



Dave Yost • Auditor of State



**CELINA CITY SCHOOL DISTRICT  
CELINA COUNTY**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Celina City School District  
Mercer County  
585 East Livingston Street  
Celina, Ohio 45822

To the Board of Education:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Celina City School District, Mercer County, Ohio (the School District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Celina School District, Mercer County, Ohio, as of June 30, 2014, and the respective changes in cash financial position and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting basis described in Note 2.

**Accounting Basis**

Ohio Administrative Code § 117-2-03(B) requires the School District to prepare its annual financial report in accordance with accounting principles generally accepted in the United States of America. We draw attention to Note 2 of the financial statements, which describes the basis applied to these statements, which is a basis other than generally accepted accounting principles. We did not modify our opinion regarding this matter.

**Other Matters**

*Supplemental and Other Information*

We audited to opine on the School District's financial statements that collectively comprise its basic financial statements.

*Management's Discussion & Analysis* includes tables of net position, changes in net position, and governmental activities. This information provides additional analysis and is not a required part of the basic financial statements.

The Schedule of Federal Award Receipts and Expenditures also presents additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is also not a required part of the financial statements.

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

Other than the aforementioned procedures applied to the tables, we applied no procedures to any other information in Management's Discussion & Analysis, and we express no opinion or any other assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2015, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

January 21, 2015

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**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
UNAUDITED**

The discussion and analysis of Celina City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014, within the limitations of cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

**Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the School District's cash basis of accounting.

The School District has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing receipts, disbursements, and the related assets and liabilities. Under the School District's cash basis of accounting, receipts and disbursements and the related assets and liabilities are recorded when they result in cash transactions.

As a result of using the cash basis of accounting, certain assets and their related receipts (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

The statement of net position and the statement of activities provide information about the cash activities of the whole School District.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds, with all other non-major funds presented in total in a single column. For Celina City School District, the General Fund is the most significant fund.

**Reporting the School District as a Whole**

The statement of net position and the statement of activities reflect how the School District did financially during fiscal year 2014, within the limitations of the cash basis of accounting. The statement of net position presents the cash balance of the governmental activities of the School District at fiscal year end. The statement of activities compares cash disbursements with program receipts for each function or program of the School District's governmental activities. A function is a group of related activities designed to accomplish a major service or regulatory program for which the School District is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants, contributions, and interest restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the School District's general receipts

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
UNAUDITED  
(Continued)**

These statements report the School District's cash position and the changes in cash position. Factors which contribute to these changes may include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the statement of net position and the statement of activities, all of the School District activities are presented as governmental activities. All of the School District's programs and services are reported here including instruction, support services, non-instructional services, extracurricular activities, and debt service disbursements.

**Reporting the School District's Most Significant Funds**

Fund financial statements provide detailed information about the School District's major funds. While the School District uses many funds to account for its financial transactions, the fund financial statements focus on the School District's most significant funds. The School District's only major governmental fund is the General Fund.

**Governmental Funds** – All of the School District's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year-end for spending in future periods. These funds are reported using the cash basis of accounting. The governmental fund financial statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs.

**The School District as a Whole**

Table 1 provides a summary of the School District's net position for fiscal year 2014 and fiscal year 2013:

<b>Table 1</b>			
<b>Governmental Activities</b>			
<b>Net Position</b>			
	<b>2014</b>	<b>2013</b>	<b>Change</b>
Assets	<u>\$10,529,251</u>	<u>\$10,478,806</u>	<u>\$50,445</u>
<b>Net Position:</b>			
Restricted	3,235,108	3,530,623	(295,515)
Unrestricted	7,294,143	6,948,183	345,960
Total Net Position	\$10,529,251	\$10,478,806	\$50,445

Total net position increased \$50,445, or less than 1 percent. This was not a significant change.

Table 2 reflects the change in net position for fiscal year 2014 and fiscal year 2013.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
UNAUDITED  
(Continued)**

**Table 2  
Governmental Activities  
Change in Net Position**

<b>Receipts:</b>	<b>2014</b>	<b>2013</b>	<b>Change</b>
<b>Program Receipts:</b>			
Charges for Services	\$2,861,712	\$2,918,760	(\$57,048)
Operating Grants, Contributions, and Interest	4,948,938	4,321,334	627,604
<b>Total Program Receipts</b>	<b>7,810,650</b>	<b>7,240,094</b>	<b>570,556</b>
<b>General Receipts:</b>			
Property Taxes Levied for General Purposes	11,142,570	11,066,813	75,757
Property Taxes Levied for Debt Service	1,241,318	1,212,548	28,770
Income Taxes	2,458,115	2,347,537	110,578
Payment in Lieu of Taxes	269,735	240,076	29,659
Grants and Entitlements	11,759,263	10,798,992	960,271
Interest	33,821	50,404	(16,583)
Gifts and Donations	26,981	7,494	19,487
Miscellaneous	234,936	269,021	(34,085)
Refunding Bonds Issued		7,435,000	(7,435,000)
Premium on Refunding Bonds Issued		737,213	(737,213)
<b>Total General Receipts</b>	<b>27,166,739</b>	<b>34,165,098</b>	<b>(6,998,359)</b>
<b>Total Receipts</b>	<b>34,977,389</b>	<b>41,405,192</b>	<b>(6,427,803)</b>
<b>Disbursements:</b>			
<b>Instruction:</b>			
Regular	14,011,398	14,119,585	108,187
Special	5,142,451	4,224,705	(917,746)
Vocational	1,375,768	1,357,376	(18,392)
Adult/Continuing	15,083	6,011	(9,072)
<b>Support Services:</b>			
Pupils	2,254,544	2,189,667	(64,877)
Instructional Staff	821,485	1,881,256	1,059,771
Board of Education	97,300	117,015	19,715
Administration	2,462,143	2,394,470	(67,673)
Fiscal	748,821	753,513	4,692
Business	169,603	152,855	(16,748)
Operation and Maintenance of Plant	2,502,744	2,727,120	224,376
Pupil Transportation	1,467,579	1,373,486	(94,093)
Central	45,534	52,062	6,528
Non-instructional Services	1,449,013	1,411,833	(37,180)
Extracurricular Activities	957,020	921,894	(35,126)
Capital Outlay		3,780	3,780
<b>Debt Service:</b>			
Principal Retirement	1,215,000	61,370	(1,153,630)
Interest and Fiscal Charges	191,458	532,511	341,053
Interest on Capital Appreciation Bonds		938,630	938,630
Payment to Refunding Bond Escrow Agent		8,028,602	8,028,602
<b>Total Disbursements</b>	<b>34,926,944</b>	<b>43,247,741</b>	<b>8,320,797</b>
<b>Increase (Decrease) in Net Position</b>	<b>50,445</b>	<b>(1,842,549)</b>	<b>1,892,994</b>
<b>Net Position at Beginning of Year</b>	<b>10,478,806</b>	<b>12,321,355</b>	<b>(1,842,549)</b>
<b>Net Position at End of Year</b>	<b>\$10,529,251</b>	<b>\$10,478,806</b>	<b>\$50,445</b>

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
UNAUDITED  
(Continued)**

Program receipts represent 22 percent of total receipts and are primarily represented by charges for services and restricted intergovernmental receipts. Operating grants, contributions, and interest increased almost 15 percent due to the receipt of additional State foundation funding (change in funding formula calculation) restricted for specific programs.

General receipts represent 78 percent of the School District's total receipts. The School District received additional unrestricted grants and entitlements, again, due to the change in the State funding formula; however, overall there was a substantial decrease in general receipts due to bonds issued during fiscal year 2013 to refund previously issued bonds.

The major program disbursements for governmental activities are for instruction, which continued to account for approximately 59 percent of all disbursements. Note the increase in costs in the special instruction program and a similar decrease in the instructional staff program as employees were reclassified between the programs. There was also a significant decrease in disbursements overall due largely to the debt refinancing which occurred in the prior fiscal year.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax receipts and unrestricted State entitlements.

**Table 3  
Governmental Activities**

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Instruction:</b>				
Regular	\$14,011,398	\$14,119,585	\$13,314,349	\$13,201,441
Special	5,142,451	4,224,705	1,251,984	1,233,097
Vocational	1,375,768	1,357,376	(38,256)	(80,068)
Adult/Continuing	15,083	6,011	12,458	484
<b>Support Services:</b>				
Pupils	2,254,544	2,189,667	2,254,544	2,189,667
Instructional Staff	821,485	1,881,256	821,485	1,881,256
Board of Education	97,300	117,015	97,300	117,015
Administration	2,462,143	2,394,470	2,462,143	2,394,470
Fiscal	748,821	753,513	744,489	745,452
Business	169,603	152,855	169,603	152,855
Operation and Maintenance of Plant	2,502,744	2,727,120	2,502,744	2,727,120
Pupil Transportation	1,467,579	1,373,486	1,431,735	1,338,621
Central	45,534	52,062	32,934	43,062
Non-instructional Services	1,449,013	1,411,833	261,373	191,561
Extracurricular Activities	957,020	921,894	390,951	306,721
Capital Outlay		3,780		3,780
<b>Debt Service:</b>				
Principal Retirement	1,215,000	61,370	1,215,000	61,370
Interest and Fiscal Charges	191,458	532,511	191,458	532,511
Interest on Capital Appreciation Bonds		938,630		938,630
Payment to Refunding Bond Escrow Agent		8,028,602		8,028,602
<b>Total Disbursements</b>	<b>\$34,926,944</b>	<b>\$43,247,741</b>	<b>\$27,116,294</b>	<b>\$36,007,647</b>

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
UNAUDITED  
(Continued)**

Instructional activities were largely supported by general receipts (tax receipts and unrestricted grants and entitlements). However, special and vocational instruction activities receive substantial support through program receipts (operating grants). This is the result of resources restricted for special instruction and vocational instruction purposes.

Non-instructional services received 82 percent of its resources through user charges from cafeteria sales, state and federal subsidies, and donated commodities for food services. The School District also receives a large amount of operating grants for the number of students receiving their education through the parochial school which is reported within non-instructional services.

For fiscal year 2014, 59 percent of extracurricular activities expenses were covered by program receipts. Program receipts include music and athletic fees, ticket sales, and gate receipts and will fluctuate based on the number of games played at home and how well the athletic teams are playing.

**The School District's Funds**

The School District's governmental funds are accounted for using the cash basis of accounting. The General Fund had a modest 3 percent increase in fund balance.

**Budgeting Highlights**

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

During fiscal year 2014, the School District amended its General Fund budget as needed. For receipts, changes from the original budget to the final budget were not significant. Actual receipts for property taxes were 10 percent less than the final budget amount as these receipts more closely mirrored the original budget amount. Actual receipts were substantially greater than the final budget amount due to the changes in the State foundation funding and budgeting conservatively for this revenue source.

For disbursements, the change from the original budget to the final budget was not significant overall; however, the change from the final budget to actual disbursements was over \$4.4 million and conservative spending.

**Debt Administration**

At June 30, 2014, the School District's outstanding debt consisted of general obligation bonds for the construction and renovation of school facilities, in the amount of \$8,305,000. For further information regarding the School District's debt, refer to Note 15 to the basic financial statements.

**Current Issues**

Despite the fact that Celina City School District finished fiscal year 2014 with a surplus for the first time in many years, the School District faces many difficult financial challenges. Because of past financial instability, the School District has gone without new textbooks for several years. Administrators developed a cycle to meet the needs of the various content areas over the next five years with the subjects that are in the most need for new textbooks being addressed first. The first wave of textbooks was purchased for math in the summer of 2014. Another immediate area of concern for the School District is the state of the bus fleet. The School District currently has thirty buses and expects each bus to have approximately fifteen years of useful life. At this time, the School District is only replacing one bus per year when it should be replacing two. Both of these issues are being addressed with permanent improvement funds.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
UNAUDITED  
(Continued)**

It is very possible that these permanent improvement funds may also be needed for significant building and grounds projects. In 2012, a bond issue for a new elementary school was not approved by the voters. The School District is reviewing a different plan for new buildings which is projected to be placed before the voters in May 2016. Should this bond issue not pass; the School District will be faced with the prospect of many large capital projects that will include major parking lot repairs, fixing building foundations, replacing windows and roofs, and replacing HVAC systems. The School District's electrical system would be unable to sustain these new systems so there would have to be a major overhaul of that system as well.

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

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Mick Davis, Treasurer, Celina City School District, 585 East Livingston Street, Celina, Ohio 45822.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**StTATEMENT OF NET POSITION - CASH BASIS  
JUNE 30, 2014**

	<u><b>Governmental Activities</b></u>
<b>Assets:</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$10,529,251</u>
<b>Net Position:</b>	
<b>Restricted for:</b>	
Debt Service	\$837,824
Capital Projects	24,747
Other Purposes	800,763
Setasides	1,571,774
Unrestricted	<u>7,294,143</u>
Total Net Position	<u>\$10,529,251</u>

*See accompanying notes to the basic financial statements.*

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	<u>Program Cash Receipts</u>			<b>Net (Disbursement) Receipt and Change in Net Position</b>
	<u>Disbursements</u>	<u>Charges for Services</u>	<u>Operating Grants, Contributions, and Interest</u>	<u>Governmental Activities</u>
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$14,011,398	\$499,351	\$197,698	(\$13,314,349)
Special	5,142,451	115,973	3,774,494	(1,251,984)
Vocational	1,375,768	1,189,793	224,231	38,256
Adult/Continuing	15,083	2,625		(12,458)
<b>Support Services:</b>				
Pupils	2,254,544			(2,254,544)
Instructional Staff	821,485			(821,485)
Board of Education	97,300			(97,300)
Administration	2,462,143			(2,462,143)
Fiscal	748,821	4,332		(744,489)
Business	169,603			(169,603)
Operation and Maintenance of Plant	2,502,744			(2,502,744)
Pupil Transportation	1,467,579	35,844		(1,431,735)
Central	45,534		12,600	(32,934)
Non-instructional Services	1,449,013	478,556	709,084	(261,373)
Extracurricular Activities	957,020	535,238	30,831	(390,951)
<b>Debt Service:</b>				
Principal Retirement	1,215,000			(1,215,000)
Interest and Fiscal Charges	191,458			(191,458)
<b>Total Governmental Activities</b>	<u>\$34,926,944</u>	<u>\$2,861,712</u>	<u>\$4,948,938</u>	<u>(27,116,294)</u>

**General Receipts:**

**Property Taxes Levied for:**

General Purposes	11,142,570
Debt Service	1,241,318
Income Taxes	2,458,115
Payment in Lieu of Taxes	269,735
Grants and Entitlements not Restricted to Specific Programs	11,759,263
Interest	33,821
Gifts and Donations	26,981
Miscellaneous	234,936
<b>Total General Receipts</b>	<u>27,166,739</u>

Change in Net Position 50,445

Net Position at Beginning of Year 10,478,806

Net Position at End of Year \$10,529,251

See accompanying notes to the basic financial statements.



**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES  
GOVERNMENTAL FUNDS  
JUNE 30, 2014**

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
<b>Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$6,338,257	\$2,614,383	\$8,952,640
Restricted Assets			
Equity in Pooled Cash and Cash Equivalents	<u>1,576,611</u>		<u>1,576,611</u>
Total Assets	<u><u>7,914,868</u></u>	<u><u>2,614,383</u></u>	<u><u>10,529,251</u></u>
<b>Fund Balances:</b>			
Nonspendable	4,837		4,837
Restricted	1,571,774	1,658,497	3,230,271
Committed	356,817	955,886	1,312,703
Assigned	2,946,835		2,946,835
Unassigned	<u>3,034,605</u>		<u>3,034,605</u>
Total Fund Balances	<u><u>\$7,914,868</u></u>	<u><u>\$2,614,383</u></u>	<u><u>\$10,529,251</u></u>

*See accompanying notes to the basic financial statements.*

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
<b>Receipts:</b>			
Property Taxes	\$11,142,570	\$1,241,318	\$12,383,888
Income Taxes	2,458,115		2,458,115
Payment in Lieu of Taxes		269,735	269,735
Intergovernmental	12,759,347	3,914,988	16,674,335
Interest	30,915	3,316	34,231
Tuition and Fees	1,231,670		1,231,670
Charges for Services	119,447	1,114,700	1,234,147
Extracurricular Activities	178,150	357,088	535,238
Gifts and Donations	32,191	28,246	60,437
Miscellaneous	223,990	10,946	234,936
Total Receipts	<u>28,176,395</u>	<u>6,940,337</u>	<u>35,116,732</u>
<b>Disbursements:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	13,928,718	82,680	14,011,398
Special	3,794,553	1,347,898	5,142,451
Vocational	965,412	549,699	1,515,111
Adult/Continuing	15,083		15,083
<b>Support Services:</b>			
Pupils	1,906,914	347,630	2,254,544
Instructional Staff	620,374	201,111	821,485
Board of Education	97,300		97,300
Administration	1,984,013	478,130	2,462,143
Fiscal	715,194	33,627	748,821
Business	167,336	2,267	169,603
Operation and Maintenance of Plant	2,446,481	56,263	2,502,744
Pupil Transportation	1,194,599	272,980	1,467,579
Central	32,499	13,035	45,534
Non-instructional Services		1,449,013	1,449,013
Extracurricular Activities	593,815	363,205	957,020
<b>Debt Service:</b>			
Principal Retirement		1,215,000	1,215,000
Interest and Fiscal Charges		191,458	191,458
Total Disbursements	<u>28,462,291</u>	<u>6,603,996</u>	<u>35,066,287</u>
Excess of Receipts Over (Under) Disbursements	<u>(285,896)</u>	<u>336,341</u>	<u>50,445</u>
<b>Other Financing Sources (Uses):</b>			
Advances In	990,000	346,500	1,336,500
Advances Out	(346,500)	(990,000)	(1,336,500)
Transfers In		114,257	114,257
Transfers Out	(114,257)		(114,257)
Total Other Financing Sources (Uses)	<u>529,243</u>	<u>(529,243)</u>	<u></u>
Changes in Fund Balances	243,347	(192,902)	50,445
Fund Balances at Beginning of Year	<u>7,671,521</u>	<u>2,807,285</u>	<u>10,478,806</u>
Fund Balances at End of Year	<u>\$7,914,868</u>	<u>\$2,614,383</u>	<u>\$10,529,251</u>

See accompanying notes to the basic financial statements.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP BASIS) AND ACTUAL  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
	<b>Original</b>	<b>Final</b>		<b>(Under)</b>
<b>Receipts:</b>				
Property Taxes	\$11,067,500	\$12,401,499	\$11,142,570	(\$1,258,929)
Income Taxes	2,350,000	1,992,609	2,458,115	465,506
Intergovernmental	11,904,075	10,522,681	12,759,347	2,236,666
Interest	37,500	47,160	30,915	(16,245)
Tuition and Fees	1,155,250	1,049,725	1,231,670	181,945
Charges for Services	117,500	100,880	119,447	18,567
Extracurricular Activities	201,250	201,250	178,150	(23,100)
Gifts and Donations	18,135	23,891	32,191	8,300
Miscellaneous	229,925	251,440	223,990	(27,450)
<b>Total Receipts</b>	<b>27,081,135</b>	<b>26,591,135</b>	<b>28,176,395</b>	<b>1,585,260</b>
<b>Disbursements:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	14,460,758	12,957,439	12,037,829	919,610
Special	4,468,584	4,519,104	3,795,268	723,836
Vocational	1,123,243	1,104,414	986,185	118,229
Adult/Continuing	20,000	20,000	15,083	4,917
Other	2,453,069	1,814,586	2,096,681	(282,095)
<b>Support Services:</b>				
Pupils	2,260,213	2,055,301	1,932,942	122,359
Instructional Staff	744,912	810,109	707,581	102,528
Board of Education	115,183	284,863	136,773	148,090
Administration	2,257,780	2,084,640	2,014,236	70,404
Fiscal	814,109	1,059,679	743,535	316,144
Business	198,196	175,043	170,787	4,256
Operation and Maintenance of Plant	2,896,796	4,579,664	2,713,151	1,866,513
Pupil Transportation	1,406,330	1,459,212	1,265,630	193,582
Central	38,471	131,152	32,914	98,238
Extracurricular Activities	701,083	637,790	594,820	42,970
<b>Total Disbursements</b>	<b>33,958,727</b>	<b>33,692,996</b>	<b>29,243,415</b>	<b>4,449,581</b>
Excess of Receipts Under Disbursements	(6,877,592)	(7,101,861)	(1,067,020)	6,034,841
<b>Other Financing Sources (Uses):</b>				
Advances In	500,000	990,000	990,000	
Advances Out	(410,181)	(800,000)	(346,500)	453,500
Transfers Out	(135,255)		(114,257)	(114,257)
<b>Total Other Financing Sources (Uses)</b>	<b>(45,436)</b>	<b>190,000</b>	<b>529,243</b>	<b>339,243</b>
Changes in Fund Balance	(6,923,028)	(6,911,861)	(537,777)	6,374,084
Fund Balance at Beginning of Year	6,140,350	6,140,350	6,140,350	
Prior Year Encumbrances Appropriated	1,531,171	1,531,171	1,531,171	
<b>Fund Balance at End of Year</b>	<b>\$748,493</b>	<b>\$759,660</b>	<b>\$7,133,744</b>	<b>\$6,374,084</b>

See accompanying notes to the basic financial statements.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**STATEMENT OF CASH BASIS FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2014**

	<b>Private Purpose Trust</b>	<b>Agency</b>
	<u>          </u>	<u>          </u>
<b>Assets:</b>		
Equity in Pooled Cash and Cash Equivalents	<u>\$154,073</u>	<u>\$85,343</u>
<b>Net Position:</b>		
Held in Trust for Scholarships	154,073	
Held for Student Activities		78,365
Undistributed Assets		<u>6,978</u>
Total Net Position	<u>\$154,073</u>	<u>\$85,343</u>

*See accompanying notes to the basic financial statements.*

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**STATEMENT OF CASH BASIS CHANGE IN FIDUCIARY NET POSITION  
PRIVATE PURPOSE TRUST FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**Additions:**

Interest	\$303
Gifts and Donations	<u>58,962</u>
Total Additions	<u>59,265</u>

**Deductions:**

Non-instructional Services	<u>13,499</u>
Change in Net Position	45,766
Net Position at Beginning of Year	<u>108,307</u>
Net Position at End of Year	<u><u>\$154,073</u></u>

*See accompanying notes to the basic financial statements.*

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**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

Celina City School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by state and federal guidelines.

The School District is the 167<sup>th</sup> largest in the State of Ohio (among 612 school districts) in terms of enrollment. The School District is located in Mercer County, and includes all of the City of Celina and portions of Butler, Center, Franklin, Hopewell, Jefferson, Liberty, and Washington Townships. The School District is staffed by one hundred sixty-seven classified employees, two hundred twelve certified teaching personnel, and twenty-four administrative employees who provide services to 2,770 students and other community members. The School District currently operates seven instructional buildings and a bus garage.

**Reporting Entity**

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Celina City School District, this includes general operations, food service, and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the School District. The School District does not have any component units.

Within the School District's boundaries, the Immaculate Conception elementary school is operated through the Cincinnati Catholic Diocese. Current State legislation provides funding to the parochial school. The money is received and disbursed on behalf of the parochial school by the Treasurer of the School District, as directed by the parochial school. The activity is reflected in a special revenue fund of the School District for financial reporting purposes.

The School District participates in three jointly governed organizations and three insurance pools. These organizations are the Mercer County Local Professional Development Committee, the Northwestern Ohio Educational Research Council, Inc., the Northwest Ohio Area Computer Services Cooperative, the Ohio School Plan, the Ohio School Boards Association Workers' Compensation Group Rating Plan, and the Mercer Auglaize Schools Employee Benefit Trust. These organizations are presented in Notes 18 and 19 to the basic financial statements.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are presented on a cash basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the School District's accounting policies.

**A. Basis of Presentation**

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

**1. Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the School District that are governmental activities (primarily supported by taxes and intergovernmental receipts) and those that are considered business-type activities (primarily supported by fees and charges). However, the School District has no business-type activities.

The statement of net position presents the cash balance of the governmental activities of the School District at fiscal year end. The statement of activities compares disbursements with program receipts for each function or program of the School District's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the School District is responsible. Program receipts include charges paid by the recipient of the program's goods or services and grants, contributions, and interest restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which each governmental function is self-financing on a cash basis or draws from the School District's general receipts.

**2. Fund Financial Statements**

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

**B. Fund Accounting**

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into two categories, governmental and fiduciary.



**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1. Governmental Funds**

The School District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other non-exchange transactions as governmental funds. The School District's only major fund is the General Fund.

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

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

**2. Fiduciary Funds**

The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are not available to support the School District's own programs. The School District's private purpose trust fund accounts for programs that provide college scholarships to students after graduation. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for payroll withholdings and various staff-related and student-managed activities.

**C. Basis of Accounting**

The School District's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the School District's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in the financial statements.

**D. Budgetary Process**

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The alternative tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of budgetary control selected by the Board is at the object level for the General Fund and the fund level in all other funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education. Budgetary allocations at the function level are made by the Treasurer.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**E. Cash and Investments**

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

During fiscal year 2014, the School District's investments included negotiable certificates of deposit and mutual funds. Investments are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2014 was \$30,915 which included \$5,059 assigned from other School District funds.

Investments of the School District's cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or negative receipts (contra revenue), respectively.

**F. Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the General Fund represent amounts required by State statute to be set aside for the acquisition or construction of capital improvements. Unclaimed monies that have a legal restriction on their use are also reported as restricted.

**G. Capital Assets**

Acquisitions of property, plant, and equipment are recorded as disbursements when paid. The financial statements do not report these assets.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Compensated Absences**

Employees are entitled to cash payments for vacation and sick leave in certain circumstances, such as upon leaving employment. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the School District.

**I. Long-Term Obligations**

Cash basis financial statements do not report liabilities for long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when disbursements are made.

**J. Net Position**

Net position is reported as restricted when there are limitations imposed on its use either through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes includes resources restricted for food service operations, music and athletic programs, and federal and state grants. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**K. Fund Balance**

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

**Non-spendable** – The non-spendable classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” includes items that are not expected to be converted to cash.

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

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

**Assigned** – Amounts in the assigned classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. Assigned amounts represent intended uses established by the Board of Education. The Board of Education has authorized the Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Unassigned** – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The School District first applies restricted resources when an expenditure is incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

**L. Interfund Activity**

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented on the financial statements.

**3. BUDGETARY BASIS OF ACCOUNTING**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash, receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual presented for the General Fund is prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and the cash basis is outstanding year end encumbrances which are treated as cash disbursements (budgetary basis) rather than as committed or assigned fund balance (cash basis). The General Fund encumbrances outstanding at year end (budgetary basis) were \$781,124.

**4. COMPLIANCE**

The General Fund fringe benefits account had expenditures in excess of appropriations for the fiscal year ended June 30, 2014, in the amount of \$42,817.

The Class Size Reduction special revenue fund, Permanent Improvement capital projects fund, and the Scholarship fiduciary fund had expenditures in excess of appropriations for the fiscal year ended June 30, 2014, in the amount of \$2,071, \$40,172, and \$1,499, respectively.

The Treasurer will monitor budgetary activity to ensure that expenditures do not exceed amounts appropriated.

**5. DEPOSITS AND INVESTMENTS**

Monies held by the School District are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the School District treasury. Active monies must be maintained either as cash in the School District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**5. DEPOSITS AND INVESTMENTS (Continued)**

Inactive deposits are public deposits the Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the School District may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security 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;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Bankers' acceptances and commercial paper if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions.

**A. Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year-end, \$459,792 of the School District's bank balance of \$8,246,162 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**5. DEPOSITS AND INVESTMENTS (Continued)**

The School District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured.

**B. Investments**

As of June 30, 2014, the School District had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Negotiable Certificates of Deposit	\$248,000	9/19/14
Negotiable Certificates of Deposit	100,000	10/14/14
Negotiable Certificates of Deposit	200,000	10/20/14
Negotiable Certificates of Deposit	100,000	10/30/14
Negotiable Certificates of Deposit	100,000	12/5/14
Negotiable Certificates of Deposit	208,000	12/19/14
Negotiable Certificates of Deposit	248,000	12/22/14
Negotiable Certificates of Deposit	248,000	1/22/15
Negotiable Certificates of Deposit	200,000	2/5/15
Negotiable Certificates of Deposit	248,000	3/20/15
Negotiable Certificates of Deposit	249,166	4/6/15
Negotiable Certificates of Deposit	148,000	9/18/15
Negotiable Certificates of Deposit	248,000	9/23/15
Negotiable Certificates of Deposit	95,000	11/13/15
Negotiable Certificates of Deposit	248,000	12/7/15
Negotiable Certificates of Deposit	100,000	1/29/16
Negotiable Certificates of Deposit	100,000	2/24/16
Mutual Funds	2,515	37.7 days
Mutual Funds	6,268	51 days
Mutual Funds	1,225	55 days
	<u>\$3,098,174</u>	

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policy restricts the School District from investing in any securities other than those identified in the Ohio Revised Code and that all investments must mature within five years from the date of investment unless matched to a specific obligation or debt of the School District.

The negotiable certificates of deposit are partially covered by FDIC and/or SIPC insurance. The mutual funds carry a rating of Aaa by Moodys. The School District has no policy dealing with credit risk beyond the requirements of State statute. Ohio law requires that mutual funds in eligible securities must be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

Negotiable certificates of deposit make up 99.7 percent of the School District's total portfolio.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**6. PROPERTY TAXES**

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenues received in calendar year 2014 represent the collection of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed values as of January 1, 2013, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2014 represent the collection of calendar year 2013 taxes. Public utility real and tangible personal property taxes received in calendar year 2013 became a lien on December 31, 2012, were levied after April 1, 2013, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The School District receives property taxes from Mercer County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the county by June 30, 2014, are available to finance fiscal year 2014 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

The assessed values upon which fiscal year 2014 taxes were collected are:

	<b>2013 Second- Half Collections</b>		<b>2014 First- Half Collections</b>	
	<b>Amount</b>	<b>Percent</b>	<b>Amount</b>	<b>Percent</b>
Real	\$371,474,050	97.82%	\$372,849,860	98.04%
Public Utility	8,289,450	2.18%	7,465,440	1.96%
Total Assessed Value	<u>\$379,763,500</u>	<u>100.00%</u>	<u>\$380,315,300</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$40.35		\$40.35	

**7. INCOME TAXES**

The School District levies a voted tax of .75 percent for general operations on the income of residents and of estates. The tax levy was effective on January 1, 2014, for a five-year period. 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 School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund.

**CELINA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**8. PAYMENT IN LIEU OF TAXES**

According to State law, Mercer County and the City of Celina have entered into agreements with a number of property owners under which Mercer County and the City of Celina have granted property tax exemptions to those property owners. The property owners have agreed to make payments which reflect all or a portion of the property taxes which the property owners would have paid if their taxes had not been exempted. The agreements provide for a portion of these payments to be made to the School District. The property owners' contractually promise to make these payments in lieu of taxes until the agreement expires.

**9. INTERFUND BALANCES**

At June 30, 2014, the General Fund had an unpaid interfund cash advance, in the amount of \$141,500, from other governmental funds to provide cash flow resources until the receipt of grant monies.

**10. RISK MANAGEMENT**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2014, the School District contracted with the Ohio School Plan for the following insurance coverage:

Building and Contents – Replacement Cost	\$102,487,939
Automobile Liability	4,000,000
<b>General Liability:</b>	
Per Occurrence	4,000,000
Aggregate	6,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there has been no significant reduction in insurance coverage from the prior fiscal year.

For fiscal year 2014, the School District participated in the Ohio School Plan (Plan), an insurance purchasing pool. Each participant enters into an individual agreement with the Plan for insurance coverage and pays annual premiums to the Plan based on the types and limits of coverage and deductibles selected by the participant.

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to participants that can meet the GRP's selection criteria. The firm of CompManagement provides administrative, cost control, and actuarial services to the plan.

The School District participates in the Mercer Auglaize Schools Employee Benefit Trust (Trust), a public entity shared risk pool consisting of eleven local school districts and two educational service centers. The School District pays monthly premiums to the Trust for employee medical and dental insurance coverage. The Trust is responsible for the management and operations of the program. Upon withdrawal from the Trust, a participant is responsible for the payment of all Trust liabilities to its employees, dependents, and designated beneficiaries accruing as a result of withdrawal.



**CELINA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**11. CONTRACTUAL COMMITMENTS**

At fiscal year end, the amount of significant encumbrances expected to be honored upon performance by the vendor in fiscal year 2015 are as follows:

General Fund	\$781,124
Other Governmental Funds	509,323
Total	<u>\$1,290,447</u>

**12. DEFINED BENEFIT PENSION PLANS**

**A. State Teachers Retirement System**

**Plan Description** – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that can be obtained by writing to the State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans; a Defined Benefit Plan (DBP), a Defined Contribution Plan (DCP), and a Combined Plan (CP). The DBP offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service or on 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 DCP 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 fifty and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The CP offers features of both the DBP and the DCP. In the CP, 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 DBP. The DBP portion of the CP payment is payable to a member on or after age sixty; the DCP portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DBP or CP 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 DCP who become disabled are entitled only to their account balance. If a member of the DCP dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

**Funding Policy** – Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the STRS Ohio Board upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 11 percent for members and 14 percent for employers. The statutory maximum employee contribution rate will be increased 1 percent each year beginning July 1, 2013, until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2014, plan members were required to contribute 11 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

**CELINA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**12. DEFINED BENEFIT PENSION PLANS (Continued)**

The School District's required contribution to STRS Ohio for the DBP and for the defined benefit portion of the CP were \$1,656,512 and \$26,750 for the fiscal year ended June 30, 2014, \$1,414,545 and \$23,422 for the fiscal year ended June 30, 2013, and \$1,436,194 and \$21,690 for the fiscal year ended June 30, 2012. For fiscal year 2014, 83 percent has been contributed for both the DBP and the CP. The full amount has been contributed for fiscal years 2013 and 2012.

The contribution to STRS Ohio for the DCP for fiscal year 2014 was \$12,414 made by the School District and \$9,754 made by the plan members. In addition, member contributions of \$21,018 were made for fiscal year 2014 for the defined contribution portion of the CP.

**B. School Employees Retirement System**

**Plan Description** – The School District participates in the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a stand-alone financial report that can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under employers/audit resources.

**Funding Policy** – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirement of plan members and employers is 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. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the system's funds (pension trust fund, death benefit fund, Medicare B fund, and health care fund). For the fiscal year ended June 30, 2014, the allocation to pension and death benefits was 13.1 percent. The remaining .9 percent of the 14 percent employer contribution rate was allocated to the Medicare B and health care funds. The School District's required contribution for pension obligations to SERS for the fiscal years ended June 30, 2014, 2013, and 2012, was \$487,021, \$474,459, and \$485,406, respectively. For fiscal year 2014, 59 percent has been contributed. The full amount has been contributed for fiscal years 2013 and 2012.

**C. Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the State Teachers Retirement System or the School Employees Retirement System have an option to choose Social Security or the State Teachers Retirement System/School Employees Retirement System. As of June 30, 2014, none of the Board of Education members have elected Social Security. The Board's liability is 6.2 percent of wages paid.

**CELINA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**13. POST-EMPLOYMENT BENEFITS**

**A. State Teachers Retirement System**

**Plan Description** – The School District participates in a cost-sharing multiple-employer defined benefit Health Care 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. Ohio law authorizes STRS Ohio to offer the Plan. Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. The Plan is included in STRS Ohio's financial report which can be obtained by calling (888) 227-7877 or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

**Funding Policy** – Chapter 3307 of the Ohio Revised Code 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 Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions. For fiscal year 2014, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to postemployment health care. The School District's contribution for health care for the fiscal years ended June 30, 2014, 2013, and 2012 was \$130,437, \$111,910, and \$113,501, respectively. For fiscal year 2014, 83 percent has been contributed. The full amount has been contributed for fiscal years 2013 and 2012. The STRS Board voted to discontinue the current 1 percent allocation to the Health Care Plan effective July 1, 2014.

**B. School Employees Retirement System**

**Plan Description** – The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System (SERS) for classified 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. 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 obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under employers/audit resources.

**Funding Policy** – State statute permits SERS to fund the health care benefits through employer contributions. Each fiscal 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©. For fiscal year 2014, .14 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 fiscal year 2014, this amount was \$20,250. For fiscal year 2014, the School District paid \$68,636 in surcharge.

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

**CELINA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)**

**13. POST-EMPLOYMENT BENEFITS (Continued)**

The School District's contribution for health care for the fiscal years ended June 30, 2014, 2013, and 2012 was \$5,205, \$5,795, and \$21,022, respectively. For fiscal year 2014, 59 percent has been contributed. The full amount has been contributed for fiscal years 2013 and 2012.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For fiscal year 2014, this actuarially required allocation was .76 percent of covered payroll. The School District's contribution for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012 was \$28,255, \$26,802, and \$28,666, respectively. For fiscal year 2014, 59 percent has been contributed. The full amount has been contributed for fiscal years 2013 and 2012.

**14. OTHER EMPLOYEE BENEFITS**

**A. Compensated Absences**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn five to twenty days of vacation per year, depending upon length of service. The superintendent, treasurer, and administrators earn twenty-five days of vacation per year. Accumulated unused vacation time is paid to classified employees, the superintendent, the treasurer, and the administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month and for severance purposes may accumulate without limit. For teachers and administrators upon retirement, the School District maintains three severance leave banks as described below and severance leave is based on the same accumulation factor as sick leave. For the purpose of the severance calculation, sick leave accumulation will be unlimited. Upon retirement, payment will be made as follows:

Bank A – The first one hundred sixty days of accumulated sick leave will be payable at the rate of 25 percent of the per diem rate.

Bank B – The next one hundred sixty days of accumulated sick leave will be payable at the rate of 20 percent of the per diem rate.

Bank C – All additional days shall be payable at the rate of 15 percent of the per diem rate.

Sick leave may be accumulated to a maximum of two hundred days for severance purposes for classified employees. Upon retirement, classified employees are paid for 33 percent of the accumulated sick leave balance up to two hundred twenty-five days.

**B. Employee Insurance Benefits**

The School District provides medical and dental insurance benefits to all employees through the Mercer Auglaize Schools Employee Benefit Trust. The Board of Education pays the cost of the monthly premiums. The premium varies with each employee depending on marital and family status.

The School District also provides life insurance and accidental death and dismemberment insurance through American United Life Insurance.

**CELINA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**14. OTHER EMPLOYEE BENEFITS (Continued)**

For all employees an optical expense reimbursement provides each employee and their immediate family, based on actual receipts, up to \$200 annually.

**C. Early Retirement Incentive**

Through August 31, 2015, the School District's Board of Education approved an early retirement incentive program for STRS employees in lieu of a sick leave severance payment. For STRS employees, the Board of Education will purchase, for all eligible employees who make application in accordance with the provision of the plan and the applicable regulations of the State Teachers Retirement System, one year of retirement service credit. Retirement must be completed no less than ninety days after the employee is notified of the purchase of additional service credit by the Board of Education. These expenses are reflected within the General Fund.

**15. LONG-TERM OBLIGATIONS**

Changes in the School District's long-term obligations during fiscal year 2014 were as follows:

	<u>Balance at 6/30/13</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at 6/30/14</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
General Obligation Bonds					
2013 School Improvement Refunding					
Serial Bonds 1 – 2.125%	\$6,865,000		\$200,000	\$6,665,000	\$140,000
Capital Appreciation Bonds 37.0475%	570,000			570,000	
Total 2013 School Improvement Refunding	7,435,000		200,000	7,235,000	140,000
2005 School Improvement Refunding					
Serial Bonds 2 – 4.25%	2,085,000		1,015,000	1,070,000	1,070,000
Total General Obligation Bonds	<u>\$9,520,000</u>	<u>\$0</u>	<u>\$1,215,000</u>	<u>\$8,305,000</u>	<u>\$1,210,000</u>

**FY 2013 School Improvement Refunding General Obligation Bonds** – On May 22, 2013, the School District issued \$7,435,000 in general obligation refunding bonds, consisting of \$6,865,000 in serial bonds and \$570,000 in capital appreciation bonds, with interest rates of 1 percent to 2.125 percent, to partially refund bonds previously issued in fiscal year 2005 for constructing and renovating the School District's buildings. The bonds were issued for an eight year period, with final maturity during fiscal year 2021. The bonds will be retired through the Bond Retirement debt service fund.

The serial bonds maturing after December 1, 2020, are subject to redemption at the option of the School District, either in whole or in part, in such order as the School District shall determine, on any interest payment date on or after December 1, 2019, at the redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the redemption date.

The capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds will mature in fiscal year 2016. The maturity amount of the bonds is \$1,265,000.

**CELINA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)**

**15. LONG-TERM OBLIGATIONS (Continued)**

**FY 2005 School Improvement Refunding General Obligation Bonds** – On September 1, 2004, the School District issued \$13,744,994 in general obligation refunding bonds, consisting of \$13,600,000 in serial bonds and \$144,994 in capital appreciation bonds, with interest rates of 2 percent to 4.25 percent, to refund \$13,745,000 of 1996 School Improvement general obligation bonds. The refunded general obligation bonds were fully retired on December 1, 2005. During fiscal year 2013, a portion of the serial bonds, in the amount of \$7,435,000, was refunded. The bonds are being repaid from the Bond Retirement debt service fund. The capital appreciation bonds were fully retired during fiscal year 2013.

The School District's overall debt margin was \$26,093,187 with an unvoted debt margin of \$372,893 at June 30, 2014.

Principal and interest requirements to retire general obligation debt outstanding at June 30, 2014, were as follows:

<b>Fiscal Year Ending</b>	<b>General Obligation Bonds</b>			
	<b>Serial</b>		<b>Capital Appreciation</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2015	\$1,210,000	\$147,700		
2016		125,600	\$570,000	\$695,000
2017	1,285,000	115,963		
2018	1,305,000	93,275		
2019	1,335,000	66,875		
2020-2021	2,600,000	52,687		
Totals	\$7,735,000	\$602,100	\$570,000	\$695,000

The interest on the capital appreciation bonds represents the accretion of the deep-discounted bonds from the initial value at the time of issuance to their value at final maturity.

**16. FUND BALANCE**

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

<b>Fund Balance</b>	<b>General</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Non-spendable:</b>			
Unclaimed Monies	\$4,837		\$4,837
<b>Restricted for:</b>			
Athletics and Music		\$306,725	306,725
Capital Improvements	1,571,774	24,693	1,596,467
Class Size Reduction		6,616	6,616
Debt Service		837,824	837,824
Food Service Operations		10,200	10,200
Instruction		13,837	13,837

(Continued)

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**16. FUND BALANCE (Continued)**

<u>Fund Balance</u>	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Restricted for: (Cont'd.)</b>			
Network Connectivity		10,669	10,669
Non-Public Schools		49,920	49,920
Preschool		77,371	77,371
Remedial Reading		84,077	84,077
Special Needs Students		70,424	70,424
Technology Improvements		54	54
Vocational Training		166,087	166,087
Total Restricted	<u>1,571,774</u>	<u>1,658,497</u>	<u>3,230,271</u>
<b>Committed to:</b>			
Capital Improvements		867,185	867,185
Future Severance Payments	356,817		356,817
Preschool		39,576	39,576
Vocational Training		49,125	49,125
Total Committed	<u>356,817</u>	<u>955,886</u>	<u>1,312,703</u>
<b>Assigned for:</b>			
Educational Activities	82,919		82,919
Projected Budget Shortage	2,323,482		2,323,482
Unpaid Obligations	540,434		540,434
Total Assigned for	<u>2,946,835</u>		<u>2,946,835</u>
Unassigned	<u>3,034,605</u>		<u>3,034,605</u>
Total Fund Balance	<u>\$7,914,868</u>	<u>\$2,614,383</u>	<u>\$10,529,251</u>

**17. SET ASIDES**

The School District is required by State statute to annually set aside, in the General Fund, an amount based on a statutory formula for the acquisition and construction of capital improvements. The amount not spent by the end of the fiscal year or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year-end. This amount must be carried forward and used for the same purpose in future years.

The following cash basis information identifies the change in the set aside amount for capital improvements during fiscal year 2014.

	<u>Capital Improvements</u>
Balance June 30, 2013	\$1,479,169
Current Year Set Aside Requirement	445,559
Qualifying Expenditures	<u>(352,954)</u>
Balance June 30, 2014	<u>\$1,571,774</u>

**CELINA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**18. JOINTLY GOVERNED ORGANIZATIONS**

**A. Mercer County Local Professional Development Committee**

The School District is a participant in the Mercer County Local Professional Development Committee (Committee) which is a regional council of governments established to provide professional educator license renewal standards and procedures. The Committee is governed by an eleven member board made up of six teachers, two principals, one superintendent, and two members employed by the Mercer County Educational Service Center. Board members serve two year terms. The degree of control exercised by any participating educational entity is limited to its representation on the Board. Financial information can be obtained from the Mercer County Educational Service Center, 441 East Market Street, Celina, Ohio 45822.

**B. Northwestern Ohio Educational Research Council, Inc.**

The Northwestern Ohio Educational Research Council, Inc. (NOERC) is a jointly governed organization formed to bring educational entities into a better understanding of their common educational problems, facilitate and conduct practical educational research, coordinate educational research among members, provide a means for evaluating and disseminating the results of research, serve as a repository for research and legislative materials, and provide opportunities for training. The NOERC serves a twenty-five county area in Northwest Ohio. The Board of Directors consists of superintendents from two educational service centers, two exempted village school districts, five local school districts, and five city school districts, as well as representatives from two private or parochial schools, and three institutions of higher education. Each active member is entitled to one vote on all issues addressed by the Board of Directors. Financial information can be obtained from the Northwestern Ohio Educational Research Council, Inc., 441 East Market Street, Celina, Ohio 45822.

**C. Northwest Ohio Area Computer Services Cooperative**

The School District is a participant in the Northwest Ohio Area Computer Services Cooperative (NOACSC), which is a computer consortium. NOACSC is an association of educational entities within the boundaries of Allen, Auglaize, Hancock, Hardin, Lucas, Mercer, Paulding, Putnam, Seneca, Van Wert, and Wood Counties, and the Cities of St. Marys and Wapakoneta. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member educational entities. The governing board of NOACSC consists of two representatives from each county elected by majority vote of all charter member educational entities within each county. During fiscal year 2014, the School District paid \$47,149 to NOACSC for various services. Financial information can be obtained from the Northwest Ohio Area Computer Services Cooperative, 645 South Main Street, Lima, Ohio 45804.



**CELINA CITY SCHOOL DISTRICT  
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(Continued)**

**19. INSURANCE POOLS**

**A. Ohio School Plan**

The School District participates in the Ohio School Plan (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 fifteen member board consisting of superintendents, treasurers, the president of Harcum-Schuett Insurance Agency, Inc., and a member of the Hylant Group, Inc. The Hylant Group, Inc. is the Plan's administrator and is responsible for processing claims. Harcum-Schuett Insurance Agency serves as the sales and marketing representative which establishes agreements between the Plan and its members. Financial information can be obtained from Harcum-Schuett Insurance Agency, 246 East Sycamore Street, Columbus, Ohio 43206.

**B. Ohio School Boards Association (OSBA) Workers' Compensation Group Rating Plan**

The School District participates in a group rating plan for worker's compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP) was established through the Ohio School Boards Association (OSBA) as an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect, and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the GRP. Each year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

**C. The Mercer Auglaize Schools Employee Benefit Trust**

The Mercer Auglaize Schools Employee Benefit Trust (Trust) is a public entity shared risk pool consisting of eleven local school districts and two educational service centers. The Trust is organized as a Voluntary Employee Benefit Association under Section 501©(9) of the Internal Revenue Code and provides medical and dental benefits to the employees of the participants. Each participant's superintendent is appointed to an Administrative Committee which advises the Trustee, Huntington Bank, concerning aspects of the administration of the Trust. Each participant decides which plans offered by the Administrative Committee will be extended to its employees. Participation in the Trust is by written application subject to acceptance by the Administrative Committee and payment of the monthly premiums. Financial information can be obtained from Corporate One Benefits, 220 Perry Street, Suite 200, P.O. Box 906, Fostoria, Ohio 44830.

**20. CONTINGENCIES**

**A. Grants**

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2014.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(Continued)**

**20. CONTINGENCIES (Continued)**

**B. Litigation**

There are currently no matters in litigation with the School District as defendant.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

<b>Federal Grantor/ Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Receipts</b>	<b>Non-Cash Receipts</b>	<b>Disbursements</b>	<b>Non-Cash Disbursements</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>					
<i>(Passed through Ohio Department of Education)</i>					
Child and Adult Care Food Program	10.558	\$65,380		\$65,380	
Total Child and Adult Care Food Program		<u>65,380</u>		<u>65,380</u>	
Nutrition Cluster:					
Non-Cash Assistance (food distribution)					
National School Lunch Program	10.555		\$109,083		\$109,083
Cash Assistance:					
School Breakfast Program	10.553	94,752		94,752	
National School Lunch Program	10.555	513,342		513,342	
Total Nutrition Cluster		<u>608,094</u>	<u>109,083</u>	<u>608,094</u>	<u>109,083</u>
Total U.S. Department of Agriculture		673,474	109,083	673,474	109,083
<b>U.S. DEPARTMENT OF EDUCATION</b>					
<i>(Passed through Ohio Department of Education)</i>					
Special Education Cluster					
Special Education - Grants to States	84.027	731,182		593,319	
Special Education Preschool Grants	84.173	23,352		17,106	
Total Special Education Cluster		<u>754,534</u>		<u>610,425</u>	
Title I Grants to Local Educational Agencies	84.010	709,912		572,690	
Improving Teacher Quality State Grants	84.367	99,548		121,359	
Career and Technical Education - Basic Grants to States	84.048	125,265		126,944	
Race to the Top - ARRA	84.395	35,438		38,164	
Total U. S. Department of Education		<u>1,724,697</u>		<u>1,469,582</u>	
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
<i>(Direct Program)</i>					
Headstart Program	93.600	1,063,500		1,000,320	
Total U.S. Department of Health and Human Services		<u>1,063,500</u>		<u>1,000,320</u>	
Total Federal Assistance		<u>\$3,461,671</u>	<u>\$109,083</u>	<u>\$3,143,376</u>	<u>\$109,083</u>

See Accompanying Notes to the Schedule of Federal Awards Receipts and Expenditures.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND DISBURSEMENTS  
FISCAL YEAR ENDED JUNE 30, 2014**

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B – CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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

**NOTE D – MATCHING REQUIREMENTS**

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



# Dave Yost • Auditor of State

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

Celina City School District  
Mercer County  
585 East Livingston Street  
Celina, Ohio 45822

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Celina City School District, Mercer County, (the School District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated January 21, 2015, wherein we noted the School District uses a special purpose framework other than generally accepted accounting principles.

### ***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

As part of reasonably assuring whether the School District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2014-001.

***Entity's Response to Findings***

The School District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the School District's response and, accordingly, we express no opinion on it.

***Purpose of this Report***

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



**Dave Yost**  
Auditor of State  
Columbus, Ohio

January 21, 2015



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Celina City School District  
Mercer County  
585 East Livingston Street  
Celina, Ohio 45822

To the Board of Education:

### ***Report on Compliance for the Major Federal Program***

We have audited the Celina City School District's (the School District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Celina City School District's major federal program for the year ended June 30, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the School District's major federal program.

### ***Management's Responsibility***

The School District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

### ***Auditor's Responsibility***

Our responsibility is to opine on the School District's compliance for the School District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on the Major Federal Program***

In our opinion, the Celina City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2014.

***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which OMB Circular A-133 requires us to report, described in the accompanying schedule of findings as item 2014-002. This finding did not require us to modify our compliance opinion on the major federal program.

The School District's response to our noncompliance finding is described in the accompanying schedule of findings. We did not audit the School District's response and, accordingly, we express no opinion on it.

***Report on Internal Control over Compliance***

The School District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the School District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the School District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program's compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance with a federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2014-002 to be a material weakness.

The School District's response to our internal control over compliance finding is described in the accompanying schedule of findings. We did not audit the School District's response and, accordingly, we express no opinion on it.



This report only describes the scope of our tests of internal control over compliance and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

January 21, 2015

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**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2014**

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

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	Yes
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	Yes
<i>(d)(1)(vii)</i>	Major Programs (list):	Head Start CFDA #93.600
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

**FINDING NUMBER 2014-001**

**Noncompliance**

**Ohio Rev. Code § 117.38** provides that each public office shall file a financial report for each fiscal year. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the auditor of state has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. Ohio Administrative Code Section 117-2-03 further clarifies the requirements of Ohio Rev. Code Section 117.38.

**FINDING NUMBER 2014-001  
 (Continued)**

**Ohio Adm. Code § 117-2-03 (B)** requires the School District to prepare its annual financial report in accordance with generally accepted accounting principles (GAAP). However, the School District prepared its financial statements for fiscal year 2014 following the cash accounting basis. This is a comprehensive accounting basis other than generally accepted accounting principles. The accompanying financial statements omit assets, liabilities, fund equities, and disclosures that, while material, cannot be determined at this time. Pursuant to Ohio Rev. Code Section 117.38 the School District may be fined and subject to various other administrative remedies for its failure to file the required financial report.

The School District should prepare its annual financial statements in accordance with generally accepted accounting principles to include assets, liabilities and the disclosures to provide a completed presentation of financial status.

**Official's Response:**

The Treasurer and Board of Education believes that the School District meets the alternative requirements of financial reporting by the compilation, completion and filing of the OCBOA (other comprehensive basis of accounting). The School District believes that the costs associated with generating and auditing the reports on the GAAP basis, far outweigh any benefits that the School District may obtain from its filing of a GAAP based report. In prior years the School District did file the GAAP formatted reports and on only one occasion did anyone want to see the report even though it was advertised as available in the local media. Additionally, the one time that the School District issued debt while reporting using the GAAP process, no financial institution showed interest in receiving the most recent copy of the report.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

<b>Finding Number</b>	2014-002
<b>CFDA Title and Number</b>	93.600
<b>Federal Award Number / Year</b>	2013/2014
<b>Federal Agency</b>	U.S. Department of Health and Human Services
<b>Pass-Through Agency</b>	Direct Award

**Head Start Federal Financial Report Submission – Material Weakness/Noncompliance**

**2 CFR § 215.52(a)(1)(iv)** states the Federal awarding agency shall require recipients to submit SF-269 or SF-269A (an original and no more than two copies) no later than 30 days after the end of each specified reporting period for quarterly and semi-annual reports, and 90 calendar days for annual and final reports. Extensions of reporting due dates may be approved by the Federal awarding agency upon request of the recipient.

The School District did not complete or submit the semi-annual report due by April 30, 2014 or the final report for the Head Start grant due October 30, 2014. There was no evidence that the District received approval for an extension of the reporting deadline. Failure to meet certain compliance requirements could lead to reduce funding or other matters due to non-compliance with the grant agreements and requirements.

**FINDING NUMBER 2014-002**  
**(Continued)**

The District should complete semi-annual reports within 30 days of the reporting period and within 90 days of the reporting period for annual or final reports or request the federal agency for a reporting extension to ensure compliance with the grant agreements and requirements.

**Official's Response:**

The Treasurer has put procedures in place to complete these reports in accordance with the time frame set by the grant. It should be noted that the grant period was extended on two different occasions which increased the period from the typical twelve months to nineteen months. It was also the current Treasurer's first exposure to this grant. The first semi-annual report for this grant period had been filed prior to the arrival of the new Treasurer. The grant has been restored to its previous twelve month time frame and report deadlines will revert to previous years' deadlines.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2014**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2013-001	ORC Sec. 117.38 & OAC Sec. 117-2-03(B) – Failed to prepare financial statements in accordance with Generally Accepted Accounting Principles	No	Repeated as 2014-001.

**CELINA CITY SCHOOL DISTRICT  
MERCER COUNTY**

**CORRECTIVE ACTION PLAN  
OMB CIRCULAR A -133 § .315 (c)  
JUNE 30, 2014**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2014-002	The District is aware of report dates and now maintains a list of filing dates in the grant folder.	June 30, 2015	Mick Davis

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# Dave Yost • Auditor of State

**CELINA CITY SCHOOL DISTRICT**

**MERCER 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 12, 2015**