6,103 | \$ 6,103 | \$ 0 |
| Total Expenditures and Other Financing Uses | <u>11,132</u> | <u>10,830</u> | <u>302</u> |
| Net Change in Fund Balance | (5,029) | (4,727) | 302 |
| Fund Balance at Beginning of Year | <u>95,539</u> | <u>95,539</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ 90,510</u></u> | <u><u>\$ 90,812</u></u> | <u><u>\$ 302</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|--------------------|---|
| Total Revenues and Other Financing Sources | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Total Expenditures and Other Financing Uses | <u>8,400</u> | <u>8,400</u> | <u>0</u> |
| Net Change in Fund Balance | (8,400) | (8,400) | 0 |
| Fund Balance at Beginning of Year | <u>8,400</u> | <u>8,400</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------|---|
| Total Revenues and Other Financing Sources | \$ 0 | \$ 0 | \$ 0 |
| Total Expenditures and Other Financing Uses | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Change in Fund Balance | 0 | 0 | 0 |
| Fund Balance at Beginning of Year | 703 | 703 | 0 |
| Fund Balance at End of Year | <u>\$ 703</u> | <u>\$ 703</u> | <u>\$ 0</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | IDEA-B FUND | | Variance with Final Budget Positive (Negative) |
|--|---------------------------|--------------------------|---|
| | <u>Final Budget</u> | <u>Actual</u> | <u> </u> |
| Total Revenues and Other Financing Sources | \$ 1,889,924 | \$ 1,301,876 | \$ (588,048) |
| Total Expenditures and Other Financing Uses | <u>2,027,365</u> | <u>1,226,788</u> | <u>800,577</u> |
| Net Change in Fund Balance | (137,441) | 75,088 | 212,529 |
| Fund Balance at Beginning of Year | <u>37,551</u> | <u>37,551</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ (99,890)</u></u> | <u><u>\$ 112,639</u></u> | <u><u>\$ 212,529</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | TITLE I FUND | | Variance with Final Budget Positive (Negative) |
|--|---------------------|------------------|---|
| | <u>Final Budget</u> | <u>Actual</u> | <u>(Negative)</u> |
| Total Revenues and Other Financing Sources | \$ 1,646,298 | \$ 1,515,533 | \$ (130,765) |
| Total Expenditures and Other Financing Uses | <u>1,495,307</u> | <u>1,476,403</u> | <u>18,904</u> |
| Net Change in Fund Balance | 150,991 | 39,130 | (111,861) |
| Fund Balance at Beginning of Year | 29,488 | 29,488 | 0 |
| Prior Year Encumbrances | <u>595</u> | <u>595</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 181,074</u> | <u>\$ 69,213</u> | <u>\$ (111,861)</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|--------------------|---|
| Total Revenues and Other Financing Sources | <u>\$ 809,992</u> | <u>\$ 809,992</u> | <u>\$ 0</u> |
| Total Expenditures and Other Financing Uses | <u>809,992</u> | <u>809,992</u> | <u>0</u> |
| Net Change in Fund Balance | 0 | 0 | 0 |
| Fund Balance at Beginning of Year | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|---------------------|-----------------|---|
| Total Revenues and Other Financing Sources | \$ 15,127 | \$ 15,127 | \$ 0 |
| Total Expenditures and Other Financing Uses | 9,169 | 9,169 | 0 |
| Net Change in Fund Balance | 5,958 | 5,958 | 0 |
| Fund Balance at Beginning of Year | 0 | 0 | 0 |
| Fund Balance at End of Year | <u>\$ 5,958</u> | <u>\$ 5,958</u> | <u>\$ 0</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | ONE NET FUND | | Variance with Final Budget Positive (Negative) |
|--|---------------------|--------------------|---|
| | <u>Final Budget</u> | <u>Actual</u> | <u> </u> |
| Total Revenues and Other Financing Sources | \$ 2,577 | \$ 2,577 | \$ 0 |
| Total Expenditures and Other Financing Uses | <u>2,577</u> | <u>2,577</u> | <u>0</u> |
| Net Change in Fund Balance | 0 | 0 | 0 |
| Fund Balance at Beginning of Year | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 0</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|------------------------|--------------------|---|
| Total Revenues and Other Financing Sources | \$ 22,987 | \$ 22,987 | \$ 0 |
| Total Expenditures and Other Financing Uses | <u>20,164</u> | <u>22,987</u> | <u>(2,823)</u> |
| Net Change in Fund Balance | 2,823 | 0 | (2,823) |
| Fund Balance at Beginning of Year | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ 2,823</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ (2,823)</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|-----------------|---|
| Total Revenues and Other Financing Sources | \$ 236,617 | \$ 206,079 | \$ (30,538) |
| Total Expenditures and Other Financing Uses | 267,004 | 202,900 | 64,104 |
| Net Change in Fund Balance | (30,387) | 3,179 | 33,566 |
| Fund Balance at Beginning of Year | 0 | 0 | 0 |
| Fund Balance at End of Year | <u>\$ (30,387)</u> | <u>\$ 3,179</u> | <u>\$ 33,566</u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010***

MISCELLANEOUS FEDERAL GRANT FUND

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|----------------------|----------------------|---|
| Total Revenues and Other Financing Sources | \$ 12,077 | \$ 12,077 | \$ 0 |
| Total Expenditures and Other Financing Uses | <u>11,828</u> | <u>11,828</u> | <u>0</u> |
| Net Change in Fund Balance | 249 | 249 | 0 |
| Fund Balance at Beginning of Year | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ 249</u></u> | <u><u>\$ 249</u></u> | <u><u>\$ 0</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2010***

| | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------------|---|
| Total Revenues and Other Financing Sources | <u>\$ 164</u> | <u>\$ 173</u> | <u>\$ 9</u> |
| Total Expenditures and Other Financing Uses | <u>0</u> | <u>0</u> | <u>0</u> |
| Net Change in Fund Balance | 164 | 173 | 9 |
| Fund Balance at Beginning of Year | <u>93,937</u> | <u>93,937</u> | <u>0</u> |
| Fund Balance at End of Year | <u><u>\$ 94,101</u></u> | <u><u>\$ 94,110</u></u> | <u><u>\$ 9</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Fund
For the Fiscal Year Ended June 30, 2010***

| | PERMANENT FUND | | Variance with Final Budget Positive (Negative) |
|--|-----------------------|------------------|---|
| | <u>Final Budget</u> | <u>Actual</u> | <u>(Negative)</u> |
| Total Revenues and Other Financing Sources | \$ 3,987 | \$ 3,994 | \$ 7 |
| Total Expenditures and Other Financing Uses | <u>5,202</u> | <u>5,200</u> | <u>2</u> |
| Net Change in Fund Balance | (1,215) | (1,206) | 9 |
| Fund Balance at Beginning of Year | 64,175 | 64,175 | 0 |
| Prior Year Encumbrances | <u>3,000</u> | <u>3,000</u> | <u>0</u> |
| Fund Balance at End of Year | <u>\$ 65,960</u> | <u>\$ 65,969</u> | <u>\$ 9</u> |

PIQUA CITY SCHOOL DISTRICT

Fiduciary Fund

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

Agency Fund

Student Managed Activity Fund

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

PIQUA CITY SCHOOL DISTRICT

***Statement Of Changes In Assets And Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2010***

| | Balance June 30, 2009 | Additions | Deductions | Balance June 30, 2010 |
|---|-----------------------------|-----------------|-------------------|-----------------------------|
| <u>Student Managed Activity Fund</u> | | | | |
| Assets: | | | | |
| Cash and Cash Equivalents | \$34,966 | \$48,825 | (\$44,122) | \$39,669 |
| Total Assets | <u>\$34,966</u> | <u>\$48,825</u> | <u>(\$44,122)</u> | <u>\$39,669</u> |
| Liabilities: | | | | |
| Due to Students | \$34,966 | \$48,825 | (\$44,122) | \$39,669 |
| Total Liabilities | <u>\$34,966</u> | <u>\$48,825</u> | <u>(\$44,122)</u> | <u>\$39,669</u> |

PIQUA CITY SCHOOL DISTRICT

*CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS*

PIQUA CITY SCHOOL DISTRICT

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
June 30, 2010***

Capital Assets

| | |
|----------------------------|----------------------------|
| Land | \$323,722 |
| Land Improvements | 2,330,722 |
| Buildings and Improvements | 31,501,647 |
| Machinery and Equipment | 4,515,733 |
| Vehicles | <u>2,409,492</u> |
| Total Capital Assets | <u><u>\$41,081,316</u></u> |

Investment in Capital Assets from:

| | |
|------------------------------------|----------------------------|
| Acquisitions Prior to 1996 | \$2,905,381 |
| General Fund | 28,253,034 |
| Special Revenue Fund | 889,055 |
| Capital Project Funds | 5,802,773 |
| Fiduciary Funds | 20,872 |
| Donations | <u>3,210,201</u> |
| Total Investment in Capital Assets | <u><u>\$41,081,316</u></u> |

PIQUA CITY SCHOOL DISTRICT

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
June 30, 2010***

| Function and Activity | Land | Land Improvements | Buildings and Improvements | Machinery and Equipment |
|--------------------------------------|-------------------------|---------------------------|-------------------------------|----------------------------|
| Instructional Services | \$0 | \$24,998 | \$3,524 | \$2,485,379 |
| Support Services: | | | | |
| Pupils | 0 | 0 | 0 | 9,676 |
| Instructional Staff | 0 | 0 | 0 | 118,915 |
| Administration | 0 | 8,495 | 0 | 430,263 |
| Fiscal Services | 0 | 0 | 0 | 1,195 |
| Operation and Maintenance of Plant | 0 | 5,404 | 29,210 | 317,326 |
| Pupil Transportation | 0 | 0 | 0 | 143,061 |
| Auxiliary Services | 0 | 0 | 0 | 36,188 |
| Extracurricular Activities | 0 | 1,530,691 | 1,602,330 | 459,570 |
| Facility Acquisition and Improvement | <u>323,722</u> | <u>761,134</u> | <u>29,866,583</u> | <u>514,160</u> |
| Total Capital Assets | <u><u>\$323,722</u></u> | <u><u>\$2,330,722</u></u> | <u><u>\$31,501,647</u></u> | <u><u>\$4,515,733</u></u> |

PIQUA CITY SCHOOL DISTRICT

| <u>Vehicles</u> | <u>Total</u> |
|--------------------|---------------------|
| \$0 | \$2,513,901 |
| 0 | 9,676 |
| 0 | 118,915 |
| 0 | 438,758 |
| 0 | 1,195 |
| 218,084 | 570,024 |
| 2,173,608 | 2,316,669 |
| 0 | 36,188 |
| 0 | 3,592,591 |
| 17,800 | 31,483,399 |
| <u>\$2,409,492</u> | <u>\$41,081,316</u> |

PIQUA CITY SCHOOL DISTRICT

***Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Fiscal Year Ended June 30, 2010***

| Function and Activity | June 30, 2009 | Additions | Deletions | June 30, 2010 |
|--------------------------------------|---------------------|------------------|--------------------|---------------------|
| Instructional Services | \$2,595,468 | \$232,849 | (\$314,416) | \$2,513,901 |
| Support Services: | | | | |
| Pupils | 9,676 | 0 | 0 | 9,676 |
| Instructional Staff | 121,638 | 0 | (2,723) | 118,915 |
| Administration | 643,611 | 35,649 | (240,502) | 438,758 |
| Fiscal Services | 1,195 | 0 | 0 | 1,195 |
| Operation and Maintenance of Plant | 590,978 | 9,193 | (30,147) | 570,024 |
| Pupil Transportation | 2,271,202 | 278,861 | (233,394) | 2,316,669 |
| Auxiliary Services | 35,113 | 1,075 | 0 | 36,188 |
| Extracurricular Activities | 3,590,592 | 1,999 | 0 | 3,592,591 |
| Facility Acquisition and Improvement | 31,269,369 | 214,030 | 0 | 31,483,399 |
| Total Capital Assets | <u>\$41,128,842</u> | <u>\$773,656</u> | <u>(\$821,182)</u> | <u>\$41,081,316</u> |

STATISTICAL SECTION



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Piqua City School District

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

| | 2001 | 2002 | 2003 | 2004 |
|---|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities: | | | | |
| Invested in Capital Assets, Net of Related Debt | \$13,670,807 | \$16,466,243 | \$16,509,571 | \$16,731,185 |
| Restricted for: | | | | |
| Capital Projects | 695,274 | 1,477,057 | 1,637,564 | 1,966,516 |
| Debt Service | 312,135 | 352,802 | 482,876 | 380,838 |
| Other Purposes | 775,957 | 806,691 | 0 | 114,806 |
| Permanent Fund: | | | | |
| Expendable | 0 | 0 | 0 | 0 |
| Nonexpendable | 0 | 0 | 0 | 0 |
| Unrestricted (Deficit) | (886,168) | (96,861) | (399,114) | 990,003 |
| Total Governmental Activities Net Assets | <u>\$14,568,005</u> | <u>\$19,005,932</u> | <u>\$18,230,897</u> | <u>\$20,183,348</u> |
| Business-type Activities: | | | | |
| Invested in Capital Assets, Net of Related Debt | \$437,108 | \$410,407 | \$388,091 | \$372,947 |
| Unrestricted (Deficit) | 518,235 | 767,568 | 790,300 | 823,085 |
| Total Business-type Activities Net Assets | <u>\$955,343</u> | <u>\$1,177,975</u> | <u>\$1,178,391</u> | <u>\$1,196,032</u> |
| Primary Government: | | | | |
| Invested in Capital Assets, Net of Related Debt | \$14,107,915 | \$16,876,650 | \$16,897,662 | \$17,104,132 |
| Restricted | 1,783,366 | 2,636,550 | 2,120,440 | 2,462,160 |
| Unrestricted (Deficit) | (367,933) | 670,707 | 391,186 | 1,813,088 |
| Total Primary Government Net Assets | <u>\$15,523,348</u> | <u>\$20,183,907</u> | <u>\$19,409,288</u> | <u>\$21,379,380</u> |

* As Restated

Source: District Treasurer's Office

Piqua City School District

| 2005 | * 2006 | 2007 | 2008 | 2009 | 2010 |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$17,469,998 | \$18,034,488 | \$18,301,335 | \$17,911,256 | \$17,985,350 | \$18,168,187 |
| 1,336,198 | 1,076,537 | 937,024 | 1,560,221 | 1,913,605 | 2,082,762 |
| 577,311 | 509,255 | 730,481 | 788,458 | 840,185 | 857,711 |
| 288,660 | 362,554 | 490,122 | 416,859 | 0 | 580,141 |
| 0 | 0 | 31,044 | 28,582 | 27,126 | 23,050 |
| 0 | 0 | 36,309 | 38,609 | 40,049 | 43,919 |
| 3,299,555 | 3,135,840 | 3,192,601 | 4,263,735 | 7,421,574 | 7,370,622 |
| <u>\$22,971,722</u> | <u>\$23,118,674</u> | <u>\$23,718,916</u> | <u>\$25,007,720</u> | <u>\$28,227,889</u> | <u>\$29,126,392</u> |
| \$360,100 | \$343,706 | \$366,053 | \$342,971 | \$314,533 | \$327,699 |
| 869,537 | 887,314 | 744,863 | 877,825 | 889,595 | 801,579 |
| <u>\$1,229,637</u> | <u>\$1,231,020</u> | <u>\$1,110,916</u> | <u>\$1,220,796</u> | <u>\$1,204,128</u> | <u>\$1,129,278</u> |
| \$17,830,098 | \$18,378,194 | \$18,667,388 | \$18,254,227 | \$18,299,883 | \$18,495,886 |
| 2,202,169 | 1,948,346 | 2,224,980 | 2,832,729 | 2,820,965 | 3,587,583 |
| 4,169,092 | 4,023,154 | 3,937,464 | 5,141,560 | 8,311,169 | 8,172,201 |
| <u>\$24,201,359</u> | <u>\$24,349,694</u> | <u>\$24,829,832</u> | <u>\$26,228,516</u> | <u>\$29,432,017</u> | <u>\$30,255,670</u> |

Piqua City School District

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

| | 2001 | 2002 | 2003 | 2004 |
|--|---------------------|---------------------|---------------------|---------------------|
| Expenses | | | | |
| Governmental Activities: | | | | |
| Instruction | \$16,546,273 | \$15,484,610 | \$16,881,816 | \$16,736,129 |
| Support Services: | | | | |
| Pupils | 1,377,129 | 1,373,246 | 1,485,305 | 1,443,477 |
| Instructional Staff | 1,637,131 | 1,496,558 | 1,670,861 | 1,672,048 |
| Board of Education | 8,042 | 7,669 | 7,655 | 9,288 |
| Administration | 1,856,279 | 1,841,957 | 1,989,454 | 2,090,822 |
| Fiscal Services | 494,672 | 528,655 | 563,651 | 669,152 |
| Business | 66,874 | 88,768 | 84,935 | 74,505 |
| Operation and Maintenance of Plant | 2,225,755 | 2,439,177 | 2,323,836 | 2,519,590 |
| Pupil Transportation | 1,024,551 | 1,087,088 | 1,114,543 | 1,175,222 |
| Central | 41,318 | 30,539 | 28,787 | 64,643 |
| Operation of Non-Instructional Services | 313,795 | 290,074 | 277,923 | 316,379 |
| Extracurricular Activities | 654,479 | 829,544 | 720,679 | 679,708 |
| Interest and Fiscal Charges | 566,626 | 544,837 | 564,356 | 522,049 |
| <i>Total Governmental Activities Expenses</i> | <u>26,812,924</u> | <u>26,042,722</u> | <u>27,713,801</u> | <u>27,973,012</u> |
| Business-type Activities: | | | | |
| Food Service | 1,237,209 | 1,116,316 | 1,391,897 | 1,496,069 |
| <i>Total Business-type Activities Expenses</i> | <u>1,237,209</u> | <u>1,116,316</u> | <u>1,391,897</u> | <u>1,496,069</u> |
| <i>Total Primary Government Expenses</i> | <u>\$28,050,133</u> | <u>\$27,159,038</u> | <u>\$29,105,698</u> | <u>\$29,469,081</u> |
| Program Revenues | | | | |
| Governmental Activities: | | | | |
| Charges for Services | | | | |
| Instruction | \$516,400 | \$548,260 | \$397,793 | \$277,325 |
| Support Services: | | | | |
| Pupils | 5,325 | 3,646 | 803 | 468 |
| Operation and Maintenance of Plant | 2,222 | 1,020 | 0 | 0 |
| Pupil Transportation | 39,669 | 37,215 | 38,122 | 35,848 |
| Extracurricular Activities | 424,590 | 451,141 | 277,957 | 261,546 |
| Operating Grants and Contributions | 1,944,212 | 2,202,968 | 1,917,459 | 2,551,904 |
| Capital Grants and Contributions | 39,000 | 3,348,034 | 11,132 | 0 |
| <i>Total Governmental Activities</i> | <u>2,971,418</u> | <u>6,592,284</u> | <u>2,643,266</u> | <u>3,127,091</u> |
| <i>Program Revenues</i> | <u>2,971,418</u> | <u>6,592,284</u> | <u>2,643,266</u> | <u>3,127,091</u> |

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$17,846,789 | \$18,811,951 | \$19,061,767 | \$19,105,320 | \$19,185,487 | \$20,847,397 |
| 1,606,509 | 1,445,687 | 1,505,043 | 1,549,456 | 1,563,984 | 1,526,170 |
| 1,856,368 | 2,041,532 | 2,061,205 | 2,085,124 | 1,954,338 | 2,064,970 |
| 10,002 | 19,669 | 23,042 | 20,339 | 32,189 | 29,714 |
| 2,281,690 | 2,266,873 | 2,454,192 | 2,361,191 | 2,330,316 | 2,377,327 |
| 597,052 | 407,123 | 390,832 | 401,055 | 382,588 | 400,031 |
| 85,456 | 100,937 | 101,989 | 52,433 | 56,246 | 26,713 |
| 2,778,643 | 2,866,955 | 3,065,299 | 2,882,505 | 2,903,991 | 2,883,562 |
| 1,296,336 | 1,378,564 | 1,545,489 | 1,442,206 | 1,262,006 | 1,432,056 |
| 129,257 | 160,049 | 162,793 | 192,486 | 211,194 | 314,184 |
| 304,911 | 298,992 | 375,228 | 289,838 | 295,329 | 148,034 |
| 638,177 | 671,020 | 861,632 | 717,482 | 790,688 | 845,301 |
| 286,314 | 473,938 | 481,096 | 607,378 | 552,623 | 493,693 |
| <u>29,717,504</u> | <u>30,943,290</u> | <u>32,089,607</u> | <u>31,706,813</u> | <u>31,520,979</u> | <u>33,389,152</u> |
| | | | | | |
| <u>1,577,204</u> | <u>1,617,780</u> | <u>1,684,194</u> | <u>1,682,680</u> | <u>1,808,378</u> | <u>1,762,234</u> |
| <u>1,577,204</u> | <u>1,617,780</u> | <u>1,684,194</u> | <u>1,682,680</u> | <u>1,808,378</u> | <u>1,762,234</u> |
| <u>\$31,294,708</u> | <u>\$32,561,070</u> | <u>\$33,773,801</u> | <u>\$33,389,493</u> | <u>\$33,329,357</u> | <u>\$35,151,386</u> |
| | | | | | |
| \$295,514 | \$305,864 | \$224,647 | \$286,554 | \$243,635 | \$294,387 |
| 776 | 1,263 | 1,525 | 1,151 | 144 | 124 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 37,911 | 54,948 | 54,717 | 37,531 | 37,192 | 49,100 |
| 336,562 | 292,169 | 432,912 | 321,306 | 388,078 | 425,665 |
| 2,646,302 | 2,722,204 | 2,888,699 | 2,711,846 | 2,511,226 | 4,265,347 |
| 32,550 | 0 | 27,060 | 22,757 | 46,110 | 0 |
| <u>3,349,615</u> | <u>3,376,448</u> | <u>3,629,560</u> | <u>3,381,145</u> | <u>3,226,385</u> | <u>5,034,623</u> |

(Continued)

Piqua City School District

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

| | 2001 | 2002 | 2003 | 2004 |
|--|----------------|----------------|----------------|----------------|
| Business-type Activities: | | | | |
| Charges for Services | | | | |
| Food Service | 635,981 | 644,566 | 643,831 | 683,775 |
| Operating Grants and Contributions | 682,951 | 694,382 | 757,534 | 829,935 |
| <i>Total Business-type Activities Program Revenues</i> | 1,318,932 | 1,338,948 | 1,401,365 | 1,513,710 |
| <i>Total Primary Government Program Revenues</i> | 4,290,350 | 7,931,232 | 4,044,631 | 4,640,801 |
| Net (Expense)/Revenue | | | | |
| Governmental Activities | (23,841,506) | (19,450,438) | (25,070,535) | (24,845,921) |
| Business-type Activities | 81,723 | 222,632 | 9,468 | 17,641 |
| <i>Total Primary Government Net (Expense)/Revenue</i> | (\$23,759,783) | (\$19,227,806) | (\$25,061,067) | (\$24,828,280) |
| General Revenues and Other Changes in Net Assets | | | | |
| Governmental Activities: | | | | |
| Property Taxes Levied for: | | | | |
| General Purposes | \$8,196,580 | \$8,983,634 | \$8,599,770 | \$9,849,084 |
| Debt Service | 912,697 | 936,914 | 909,637 | 915,618 |
| Capital Outlay | 1,045,711 | 1,112,927 | 1,084,584 | 1,107,446 |
| Income Taxes | 2,040,034 | 1,731,104 | 1,818,714 | 1,809,227 |
| Intergovernmental, Unrestricted | 10,571,598 | 11,165,388 | 11,520,196 | 12,752,599 |
| Investment Earnings | 340,827 | 167,372 | 120,779 | 68,934 |
| Miscellaneous | 87,504 | 53,576 | 235,352 | 295,464 |
| Loss on Disposal of Capital Assets | (146,416) | (153,317) | (2,584) | 0 |
| Transfers | 0 | 0 | 9,052 | 0 |
| <i>Total Governmental Activities</i> | 23,048,535 | 23,997,598 | 24,295,500 | 26,798,372 |
| Business-type Activities: | | | | |
| Transfers | 0 | 0 | (9,052) | 0 |
| <i>Total Business-type Activities</i> | 0 | 0 | (9,052) | 0 |
| <i>Total Primary Government</i> | \$23,048,535 | \$23,997,598 | \$24,286,448 | \$26,798,372 |
| Change in Net Assets | | | | |
| Governmental Activities | (\$792,971) | \$4,547,160 | (\$775,035) | \$1,952,451 |
| Business-type Activities | 81,723 | 222,632 | 416 | 17,641 |
| <i>Total Primary Government Change in Net Assets</i> | (\$711,248) | \$4,769,792 | (\$774,619) | \$1,970,092 |

Source: District Treasurer's Office

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 688,474 | 681,810 | 702,248 | 679,999 | 685,399 | 613,175 |
| 922,335 | 937,353 | 861,842 | 1,112,561 | 1,106,311 | 1,074,209 |
| 1,610,809 | 1,619,163 | 1,564,090 | 1,792,560 | 1,791,710 | 1,687,384 |
| 4,960,424 | 4,995,611 | 5,193,650 | 5,173,705 | 5,018,095 | 6,722,007 |
| (26,367,889) | (27,566,842) | (28,460,047) | (28,325,668) | (28,294,594) | (28,354,529) |
| 33,605 | 1,383 | (120,104) | 109,880 | (16,668) | (74,850) |
| <u>(\$26,334,284)</u> | <u>(\$27,565,459)</u> | <u>(\$28,580,151)</u> | <u>(\$28,215,788)</u> | <u>(\$28,311,262)</u> | <u>(\$28,429,379)</u> |
| \$11,202,378 | \$10,805,308 | \$10,065,680 | \$10,045,856 | \$10,064,281 | \$8,884,069 |
| 973,504 | 999,966 | 1,060,120 | 874,031 | 926,598 | 840,002 |
| 1,138,834 | 1,075,099 | 1,026,558 | 1,027,335 | 1,039,595 | 929,187 |
| 1,938,151 | 2,063,347 | 2,253,023 | 2,260,523 | 3,382,521 | 4,494,674 |
| 13,300,568 | 13,308,075 | 13,915,936 | 14,538,480 | 15,554,509 | 13,925,534 |
| 163,025 | 296,912 | 451,410 | 370,748 | 179,416 | (134,954) |
| 439,803 | 368,501 | 287,562 | 497,499 | 367,843 | 314,520 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>29,156,263</u> | <u>28,917,208</u> | <u>29,060,289</u> | <u>29,614,472</u> | <u>31,514,763</u> | <u>29,253,032</u> |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$29,156,263</u> | <u>\$28,917,208</u> | <u>\$29,060,289</u> | <u>\$29,614,472</u> | <u>\$31,514,763</u> | <u>\$29,253,032</u> |
| \$2,788,374 | \$1,350,366 | \$600,242 | \$1,288,804 | \$3,220,169 | \$898,503 |
| 33,605 | 1,383 | (120,104) | 109,880 | (16,668) | (74,850) |
| <u>\$2,821,979</u> | <u>\$1,351,749</u> | <u>\$480,138</u> | <u>\$1,398,684</u> | <u>\$3,203,501</u> | <u>\$823,653</u> |

Piqua City School District

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

| | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|------------------------------------|---------------------------|---------------------------|-------------------------|---------------------------|
| General Fund | | | | |
| Reserved | \$1,785,904 | \$1,410,741 | \$908,531 | \$795,741 |
| Unreserved (Deficit) | <u>(1,367,827)</u> | <u>(1,977,685)</u> | <u>(2,375,623)</u> | <u>(1,286,924)</u> |
| <i>Total General Fund</i> | <u>418,077</u> | <u>(566,944)</u> | <u>(1,467,092)</u> | <u>(491,183)</u> |
| All Other Governmental Funds | | | | |
| Reserved | 718,907 | 660,562 | 628,775 | 742,935 |
| Unreserved, Undesignated in: | | | | |
| Special Revenue Funds | 568,841 | 486,775 | 184,770 | 305,494 |
| Capital Projects Funds | <u>463,351</u> | <u>1,302,054</u> | <u>1,488,380</u> | <u>1,733,102</u> |
| Total All Other Governmental Funds | <u>1,751,099</u> | <u>2,449,391</u> | <u>2,301,925</u> | <u>2,781,531</u> |
| <i>Total Governmental Funds</i> | <u><u>\$2,169,176</u></u> | <u><u>\$1,882,447</u></u> | <u><u>\$834,833</u></u> | <u><u>\$2,290,348</u></u> |

Source: District Treasurer's Office

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$1,456,423 | \$1,410,729 | \$1,946,237 | \$1,081,482 | \$1,680,710 | \$1,666,828 |
| 124,232 | 47,121 | (754,678) | 753,375 | 3,216,012 | 3,645,132 |
| <u>1,580,655</u> | <u>1,457,850</u> | <u>1,191,559</u> | <u>1,834,857</u> | <u>4,896,722</u> | <u>5,311,960</u> |
| 1,353,394 | 1,195,149 | 1,267,544 | 979,919 | 1,173,221 | 1,286,033 |
| 583,840 | 299,023 | 604,671 | 705,088 | 552,290 | 611,216 |
| <u>726,819</u> | <u>606,341</u> | <u>530,095</u> | <u>1,418,931</u> | <u>1,638,364</u> | <u>1,851,071</u> |
| <u>2,664,053</u> | <u>2,100,513</u> | <u>2,402,310</u> | <u>3,103,938</u> | <u>3,363,875</u> | <u>3,748,320</u> |
| <u>\$4,244,708</u> | <u>\$3,558,363</u> | <u>\$3,593,869</u> | <u>\$4,938,795</u> | <u>\$8,260,597</u> | <u>\$9,060,280</u> |

Piqua City School District

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

| | 2001 | 2002 | 2003 | 2004 |
|--|-------------------|-------------------|-------------------|-------------------|
| Revenues: | | | | |
| Local Sources: | | | | |
| Taxes | \$12,209,859 | \$12,588,015 | \$12,424,401 | \$13,464,803 |
| Tuition | 24,263 | 35,940 | 137,043 | 18,666 |
| Transportation Fees | 39,669 | 33,836 | 38,122 | 35,848 |
| Investment Earnings | 296,578 | 130,558 | 68,486 | 42,006 |
| Extracurricular Activities | 393,741 | 455,162 | 370,617 | 353,985 |
| Class Materials and Fees | 155,626 | 157,204 | 168,090 | 166,220 |
| Intermediate Sources | 2,680 | 0 | 0 | 0 |
| Intergovernmental - State | 11,189,950 | 11,770,392 | 11,843,762 | 13,188,158 |
| Intergovernmental - Federal | 1,386,556 | 1,698,000 | 1,554,911 | 2,296,840 |
| All Other Revenue | 467,196 | 411,390 | 235,355 | 295,464 |
| Total Revenue | <u>26,166,118</u> | <u>27,280,497</u> | <u>26,840,787</u> | <u>29,861,990</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction | 15,576,121 | 16,388,979 | 16,183,138 | 16,358,199 |
| Supporting Services: | | | | |
| Pupils | 1,381,888 | 1,492,034 | 1,485,538 | 1,463,501 |
| Instructional Staff | 1,616,903 | 1,715,646 | 1,680,677 | 1,676,962 |
| Board of Education | 8,042 | 7,669 | 7,655 | 9,288 |
| Administration | 1,891,308 | 1,975,554 | 1,985,134 | 2,127,764 |
| Fiscal Services | 490,768 | 542,155 | 592,978 | 619,032 |
| Business | 67,022 | 97,136 | 90,036 | 77,078 |
| Operation and Maintenance of Plant | 2,253,092 | 2,418,031 | 2,365,280 | 2,494,020 |
| Pupil Transportation | 1,115,349 | 1,086,408 | 1,089,645 | 1,157,741 |
| Central | 41,318 | 30,539 | 28,787 | 62,856 |
| Operation of Non-Instructional Services | 297,395 | 271,086 | 256,590 | 290,601 |
| Extracurricular Activities | 606,210 | 741,995 | 621,347 | 572,846 |
| Capital Outlay | 994,131 | 868,120 | 327,019 | 145,684 |
| Debt Service: | | | | |
| Principal Retirement | 415,000 | 455,000 | 840,000 | 850,000 |
| Interest and Fiscal Charges | 568,269 | 547,607 | 553,413 | 524,077 |
| Total Expenditures | <u>27,322,816</u> | <u>28,637,959</u> | <u>28,107,237</u> | <u>28,429,649</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,156,698) | (1,357,462) | (1,266,450) | 1,432,341 |

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$15,296,945 | \$14,990,760 | \$14,419,517 | \$14,150,431 | \$15,387,973 | \$15,142,143 |
| 33,062 | 49,074 | 3,196 | 7,460 | 5,030 | 3,625 |
| 37,911 | 54,948 | 54,717 | 37,531 | 37,192 | 49,100 |
| 93,786 | 139,379 | 239,887 | 214,974 | 102,858 | (165,964) |
| 440,335 | 392,676 | 504,759 | 457,060 | 491,461 | 588,007 |
| 158,679 | 156,283 | 149,604 | 143,340 | 135,222 | 128,420 |
| 8,842 | 14,137 | 10,710 | 30,562 | 69,506 | 46,692 |
| 13,766,336 | 13,640,495 | 14,424,266 | 14,856,722 | 15,843,854 | 14,051,556 |
| 2,204,242 | 2,024,983 | 2,523,093 | 2,421,712 | 2,386,862 | 3,993,343 |
| 439,803 | 368,501 | 287,562 | 497,499 | 367,843 | 314,520 |
| <u>32,479,941</u> | <u>31,831,236</u> | <u>32,617,311</u> | <u>32,817,291</u> | <u>34,827,801</u> | <u>34,151,442</u> |
| 17,403,012 | 18,391,170 | 18,570,721 | 18,247,045 | 18,235,730 | 19,869,739 |
| 1,632,401 | 1,513,694 | 1,496,885 | 1,574,056 | 1,596,274 | 1,474,825 |
| 1,954,669 | 2,200,140 | 2,067,550 | 2,075,287 | 1,955,021 | 1,999,864 |
| 10,002 | 19,669 | 23,042 | 20,339 | 32,189 | 29,714 |
| 2,484,897 | 2,317,642 | 2,416,263 | 2,274,443 | 2,199,678 | 2,258,046 |
| 624,953 | 457,939 | 375,270 | 404,047 | 376,558 | 393,654 |
| 88,423 | 105,655 | 100,888 | 54,748 | 54,058 | 30,502 |
| 2,897,305 | 2,963,996 | 2,982,253 | 2,823,351 | 2,854,147 | 2,873,207 |
| 1,484,669 | 1,308,677 | 1,463,409 | 1,369,429 | 1,597,794 | 1,638,063 |
| 128,722 | 159,645 | 161,456 | 191,322 | 211,419 | 313,907 |
| 299,653 | 294,329 | 371,664 | 286,744 | 294,428 | 165,805 |
| 603,368 | 621,321 | 807,362 | 664,053 | 737,425 | 792,759 |
| 684,360 | 908,969 | 661,705 | 349,557 | 208,690 | 437,616 |
| 875,000 | 881,401 | 799,456 | 807,637 | 829,274 | 753,801 |
| 428,301 | 376,603 | 350,135 | 337,922 | 324,805 | 313,420 |
| <u>31,599,735</u> | <u>32,520,850</u> | <u>32,648,059</u> | <u>31,479,980</u> | <u>31,507,490</u> | <u>33,344,922</u> |
| 880,206 | (689,614) | (30,748) | 1,337,311 | 3,320,311 | 806,520 |

(Continued)

Piqua City School District

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

| | 2001 | 2002 | 2003 | 2004 |
|--|----------------------|--------------------|----------------------|--------------------|
| Other Financing Sources (Uses): | | | | |
| Sale of Capital Assets | 26,725 | 20,733 | 2,784 | 1,579 |
| General Obligation Notes Issued | 0 | 1,050,000 | 0 | 0 |
| Refunding Bonds Issued | 0 | 0 | 0 | 0 |
| Payment to Refunded Bond Escrow Agent | 0 | 0 | 0 | 0 |
| Other Financing Sources - Capital Leases | 0 | 0 | 0 | 21,595 |
| Transfers In | 0 | 0 | 216,809 | 4,078 |
| Transfers Out | 0 | 0 | (757) | (4,078) |
| Total Other Financing Sources (Uses) | <u>26,725</u> | <u>1,070,733</u> | <u>218,836</u> | <u>23,174</u> |
| Net Change in Fund Balance | <u>(\$1,129,973)</u> | <u>(\$286,729)</u> | <u>(\$1,047,614)</u> | <u>\$1,455,515</u> |
| | | | | |
| Debt Service as a Percentage of Noncapital Expenditures | 3.73% | 3.61% | 5.02% | 4.86% |

Source: District Treasurer's Office

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------------|--------------------|-----------------|--------------------|--------------------|------------------|
| 5,940 | 3,269 | 7,560 | 900 | 1,400 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 9,154,131 | 0 | 0 | 0 | 0 | 0 |
| (9,026,607) | 0 | 0 | 0 | 0 | 0 |
| 538,893 | 0 | 0 | 0 | 0 | 0 |
| 423,951 | 0 | 42,212 | 0 | 0 | 0 |
| (22,154) | 0 | 0 | 0 | 0 | 0 |
| <u>1,074,154</u> | <u>3,269</u> | <u>49,772</u> | <u>900</u> | <u>1,400</u> | <u>0</u> |
| <u>\$1,954,360</u> | <u>(\$686,345)</u> | <u>\$19,024</u> | <u>\$1,338,211</u> | <u>\$3,321,711</u> | <u>\$806,520</u> |
| 4.22% | 3.99% | 3.60% | 3.66% | 3.73% | 3.28% |

Piqua City School District

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

| Tax year | 2000 | 2001 | 2002 | 2003 |
|---|---------------|---------------|---------------|---------------|
| Real Property | | | | |
| Assessed | \$310,878,670 | \$333,483,290 | \$338,895,480 | \$344,418,880 |
| Actual | 888,224,771 | 952,809,400 | 968,272,800 | 984,053,943 |
| Public Utility | | | | |
| Assessed | 10,154,970 | 7,357,810 | 7,755,360 | 7,417,100 |
| Actual | 10,154,970 | 7,357,810 | 7,755,360 | 7,417,100 |
| Tangible Personal Property | | | | |
| Assessed | 80,763,908 | 82,471,680 | 85,311,390 | 78,654,750 |
| Actual | 323,055,632 | 329,886,720 | 341,245,560 | 314,619,000 |
| Total | | | | |
| Assessed | 401,797,548 | 423,312,780 | 431,962,230 | 430,490,730 |
| Actual | 1,221,435,373 | 1,290,053,930 | 1,317,273,720 | 1,306,090,043 |
| Assessed Value as a Percentage of Actual Value | 32.90% | 32.81% | 32.79% | 32.96% |
| Total Direct Tax Rate | 40.60 | 40.50 | 40.42 | 40.42 |

Source: Miami County Auditor

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

The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal.

Piqua City School District

| 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| \$362,252,930 | \$367,838,530 | \$374,683,270 | \$406,911,920 | \$407,511,780 | \$413,598,800 |
| 1,035,008,371 | 1,050,967,229 | 1,070,523,629 | 1,162,605,486 | 1,164,319,371 | 1,181,710,857 |
| 7,340,430 | 6,919,730 | 6,323,530 | 4,459,970 | 4,819,310 | 4,709,220 |
| 7,340,430 | 6,919,730 | 6,323,530 | 4,459,970 | 4,819,310 | 4,709,220 |
| 67,163,130 | 65,430,770 | 53,859,240 | 36,592,810 | 17,687,650 | 641,520 |
| 268,652,520 | 261,723,080 | 287,249,280 | 292,742,480 | 283,002,400 | 10,264,320 |
| 436,756,490 | 440,189,030 | 434,866,040 | 447,964,700 | 430,018,740 | 418,949,540 |
| 1,311,001,321 | 1,319,610,039 | 1,364,096,439 | 1,459,807,936 | 1,452,141,081 | 1,196,684,397 |
| 33.31% | 33.36% | 31.88% | 30.69% | 29.61% | 35.01% |
| 45.31 | 45.05 | 45.25 | 44.50 | 44.82 | 44.87 |

Piqua City School District

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

| | 2000 | 2001 | 2002 | 2003 | 2004 |
|------------------------------|-------|-------|-------|-------|-------|
| Direct District Rates | | | | | |
| General Fund | 35.00 | 35.00 | 35.00 | 35.00 | 39.89 |
| Bond Retirement Fund | 2.60 | 2.50 | 2.42 | 2.42 | 2.42 |
| Permanent Improvement Fund | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Total | 40.60 | 40.50 | 40.42 | 40.42 | 45.31 |
| Overlapping Rates | | | | | |
| City of Piqua | 4.45 | 4.45 | 4.43 | 4.43 | 4.43 |
| Joint Vocational School | 4.90 | 4.90 | 4.90 | 4.90 | 5.46 |
| Miami County | 8.83 | 8.43 | 9.13 | 9.13 | 9.13 |
| Special Taxing Districts | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |

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

Source:

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

Piqua City School District

| <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|--------------|--------------|--------------|--------------|--------------|
| 39.85 | 39.80 | 39.40 | 39.72 | 39.72 |
| 2.40 | 2.65 | 2.30 | 2.30 | 2.35 |
| 2.80 | 2.80 | 2.80 | 2.80 | 2.80 |
| <u>45.05</u> | <u>45.25</u> | <u>44.50</u> | <u>44.82</u> | <u>44.87</u> |
| 4.40 | 4.40 | 4.40 | 4.42 | 4.42 |
| 5.45 | 5.45 | 5.35 | 5.18 | 5.36 |
| 9.11 | 8.81 | 8.80 | 8.81 | 8.81 |
| 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |

Piqua City School District

*Principal Taxpayers
Tangible Personal Property Tax
Current Year and Nine Years Ago*

| Name of Taxpayer | Nature of Business | Calendar Year 2009 | | |
|----------------------------------|--------------------|--------------------|------|---------------------------------|
| | | Assessed Value | Rank | Percent of Total Assessed Value |
| Ohio Bell Telephone Co. | Telephone Utility | \$432,810 | 1 | 67.47% |
| Cincinnati Bell Wireless LLC | Telephone Utility | 51,840 | 2 | 8.08% |
| New Par | Telephone Utility | 42,860 | 3 | 6.68% |
| Cricket Communications Inc. | Telephone Utility | 28,220 | 4 | 4.40% |
| Sprintcom Inc. | Telephone Utility | 24,480 | 5 | 3.82% |
| TWC Digital Phone LLC | Telephone Utility | 21,790 | 6 | 3.40% |
| T Mobile Central LLC | Telephone Utility | 13,630 | 7 | 2.12% |
| Ameritech Advanced Data Services | Telephone Utility | 10,860 | 8 | 1.69% |
| Sprint Nextel Corp | Telephone Utility | 6,260 | 9 | 0.98% |
| Choice One Communications | Telephone Utility | 3,130 | 10 | 0.49% |
| Subtotal | | 635,880 | | 99.13% |
| All Others | | 5,640 | | 0.87% |
| Total | | <u>\$641,520</u> | | <u>100.00%</u> |

| Name of Taxpayer | Nature of Business | Calendar Year 2000 | | |
|-------------------------------|---|---------------------|------|---------------------------------|
| | | Assessed Value | Rank | Percent of Total Assessed Value |
| Evenflo Juvenile | Manufacturer - Juvenile Furniture | \$7,692,910 | 1 | 9.53% |
| Hartzell Propeller | Manufacturer - Aircraft Propellers | 6,627,910 | 2 | 8.21% |
| Jackson Tube | Manufacturer - Steel Tubing | 5,541,070 | 3 | 6.86% |
| Miami Acquisition Corporation | Manufacturer - Steel Tubing | 5,508,940 | 4 | 6.82% |
| Crane Pumps and Systems | Manufacturer - Industrial Pumps | 2,724,160 | 5 | 3.37% |
| Miami Valley Steel | Manufacturer - Steel Processing | 2,466,010 | 6 | 3.05% |
| Hartzell Hardwoods | Manufacturer - Hard Lumber | 1,787,180 | 7 | 2.21% |
| Industry Products Company | Tool and Die | 1,748,660 | 8 | 2.17% |
| Hartzell Fans | Manufacturer - Industrial Fans | 1,743,080 | 9 | 2.16% |
| French Oil Mill | Manufacturer - Presses for Oilseed Industry | 1,691,140 | 10 | 2.09% |
| Subtotal | | 37,531,060 | | 46.47% |
| All Others | | 43,232,848 | | 53.53% |
| Total | | <u>\$80,763,908</u> | | <u>100.00%</u> |

Source: Miami County Auditor - Land and Buildings
Based on valuation of property in 2009 and 2000

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

Piqua City School District

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

| Name of Taxpayer | Nature of Business | Calendar Year 2009 | | |
|--|-----------------------------------|-----------------------------|------|---------------------------------|
| | | Assessed Value | Rank | Percent of Total Assessed Value |
| Midamco | Hospitality | \$9,672,770 | 1 | 2.34% |
| Harvey A Tolson Enterprises | Real Estate | 3,724,630 | 2 | 0.90% |
| Wal-Mart | Retail | 3,180,870 | 3 | 0.77% |
| Miami Valley Realty | Real Estate | 2,324,010 | 4 | 0.56% |
| City of Piqua Downtown Redevelopment Project LP | Real Estate | 2,191,110 | 5 | 0.53% |
| Evenflo Juvenile | Manufacturer - Juvenile Furniture | 2,161,150 | 6 | 0.52% |
| Med-Terra Inc. | Real Estate | 2,142,380 | 7 | 0.52% |
| Home Depot Inc. | Retail | 2,096,970 | 8 | 0.51% |
| Jackson Tube | Manufacturer - Steel Tubing | 1,960,010 | 9 | 0.47% |
| Centro LLC | Digital Media and Technology | 1,447,120 | 10 | 0.35% |
| Subtotal | | <u>30,901,020</u> | | <u>7.47%</u> |
| All Others | | <u>382,697,780</u> | | <u>92.53%</u> |
| Total | | <u><u>\$413,598,800</u></u> | | <u><u>100.00%</u></u> |

| Name of Taxpayer | Nature of Business | Calendar Year 2000 | | |
|-------------------------|-----------------------------------|-----------------------------|------|---------------------------------|
| | | Assessed Value | Rank | Percent of Total Assessed Value |
| Midamco | Hospitality | \$10,305,870 | 1 | 3.32% |
| Troy Piqua Housing Inc. | Real Estate | 5,453,550 | 2 | 1.75% |
| I-75 Associates | Real Estate | 2,998,670 | 3 | 0.96% |
| Jackson Tube | Manufacturer - Steel Tubing | 2,297,370 | 4 | 0.74% |
| Evenflo Juvenile | Manufacturer - Juvenile Furniture | 2,138,610 | 5 | 0.69% |
| Med-Terra Inc. | Real Estate | 1,991,180 | 6 | 0.64% |
| HK New Plan Exchange | Shopping Mall | 1,578,410 | 7 | 0.51% |
| Miami Valley Steel | Manufacturer - Steel Processing | 1,382,120 | 8 | 0.44% |
| HCF Reality of Garbry | Senior Housing | 1,123,510 | 9 | 0.36% |
| HCF Reality of Piqua | Senior Housing | 1,085,000 | 10 | 0.35% |
| Subtotal | | <u>30,354,290</u> | | <u>9.76%</u> |
| All Others | | <u>280,524,380</u> | | <u>90.24%</u> |
| Total | | <u><u>\$310,878,670</u></u> | | <u><u>100.00%</u></u> |

Source: Miami County Auditor - Land and Buildings
Based on valuation of property in 2009 and 2000

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



Piqua City School District

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

| Name of Taxpayer | Nature of Business | Calendar Year 2009 | | |
|----------------------------|--------------------|--------------------|------|---------------------------------|
| | | Assessed Value | Rank | Percent of Total Assessed Value |
| Dayton Power and Light Co. | Electricity | \$1,837,740 | 1 | 39.02% |
| Pioneer Rural Electric | Electricity | 1,545,460 | 2 | 32.82% |
| Vectren Energy | Natural Gas | 1,321,580 | 3 | 28.06% |
| Subtotal | | 4,704,780 | | 99.90% |
| All Others | | 4,440 | | 0.10% |
| Total | | <u>\$4,709,220</u> | | <u>100.00%</u> |

| Name of Taxpayer | Nature of Business | Calendar Year 2000 | | |
|----------------------------|--------------------|---------------------|------|---------------------------------|
| | | Assessed Value | Rank | Percent of Total Assessed Value |
| Dayton Power and Light Co. | Electricity | \$6,036,360 | 1 | 59.44% |
| Subtotal | | 6,036,360 | | 59.44% |
| All Others | | 4,118,610 | | 40.56% |
| Total | | <u>\$10,154,970</u> | | <u>100.00%</u> |

Source: Miami County Auditor - Land and Buildings
Based on valuation of property in 2009 and 2000

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

Piqua City School District

*Property Tax Levies and Collections
Last Ten Years*

| Collection Year | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> |
|---|----------------|----------------|----------------|----------------|
| Total Tax Levy | \$11,341,840 | \$11,758,537 | \$12,134,631 | \$12,017,350 |
| Collections within the Fiscal Year of the Levy | | | | |
| Current Tax Collections | 10,991,532 | 11,128,261 | 11,692,681 | 11,686,585 |
| Percent of Levy Collected | 96.91% | 94.64% | 96.36% | 97.25% |
| Delinquent Tax Collections (1) | <u>252,431</u> | <u>214,775</u> | <u>287,621</u> | <u>248,690</u> |
| Total Tax Collections | 11,243,963 | 11,343,036 | 11,980,302 | 11,935,275 |
| Percent of Total Tax Collections To Tax Levy | 99.14% | 96.47% | 98.73% | 99.32% |
| Accumulated Outstanding Delinquent Taxes | 496,884 | 818,370 | 965,901 | 1,107,525 |
| Percentage of Accumulated Delinquent Taxes to Total Tax Levy | 4.38% | 6.96% | 7.96% | 9.22% |

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

Source: Miami County Auditor's Office

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

Piqua City School District

| 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$14,122,098 | \$14,192,530 | \$14,177,788 | \$13,678,615 | \$13,196,070 | \$12,524,772 |
| 13,777,100 | 13,882,416 | 13,844,988 | 13,147,245 | 12,774,025 | 12,097,727 |
| 97.56% | 97.81% | 97.65% | 96.12% | 96.80% | 96.59% |
| 525,669 | 607,446 | 581,075 | 402,960 | 464,920 | 458,414 |
| 14,302,769 | 14,489,862 | 14,426,063 | 13,550,205 | 13,238,945 | 12,556,141 |
| 101.28% | 102.09% | 101.75% | 99.06% | 100.32% | 100.25% |
| 1,093,320 | 1,184,242 | 1,253,166 | 2,357,109 | 2,384,309 | 1,214,881 |
| 7.74% | 8.34% | 8.84% | 17.23% | 18.07% | 9.70% |

Piqua City School District

*Ratio of Outstanding Debt By Type
Last Ten Years*

| | 2001 | 2002 | 2003 | 2004 |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities (1) | | | | |
| Installment Notes Payable | \$0 | \$1,050,000 | \$700,000 | \$350,000 |
| General Obligation Bonds Payable | 11,580,432 | 11,125,432 | 10,635,432 | 10,135,432 |
| Capital Leases | 166,443 | 111,772 | 58,506 | 20,605 |
| Total Primary Government | <u>\$11,746,875</u> | <u>\$12,287,204</u> | <u>\$11,393,938</u> | <u>\$10,506,037</u> |
| Population (2) | | | | |
| Piqua City | 20,738 | 20,738 | 20,738 | 20,738 |
| Outstanding Debt Per Capita | \$566 | \$592 | \$549 | \$507 |
| Income (3) | | | | |
| Personal (in thousands) | \$578,092 | \$575,728 | \$587,383 | \$612,061 |
| Percentage of Personal Income | 2.03% | 2.13% | 1.94% | 1.72% |

* As Restated

Sources:

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

Piqua City School District

| * | | | | | |
|--------------|--------------|--------------|-------------|-------------|-------------|
| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 9,735,546 | 10,221,398 | 9,719,528 | 9,290,773 | 8,805,425 | 8,262,560 |
| 491,568 | 390,167 | 280,711 | 163,075 | 38,801 | 0 |
| \$10,227,114 | \$10,611,565 | \$10,000,239 | \$9,453,848 | \$8,844,226 | \$8,262,560 |
| 20,738 | 20,738 | 20,738 | 20,738 | 20,582 | 20,551 |
| \$493 | \$512 | \$482 | \$456 | \$430 | \$402 |
| \$630,663 | \$635,516 | \$665,628 | \$747,003 | \$713,743 | \$712,668 |
| 1.62% | 1.67% | 1.50% | 1.27% | 1.24% | 1.16% |

Piqua City School District

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

| Year | 2001 | 2002 | 2003 | 2004 |
|---|---------------|---------------|---------------|---------------|
| Population ⁽¹⁾ | 20,738 | 20,738 | 20,738 | 20,738 |
| Estimated Actual Value | 1,221,435,373 | 1,290,053,930 | 1,317,273,720 | 1,306,090,043 |
| General Bonded Debt ⁽²⁾ | | | | |
| General Obligation Bonds | 11,580,432 | 11,125,432 | 10,635,432 | 10,135,432 |
| Resources Available to Pay Principal ⁽³⁾ | 215,874 | 229,055 | 262,134 | 318,529 |
| Net General Bonded Debt | 11,364,558 | 10,896,377 | 10,373,298 | 9,816,903 |
| Ratio of Net Bonded Debt to Estimated Actual Value | 0.93% | 0.84% | 0.79% | 0.75% |
| Net Bonded Debt per Capita | 548.01 | 525.43 | 500.21 | 473.38 |

* As Restated

Source:

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

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

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

Piqua City School District

| 2005 | * | 2006 | 2007 | 2008 | 2009 | 2010 |
|---------------|---|---------------|---------------|---------------|---------------|---------------|
| 20,738 | | 20,738 | 20,738 | 20,738 | 20,582 | 20,551 |
| 1,311,001,321 | | 1,319,610,039 | 1,364,096,439 | 1,459,807,936 | 1,452,141,081 | 1,196,684,397 |
| 9,735,546 | | 10,221,398 | 9,719,528 | 9,290,773 | 8,805,425 | 8,262,560 |
| 578,706 | | 565,738 | 718,046 | 779,667 | 827,565 | 844,123 |
| 9,156,840 | | 9,655,660 | 9,001,482 | 8,511,106 | 7,977,860 | 7,418,437 |
| 0.70% | | 0.73% | 0.66% | 0.58% | 0.55% | 0.62% |
| 441.55 | | 465.60 | 434.06 | 410.41 | 387.61 | 360.98 |



Piqua City School District

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2010*

| Jurisdiction | Gross Debt Outstanding | Percentage Applicable to Piqua City School District | Amount Applicable to Piqua City School District |
|----------------------------|-----------------------------------|--|--|
| Direct: | | | |
| Piqua City School District | \$8,262,560 | 100.00% | \$8,262,560 |
| Overlapping: | | | |
| Miami County | 4,530,000 | 20.61% | 933,633 |
| City of Piqua | 875,000 | 100.00% | 875,000 |
| | | Subtotal | 1,808,633 |
| | | Total | <u>\$10,071,193</u> |

Source: Ohio Municipal Advisory Council, June 2010

Piqua City School District

*Debt Limitations
Last Ten Years*

| | 2001 | 2002 | 2003 | 2004 |
|--|---------------------|---------------------|---------------------|---------------------|
| Net Assessed Valuation | \$401,797,548 | \$423,312,780 | \$431,962,230 | \$430,490,730 |
| Legal Debt Limitation (%) (1) | 9.00% | 9.00% | 9.00% | 9.00% |
| Legal Debt Limitation (\$) (1) | 36,161,779 | 38,098,150 | 38,876,601 | 38,744,166 |
| Applicable District Debt Outstanding | 11,580,432 | 11,125,432 | 10,635,432 | 10,135,432 |
| Less: Applicable Debt Service Fund Amounts (2) | (215,874) | (229,055) | (262,134) | (318,529) |
| Net Indebtedness Subject to Limitation | 11,364,558 | 10,896,377 | 10,373,298 | 9,816,903 |
| Overall Legal Debt Margin | <u>\$24,797,221</u> | <u>\$27,201,773</u> | <u>\$28,503,303</u> | <u>\$28,927,263</u> |
| Legal Debt Limitation (%) (1) | 0.10% | 0.10% | 0.10% | 0.10% |
| Legal Debt Limitation (\$) (1) | 401,798 | 423,313 | 431,962 | 430,491 |
| Applicable District Debt Outstanding | 0 | 0 | 0 | 0 |
| Unvoted Legal Debt Margin | <u>\$401,798</u> | <u>\$423,313</u> | <u>\$431,962</u> | <u>\$430,491</u> |
| Legal Debt Limitation (%) (1) | 0.90% | 0.90% | 0.90% | 0.90% |
| Legal Debt Limitation (\$) (1) | 3,616,178 | 3,809,815 | 3,887,660 | 3,874,417 |
| Applicable District Debt Outstanding | 0 | (1,050,000) | (700,000) | (350,000) |
| Unvoted Energy Conservation | | | | |
| Loans Legal Debt Margin | <u>\$3,616,178</u> | <u>\$2,759,815</u> | <u>\$3,187,660</u> | <u>\$3,524,417</u> |

* As Restated

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

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

Piqua City School District

| * | | | | | |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| \$436,756,490 | \$440,189,030 | \$434,866,040 | \$447,964,700 | \$430,018,740 | \$418,949,540 |
| 9.00% | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| 39,308,084 | 39,617,013 | 39,137,944 | 40,316,823 | 38,701,687 | 37,705,459 |
| 9,735,546 | 10,221,398 | 9,719,528 | 9,290,773 | 8,805,425 | 8,262,560 |
| (578,706) | (565,738) | (718,046) | (779,667) | (827,565) | (844,123) |
| 9,156,840 | 9,655,660 | 9,001,482 | 8,511,106 | 7,977,860 | 7,418,437 |
| <u>\$30,151,244</u> | <u>\$29,961,353</u> | <u>\$30,136,462</u> | <u>\$31,805,717</u> | <u>\$30,723,827</u> | <u>\$30,287,022</u> |
| 0.10% | 0.10% | 0.10% | 0.10% | 0.10% | 0.10% |
| 436,756 | 440,189 | 434,866 | 447,965 | 430,019 | 418,950 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$436,756</u> | <u>\$440,189</u> | <u>\$434,866</u> | <u>\$447,965</u> | <u>\$430,019</u> | <u>\$418,950</u> |
| 0.90% | 0.90% | 0.90% | 0.90% | 0.90% | 0.90% |
| 3,930,808 | 3,961,701 | 3,913,794 | 4,031,682 | 3,870,169 | 3,770,546 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$3,930,808</u> | <u>\$3,961,701</u> | <u>\$3,913,794</u> | <u>\$4,031,682</u> | <u>\$3,870,169</u> | <u>\$3,770,546</u> |

Piqua City School District

Demographic and Economic Statistics Last Ten Years

| Calendar Year | 2000 | 2001 | 2002 | 2003 | 2004 |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| Population (1) | | | | | |
| Piqua City | 20,738 | 20,738 | 20,738 | 20,738 | 20,738 |
| Miami County | 93,868 | 98,868 | 98,868 | 98,868 | 100,797 |
| Income (2) (a) | | | | | |
| Total Personal (in thousands) | 578,092 | 575,728 | 587,383 | 612,061 | 630,663 |
| Per Capita | 27,876 | 27,762 | 28,324 | 29,514 | 30,411 |
| Unemployment Rate (3) | | | | | |
| Federal | 3.8% | 4.8% | 5.8% | 6.0% | 5.5% |
| State | 3.7% | 4.3% | 5.7% | 6.1% | 6.0% |
| Miami County | 3.0% | 4.6% | 4.3% | 5.3% | 5.5% |
| Fiscal Year | 2001 | 2002 | 2003 | 2004 | 2005 |
| School Enrollment (4) | | | | | |
| Grades K - 3 | 1,143 | 1,125 | 1,126 | 1,203 | 1,197 |
| Grades 4 - 6 | 901 | 916 | 879 | 804 | 829 |
| Grades 7 - 8 | 638 | 598 | 614 | 660 | 644 |
| Grades 9 - 12 | 1,229 | 1,207 | 1,241 | 1,265 | 1,252 |
| Total | <u>3,911</u> | <u>3,846</u> | <u>3,860</u> | <u>3,932</u> | <u>3,922</u> |

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County (2009 not available),
Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) District Treasurer's Office

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 |
|---------|---------|---------|---------|---------|
| 20,738 | 20,738 | 20,738 | 20,582 | 20,551 |
| 100,797 | 100,797 | 101,914 | 101,085 | 101,256 |
| 635,516 | 665,628 | 747,003 | 713,743 | 712,668 |
| 30,645 | 32,097 | 36,021 | 34,678 | 34,678 |
| 5.0% | 4.6% | 4.8% | 5.8% | 9.3% |
| 5.9% | 5.5% | 5.7% | 6.6% | 10.2% |
| 5.7% | 5.5% | 5.0% | 6.4% | 11.7% |
| 2006 | 2007 | 2008 | 2009 | 2010 |
| 1,148 | 1,093 | 1,096 | 1,140 | 1,154 |
| 825 | 868 | 850 | 851 | 831 |
| 586 | 557 | 572 | 600 | 568 |
| 1,233 | 1,248 | 1,219 | 1,189 | 1,139 |
| 3,792 | 3,766 | 3,737 | 3,780 | 3,692 |

Piqua City School District

*Principal Employers
Current Year and Nine Years Ago*

| Employer | Nature of Business | 2010 | | |
|--|--|----------------------|------|--------------------------------|
| | | Number of Employees | Rank | Percentage of Total Employment |
| Industry Products | Die Cutting, Silk Screening | 351 | 1 | 3.45% |
| Evenflo Company | Manufacturer - Juvenile Furniture | 285 | 2 | 2.80% |
| Hartzell Propeller | Manufacturer - Aircraft Propellers | 268 | 3 | 2.63% |
| Crane Pumps and Systems | Manufacturer - Industrial Pumps | 240 | 4 | 2.36% |
| Jackson Tube Service | Manufacturer - Steel Tubing | 160 | 5 | 1.57% |
| Miami Valley Steel | Manufacturer - Steel Products | 135 | 6 | 1.33% |
| Nitto Denko Automotive Ohio | Gaskets and Insulating Products | 122 | 7 | 1.20% |
| Hartzell Fan Inc. | Manufacturer - Industrial Air Handlers | 102 | 8 | 1.00% |
| Hobart Brothers | Manufacturer - Welding Wire | 94 | 9 | 0.92% |
| Harmony Systems | Plastic Injection Molder | 88 | 10 | 0.86% |
| Total | | <u>1,845</u> | | |
| Total Employment within the District (1) | | <u><u>10,186</u></u> | | |

| Employer | Nature of Business | 2001 | | |
|--|--|----------------------|------|--------------------------------|
| | | Number of Employees | Rank | Percentage of Total Employment |
| Evenflo Company | Manufacturer - Juvenile Furniture | 655 | 1 | 6.43% |
| Hartzell Propeller | Manufacturer - Aircraft Propellers | 350 | 2 | 3.44% |
| Jackson Tube Service | Manufacturer - Steel Tubing | 350 | 3 | 3.44% |
| LTV Copperweld | Manufacturer - Steel Tubing | 315 | 4 | 3.09% |
| Crane Pumps and Systems | Manufacturer - Industrial Pumps | 300 | 5 | 2.95% |
| Industry Products | Die Cutting, Silk Screening | 382 | 6 | 3.75% |
| Piqua Technologies | Manufacturer - Auto Industry Seals | 180 | 7 | 1.77% |
| Hartzell Fan Inc. | Manufacturer - Industrial Air Handlers | 165 | 8 | 1.62% |
| Miami Valley Steel | Manufacturer - Steel Products | 155 | 9 | 1.52% |
| Hammer Graphics, Inc. | Printing, Mailing, Computer Services | 132 | 10 | 1.30% |
| Total | | <u>2,984</u> | | |
| Total Employment within the District (1) | | <u><u>10,186</u></u> | | |

Sources: District Treasurer's Office
(1) 2000 Census

Piqua City School District

School District Employees by Type Last Five Years

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

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

Source: District Treasurer's Office

Note: Information not available prior to 2006.

Piqua City School District

*Operating Indicators - Cost per Pupil
Last Ten Years*

| Fiscal Year | 2001 | 2002 | 2003 | 2004 | 2005 |
|----------------------------|--------------|--------------|------------|------------|------------|
| Enrollment | 3,911 | 3,846 | 3,860 | 3,932 | 3,922 |
| Modified Accrual Basis | | | | | |
| Operating Expenditures | 27,322,816 | 28,637,959 | 28,107,237 | 28,429,649 | 31,599,735 |
| Cost per Pupil | 6,986 | 7,446 | 7,282 | 7,230 | 8,057 |
| Percentage of Change | 18.4% | 6.6% | (2.2%) | (0.7%) | 11.4% |
| Accrual Basis | | | | | |
| Expenses | \$26,812,924 | \$26,042,722 | 27,713,801 | 27,973,012 | 29,717,504 |
| Cost per Pupil | 6,856 | 6,771 | 7,180 | 7,114 | 7,577 |
| Percentage of Change | N/A | (1.2%) | 6.0% | (0.9%) | 6.5% |
| Teaching Staff | 223 | 217 | 213 | 212 | 207 |
| Pupil to Teacher Ratio (1) | | | | | |
| Piqua City School District | 17.5 | 17.7 | 18.1 | 18.5 | 18.9 |
| State Average | 18.0 | 16.9 | 16.9 | 18.5 | 18.5 |

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

(1) Provided by Ohio Department of Education
2010 reflects 2009 ratios as current data was not available.

Piqua City School District

| 2006 | 2007 | 2008 | 2009 | 2010 |
|------------|------------|------------|------------|------------|
| 3,792 | 3,766 | 3,737 | 3,780 | 3,692 |
| 32,520,850 | 32,648,059 | 31,479,980 | 31,507,490 | 33,344,922 |
| 8,576 | 8,669 | 8,424 | 8,335 | 9,032 |
| 6.4% | 1.1% | (2.83%) | (1.05%) | 8.4% |
| 30,943,290 | 32,089,607 | 31,706,813 | 31,520,979 | 33,389,152 |
| 8,160 | 8,521 | 8,485 | 8,339 | 9,044 |
| 7.7% | 4.4% | (0.43%) | (1.72%) | 8.5% |
| 207 | 217 | 204 | 206 | 201 |
| 18.3 | 17.4 | 18.3 | 18.3 | 18.4 |
| 18.6 | 19.6 | 18.6 | 19.4 | 19.4 |

Piqua City School District

Operating Indicators by Function Last Ten Years

| | 2001 | 2002 | 2003 | 2004 |
|---|---------|---------|---------|---------|
| Governmental Activities | | | | |
| Support Services | | | | |
| Pupils | | | | |
| Enrollment | 3,911 | 3,846 | 3,860 | 3,932 |
| Graduates | 227 | 243 | 226 | 271 |
| Percent of Students with Disabilities | 14.90% | 15.30% | 14.80% | 15.50% |
| Percent of Students with English as Second Language | N/A | N/A | 0.3% | 0.3% |
| Administration | | | | |
| School Attendance Rate | 96.5% | 96.5% | 96.1% | 96.0% |
| Operation and Maintenance of Plant | | | | |
| District Square Footage Maintained | 607,115 | 607,115 | 607,115 | 607,115 |
| Pupil Transportation | | | | |
| Average Daily Students Transported | 2,783 | 2,520 | 2,829 | 2,814 |
| Average Miles Driven per Day | 1,489 | 2,007 | 1,782 | 1,931 |
| Average Miles per Bus | 12,093 | 17,351 | 15,274 | 16,552 |
| Number of Buses | 27 | 21 | 21 | 21 |
| Business-Type Activities | | | | |
| Food Service | | | | |
| Student Meals Served Daily | 2,332 | 2,356 | 2,407 | 2,434 |
| Free/Reduced Price Meals Daily | 943 | 1,068 | 1,139 | 1,191 |
| Percentage of Free/Reduced Price Meals Daily | 40.44% | 45.33% | 47.32% | 48.93% |
| Student Breakfasts Served Daily | 807 | 876 | 893 | 1,022 |
| Free/Reduced Price Breakfasts Daily | 579 | 599 | 642 | 734 |
| Percentage of Free/Reduced Price Breakfasts Daily | 71.75% | 68.38% | 71.89% | 71.82% |

Source: District Treasurer's Office

N/A - not available

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---------|---------|---------|---------|---------|---------|
| 3,922 | 3,792 | 3,766 | 3,737 | 3,780 | 3,692 |
| 262 | 280 | 244 | 255 | 273 | 285 |
| 15.80% | 15.50% | 15.80% | 15.60% | 13.64% | 14.59% |
| 0.6% | 0.6% | 0.8% | 0.7% | 0.4% | 0.4% |
| 96.0% | 96.0% | 95.2% | 95.0% | 95.2% | 95.0% |
| 607,115 | 607,115 | 608,145 | 608,145 | 608,145 | 608,145 |
| 2,542 | 2,691 | 2,625 | 2,474 | 2,437 | 2,141 |
| 2,140 | 2,129 | 2,147 | 2,053 | 1,911 | 1,891 |
| 18,342 | 17,419 | 16,013 | 15,311 | 16,727 | 16,762 |
| 21 | 22 | 24 | 24 | 22 | 21 |
| 2,521 | 2,498 | 2,498 | 2,510 | 2,599 | 2,598 |
| 1,291 | 1,294 | 1,296 | 1,340 | 1,447 | 1,562 |
| 51.21% | 51.80% | 51.88% | 53.39% | 55.68% | 60.12% |
| 1,147 | 1,094 | 1,148 | 1,143 | 1,181 | 1,187 |
| 837 | 802 | 848 | 864 | 920 | 966 |
| 72.97% | 73.31% | 73.87% | 75.59% | 77.90% | 81.38% |

Piqua City School District

*Operating Indicators - Teacher Base Salaries
Last Ten Years*

| Fiscal Year | 2000 | 2001 | 2002 | 2003 | 2004 |
|-------------------------|--------|--------|--------|--------|--------|
| District Average Salary | 41,745 | 44,501 | 45,303 | 47,871 | 49,730 |
| County Average Salary | 41,155 | 42,134 | 43,188 | 45,146 | 46,851 |
| State Average Salary | 41,713 | 42,892 | 44,266 | 45,515 | 47,495 |

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

*Operating Indicators - Teacher by Education
Last Ten Years*

| Fiscal Year | 2001 | 2002 | 2003 | 2004 | 2005 |
|----------------------|------|------|------|------|------|
| Bachelor's Degree | 23 | 29 | 25 | 30 | 27 |
| Bachelor + 15 | 3 | 2 | 2 | 3 | 6 |
| Bachelor + 30 | 53 | 60 | 39 | 36 | 34 |
| Master's Degree | 56 | 45 | 68 | 63 | 64 |
| Master's Degree + 10 | 88 | 81 | 68 | 70 | 65 |
| Master's Degree + 30 | 0 | 0 | 11 | 10 | 11 |
| Total | 223 | 217 | 213 | 212 | 207 |

Source: District Treasurer's Office

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 |
|--------|--------|--------|--------|--------|
| 49,642 | 51,291 | 52,983 | 53,979 | 53,788 |
| 48,691 | 47,569 | 49,212 | 49,635 | 50,034 |
| 49,342 | 51,346 | 52,596 | 54,210 | 55,583 |

| 2006 | 2007 | 2008 | 2009 | 2010 |
|------|------|------|------|------|
| 26 | 24 | 17 | 14 | 13 |
| 1 | 4 | 10 | 10 | 5 |
| 35 | 33 | 25 | 22 | 18 |
| 73 | 84 | 84 | 91 | 97 |
| 61 | 57 | 53 | 49 | 46 |
| 11 | 15 | 15 | 20 | 22 |
| 207 | 217 | 204 | 206 | 201 |

Piqua City School District

Capital Asset Statistics by Building Last Ten Years

| | 2001 | 2002 | 2003 | 2004 |
|--------------------------------|---------|---------|---------|---------|
| Secondary | | | | |
| Piqua Senior High School | | | | |
| Square Footage | 185,375 | 185,375 | 185,375 | 185,375 |
| Capacity (students) | 12,000 | 12,000 | 12,000 | 12,000 |
| Enrollment | 1,068 | 1,100 | 1,100 | 1,120 |
| Piqua Junior High School | | | | |
| Square Footage | 126,000 | 126,000 | 126,000 | 126,000 |
| Capacity (students) | 800 | 800 | 800 | 800 |
| Enrollment | 598 | 614 | 660 | 644 |
| Intermediate | | | | |
| Bennett Intermediate School | | | | |
| Square Footage | 48,739 | 48,739 | 48,739 | 48,739 |
| Capacity (students) | 800 | 800 | 800 | 800 |
| Enrollment | 295 | 260 | 232 | 252 |
| Wilder Intermediate School | | | | |
| Square Footage | 47,651 | 47,651 | 47,651 | 47,651 |
| Capacity (students) | 800 | 800 | 800 | 800 |
| Enrollment | 298 | 300 | 292 | 283 |
| Washington Intermediate School | | | | |
| Square Footage | 35,523 | 35,523 | 35,523 | 35,523 |
| Capacity (students) | 360 | 360 | 360 | 360 |
| Enrollment | 323 | 319 | 280 | 294 |
| Primary | | | | |
| Favorite Hill Primary School | | | | |
| Square Footage | 40,366 | 40,366 | 40,366 | 40,366 |
| Capacity (students) | 400 | 400 | 400 | 400 |
| Enrollment | 287 | 289 | 303 | 324 |
| High Street Primary School | | | | |
| Square Footage | 20,816 | 20,816 | 20,816 | 20,816 |
| Capacity (students) | 360 | 360 | 360 | 360 |
| Enrollment | 268 | 273 | 269 | 288 |

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---------|---------|---------|---------|---------|---------|
| 185,375 | 185,375 | 185,375 | 185,375 | 185,375 | 185,375 |
| 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| 1,077 | 1,050 | 1,248 | 1,219 | 1,189 | 1,139 |
| 126,000 | 126,000 | 126,000 | 126,000 | 126,000 | 126,000 |
| 800 | 800 | 800 | 800 | 800 | 800 |
| 590 | 557 | 557 | 572 | 600 | 568 |
| 48,739 | 48,739 | 48,739 | 48,739 | 48,739 | 48,739 |
| 800 | 800 | 800 | 800 | 800 | 800 |
| 248 | 249 | 249 | 242 | 245 | 293 |
| 47,651 | 47,651 | 47,651 | 47,651 | 47,651 | 47,651 |
| 800 | 800 | 800 | 800 | 800 | 800 |
| 275 | 293 | 293 | 299 | 297 | 299 |
| 35,523 | 35,523 | 35,523 | 35,523 | 35,523 | 35,523 |
| 360 | 360 | 360 | 360 | 360 | 360 |
| 312 | 326 | 326 | 305 | 309 | 282 |
| 40,366 | 40,366 | 40,366 | 40,366 | 40,366 | 40,366 |
| 400 | 400 | 400 | 400 | 400 | 400 |
| 325 | 306 | 306 | 282 | 296 | 300 |
| 20,816 | 20,816 | 20,816 | 20,816 | 20,816 | 20,816 |
| 360 | 360 | 360 | 360 | 360 | 360 |
| 275 | 259 | 259 | 253 | 302 | 271 |

(Continued)

Piqua City School District

*Capital Asset Statistics by Building
Last Ten Years*

| | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> |
|--|-------------|-------------|-------------|-------------|
| Springcreek Primary School | | | | |
| Square Footage | 25,326 | 25,326 | 25,326 | 25,326 |
| Capacity (students) | 360 | 360 | 360 | 360 |
| Enrollment | 245 | 245 | 264 | 260 |
| Nicklin Avenue Learning Center | | | | |
| Square Footage | 21,519 | 21,519 | 21,519 | 21,519 |
| Capacity (students) | 375 | 375 | 375 | 375 |
| Enrollment | 325 | 319 | 367 | 325 |
| All Other | | | | |
| Central Administration Building | | | | |
| Square Footage | 12,800 | 12,800 | 12,800 | 12,800 |
| Transportation Building | | | | |
| Square Footage | 16,000 | 16,000 | 16,000 | 16,000 |
| Maintenance Building | | | | |
| Square Footage | 27,000 | 27,000 | 27,000 | 27,000 |

Source: District Treasurer's Office

Piqua City School District

| 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------|--------|--------|--------|--------|--------|
| 25,326 | 25,326 | 25,326 | 25,326 | 25,326 | 25,326 |
| 360 | 360 | 360 | 360 | 360 | 360 |
| 271 | 260 | 260 | 268 | 229 | 238 |
| 21,519 | 21,519 | 21,519 | 21,519 | 21,519 | 21,519 |
| 375 | 375 | 375 | 375 | 375 | 375 |
| 298 | 268 | 268 | 297 | 313 | 302 |
| 12,800 | 12,800 | 13,830 | 13,830 | 13,830 | 13,830 |
| 16,000 | 16,000 | 16,000 | 16,000 | 16,000 | 16,000 |
| 27,000 | 27,000 | 27,000 | 27,000 | 27,000 | 27,000 |

Piqua City School District

*Educational and Operating Statistics
Last Ten Years*

| | 2001 | 2002 | 2003 | 2004 | 2005 |
|-----------------------------------|--------|--------|--------|--------|--------|
| Cost per Student (ODE) (1) | | | | | |
| Piqua | 6,964 | 7,186 | 7,211 | 7,092 | 7,855 |
| Ohio (Average) | 7,602 | 8,073 | 8,441 | 8,768 | 9,028 |
| Attendance Rate | | | | | |
| Piqua | 93.50% | 94.10% | 94.40% | 94.50% | 94.70% |
| Ohio (Average) | 94.70% | 95.00% | 94.90% | 95.30% | 95.20% |
| Graduation Rate | | | | | |
| Piqua | 79.90% | 84.50% | 84.90% | 88.20% | 83.80% |
| Ohio (Average) | 81.20% | 82.80% | 83.90% | 84.30% | 85.90% |

Source:

District's Student Records and Ohio Department of Education

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

Piqua City School District

| 2006 | 2007 | 2008 | 2009 | 2010 |
|--------|--------|--------|--------|--------|
| 8,348 | 8,893 | 8,654 | 8,345 | 9,377 |
| 9,343 | 9,586 | 9,939 | 9,990 | 10,253 |
| 94.90% | 95.20% | 95.00% | 95.20% | 95.00% |
| 94.10% | 94.10% | 94.20% | 94.30% | 94.30% |
| 83.80% | 87.90% | 92.40% | 90.40% | 93.10% |
| 86.20% | 86.10% | 86.90% | 84.60% | 83.00% |





Dave Yost • Auditor of State

PIQUA CITY SCHOOL DISTRICT

MIAMI COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
FEBRUARY 17, 2011