



Dave Yost • Auditor of State



**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

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**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<b>FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Entity Identifying Number</b>	<b>Passed Through to Sub-recipients</b>	<b>Total Federal Expenditures</b>	<b>Non-Cash Disbursements</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>					
<i>Passed Through Ohio Department of Education</i>					
Child Nutrition Cluster:					
Non-Cash Assistance (Food Distribution):					
National School Lunch Program	10.555	N/A			\$126,501
Cash Assistance:					
School Breakfast Program	10.553	N/A		\$70,449	
National School Lunch Program	10.555	N/A		591,695	
Total Child Nutrition Cluster				<u>662,144</u>	<u>126,501</u>
Total U.S. Department of Agriculture				<u>662,144</u>	<u>126,501</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>					
<i>Passed Through Ohio Department of Education</i>					
Title I Grants to Local Educational Agencies	84.010	S010A150035		745,854	
Special Education Cluster:					
Special Education Grants to States	84.027	H027A150111		1,575,395	
Special Education Preschool Grants	84.173	84.173		34,827	
Total Special Education Cluster				<u>1,610,222</u>	
Career and Technical Education - Basic Grants to States	84.048	N/A	101,833	247,021	
English Language Acquisition Grants / Immigrant	84.365	N/A		31,822	
Improving Teacher Quality State Grants	84.367	S367A150034		127,283	
Total U.S. Department of Education				<u>2,762,202</u>	
Total Expenditures of Federal Awards			<u>\$101,833</u>	<u>\$3,424,346</u>	<u>\$126,501</u>

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

**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED JUNE 30, 2016**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Centerville City School District (the District's) under programs of the federal government for the year ended June 30, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE C – SUB-RECIPIENTS**

The District passes certain federal awards received from the U.S. Department of Education to other governments or not-for-profit agencies (sub-recipients). As Note B describes, the District reports expenditures of Federal awards to sub-recipients when paid in cash.

As a sub-recipient, the District has certain compliance responsibilities, such as monitoring its sub-recipients to help assure they use these sub-awards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that sub-recipients achieve the award's performance goals.

**NOTE D - CHILD NUTRITION CLUSTER**

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

**NOTE E – FOOD DONATION PROGRAM**

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

**NOTE F - TRANSFERS BETWEEN PROGRAM YEARS**

Federal regulations require schools to obligate certain federal awards by June 30. However, with ODE's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2015 to 2016 programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amt. Transferred</u>
Title I Grants to Local Educational Agencies	84.010	\$8,294
Special Education - Grants to States	84.027	4,433
Special Education - Preschool Grants	84.173	200
English Language Acquisition Grants	84.365	1,704
Improving Teacher Quality State Grants	84.367	300



# 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

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

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 the Centerville City School District, Montgomery County, (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 19, 2016.

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

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

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

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

December 19, 2016





# 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 THE UNIFORM GUIDANCE

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

To the Board of Education:

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

We have audited the Centerville City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Centerville City School District's major federal program for the year ended June 30, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

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

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

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

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the Centerville 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, 2016.

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

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

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

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

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

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Centerville City School District (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 19, 2016. We conducted our audit to opine on the District's' basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



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

December 19, 2016

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**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2016**

**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 weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Program:	Child Nutrition Cluster
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	Yes

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

None.

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

None.

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**COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT**

**for the fiscal year ended June 30, 2016**

**CENTERVILLE**  

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**CITY SCHOOL DISTRICT**



Centerville City School District  
Centerville, Ohio 45458

**CENTERVILLE CITY SCHOOL DISTRICT  
CENTERVILLE, OHIO**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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



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# INTRODUCTORY SECTION





# Centerville City Schools

December 19, 2016

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Centerville City School District (District) for the fiscal year ended June 30, 2016. This report represents the commitment of the District to adhere to nationally recognized standards of excellence in financial reporting.

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

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

Copies of this report will be distributed throughout the District. A copy will be sent to all school buildings, the Washington-Centerville Libraries, and other interested parties.

## **DISTRICT PROFILE**

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

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

### Blue Ribbon School District

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

In 2014 Primary Village North (PVN) was designated a State and National School of Character.

### Primary Villages

There are two primary villages housing preschool, kindergarten and grade one. The Centerville Preschool is an early childhood program that serves children with and without special needs who range in age from 3-5. The licensed program provides a comprehensive preschool experience to enhance each child's social skills, independence, communication, physical and academic growth. Both villages offer regular kindergarten programs in addition to Young 5s and Extended Day to provide developmentally appropriate programs for children ages five and six. The grade one program is similar to the elementary program.

### Elementary

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

### Middle School

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

### High School

Centerville High School is a comprehensive, four-year school that stresses academic excellence and physical and social development. Courses are offered in the fine and applied arts, business, career education, tech-prep and all academic areas.



## ECONOMIC CONDITION AND OUTLOOK

### Community

The estimated population (2010 U.S. Census data) of this area is 80,606 residents as Centerville (23,999)-Washington Township (56,607) is primarily a residential area. Both Centerville and Washington Township attracts white-collar professionals, particularly doctors and managers. The Community (City of Centerville and Washington Township) has grown rapidly over the past twenty years and, given its attractiveness as the residence and business location of choice in the region, it will continue to grow well into the next several decades.

The Centerville area continues to see growth in real estate and business development. Built on a diversified base of small businesses, Centerville continues to be well positioned and appears to be on a solid economic path.

### District

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

### Academic Achievements

- 2017 National Merit Finalist – 19
- 2017 National Merit Commended - 13
- 2016 National Merit Finalist – 15
- 2015 National Merit Finalist – 11
- 2016 543 students took 1,169 AP exams and 84% scored 3 or higher on AP exams
- 2015 536 students took 1,127 AP exams and 84% scored 3 or higher on AP exams

### Athletic Achievements

- Boys Basketball – District Champions, Regional Finalist
- Boys Bowling – State Qualifier (5<sup>th</sup>)
- Girls Bowling – GWOC Champions, District Champions, State Qualifier (5<sup>th</sup>)
- Cheerleading – GWOC Central Champions
- Girls Cross Country – GWOC Champions, District Champions, Regional Champions, State Champions both team and individual
- Boys Golf – GWOC Central Champions, State Qualifier
- Girls Golf – GWOC Champions, State Qualifier (3<sup>rd</sup>)
- Gymnastics – District Runner-Up, Qualified for State
- Boys Soccer – GWOC Central Champions, District Runner-Up
- Girls Soccer – GWOC Central Champions, District Champions, Regional Semi-Finalists
- Baseball – GWOC Central Champions
- Softball – GWOC Central Champions, District Runner-Up

- Boys Swimming and Diving – GWOC Champions, State Qualifier (4<sup>th</sup>), Individual State Champion (100 backstroke)
- Girls Swimming and Diving – GWOC Champions, State Qualifier (10<sup>th</sup>)
- Boys Tennis – GWOC Champions, District Qualifiers
- Girls Track – GWOC Champions, District Champions, Regional Runner-Up, 6<sup>th</sup> in State
- Boys Track – GWOC Champions, District Champions, Regional Champions, 5<sup>th</sup> in State
- Boys Volleyball – State Qualifier, Final Four
- Girls Volleyball – District Runner-Up
- Wrestling – GWOC Champions, Individual State Qualifiers

#### Individual Student Achievements

- 176 seniors were inducted into the National Honor Society.
- 228 seniors earned the State of Ohio Honors Diploma.
- 238 seniors earned the President’s Award for Educational Excellence or President’s Award of Achievement by maintaining a 3.5 GPA.
- 130 seniors earned Scholar-Athlete status by earning a varsity letter and maintaining a 3.2 GPA.
- 93.6% of the Class of 2015 have been accepted to either two or four year institutions of higher learning.

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

#### Major Initiatives

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

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

### **FINANCIAL INFORMATION**

#### District Organization and Reporting Entity

The operations of the District are managed by the Board of Education (Board) that is made up of five citizens who are elected by voters to serve four-year terms. The Board is a body politic and corporate as defined by Ohio Revised Code Section 3313.02, and derives its authority from federal and state law. The

Board's major function is to develop operating policies that will best service the needs of the students. In addition, the Board acts as the taxing authority, contracting body, the approver of the annual appropriation resolution, as well as ensuring that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars. The Board employs the Superintendent to execute policies and provide leadership to the staff. The Board also employs the Treasurer to act as Chief Financial Officer to maintain financial records and invest funds of the District as specified by Ohio law.

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

#### Government-wide Financial Statements

These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities in nature. The District did not have any business-type activities during fiscal year 2016.

#### Fund Financial Statements

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

#### Schedule of Budgetary Comparisons

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

#### Internal Accounting and Budgetary Control

Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation. The

management of the District is responsible for establishing and maintaining an internal control environment that provides reasonable assurance the District's financial statements are reliable, the District complied with applicable laws and regulations and the District is operating effectively and efficiently.

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

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

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

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

#### Relevant Financial Policies

In July, 2009, the Ohio's Governor signed HB 1, the state biennium budget bill. Included in this bill was a complete overhaul of the school funding model for all school districts in Ohio. This Evidence-Based Model (OEBM) replaced a long-standing foundation formula that was declared unconstitutional by the Ohio Supreme Court. Unfortunately, this Pathway to Student Success (PASS) funding formula, using the OEBM that started in FY10 was never fully funded and State revenue to the Centerville School District has declined.

On June 30, 2011, Ohio's Governor signed HB 153, the state biennium budget bill. The impact of this bill continued the same path of reductions to the Centerville School District. The funding mechanism for FY12 and FY13 basically guaranteed the same basic flat funding level.

On June 30, 2013, Ohio's Governor signed HB59, the state biennium budget bill. The Centerville School District did receive 6.25% increased funding in basic aid for FY14 and a projected 10.5% increase for FY15. There are some additional restrictions to this additional funding. Still, this potential increase in funding over the two year budget did not replace the lost revenue from the previous biennial budget.

On June 30, 2015, Ohio governor signed HB64 the newest state biennium budget bill. The Centerville

City School District stands to lose over \$500,000 over two years. Line item vetoes by the governor have taken this district from flat funding for the next two years to this projected loss.

#### Auditor of State

Included in this report is the unmodified opinion rendered on the District's basic financial statements as of and for the year ended June 30, 2016 by State of Ohio Auditor's Office. An annual independent audit of the District's financial statements is a requirement of Ohio statute, as well as an integral part of the annual preparation of a CAFR. This annual audit will continue to review, comment on and thereby strengthen the District's accounting and budgetary control.

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

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Centerville City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2015. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

#### **ACKNOWLEDGEMENTS**

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

Respectfully submitted,



Mitch Biederman, Treasurer



Dr. Thomas Henderson, Superintendent

**Centerville City School District**  
List of Principal Officials  
June 30, 2016

**ELECTED OFFICIALS**

President, Board of Education  
Vice President, Board of Education  
Board of Education Member  
Board of Education Member  
Board of Education Member

Mr. Brad Evers  
Mrs. Clara Osterhage  
Mr. Jeff Shroyer  
Dr. David Roer  
Mrs. Annie Self

**ADMINISTRATIVE OFFICIALS**

Superintendent  
Treasurer  
Director of Student Services  
Director of Technology  
Director of Human Resources  
Assistant Superintendent / Director of Business Operations  
Director of Curriculum and Instruction

Dr. Tom Henderson  
Mr. Mitch Biederman  
Mrs. Laura Collier  
Mr. Roger Nefzer  
Mr. Dan Tarpey  
Mr. Bob Yux  
Mr. Jeremy Miller

**OFFICE OF THE TREASURER**

Treasurer  
Accounting Supervisor  
Payroll Supervisor  
Accounts Payable Analyst  
Payroll Analyst  
Secretary/Benefits  
CHS Student Activities

Mr. Mitch Biederman  
Mrs. Linda Bruner  
Mrs. Chrissy Opperman  
Mrs. Laura Baker  
Mrs. Shannon Geilenfeldt  
Mrs. Janice Sipe  
Mrs. Candi Trentel

# COMMUNITY



## BOARD OF EDUCATION



## SUPERINTENDENT



## TREASURER

- Fiscal Management
- Payroll
- Accounting
- Bookkeeping
- Benefits Administration

Director of  
Human Resources

Director of Curriculum and  
Instruction

Director of  
Student Services

Director of  
Technology

Assistant Superintendent  
Business Operations

Principals

**Business Groups**  
South Metro Chamber of Commerce  
Business Leaders  
Committees

**School Groups**  
Parent Teacher Organizations  
Curriculum Advisory Council  
Boosters

**Community Groups**  
Service Clubs  
Ministerial Association  
Hithergreen Senior Center  
Washington Township Rec Center  
Centerville Washington Diversity Council

**Education Groups**  
Greater Western Ohio Conference  
Universities  
Montgomery County Superintendents  
Dayton Area Superintendents' Association  
Buckeye Association of School Administrators  
American Association of School Administrators  
Alliance for Adequate School Funding  
Education Tax Policy Institute

**Government Entities**  
Washington Township  
City of Centerville  
Washington-Centerville Public Library  
Centerville-Washington Park District  
Montgomery County  
State of Ohio



Government Finance Officers Association

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

Presented to

**Centerville City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO



# FINANCIAL SECTION





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

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 Centerville City School District, Montgomery County, Ohio (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Centerville City School District, Montgomery County, Ohio, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2016, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

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

December 19, 2016

**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
**(Unaudited)**

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The discussion and analysis of Centerville City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

### **Financial Highlights**

Key financial highlights for 2016 are as follows:

- Net position of governmental activities increased \$9,154,489 which represents a 9% increase from 2015.
- General revenues accounted for \$96,292,546 in revenue or 89% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$11,472,744 or 11% of total revenues of \$107,765,290.
- The District had \$98,610,801 in expenses related to governmental activities; \$11,472,744 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$96,292,546 were also used to provide for these programs.

### **Overview of the Financial Statements**

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

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

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

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2016?" The Government-wide Financial Statements answer this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
**(Unaudited)**

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

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

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

**Fund Financial Statements**

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

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

**Proprietary Funds** The District maintains two proprietary internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for self insurance of the District's workers' compensation benefits and medical insurance benefits.

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

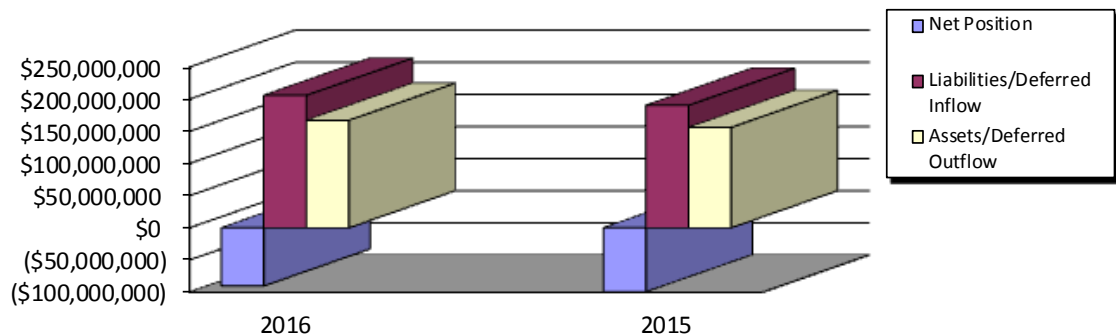
**The District as a Whole**

As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2016 compared to 2015:

**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
(Unaudited)

**Table 1**  
**Net Position**

	Governmental Activities	
	2016	2015
Assets:		
Current and Other Assets	\$118,315,651	\$109,795,161
Capital Assets	48,820,343	46,253,960
Total Assets	167,135,994	156,049,121
Deferred Outflows of Resources:		
Deferred Charge on Refunding Pension	0	5,669,330
	26,655,811	9,387,225
Total Deferred Outflows of Resources	26,655,811	15,056,555
Liabilities:		
Other Liabilities	10,673,262	10,845,382
Long-Term Liabilities	195,321,996	179,656,470
Total Liabilities	205,995,258	190,501,852
Deferred Inflows of Resources:		
Property Taxes	0	58,277,532
Grants and Other Taxes	0	8,000
Pension	78,104,835	21,781,069
Total Deferred Inflows of Resources	78,104,835	80,066,601
Net Position:		
Net Investment in Capital Assets	1,055,858	(3,598,250)
Restricted	8,851,343	11,746,911
Unrestricted	(100,215,489)	(107,611,438)
Total Net Position	(\$90,308,288)	(\$99,462,777)



**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
**(Unaudited)**

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Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2016, the District's liabilities exceeded assets by \$90,308,288.

At year-end, capital assets represented 29% of total assets. Capital assets include land, construction in progress, buildings and improvements, equipment and vehicles. Capital assets, net of related debt to acquire the assets at June 30, 2016, was \$1,055,858. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$8,851,343 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Current and Other Assets increased mainly due to an increase in cash and investments. Long-term liabilities increased due to the increase in Net Pension Liabilities.

The District retained its Aa1 rating from Moody's Investors Service. This rating is the 2nd highest rating for a public school district in Ohio. Moody's has stated, "The high-grade Aa1 rating reflects the district's strong financial position, solid tax base with proximity to the Dayton and Cincinnati employment centers, and favorable debt position."

Table 2 shows the changes in net position for fiscal years 2016 and 2015.

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**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
(Unaudited)

**Table 2**  
**Changes in Net Position**

	Governmental Activities	
	2016	2015
Revenues:		
Program Revenues		
Charges for Services	\$5,369,468	\$5,379,090
Operating Grants, Contributions	6,103,276	6,969,614
General Revenues:		
Property Taxes	72,824,579	74,424,152
Grants and Entitlements	22,060,076	21,330,949
Investment Earnings	686,962	351,154
Other	720,929	325,627
Total Revenues	<u>107,765,290</u>	<u>108,780,586</u>
Program Expenses:		
Instruction	53,625,448	55,873,786
Support Services:		
Pupil and Instructional Staff	10,589,038	10,916,234
School Administrative, General		
Administration, Fiscal and Business	10,737,332	7,788,055
Operations and Maintenance	6,820,755	6,144,537
Pupil Transportation	7,146,201	6,858,880
Central	735,117	631,619
Operation of Non-Instructional Services	4,900,984	5,024,917
Extracurricular Activities	1,672,175	813,476
Unallocated Depreciation	1,606,780	1,629,219
Interest and Fiscal Charges	776,971	2,013,978
Total Program Expenses	<u>98,610,801</u>	<u>97,694,701</u>
Changes in Net Position	9,154,489	11,085,885
Net Position - Beginning of Year , Restated	<u>(99,462,777)</u>	<u>(110,548,662)</u>
Net Position - End of Year	<u><u>(\$90,308,288)</u></u>	<u><u>(\$99,462,777)</u></u>

The District's revenues are mainly from two sources. Property taxes levied for general, debt service and capital projects purposes and grants and entitlements comprised 88% of the District's revenues for governmental activities.

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

**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
(Unaudited)

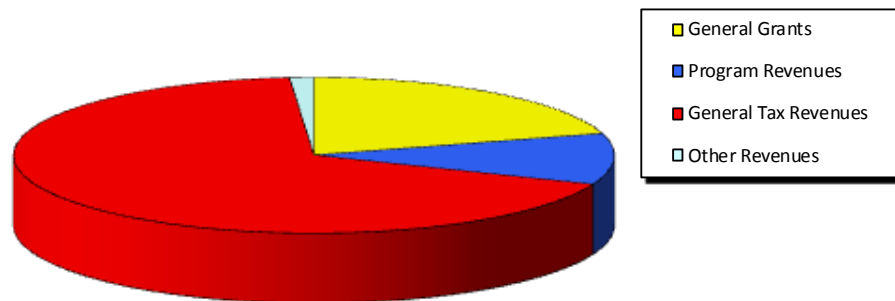
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Thus Ohio districts do not receive additional property tax revenue from increases in appraisal values and must regularly return to the voters to maintain a constant level of service. Property taxes made up 68% of revenue for governmental activities for the District in fiscal year 2016.

**Governmental Activities**  
**Revenue Sources**

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Revenue Sources	2016	Percentage
General Grants	\$ 22,060,076	20.5%
Program Revenues	11,472,744	10.6%
General Tax Revenues	72,824,579	67.6%
Other Revenues	1,407,891	1.3%
Total Revenue Sources	\$ 107,765,290	100.0%



Instruction comprises 54% of governmental program expenses. Support services expenses were 37% of governmental program expenses. All other expenses including interest expense were 9%. Interest expense was attributable to the outstanding bond and borrowings.

Property taxes decreased mainly due to a decrease in property tax receipts received during the fiscal year. Total expenses increased due to an increase in support services.

**Government Activities**

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

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**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
(Unaudited)

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

	Total Cost of Services		Net Cost of Services	
	2016	2015	2016	2015
Instruction	\$53,625,448	\$55,873,786	(\$48,752,424)	(\$50,205,349)
Support Services:				
Pupil and Instructional Staff	10,589,038	10,916,234	(9,778,485)	(10,117,110)
School Administrative, General				
Administration, Fiscal and Business	10,737,332	7,788,055	(10,700,665)	(7,762,731)
Operations and Maintenance	6,820,755	6,144,537	(6,820,323)	(6,144,537)
Pupil Transportation	7,146,201	6,858,880	(6,784,702)	(6,426,041)
Central	735,117	631,619	(728,946)	(631,341)
Operation of Non-Instructional Services	4,900,984	5,024,917	(872,752)	(1,118,835)
Extracurricular Activities	1,672,175	813,476	(316,009)	703,144
Interest and Fiscal Charges	1,606,780	1,629,219	(1,606,780)	(1,629,219)
Unallocated Depreciation	776,971	2,013,978	(776,971)	(2,013,978)
Total Expenses	<u>\$98,610,801</u>	<u>\$97,694,701</u>	<u>(\$87,138,057)</u>	<u>(\$85,345,997)</u>

**The District's Funds**

The District has one major governmental fund: the General Fund. Assets of this fund comprise \$99,546,612 (87%) of the total \$113,798,471 governmental funds' assets.

**General Fund:** Fund balance at June 30, 2016 was \$32,049,835 including \$31,017,462 of unassigned balance. Fund balance increased from 2015 due mainly to an increase in cash and investments, and taxes receivable.

**General Fund Budgeting Highlights**

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

For the General Fund, original budget basis revenue and final budget basis revenue were both \$93,679,130, while the actual revenue had a difference of \$2,387,113 from the final budget basis revenues due to conservative estimates for taxes and intergovernmental revenue.

The District's ending unobligated fund balance was \$35,872,184, which is \$4,012,011 above the final budgeted amount.

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**Centerville City School District, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
(Unaudited)

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**Capital Assets and Debt Administration**

***Capital Assets***

At fiscal year end, the District had \$48,820,343 invested in land, construction in progress, buildings and improvements, equipment and vehicles. Table 4 shows fiscal year 2016 balances compared to fiscal year 2015:

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

---

	Governmental Activities	
	2016	2015
Land	\$2,420,016	\$2,420,016
Construction in Progress	337,407	338,676
Buildings and Improvements	41,591,732	39,260,334
Equipment	1,100,520	1,201,323
Vehicles	<u>3,370,668</u>	<u>3,033,611</u>
Total Net Capital Assets	<u>\$48,820,343</u>	<u>\$46,253,960</u>

The increase in capital assets from 2015 to 2016 is mainly due to current year additions being greater than 2016 depreciation expense.

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

***Debt***

At fiscal year end, the District had \$53,653,154 in debt outstanding, \$1,083,680 due within one year. Table 5 summarizes debt outstanding.

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**Centerville City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2016**  
(Unaudited)

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

	Governmental Activities	
	2016	2015
<u>General Obligation Bonds</u>		
2004 Refunding Bonds	0	930,000
2004 Bond Premium	0	1,287,678
2013 Refunding Bonds		
Current Interest	47,560,000	47,800,000
Capital Appreciation - Principal	480,531	480,531
Capital Appreciation - Interest	517,725	337,018
Add: Bond Premium	4,758,945	5,023,331
2016 Field Turf Lease	335,953	0
Total Long-Term Debt	<u>\$53,653,154</u>	<u>\$55,858,558</u>

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

**For the Future**

The Community (City of Centerville and Washington Township) has grown consistently over the past twenty-five years and, given its attractiveness as the residence and business location of choice in the region, it will continue to grow well into the future. The land to support past growth has been consumed at an increasing rate and will be exhausted, if present trends continue, within the next 10 years as the Community is 85% developed (90% city and 80% township). Eventually the Community will have matured, with redevelopment as the only option to accommodate growth and change. How this limited supply of land is used will dictate everything from fiscal health, to Community appearance, and ultimately its continued attractiveness as a place to live, work, and play.

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

On June 30, 2015, Ohio's Governor signed HB64, the State biennium budget bill. The District is projected to be reduced an estimated \$500,000 over the next two fiscal years. Line item vetoes by the Governor impacted State revenue negatively. This has been a material trend for the Centerville School District.

The new report card data shows that the District continues to rank among the top 15% in overall performance among Ohio schools.

**Centerville City School District, Ohio  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2016  
(Unaudited)**

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

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

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Centerville City School District, Ohio  
Statement of Net Position  
June 30, 2016

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Investments	\$49,740,543
Restricted Cash and Investments	1,066,504
Receivables (Net):	
Taxes	66,897,556
Interest	108,785
Intergovernmental	481,339
Inventory	20,924
Nondepreciable Capital Assets	2,757,423
Depreciable Capital Assets, Net	<u>46,062,920</u>
 Total Assets	 <u>167,135,994</u>
 Deferred Outflows of Resources:	
Deferred Charge on Refunding Pension	5,370,944
	<u>21,284,867</u>
 Total Deferred Outflows of Resources	 <u>26,655,811</u>
 Liabilities:	
Accounts Payable	510,717
Accrued Wages and Benefits	8,419,681
Contracts Payable	7,303
Retainage Payable	48,748
Accrued Interest Payable	157,204
Claims Payable	1,529,609
Long-Term Liabilities:	
Due Within One Year	1,810,233
Due In More Than One Year:	
Net Pension Liability	137,502,031
Other Amounts	<u>56,009,732</u>
 Total Liabilities	 <u>205,995,258</u>
 Deferred Inflows of Resources:	
Property Taxes	62,423,378
Grants and Other Taxes	100,000
Pension	<u>15,581,457</u>
 Total Deferred Inflows of Resources	 <u>78,104,835</u>
 Net Position:	
Net Investment in Capital Assets	1,055,858
Restricted for:	
Managed Student Services	485,580
Auxiliary Services	208,683
Food Service	235,087
Federal Grants	16,875
Debt Service	4,668,684
Capital Projects	3,198,064
Other Purposes	38,370
Unrestricted	<u>(100,215,489)</u>
 Total Net Position	 <u><u>(\$90,308,288)</u></u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Activities  
For the Fiscal Year Ended June 30, 2016

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$39,364,841	\$1,865,214	\$145,469	(\$37,354,158)
Special	10,265,463	241,080	2,494,916	(7,529,467)
Vocational	2,605,172	0	126,345	(2,478,827)
Other	1,389,972	0	0	(1,389,972)
<b>Support Services:</b>				
Pupil	9,273,708	0	664,026	(8,609,682)
Instructional Staff	1,315,330	0	146,527	(1,168,803)
General Administration	25,445	0	0	(25,445)
School Administration	8,402,676	0	36,667	(8,366,009)
Fiscal	1,776,784	0	0	(1,776,784)
Business	532,427	0	0	(532,427)
Operations and Maintenance	6,820,755	308	124	(6,820,323)
Pupil Transportation	7,146,201	15,789	345,710	(6,784,702)
Central	735,117	6,171	0	(728,946)
Operation of Non-Instructional Services	4,900,984	1,884,740	2,143,492	(872,752)
Extracurricular Activities	1,672,175	1,356,166	0	(316,009)
Unallocated Depreciation	1,606,780	0	0	(1,606,780)
Interest and Fiscal Charges	776,971	0	0	(776,971)
<b>Totals</b>	<b>\$98,610,801</b>	<b>\$5,369,468</b>	<b>\$6,103,276</b>	<b>(87,138,057)</b>

<b>General Revenues:</b>	
Property Taxes Levied for:	
General Purposes	67,688,474
Debt Service Purposes	2,933,312
Capital Projects Purposes	2,202,793
Grants and Entitlements, Not Restricted	22,060,076
Unrestricted Contributions	112,804
Investment Earnings	686,962
Other Revenues	608,125
<b>Total General Revenues</b>	<b>96,292,546</b>
<b>Change in Net Position</b>	<b>9,154,489</b>
<b>Net Position - Beginning of Year</b>	<b>(99,462,777)</b>
<b>Net Position - End of Year</b>	<b>(\$90,308,288)</b>

See accompanying notes to the basic financial statements.



Centerville City School District, Ohio  
Balance Sheet  
Governmental Funds  
June 30, 2016

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$36,865,917	\$8,353,296	\$45,219,213
Restricted Cash and Investments	141,886	924,618	1,066,504
<b>Receivables (Net):</b>			
Taxes	62,325,874	4,571,682	66,897,556
Interest	108,785	0	108,785
Intergovernmental	100,000	381,339	481,339
Interfund	4,150	0	4,150
Inventory	0	20,924	20,924
<b>Total Assets</b>	<b>99,546,612</b>	<b>14,251,859</b>	<b>113,798,471</b>
<b>Liabilities:</b>			
Accounts Payable	297,204	213,513	510,717
Accrued Wages and Benefits	7,756,674	663,007	8,419,681
Compensated Absences	184,002	2,745	186,747
Contracts Payable	0	7,303	7,303
Retainage Payable	0	48,748	48,748
Interfund Payable	0	4,150	4,150
<b>Total Liabilities</b>	<b>8,237,880</b>	<b>939,466</b>	<b>9,177,346</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	59,087,816	4,321,553	63,409,369
Grants and Other Taxes	100,000	200,782	300,782
Investment Earnings	71,081	0	71,081
<b>Total Deferred Inflows of Resources</b>	<b>59,258,897</b>	<b>4,522,335</b>	<b>63,781,232</b>
<b>Fund Balances:</b>			
Restricted	0	9,002,072	9,002,072
Assigned	1,032,373	0	1,032,373
Unassigned	31,017,462	(212,014)	30,805,448
<b>Total Fund Balances</b>	<b>32,049,835</b>	<b>8,790,058</b>	<b>40,839,893</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$99,546,612</b>	<b>\$14,251,859</b>	<b>\$113,798,471</b>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 June 30, 2016

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Total Governmental Fund Balance		\$40,839,893
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		48,820,343
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Delinquent Property Taxes	985,991	
Interest	71,081	
Intergovernmental	<u>200,782</u>	
		1,257,854
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.		
Internal Service Net Position		2,991,721
In the Statement of Net Position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(157,204)
Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(3,980,064)
Deferred outflow of resources associated with long-term liabilities are not reported in the funds.		
		5,370,944
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	21,284,867	
Deferred inflows of resources related to pensions	<u>(15,581,457)</u>	
		5,703,410
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(137,502,031)	
Other Amounts	<u>(53,653,154)</u>	
		<u>(191,155,185)</u>
Net Position of Governmental Activities		<u><u>(\$90,308,288)</u></u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2016

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Property and Other Taxes	\$67,674,991	\$5,139,827	\$72,814,818
Tuition and Fees	2,046,512	0	2,046,512
Investment Earnings	668,081	3,460	671,541
Intergovernmental	22,698,431	5,377,397	28,075,828
Extracurricular Activities	660,959	701,378	1,362,337
Charges for Services	0	1,885,048	1,885,048
Other Revenues	271,925	524,574	796,499
<b>Total Revenues</b>	<b>94,020,899</b>	<b>13,631,684</b>	<b>107,652,583</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	38,873,486	613,152	39,486,638
Special	8,692,135	1,620,020	10,312,155
Vocational	2,500,115	27,530	2,527,645
Other	1,390,961	0	1,390,961
<b>Support Services:</b>			
Pupil	8,661,938	643,110	9,305,048
Instructional Staff	1,230,188	150,726	1,380,914
General Administration	25,445	0	25,445
School Administration	8,287,764	55,796	8,343,560
Fiscal	1,723,190	62,444	1,785,634
Business	538,491	0	538,491
Operations and Maintenance	5,523,622	1,423,175	6,946,797
Pupil Transportation	6,258,197	1,193,926	7,452,123
Central	744,571	7,258	751,829
Operation of Non-Instructional Services	1,139,660	3,779,660	4,919,320
Extracurricular Activities	842,785	829,601	1,672,386
Capital Outlay	4,132	3,503,706	3,507,838
<b>Debt Service:</b>			
Principal Retirement	0	1,212,247	1,212,247
Interest and Fiscal Charges	0	1,848,638	1,848,638
<b>Total Expenditures</b>	<b>86,436,680</b>	<b>16,970,989</b>	<b>103,407,669</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>7,584,219</b>	<b>(3,339,305)</b>	<b>4,244,914</b>
<b>Other Financing Sources (Uses):</b>			
Proceeds of Capital Leases	0	378,200	378,200
Proceeds from Sale of Capital Assets	21,907	0	21,907
<b>Total Other Financing Sources (Uses)</b>	<b>21,907</b>	<b>378,200</b>	<b>400,107</b>
<b>Net Change in Fund Balance</b>	<b>7,606,126</b>	<b>(2,961,105)</b>	<b>4,645,021</b>
<b>Fund Balance - Beginning of Year</b>	<b>24,443,709</b>	<b>11,751,163</b>	<b>36,194,872</b>
<b>Fund Balance - End of Year</b>	<b>\$32,049,835</b>	<b>\$8,790,058</b>	<b>\$40,839,893</b>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2016

Net Change in Fund Balance - Total Governmental Funds		\$4,645,021
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.		
Capital assets used in governmental activities	5,548,759	
Depreciation Expense	<u>(2,942,051)</u>	
		2,606,708
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss.		
		(40,325)
Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		
District pension contributions	7,878,567	
Cost of benefits earned net of employee contributions	<u>(6,887,854)</u>	
		990,713
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	9,761	
Interest	15,421	
Intergovernmental	<u>87,525</u>	
		112,707
Repayment of bond principal and accretion is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
		1,212,247
In the Statement of Activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.		
		(1,304)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences	(1,185,771)	
Amortization of Bond Premium	1,552,064	
Amortization of Deferred Charge on Refunding	(298,386)	
Bond Accretion	<u>(180,707)</u>	
		(112,800)
The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide Statement of Activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
Change in Net Position - Internal Service Funds		119,722
Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position.		
		<u>(378,200)</u>
Change in Net Position of Governmental Activities		<u>\$9,154,489</u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Net Position  
Proprietary Funds  
June 30, 2016

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	<u>Governmental Activities- Internal Service Funds</u>
Current Assets:	
Equity in Pooled Cash and Investments	<u>\$4,521,330</u>
Total Assets	<u>4,521,330</u>
Liabilities:	
Claims Payable	<u>1,529,609</u>
Total Liabilities	<u>1,529,609</u>
Net Position:	
Unrestricted	<u>2,991,721</u>
Total Net Position	<u>\$2,991,721</u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2016

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	<u>Governmental Activities- Internal Service Funds</u>
Operating Revenues:	
Charges for Services	<u>\$13,737,509</u>
Total Operating Revenues	<u>13,737,509</u>
Operating Expenses:	
Contractual Services	<u>13,638,154</u>
Total Operating Expenses	<u>13,638,154</u>
Operating Income (Loss)	<u>99,355</u>
Non-Operating Revenues (Expenses):	
Investment Earnings	<u>20,367</u>
Total Non-Operating Revenues (Expenses)	<u>20,367</u>
Change in Net Position	119,722
Net Position - Beginning of Year	<u>2,871,999</u>
Net Position - End of Year	<u><u>\$2,991,721</u></u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2016

	<u>Governmental Activities- Internal Service Funds</u>
Cash Flows from Operating Activities:	
Receipts from Interfund Services Provided	\$13,737,509
Cash Payments to Employees	(13,590,437)
Cash Payments to Suppliers	<u>(270,492)</u>
Net Cash Provided (Used) by Operating Activities	<u>(123,420)</u>
Cash Flows from Investing Activities:	
Earnings on Investments	<u>20,367</u>
Net Cash Provided (Used) by Cash Flows from Investing Activities	<u>20,367</u>
Net Increase (Decrease) in Cash and Investments	(103,053)
Cash and Investments - Beginning of Year	<u>4,624,383</u>
Cash and Investments - End of Year	<u>4,521,330</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	99,355
Changes in Assets & Liabilities:	
Increase (Decrease) in Claims Payables	<u>(222,775)</u>
Net Cash Provided (Used) by Operating Activities	<u>(\$123,420)</u>

See accompanying notes to the basic financial statements.

Centerville City School District, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2016

---

	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$16,307	\$255,132
Restricted Cash and Investments	<u>9,698</u>	<u>0</u>
Total Assets	<u>26,005</u>	<u>255,132</u>
Liabilities:		
Accounts Payable	0	681
Other Liabilities	<u>0</u>	<u>254,451</u>
Total Liabilities	<u>0</u>	<u>\$255,132</u>
Net Position:		
Held in Trust	<u>26,005</u>	
Total Net Position	<u>\$26,005</u>	

See accompanying notes to the basic financial statements.



Centerville City School District, Ohio  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2016

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	<u>Private Purpose Trust</u>
Additions:	
Investment Earnings	\$95
Other	<u>2,887</u>
Total Additions	<u>2,982</u>
Deductions:	
Other	<u>3,660</u>
Total Deductions	<u>3,660</u>
Change in Net Position	(678)
Net Position - Beginning of Year	<u>26,683</u>
Net Position - End of Year	<u><u>\$26,005</u></u>

See accompanying notes to the basic financial statements.

**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2016**

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**Note 1 - Description of the District and Reporting Entity**

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The Centerville City School District (the "District") is a body politic and corporate located in Montgomery County and encompasses the City of Centerville and Washington Township. The District serves an area of approximately 32 square miles. The District ranks as the 24<sup>th</sup> largest by enrollment among school districts in the State of Ohio, and it is the 2<sup>nd</sup> largest school district located within Montgomery County.

The District operates under a locally elected five-member Board form of government and provides educational services as authorized by its charter and further mandated by state and/or federal agencies. This Board controls the District's instructional/support programs located at twelve instructional facilities and staffed by 405 non-certificated employees and 598 certified employees, who provide services to nearly over 8,300 students and other community members.

**Reporting Entity**

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

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

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

The District does not have any component units.

The District is associated with four organizations, which are defined as jointly governed and another organization that is classified as a related organization. These organizations are presented in Notes 12 and 13 to the basic financial statements.

**Note 2 - Summary of Significant Accounting Policies**

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

**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2016**

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**Basis of Presentation**

The District's basic financial statements consist of government-wide 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.

**Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

**Fund Financial Statements**

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

**Fund Accounting**

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

**Governmental Funds**

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

**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2016**

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

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

Proprietary Funds

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The District has no enterprise funds. The following is a description of the District's internal service fund:

Internal Service Funds - The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the district, or to other governments, on a cost-reimbursement basis. The internal service funds of the District account for self-insurance programs which provide workers' compensation benefits and medical insurance benefits to employees.

Fiduciary Funds

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

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the Statement of Net Position. Private-purpose trust and agency funds are not included in entity-wide statements.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental

**Centerville City School District, Ohio**  
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activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for government funds. The private purpose trust funds are reported using the economic resources measurement focus. Agency funds do not have a measurement focus.

**Basis of Accounting**

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

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

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

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

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, grants and other taxes and unavailable revenues. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2016, but which were levied to finance year 2017 operations. These amounts have been recorded as

**Centerville City School District, Ohio**  
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deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period.

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

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

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

**Equity in Pooled Cash and Investments**

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

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

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

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2016. The District has invested funds in the State Treasury Assets Reserves of Ohio (STAR Ohio) during fiscal year 2016.

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Following State statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Investment earnings are to be credited to the specified funds based on the month end fund balance. Interest was recorded in the General Fund, Other Governmental Funds, and Private Purpose Trust Funds in the amounts of \$668,081, \$3,460, and \$95, respectively.

For purposes of the statement of cash flows, the internal service portion of pooled cash and investments is considered a cash equivalent because the District is able to withdraw resources from the internal service funds without prior notice or penalty.

**Inventory**

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

**Restricted Assets**

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other government or imposed by enabling legislation. Restricted assets include the amount required by state statute to be set aside to create a reserve for budget stabilization.

**Estimates**

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

**Capital Assets and Depreciation**

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

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

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

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

**Centerville City School District, Ohio**  
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**Interfund Activity**

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

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

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

**Compensated Absences**

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

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

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

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

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**Centerville City School District, Ohio**  
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**For The Fiscal Year Ended June 30, 2016**

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**Accrued Liabilities and Long-Term Obligations**

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

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

**Pensions**

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

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the internal service fund. For the District, these revenues are charges for services for the primary activity of the fund. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Net Position**

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

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Of the District's \$8,851,343 in restricted net position, none was restricted by enabling legislation.

**Fund Balance**

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

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Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education or approved through the District's formal purchase order procedure by the Superintendent and the Treasurer.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The District considers restricted, committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

**Note 3 - Equity in Pooled Cash and Investments**

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

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

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

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

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

**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
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- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than five years from date of deposit, or by savings or deposit accounts, including, but not limited to, passbook accounts.
- (5) Bonds, and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAROhio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

### **Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities or a line of

**Centerville City School District, Ohio**  
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credit. At year end, the carrying amount of the District's deposits was \$4,611,260. As of June 30, 2016, \$4,746,815 of the District's bank balance of \$5,000,315 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

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

**Investments**

As of June 30, 2016, the District had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Money Market Mutual Funds	\$3,911,657	0.00
STAR Ohio	891,223	0.13
Federal Home Loan Bank	12,385,979	3.29
Federal Farm Credit Banks	8,555,175	2.15
Negotiable CDs	5,806,916	3.24
Federal Home Loan Mortgage Corporation	9,476,361	3.45
Federal National Mortgage Association	5,449,613	2.87
Total Fair Value	\$46,476,924	
Portfolio Weighted Average Maturity		2.72

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the District's recurring fair value measurements as of June 30, 2016. STAR Ohio is reported at its share price. All other investments of the District are valued using quoted market prices.

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

**Credit Risk** – It is the District's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating

**Centerville City School District, Ohio**  
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organizations. The District's investments in Federal Home Loan Bank, Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association were rated AA+ by Standard and Poor's and Fitch ratings and Aaa by Moody's Investment Service. Investments in STAR Ohio were rated AA+ by Standard & Poors. Money Market Funds and Negotiable CDs were not rated.

Concentration of Credit Risk – The District should normally seek to diversify its holdings of other investments by avoiding concentration of specific issuers. The District has invested 8% in Money Market Mutual Funds, 2% in STAR Ohio, 27% in Federal Home Loan Bank, 18% in Federal Farm Credit Banks, 13% in Negotiable CDs, 20% in Federal Home Loan Mortgage Corporation, and 12% in Federal National Mortgage Association.

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

**Note 4 - Property Taxes**

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Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. The District receives property taxes from Montgomery County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2016, are available to finance fiscal year 2017 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, and public utility taxes that became measurable as of June 30, 2016. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows for that portion not intended to finance \$3,238,058 in the General Fund and \$250,129 in Other Governmental Funds.

**Centerville City School District, Ohio**  
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The assessed values upon which the fiscal year 2016 taxes were collected are as follows:

	2016 First Half Collections	2015 Second Half Collections
Agricultural/Residential and Other Real Estate	\$1,667,220,530	\$1,652,678,460
Public Utility Personal	31,054,260	30,002,790
Total Assessed Property Value	<u>\$1,698,274,790</u>	<u>\$1,682,681,250</u>

**Note 5 – Receivables**

Receivables at June 30, 2016, consisted of current and delinquent property taxes, interest, intergovernmental grants, and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

**Note 6 - Capital Assets**

Capital asset activity for the year ended June 30, 2016 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$2,420,016	\$0	\$0	\$2,420,016
Construction in Progress	338,676	337,407	338,676	337,407
Total Capital Assets, not being depreciated	2,758,692	337,407	338,676	2,757,423
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	88,034,895	4,269,100	30,317	92,273,678
Equipment	7,999,653	178,358	302,836	7,875,175
Vehicles	9,432,007	1,102,570	818,622	9,715,955
Total Capital Assets, being depreciated:	<u>105,466,555</u>	<u>5,550,028</u>	<u>1,151,775</u>	<u>109,864,808</u>
Totals at Historical Cost	<u>108,225,247</u>	<u>5,887,435</u>	<u>1,490,451</u>	<u>112,622,231</u>
Less Accumulated Depreciation:				
Buildings and Improvements	48,774,561	1,937,702	30,317	50,681,946
Equipment	6,798,330	241,569	265,244	6,774,655
Vehicles	6,398,396	762,780	815,889	6,345,287
Total Accumulated Depreciation	<u>61,971,287</u>	<u>2,942,051</u>	<u>1,111,450</u>	<u>63,801,888</u>
Governmental Activities Capital Assets, Net	<u>\$46,253,960</u>	<u>\$2,945,384</u>	<u>\$379,001</u>	<u>\$48,820,343</u>

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Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$549,836
Special	973
Vocational	1,900
Support Services:	
Instructional Staff	1,444
School Administration	5,504
Operations and Maintenance	216,308
Pupil Transportation	555,502
Operation of Non-Instructional Services	3,575
Extracurricular Activities	229
Unallocated Depreciation	<u>1,606,780</u>
Total Depreciation Expense	<u><u>\$2,942,051</u></u>

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

**Note 7 - Risk Management**

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The District is exposed to various risks of loss related to torts, thefts-of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters for which the District carries commercial insurance. During fiscal year 2016, the District contracted with Liberty Mutual Insurance for these various risks. Coverage terms provided by Liberty Mutual Insurance are as follows:

Buildings and Contents - replacement cost (\$5,000 deductible)	\$225,917,191
Employee Dishonesty - Money in Security	100,000
Automotive Liability (\$500/vehicle and \$500/bus deductible)	1,000,000
Uninsured Motorist Bodily Injury Liability	1,000,000
General Liability (Per Occurrence)	1,000,000
Umbrella Policy	10,000,000

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

Beginning in August 2010, the District began to self-insure its workers' compensation costs. The District contracts with Hunter Consultants for the service. Expenses for claims are recorded on the current basis based on an actuarially determined charge per employee. The District accounts for the activities of this program in an internal service fund in accordance with GASB Statement No. 10. A summary of the changes in self-insurance workers' compensation claims liability is as follows:

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**For The Fiscal Year Ended June 30, 2016**

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	<u>2016</u>	<u>2015</u>
Claims Liability at Beginning of Year	\$6,971	\$33,155
Claims Incurred	301,709	155,199
Claims Paid	<u>(270,492)</u>	<u>(181,383)</u>
Claims Liability at End of Year	<u>\$38,188</u>	<u>\$6,971</u>

Beginning in January 2012, the District began to self-insure its medical health-insurance costs. The District contracts with Anthem for the service. Expenses for claims are recorded on the current basis based on an actuarially determined charge per employee. The District accounts for the activities of this program in an internal service fund in accordance with GASB Statement No. 10. A summary of the changes in self-insurance health insurance claims liability is as follows:

	<u>2016</u>	<u>2015</u>
Claims Liability at Beginning of Year	\$1,745,413	\$1,186,957
Claims Incurred	13,336,445	13,277,762
Claims Paid	<u>(13,590,437)</u>	<u>(12,719,306)</u>
Claims Liability at End of Year	<u>\$1,491,421</u>	<u>\$1,745,413</u>

**Note 8 - Defined Benefit Pension Plans**

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**Net Pension Liability**

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

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

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

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



**Centerville City School District, Ohio**  
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The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *accrued wages and benefits* on both the accrual and modified accrual bases of accounting.

**Plan Description - School Employees Retirement System (SERS)**

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

Age and service requirements for retirement are as follows:

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

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

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service, 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2016, the allocation to pension, death benefits, and Medicare B was 14 percent. None of the 14 percent employer contribution rate was allocated to the Health Care Fund.

**Centerville City School District, Ohio**  
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The District's contractually required contribution to SERS was \$1,918,347 for fiscal year 2016. Of this amount \$425,898 is reported as accrued wages and benefits.

**Plan Description - State Teachers Retirement System (STRS)**

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

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

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

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 11 percent of the 12 percent member rate goes to the DC Plan and 1 percent goes to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2016, plan members were required to contribute 13 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2016 contribution rates were equal to the statutory maximum rates.

The District’s contractually required contribution to STRS was \$5,960,220 for fiscal year 2016. Of this amount \$1,025,520 is reported as accrued wages and benefits.

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

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$24,862,394	\$112,639,636	\$137,502,030
Proportion of the Net Pension Liability	0.43571630%	0.40756714%	
Pension Expense	1,567,749	5,122,065	6,689,814

At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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**Centerville City School District, Ohio**  
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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$397,318	\$5,130,745	\$5,528,063
Net difference between projected and actual earnings on pension plan investments	1,860,476	5,654,266	7,514,742
Changes in employer proportion and differences between contributions and proportionate share of contributions	527,720	(164,225)	363,495
District contributions subsequent to the measurement date	<u>1,918,347</u>	<u>5,960,220</u>	<u>7,878,567</u>
Total Deferred Outflows of Resources	<u>\$4,703,861</u>	<u>\$16,581,006</u>	<u>\$21,284,867</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$2,626,804	\$13,674,454	\$16,301,258
Changes in employer proportion and differences between contributions and proportionate share of contributions	57,443	80,730	138,173
Changes in employer proportionate share of net pension liability	<u>(366,925)</u>	<u>(491,049)</u>	<u>(857,974)</u>
Total Deferred Inflows of Resources	<u>\$2,317,322</u>	<u>\$13,264,135</u>	<u>\$15,581,457</u>

\$7,878,567 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2017	(\$33,656)	(\$1,766,586)	(\$1,800,242)
2018	(33,656)	(1,766,586)	(1,800,242)
2019	(35,552)	(1,766,586)	(1,802,138)
2020	<u>510,432</u>	<u>2,579,880</u>	<u>3,090,312</u>
Total	<u>\$407,568</u>	<u>(\$2,719,878)</u>	<u>(\$2,312,310)</u>

**Centerville City School District, Ohio**  
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**Actuarial Assumptions - SERS**

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2015, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	15.00	7.50
Total	100.00 %	

**Discount Rate** The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$34,475,207	\$24,862,394	\$16,767,615

**Actuarial Assumptions - STRS**

The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA commences on fifth anniversary of retirement date.

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Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males’ ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2015, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

STRS’ investment consultant develops best estimates for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	10 Year Expected Nominal Rate of Return*
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	

\* 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.5 percent.

**Discount Rate** The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2015. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS’ fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2015. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2015.

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

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	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$156,464,951	\$112,639,636	\$75,578,796

**Note 9 - Post Employment Benefits**

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***School Employees Retirement System***

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For the year ended June 30, 2016, the health care allocation is 0%. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2016, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2016, the District's surcharge obligation was \$218,498.

The District's contributions for health care for the fiscal years ended June 30, 2016, 2015, and 2014 were \$0, \$365,368, and \$236,334, respectively. For fiscal year 2016, 100 percent has been contributed. The full amount has been contributed for fiscal years 2015 and 2014.

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**Centerville City School District, Ohio**  
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***State Teachers Retirement System***

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board discretionary 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. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For the fiscal years ended June 30, 2016 and June 30, 2015, STRS Ohio did not allocate any employer contributions to post-employment health care. For the fiscal year ended June 30, 2014, one percent of covered payroll was allocated to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2016, 2015, and 2014 were \$0, \$0, and \$426,043, respectively. The full amount has been contributed for fiscal years 2016, 2015 and 2014.

**Note 10 - Long-Term Obligations**

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**General Obligation Bonds**

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

During fiscal year 2013, the District refunded a portion of the 2005 School Improvement bonds by issuing \$48,510,531 in refunding general obligation (maturing December 1, 2033) and capital appreciation bonds (maturing December 1, 2019 and December 1, 2020). In prior years, the District refunded a portion of the 1996 bond issue by issuing a \$6.455 million refunding general obligation bond which mature in fiscal year 2016 and a portion of the 1994 bond issue was refunded by issuing \$7.355 million in refunding general obligation bonds (maturing December 1, 2012) and capital appreciation bonds (maturing December 1, 2012 and December 1, 2013).

**Advance Refunding**

On August 29, 2012, the District issued \$48,030,000 in current interest bonds with an average interest rate of 3.13% and \$480,531 in capital appreciation bonds of which was used to advance refund \$48,515,000 of outstanding 2005 School Improvement General Obligation Bonds with variable interest rates. The net proceeds of \$54,035,957 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the bond issue.

**Centerville City School District, Ohio**  
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The District advance refunded their 2005 School Improvement General Obligation Bonds to reduce its total debt service payments by \$5,294,050 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$3,963,423.

Changes in Long-Term Liabilities

Long- term liability activity for the year ended June 30, 2016, was as follows:

General Obligation Bonds:	Interest Rate	Balance			Balance	Due in One
		06/30/2015	Additions	Deletions		
2004 Refunding Bonds	2.00% - 5.00%	930,000	0	930,000	0	0
Bond Premium		1,287,678	0	1,287,678	0	0
2013 Refunding Bonds						
Current Interest		47,800,000	0	240,000	47,560,000	1,050,000
Capital Appreciation - Principal		480,531	0	0	480,531	0
Capital Appreciation - Interest		337,018	180,707	0	517,725	0
Bond Premium		5,023,331	0	264,386	4,758,945	0
Total General Obligation Bonds		<u>55,858,558</u>	<u>180,707</u>	<u>2,722,064</u>	<u>53,317,201</u>	<u>1,050,000</u>
Net Pension Liability:						
STRS		98,699,063	19,541,955	5,601,382	112,639,636	0
SERS		21,700,427	4,535,624	1,373,657	24,862,394	0
Total Net Pension Liability		<u>120,399,490</u>	<u>24,077,579</u>	<u>6,975,039</u>	<u>137,502,030</u>	<u>0</u>
2016 Field Turf Lease		0	378,200	42,247	335,953	33,680
Compensated Absences	N/A	<u>3,402,422</u>	<u>1,917,377</u>	<u>1,152,988</u>	<u>4,166,811</u>	<u>726,553</u>
Total Long-Term Liabilities		<u>\$179,660,470</u>	<u>\$26,553,863</u>	<u>\$10,892,338</u>	<u>\$195,321,995</u>	<u>\$1,810,233</u>

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

The general obligation bonds balance at June 30, 2016 of \$52,799,476 is used in the calculation of net investment in capital assets. This amount equals total general obligation bonds of \$53,317,201 minus accreted interest of \$517,725.

Annual Debt Service Requirements

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

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Fiscal Year Ending June 30	General Obligation Bonds		Capital Appreciation Bonds	
	Principal	Interest	Principal	Interest
2017	\$1,050,000	\$1,810,725	\$0	\$0
2018	1,145,000	1,772,075	0	0
2019	1,405,000	1,738,638	0	0
2020	780,000	1,716,400	169,903	540,097
2021	0	1,704,700	310,628	1,274,372
2022-2026	11,105,000	7,433,850	0	0
2027-2031	17,615,000	4,589,600	0	0
2032-2034	14,460,000	901,400	0	0
Total	<u>\$47,560,000</u>	<u>\$21,667,388</u>	<u>\$480,531</u>	<u>\$1,814,469</u>

**Note 11 – Capitalized Leases - Lessee**

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In the current year, the District has entered into a capitalized lease for the installation of athletic field turf. The cost of building improvements under capital lease at June 30, 2016 is \$335,953. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one that transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service in the basic financial statements for the governmental funds.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2016.

Fiscal Year Ending June 30	Amount
2017	\$42,247
2018	42,247
2019	42,247
2020	42,247
2021	42,247
2022-2025	168,988
Total Minimum Lease Payments	380,223
Less: Amounts representing interest	44,271
Present Value of Minimum Lease Payments	<u>\$335,952</u>

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**Centerville City School District, Ohio**  
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**For The Fiscal Year Ended June 30, 2016**

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**Note 12 - Jointly Governed Organizations**

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*Miami Valley Career Technology Center*

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

*Southwestern Ohio Educational Purchasing Cooperative*

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

Each member district has one voting representative. Title to any and all equipment and supplies purchased by SOEPC is held in trust for the member districts by the fiscal agent. Any district withdrawing from SOEPC shall forfeit its claim to any and all SOEPC assets. One year's prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member organizations. Payments to SOEPC are made from the District's General Fund. During fiscal year 2016, the District made payments of \$3,441 to SOEPC. Financial information may be obtained from SOEPC by contacting Ken Swink, Director, at 303 Corporate Drive, Suite 208, Vandalia, OH 45377.

*Metropolitan Educational Technology Association*

The District is a participant in the Metropolitan Educational Technology Association (META), formerly known as Metropolitan Dayton Educational Cooperative Association (MDECA), which is a computer consortium. META is an association of 25 public school districts within the boundaries of Darke, Greene, Miami and Montgomery Counties. The organization was formed for the purpose of applying modern technology (with the aid of computers and other electronic equipment) to administrative and instructional functions among member school districts. The governing board of META consists of one representative from each member school district plus one representative from the fiscal agent. The District pays META an enrollment based fee for internet and EMIS services provided during the year; this fee totaled \$83,724 for fiscal year 2016. Financial information can be obtained from Dean Reineke, Executive Director of META at 225 Linwood Street, Dayton, Ohio 45405.

**Note 13 - Related Organizations**

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*Washington-Centerville Public Library*

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

**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2016**

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**Note 14 – Contingencies**

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**Foundation Funding**

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 or June 30, 2016 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

**Grants**

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2016.

**Litigation**

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

**Note 15 - Statutory Reserves**

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

During the fiscal year ended June 30, 2016, the reserve activity (cash-basis) was as follows:

	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set Aside Reserve Balance as of June 30, 2015	\$0	\$141,886
Current Year Set Aside Requirement	1,295,237	0
Current Year Offsets	<u>(55,479,393)</u>	<u>0</u>
Total	<u><u>(\$54,184,156)</u></u>	<u><u>\$141,886</u></u>
Balance Carried Forward to Fiscal Year 2017	<u><u>(\$54,184,156)</u></u>	<u><u>0</u></u>
Set Aside Reserve Balance as of June 30, 2016	<u><u>\$0</u></u>	<u><u>\$141,886</u></u>

**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2016**

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For capital acquisitions, the extra amount was a result of bond or note issuances, which will be used to offset set-aside requirements in future years.

**Note 16 – Accountability**

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The following funds had deficit fund balances/net position at June 30, 2016:

Fund	Deficit
Other Governmental Funds:	
Title VI-B	115,513
Reducing Class Size	12,801
Title I	71,677
Vocational Education	5,836
EHA Pre-school	4,889
Miscellaneous State Grants	1,298

The deficits in these Special Revenue funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2017. The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when the accruals occur.

**Note 17 - Interfund Balances**

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Interfund transactions at June 30, 2016, consisted of the following individual fund receivables and payable:

	Interfund	
	Receivable	Payable
General Fund	\$4,150	\$0
Other Governmental Funds	0	4,150
Total All Funds	\$4,150	\$4,150

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

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

**Note 18 – Fund Balances**

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

**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2016**

Fund Balances	General	Other Governmental Funds	Total
<b>Restricted for:</b>			
Other Grants	0	30,873	30,873
District Managed Student Services	0	485,580	485,580
Miscellaneous Federal Grants	0	14,693	14,693
Network Connection	0	3,688	3,688
Food Service	0	250,987	250,987
Auxiliary Services	0	257,731	257,731
Debt Service Payments	0	4,783,876	4,783,876
Permanent Improvement	0	1,986,422	1,986,422
Building	0	1,188,222	1,188,222
<b>Total Restricted</b>	<b>0</b>	<b>9,002,072</b>	<b>9,002,072</b>
<b>Assigned to:</b>			
Public School	583,482	0	583,482
Encumbrances	448,891	0	448,891
<b>Total Assigned</b>	<b>1,032,373</b>	<b>0</b>	<b>1,032,373</b>
<b>Unassigned (Deficit)</b>	<b>31,017,462</b>	<b>(212,014)</b>	<b>30,805,448</b>
<b>Total Fund Balance</b>	<b>\$32,049,835</b>	<b>\$8,790,058</b>	<b>\$40,839,893</b>

Encumbrances (assigned) will be used for \$138,425 for regular instruction, \$6,788 for special instruction, \$5,631 for vocational instruction, \$9,604 for pupil support services, \$9,865 for instructional staff support services, \$28,843 for school administration support services, \$6,706 for fiscal support services, \$9,726 for business support services, \$78,727 for transportation support services, and \$154,576 for operations and maintenance support services.

**Note 19 – Implementation of New Accounting Principles**

For the fiscal year ended June 30, 2016, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

GASB Statement No. 72 clarifies the definition of fair value for financial reporting purposes, establishes general principles for measuring fair value, provides additional fair value application guidance, and enhances disclosures about fair value measurements. These changes were incorporated in the District's fiscal year 2016 note disclosures; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68 as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also clarifies the application of certain provisions of GASB Statements 67

**Centerville City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2016**

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and 68. The implementation of GASB Statement No. 73 did not have an effect on the financial statements of the District.

GASB Statement No. 76 reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of GASB Statement No. 76 did not have an effect on the financial statements of the District.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of GASB Statement No. 79 did not have an effect on the financial statements of the District.

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# **REQUIRED SUPPLEMENTARY INFORMATION**

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Centerville City School District  
 Required Supplementary Information  
 Schedule of the District's Proportionate Share  
 of the Net Pension Liability  
 State Teachers Retirement System of Ohio  
 Last Three Fiscal Years (1)

	2015	2014	2013
District's Proportion of the Net Pension Liability	0.40756714%	0.40577311%	0.40577311%
District's Proportionate Share of the Net Pension Liability	\$112,639,636	\$98,698,063	\$117,251,867
District's Covered-Employee Payroll	\$41,653,364	\$44,647,946	\$43,018,338
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	252.40%	226.80%	272.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.10%	74.70%	69.30%

(1) - Information prior to 2013 is not available

Centerville City School District  
 Required Supplementary Information  
 Schedule of the District's Proportionate Share  
 of the Net Pension Liability  
 School Employees Retirement System of Ohio  
 Last Three Fiscal Years (1)

	2015	2014	2013
District's Proportion of the Net Pension Liability	0.43571630%	0.42872300%	0.42872300%
District's Proportionate Share of the Net Pension Liability	\$24,862,394	\$21,697,427	\$25,502,425
District's Covered-Employee Payroll	\$18,368,005	\$12,583,687	\$12,281,494
District's Proportionate Share of the Net Pension Liability as a Percentage of Centerville City School District	200.53%	173.18%	207.65%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.16%	71.70%	65.52%

(1) - Information prior to 2013 is not available

Centerville City School District  
 Required Supplementary Information  
 Schedule of District Contributions  
 State Teachers Retirement System of Ohio  
 Last Ten Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Contractually Required Contribution	\$5,960,220	\$5,831,472	\$5,804,232	\$6,097,740	\$6,005,304	\$5,962,908	\$6,403,188	\$6,321,960	\$5,639,988	\$5,501,688
Contributions in Relation to the Contractually Required Contribution	(5,960,220)	(5,831,472)	(5,804,232)	(6,097,740)	(6,005,304)	(5,962,908)	(6,403,188)	(6,321,960)	(5,639,988)	(5,501,688)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
District Covered-Employee Payroll	\$42,573,000	\$41,653,364	\$44,647,946	\$46,905,692	\$46,194,646	\$45,868,523	\$49,255,292	\$48,630,462	\$43,384,523	\$42,320,677
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

Centerville City School District  
 Required Supplementary Information  
 Schedule of District Contributions  
 School Employees Retirement System of Ohio  
 Last Ten Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Contractually Required Contribution	\$1,918,347	\$2,420,904	\$1,744,099	\$2,246,568	\$2,147,088	\$2,061,096	\$1,938,024	\$1,828,500	\$1,620,276	\$1,565,184
Contributions in Relation to the Contractually Required Contribution	(1,918,347)	(2,420,904)	(1,744,099)	(2,246,568)	(2,147,088)	(2,061,096)	(1,938,024)	(1,828,500)	(1,620,276)	(1,565,184)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
District Covered-Employee Payroll	\$13,702,479	\$18,368,005	\$12,583,687	\$16,232,428	\$15,963,480	\$16,396,945	\$14,313,323	\$18,582,317	\$16,499,756	\$14,655,281
Contributions as a Percentage of Covered-Employee Payroll	14.00%	13.18%	13.86%	13.84%	13.45%	12.57%	13.54%	9.84%	9.82%	10.68%

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2016

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$67,299,704	\$67,299,704	\$69,014,622	\$1,714,918
Tuition and Fees	826,293	826,293	847,348	21,055
Investment Earnings	485,369	485,369	497,737	12,368
Intergovernmental	22,134,406	22,134,406	22,698,431	564,025
Extracurricular Activities	364,311	364,311	373,594	9,283
Charges for Services	2,516,065	2,516,065	2,580,179	64,114
Other Revenues	52,982	52,982	54,332	1,350
<b>Total Revenues</b>	<b>93,679,130</b>	<b>93,679,130</b>	<b>96,066,243</b>	<b>2,387,113</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	40,633,861	40,633,861	39,902,299	731,562
Special	9,130,547	9,130,547	8,966,163	164,384
Vocational	2,714,420	2,714,420	2,665,550	48,870
Other	1,415,686	1,415,686	1,390,198	25,488
<b>Support Services:</b>				
Pupil	9,236,128	9,236,128	9,069,843	166,285
Instructional Staff	1,521,989	1,521,989	1,494,587	27,402
General Administration	25,453	25,453	24,995	458
School Administration	8,528,762	8,528,762	8,375,212	153,550
Fiscal	1,785,319	1,785,319	1,753,177	32,142
Business	570,811	570,811	560,534	10,277
Operations and Maintenance	6,142,791	6,142,791	6,032,198	110,593
Pupil Transportation	6,982,086	6,982,086	6,856,382	125,704
Central	754,623	754,623	741,037	13,586
Extracurricular Activities	776,325	776,325	762,348	13,977
<b>Total Expenditures</b>	<b>90,218,801</b>	<b>90,218,801</b>	<b>88,594,523</b>	<b>1,624,278</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>3,460,329</b>	<b>3,460,329</b>	<b>7,471,720</b>	<b>4,011,391</b>
<b>Other financing sources (uses):</b>				
Proceeds from Sale of Capital Assets	21,363	21,363	21,907	544
Advances (Out)	(4,227)	(4,227)	(4,151)	76
<b>Total Other Financing Sources (Uses)</b>	<b>17,136</b>	<b>17,136</b>	<b>17,756</b>	<b>620</b>
<b>Net Change in Fund Balance</b>	<b>3,477,465</b>	<b>3,477,465</b>	<b>7,489,476</b>	<b>4,012,011</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>28,382,708</b>	<b>28,382,708</b>	<b>28,382,708</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$31,860,173</b>	<b>\$31,860,173</b>	<b>\$35,872,184</b>	<b>\$4,012,011</b>

See accompanying notes to the required supplementary information.

**Centerville City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2016**

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**Note 1 - Budgetary Process**

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All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during fiscal year 2016.

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as an assignment or restriction of fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).



**Centerville City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2016**

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

Net Change in Fund Balance

	<u>General Fund</u>
GAAP Basis	\$7,606,126
Revenue Accruals	2,045,344
Expenditures Accruals	(1,436,741)
Advances (Out)	(4,151)
Encumbrances	(722,870)
Funds Budgeted Elsewhere	<u>1,768</u>
Budget Basis	<u><u>\$7,489,476</u></u>

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# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

### **Debt Service Fund**

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The District has only one Debt Service Fund for the current fiscal year.

### **Capital Projects Funds**

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

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Centerville City School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$1,372,387	\$4,640,197	\$2,340,712	\$8,353,296
Restricted Cash and Investments	0	0	924,618	924,618
<b>Receivables (Net):</b>				
Taxes	0	2,618,265	1,953,417	4,571,682
Intergovernmental	381,339	0	0	381,339
Inventory	20,924	0	0	20,924
<b>Total Assets</b>	<b>1,774,650</b>	<b>7,258,462</b>	<b>5,218,747</b>	<b>14,251,859</b>
<b>Liabilities:</b>				
Accounts Payable	72,428	0	141,085	213,513
Accrued Wages and Benefits	663,007	0	0	663,007
Compensated Absences	2,745	0	0	2,745
Contracts Payable	0	0	7,303	7,303
Retainage Payable	0	0	48,748	48,748
Interfund Payable	4,150	0	0	4,150
<b>Total Liabilities</b>	<b>742,330</b>	<b>0</b>	<b>197,136</b>	<b>939,466</b>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	0	2,474,586	1,846,967	4,321,553
Grants and Other Taxes	200,782	0	0	200,782
<b>Total Deferred Inflows of Resources</b>	<b>200,782</b>	<b>2,474,586</b>	<b>1,846,967</b>	<b>4,522,335</b>
<b>Fund Balances:</b>				
Restricted	1,043,552	4,783,876	3,174,644	9,002,072
Unassigned	(212,014)	0	0	(212,014)
<b>Total Fund Balances</b>	<b>831,538</b>	<b>4,783,876</b>	<b>3,174,644</b>	<b>8,790,058</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$1,774,650</b>	<b>\$7,258,462</b>	<b>\$5,218,747</b>	<b>\$14,251,859</b>

Centerville City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property and Other Taxes	\$0	\$2,935,890	\$2,203,937	\$5,139,827
Investment Earnings	2,828	0	632	3,460
Intergovernmental	4,633,963	429,724	313,710	5,377,397
Extracurricular Activities	701,378	0	0	701,378
Charges for Services	1,885,048	0	0	1,885,048
Other Revenues	524,574	0	0	524,574
<b>Total Revenues</b>	<b>7,747,791</b>	<b>3,365,614</b>	<b>2,518,279</b>	<b>13,631,684</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	153,649	0	459,503	613,152
Special	1,620,020	0	0	1,620,020
Vocational	27,530	0	0	27,530
<b>Support Services:</b>				
Pupil	643,110	0	0	643,110
Instructional Staff	150,726	0	0	150,726
School Administration	47,404	0	8,392	55,796
Fiscal	0	35,758	26,686	62,444
Operations and Maintenance	0	0	1,423,175	1,423,175
Pupil Transportation	0	0	1,193,926	1,193,926
Central	7,258	0	0	7,258
Operation of Non-Instructional Services	3,779,660	0	0	3,779,660
Extracurricular Activities	829,601	0	0	829,601
Capital Outlay	310,138	0	3,193,568	3,503,706
<b>Debt Service:</b>				
Principal Retirement	0	1,170,000	42,247	1,212,247
Interest and Fiscal Charges	0	1,848,638	0	1,848,638
<b>Total Expenditures</b>	<b>7,569,096</b>	<b>3,054,396</b>	<b>6,347,497</b>	<b>16,970,989</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>178,695</b>	<b>311,218</b>	<b>(3,829,218)</b>	<b>(3,339,305)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds of Capital Leases	0	0	378,200	378,200
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>378,200</b>	<b>378,200</b>
<b>Net Change in Fund Balance</b>	<b>178,695</b>	<b>311,218</b>	<b>(3,451,018)</b>	<b>(2,961,105)</b>
<b>Fund Balance - Beginning of Year</b>	<b>652,843</b>	<b>4,472,658</b>	<b>6,625,662</b>	<b>11,751,163</b>
<b>Fund Balance - End of Year</b>	<b>\$831,538</b>	<b>\$4,783,876</b>	<b>\$3,174,644</b>	<b>\$8,790,058</b>

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## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

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

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

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

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

**Miscellaneous State Grants** - To account for revenues received from state agencies which are not classified elsewhere.

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

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

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

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

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

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

**Miscellaneous Federal Grants** - To account for monies received under federal grants which are not classified elsewhere.

**Food Service** - To account for the financial transactions related to the food service operations of the District.

Centerville City School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2016

	Other Grants	District Managed Student Services	Auxiliary Services
Assets:			
Equity in Pooled Cash and Investments	\$30,873	\$503,308	\$384,547
Receivables (Net):			
Intergovernmental	0	0	0
Inventory	0	0	0
<b>Total Assets</b>	<b>30,873</b>	<b>503,308</b>	<b>384,547</b>
Liabilities:			
Accounts Payable	0	17,728	35,272
Accrued Wages and Benefits	0	0	91,544
Compensated Absences	0	0	0
Interfund Payable	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>17,728</b>	<b>126,816</b>
Deferred Inflows of Resources:			
Grants and Other Taxes	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>
Fund Balances:			
Restricted	30,873	485,580	257,731
Unassigned	0	0	0
<b>Total Fund Balances</b>	<b>30,873</b>	<b>485,580</b>	<b>257,731</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$30,873</b>	<b>\$503,308</b>	<b>\$384,547</b>

Network Connect	Miscellaneous State Grants	Title VI-B	Vocational Education	Title III	Title I	EHA Pre-School
\$3,688	\$0	\$42,769	\$0	\$0	\$0	\$1,249
0	7,505	213,880	5,806	2,182	132,153	2,723
0	0	0	0	0	0	0
<u>3,688</u>	<u>7,505</u>	<u>256,649</u>	<u>5,806</u>	<u>2,182</u>	<u>132,153</u>	<u>3,972</u>
0	0	3,695	8,102	0	185	129
0	3,343	262,722	0	0	127,154	7,636
0	0	0	0	0	0	0
0	353	0	2,672	0	1,125	0
<u>0</u>	<u>3,696</u>	<u>266,417</u>	<u>10,774</u>	<u>0</u>	<u>128,464</u>	<u>7,765</u>
<u>0</u>	<u>5,107</u>	<u>105,745</u>	<u>868</u>	<u>2,182</u>	<u>75,366</u>	<u>1,096</u>
<u>0</u>	<u>5,107</u>	<u>105,745</u>	<u>868</u>	<u>2,182</u>	<u>75,366</u>	<u>1,096</u>
3,688	0	0	0	0	0	0
0	(1,298)	(115,513)	(5,836)	0	(71,677)	(4,889)
<u>3,688</u>	<u>(1,298)</u>	<u>(115,513)</u>	<u>(5,836)</u>	<u>0</u>	<u>(71,677)</u>	<u>(4,889)</u>
<u>\$3,688</u>	<u>\$7,505</u>	<u>\$256,649</u>	<u>\$5,806</u>	<u>\$2,182</u>	<u>\$132,153</u>	<u>\$3,972</u>

Continued

Centerville City School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2016

	Reducing Class Size	Miscellaneous Federal Grants	Food Service	Total Nonmajor Special Revenue Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$4,384	\$14,693	\$386,876	\$1,372,387
<b>Receivables (Net):</b>				
Intergovernmental	17,090	0	0	381,339
Inventory	0	0	20,924	20,924
<b>Total Assets</b>	<b>21,474</b>	<b>14,693</b>	<b>407,800</b>	<b>1,774,650</b>
<b>Liabilities:</b>				
Accounts Payable	0	0	7,317	72,428
Accrued Wages and Benefits	23,857	0	146,751	663,007
Compensated Absences	0	0	2,745	2,745
Interfund Payable	0	0	0	4,150
<b>Total Liabilities</b>	<b>23,857</b>	<b>0</b>	<b>156,813</b>	<b>742,330</b>
<b>Deferred Inflows of Resources:</b>				
Grants and Other Taxes	10,418	0	0	200,782
<b>Total Deferred Inflows of Resources</b>	<b>10,418</b>	<b>0</b>	<b>0</b>	<b>200,782</b>
<b>Fund Balances:</b>				
Restricted	0	14,693	250,987	1,043,552
Unassigned	(12,801)	0	0	(212,014)
<b>Total Fund Balances</b>	<b>(12,801)</b>	<b>14,693</b>	<b>250,987</b>	<b>831,538</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$21,474</b>	<b>\$14,693</b>	<b>\$407,800</b>	<b>\$1,774,650</b>

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Centerville City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	Other Grants	District Managed Student Services	Auxiliary Services
Revenues:			
Investment Earnings	\$0	\$0	\$0
Intergovernmental	0	0	1,220,282
Extracurricular Activities	0	701,378	0
Charges for Services	0	0	0
Other Revenues	9,329	515,177	0
<b>Total Revenues</b>	<b>9,329</b>	<b>1,216,555</b>	<b>1,220,282</b>
Expenditures:			
Current:			
Instruction:			
Regular	8,618	0	0
Special	567	0	0
Vocational	0	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	0	0	0
School Administration	0	0	0
Central	0	7,258	0
Operation of Non-Instructional Services	0	0	1,146,131
Extracurricular Activities	0	829,601	0
Capital Outlay	0	297,692	0
<b>Total Expenditures</b>	<b>9,185</b>	<b>1,134,551</b>	<b>1,146,131</b>
Net Change in Fund Balance	144	82,004	74,151
Fund Balance - Beginning of Year	30,729	403,576	183,580
Fund Balance - End of Year	<u>\$30,873</u>	<u>\$485,580</u>	<u>\$257,731</u>

Network Connect	Miscellaneous State Grants	Title VI-B	Vocational Education	Title III	Title I	EHA Pre-School
\$0	\$0	\$0	\$0	\$0	\$0	\$0
21,600	19,893	1,496,883	230,655	28,783	701,906	32,951
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>21,600</u>	<u>19,893</u>	<u>1,496,883</u>	<u>230,655</u>	<u>28,783</u>	<u>701,906</u>	<u>32,951</u>
17,912	0	0	0	0	0	0
0	0	797,074	0	31,823	753,696	36,860
0	0	0	27,530	0	0	0
0	18,515	611,443	13,152	0	0	0
0	4,039	0	146,687	0	0	0
0	0	0	47,404	0	0	0
0	0	0	0	0	0	0
0	0	161,442	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>17,912</u>	<u>22,554</u>	<u>1,569,959</u>	<u>234,773</u>	<u>31,823</u>	<u>753,696</u>	<u>36,860</u>
3,688	(2,661)	(73,076)	(4,118)	(3,040)	(51,790)	(3,909)
0	1,363	(42,437)	(1,718)	3,040	(19,887)	(980)
<u>\$3,688</u>	<u>(\$1,298)</u>	<u>(\$115,513)</u>	<u>(\$5,836)</u>	<u>\$0</u>	<u>(\$71,677)</u>	<u>(\$4,889)</u>

Continued

Centerville City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2016

	Reducing Class Size	Miscellaneous Federal Grants	Food Service	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>				
Investment Earnings	\$0	\$0	\$2,828	\$2,828
Intergovernmental	120,416	0	760,594	4,633,963
Extracurricular Activities	0	0	0	701,378
Charges for Services	0	0	1,885,048	1,885,048
Other Revenues	0	0	68	524,574
<b>Total Revenues</b>	<b>120,416</b>	<b>0</b>	<b>2,648,538</b>	<b>7,747,791</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	127,119	0	0	153,649
Special	0	0	0	1,620,020
Vocational	0	0	0	27,530
<b>Support Services:</b>				
Pupil	0	0	0	643,110
Instructional Staff	0	0	0	150,726
School Administration	0	0	0	47,404
Central	0	0	0	7,258
Operation of Non-Instructional Services	2,820	0	2,469,267	3,779,660
Extracurricular Activities	0	0	0	829,601
Capital Outlay	0	0	12,446	310,138
<b>Total Expenditures</b>	<b>129,939</b>	<b>0</b>	<b>2,481,713</b>	<b>7,569,096</b>
<b>Net Change in Fund Balance</b>	<b>(9,523)</b>	<b>0</b>	<b>166,825</b>	<b>178,695</b>
<b>Fund Balance - Beginning of Year</b>	<b>(3,278)</b>	<b>14,693</b>	<b>84,162</b>	<b>652,843</b>
<b>Fund Balance - End of Year</b>	<b>(\$12,801)</b>	<b>\$14,693</b>	<b>\$250,987</b>	<b>\$831,538</b>



Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Final Budget	Other Grants Fund Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$19,000	\$9,329	(\$9,671)
Total Revenues	19,000	9,329	(9,671)
Expenditures:			
Current:			
Instruction:			
Regular	13,878	9,739	4,139
Special	1,122	787	335
Total Expenditures	15,000	10,526	4,474
Net Change in Fund Balance	4,000	(1,197)	(5,197)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	30,950	30,950	0
Fund Balance End of Year	\$34,950	\$29,753	(\$5,197)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	District Managed Student Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$749,486	\$701,378	(\$48,108)
Other Revenues	550,514	515,177	(35,337)
Total Revenues	<u>1,300,000</u>	<u>1,216,555</u>	<u>(83,445)</u>
Expenditures:			
Current:			
Support Services:			
Central	11,413	8,644	2,769
Extracurricular Activities	1,101,563	834,277	267,286
Capital Outlay	<u>393,067</u>	<u>297,692</u>	<u>95,375</u>
Total Expenditures	<u>1,506,043</u>	<u>1,140,613</u>	<u>365,430</u>
Net Change in Fund Balance	(206,043)	75,942	281,985
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>409,347</u>	<u>409,347</u>	<u>0</u>
Fund Balance End of Year	<u>\$203,304</u>	<u>\$485,289</u>	<u>\$281,985</u>

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,340,000	\$1,220,282	(\$119,718)
Total Revenues	1,340,000	1,220,282	(119,718)
Expenditures:			
Operation of Non-Instructional Services	1,344,078	1,195,672	148,406
Total Expenditures	1,344,078	1,195,672	148,406
Net Change in Fund Balance	(4,078)	24,610	28,688
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	291,457	291,457	0
Fund Balance End of Year	\$287,379	\$316,067	\$28,688

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Network Connect Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$40,000	\$21,600	(\$18,400)
Total Revenues	40,000	21,600	(18,400)
Expenditures:			
Current:			
Instruction:			
Regular	35,776	35,688	88
Total Expenditures	35,776	35,688	88
Net Change in Fund Balance	4,224	(14,088)	(18,312)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	17,776	17,776	0
Fund Balance End of Year	\$22,000	\$3,688	(\$18,312)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$28,602	\$25,360	(\$3,242)
Total Revenues	<u>28,602</u>	<u>25,360</u>	<u>(3,242)</u>
Expenditures:			
Current:			
Support Services:			
Pupil	17,446	15,581	1,865
Instructional Staff	9,050	8,082	968
Total Expenditures	<u>26,496</u>	<u>23,663</u>	<u>2,833</u>
Excess of Revenues Over (Under) Expenditures	<u>2,106</u>	<u>1,697</u>	<u>(409)</u>
Other financing sources (uses):			
Advances In	398	353	(45)
Total Other Financing Sources (Uses)	<u>398</u>	<u>353</u>	<u>(45)</u>
Net Change in Fund Balance	2,504	2,050	(454)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>(2,460)</u>	<u>(2,460)</u>	<u>0</u>
Fund Balance End of Year	<u>\$44</u>	<u>(\$410)</u>	<u>(\$454)</u>

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Title VI-B Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,800,000	\$1,722,283	(\$77,717)
Total Revenues	<u>1,800,000</u>	<u>1,722,283</u>	<u>(77,717)</u>
Expenditures:			
Current:			
Instruction:			
Special	814,567	796,357	18,210
Support Services:			
Pupil	636,494	622,265	14,229
Instructional Staff	195	191	4
Operation of Non-Instructional Services	<u>164,946</u>	<u>161,259</u>	<u>3,687</u>
Total Expenditures	<u>1,616,202</u>	<u>1,580,072</u>	<u>36,130</u>
Net Change in Fund Balance	183,798	142,211	(41,587)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>(104,119)</u>	<u>(104,119)</u>	<u>0</u>
Fund Balance End of Year	<u>\$79,679</u>	<u>\$38,092</u>	<u>(\$41,587)</u>

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2016

	Vocational Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$252,244	\$244,562	(\$7,682)
Total Revenues	<u>252,244</u>	<u>244,562</u>	<u>(7,682)</u>
Expenditures:			
Current:			
Instruction:			
Vocational	27,588	27,530	58
Support Services:			
Pupil	17,914	17,876	38
Instructional Staff	163,276	162,934	342
School Administration	41,722	41,635	87
Total Expenditures	<u>250,500</u>	<u>249,975</u>	<u>525</u>
Excess of Revenues Over (Under) Expenditures	<u>1,744</u>	<u>(5,413)</u>	<u>(7,157)</u>
Other financing sources (uses):			
Advances In	2,756	2,672	(84)
Total Other Financing Sources (Uses)	<u>2,756</u>	<u>2,672</u>	<u>(84)</u>
Net Change in Fund Balance	4,500	(2,741)	(7,241)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>(214)</u>	<u>(214)</u>	<u>0</u>
Fund Balance End of Year	<u>\$4,286</u>	<u>(\$2,955)</u>	<u>(\$7,241)</u>

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$35,118	\$31,503	(\$3,615)
Total Revenues	<u>35,118</u>	<u>31,503</u>	<u>(3,615)</u>
Expenditures:			
Current:			
Instruction:			
Special	31,202	31,823	(621)
Total Expenditures	<u>31,202</u>	<u>31,823</u>	<u>(621)</u>
Net Change in Fund Balance	3,916	(320)	(4,236)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>320</u>	<u>320</u>	<u>0</u>
Fund Balance End of Year	<u>\$4,236</u>	<u>\$0</u>	<u>(\$4,236)</u>



Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$829,223	\$791,831	(\$37,392)
Total Revenues	829,223	791,831	(37,392)
Expenditures:			
Current:			
Instruction:			
Special	783,297	749,744	33,553
Total Expenditures	783,297	749,744	33,553
Excess of Revenues Over (Under) Expenditures	45,926	42,087	(3,839)
Other financing sources (uses):			
Advances In	1,178	1,125	(53)
Total Other Financing Sources (Uses)	1,178	1,125	(53)
Net Change in Fund Balance	47,104	43,212	(3,892)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(47,102)	(47,102)	0
Fund Balance End of Year	\$2	(\$3,890)	(\$3,892)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	EHA Pre-School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$43,000	\$37,719	(\$5,281)
Total Revenues	43,000	37,719	(5,281)
Expenditures:			
Current:			
Instruction:			
Special	40,000	34,827	5,173
Total Expenditures	40,000	34,827	5,173
Net Change in Fund Balance	3,000	2,892	(108)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(1,643)	(1,643)	0
Fund Balance End of Year	\$1,357	\$1,249	(\$108)

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Final Budget	Actual	Reducing Class Size Fund	Variance from Final Budget
Revenues:				
Intergovernmental	\$146,805	\$146,779		(\$26)
Total Revenues	146,805	146,779		(26)
Expenditures:				
Current:				
Instruction:				
Regular	128,773	124,462		4,311
Operation of Non-Instructional Services	2,919	2,821		98
Total Expenditures	131,692	127,283		4,409
Net Change in Fund Balance	15,113	19,496		4,383
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(15,112)	(15,112)		0
Fund Balance End of Year	\$1	\$4,384		\$4,383

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Miscellaneous Federal Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$500	\$0	(\$500)
Total Revenues	500	0	(500)
Expenditures:			
Current:			
Instruction:			
Regular	15,000	0	15,000
Total Expenditures	15,000	0	15,000
Net Change in Fund Balance	(14,500)	0	14,500
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	14,692	14,692	0
Fund Balance End of Year	\$192	\$14,692	\$14,500

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2016

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3,019	\$2,828	(\$191)
Intergovernmental	718,996	673,611	(45,385)
Charges for Services	2,077,913	1,946,749	(131,164)
Other Revenues	73	68	(5)
Total Revenues	<u>2,800,001</u>	<u>2,623,256</u>	<u>(176,745)</u>
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	22,146	18,761	3,385
Operation of Non-Instructional Services	2,982,349	2,526,523	455,826
Total Expenditures	<u>3,004,495</u>	<u>2,545,284</u>	<u>459,211</u>
Net Change in Fund Balance	(204,494)	77,972	282,466
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>257,935</u>	<u>257,935</u>	<u>0</u>
Fund Balance End of Year	<u>\$53,441</u>	<u>\$335,907</u>	<u>\$282,466</u>

## **NONMAJOR DEBT SERVICE FUND**

### **Fund Description**

**Bond Retirement Fund** - The bond retirement fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in bond retirement funds. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Bond Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,903,482	\$2,995,540	\$92,058
Intergovernmental	416,518	429,724	13,206
Total Revenues	<u>3,320,000</u>	<u>3,425,264</u>	<u>105,264</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	35,758	35,758	0
Debt Service:			
Principal Retirement	1,170,000	1,170,000	0
Interest and Fiscal Charges	1,848,639	1,848,638	1
Total Expenditures	<u>3,054,397</u>	<u>3,054,396</u>	<u>1</u>
Net Change in Fund Balance	265,603	370,868	105,265
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>4,269,329</u>	<u>4,269,329</u>	<u>0</u>
Fund Balance End of Year	<u>\$4,534,932</u>	<u>\$4,640,197</u>	<u>\$105,265</u>

## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Description**

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

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



Centerville City School District, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2016

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$1,128,004	\$1,212,708	\$2,340,712
Restricted Cash and Investments	924,618	0	924,618
<b>Receivables (Net):</b>			
Taxes	1,953,417	0	1,953,417
<b>Total Assets</b>	<b>4,006,039</b>	<b>1,212,708</b>	<b>5,218,747</b>
<b>Liabilities:</b>			
Accounts Payable	116,599	24,486	141,085
Contracts Payable	7,303	0	7,303
Retainage Payable	48,748	0	48,748
<b>Total Liabilities</b>	<b>172,650</b>	<b>24,486</b>	<b>197,136</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	1,846,967	0	1,846,967
<b>Total Deferred Inflows of Resources</b>	<b>1,846,967</b>	<b>0</b>	<b>1,846,967</b>
<b>Fund Balances:</b>			
Restricted	1,986,422	1,188,222	3,174,644
<b>Total Fund Balances</b>	<b>1,986,422</b>	<b>1,188,222</b>	<b>3,174,644</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$4,006,039</b>	<b>\$1,212,708</b>	<b>\$5,218,747</b>

Centerville City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2016

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Property and Other Taxes	\$2,203,937	\$0	\$2,203,937
Investment Earnings	0	632	632
Intergovernmental	313,710	0	313,710
<b>Total Revenues</b>	<b>2,517,647</b>	<b>632</b>	<b>2,518,279</b>
Expenditures:			
Current:			
Instruction:			
Regular	459,503	0	459,503
Support Services:			
School Administration	8,392	0	8,392
Fiscal	26,686	0	26,686
Operations and Maintenance	1,090,722	332,453	1,423,175
Pupil Transportation	1,193,926	0	1,193,926
Capital Outlay	2,905,479	288,089	3,193,568
Debt Service:			
Principal Retirement	0	42,247	42,247
<b>Total Expenditures</b>	<b>5,684,708</b>	<b>662,789</b>	<b>6,347,497</b>
Excess of Revenues Over (Under) Expenditures	(3,167,061)	(662,157)	(3,829,218)
Other Financing Sources (Uses):			
Proceeds of Capital Leases	0	378,200	378,200
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>378,200</b>	<b>378,200</b>
Net Change in Fund Balance	(3,167,061)	(283,957)	(3,451,018)
Fund Balance - Beginning of Year	5,153,483	1,472,179	6,625,662
Fund Balance - End of Year	\$1,986,422	\$1,188,222	\$3,174,644

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2016

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,106,049	\$2,247,618	\$141,569
Intergovernmental	293,951	313,710	19,759
Total Revenues	2,400,000	2,561,328	161,328
Expenditures:			
Current:			
Instruction:			
Regular	473,742	455,533	18,209
Support Services:			
School Administration	11,097	10,670	427
Fiscal	27,753	26,686	1,067
Operations and Maintenance	1,316,267	1,265,675	50,592
Pupil Transportation	1,267,509	1,218,791	48,718
Capital Outlay	3,325,147	3,197,341	127,806
Total Expenditures	6,421,515	6,174,696	246,819
Net Change in Fund Balance	(4,021,515)	(3,613,368)	408,147
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,029,490	5,029,490	0
Fund Balance End of Year	\$1,007,975	\$1,416,122	\$408,147

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$632	\$632	\$0
Other Revenues	377,908	378,200	292
Total Revenues	378,540	378,832	292
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	389,691	378,200	11,491
Capital Outlay	1,460,648	1,417,576	43,072
Total Expenditures	1,850,339	1,795,776	54,563
Net Change in Fund Balance	(1,471,799)	(1,416,944)	54,855
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,472,178	1,472,178	0
Fund Balance End of Year	\$379	\$55,234	\$54,855

## **OTHER GENERAL FUNDS**

With the implementation of GASB Statement No. 54, certain funds that the District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The District has only presented the budget schedules for these funds.

### **Fund Descriptions**

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

**Uniform School Supply** - To account for the purchase and sale of school supplies as adopted by the Board of Education for use in the District.

**Special Enterprise** - To account for monies used for the District's special enterprise fund.

Centerville City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2016

	Public School Support Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$732	\$636	(\$96)
Investment Earnings	352	306	(46)
Extracurricular Activities	330,552	287,365	(43,187)
Other Revenues	163,365	142,021	(21,344)
Total Revenues	495,001	430,328	(64,673)
Expenditures:			
Current:			
Instruction:			
Regular	562,222	407,371	154,851
Support Services:			
Operations and Maintenance	10,107	7,323	2,784
Pupil Transportation	3,522	2,552	970
Extracurricular Activities	24,149	17,498	6,651
Total Expenditures	600,000	434,744	165,256
Net Change in Fund Balance	(104,999)	(4,416)	100,583
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	544,257	544,257	0
Fund Balance End of Year	\$439,258	\$539,841	\$100,583

(1) This fund is combined with the General fund in GAAP Statements.

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Uniform School Supply Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$440,000	\$430,144	(\$9,856)
Total Revenues	440,000	430,144	(9,856)
Expenditures:			
Current:			
Instruction:			
Regular	708,665	444,515	264,150
Total Expenditures	708,665	444,515	264,150
Net Change in Fund Balance	(268,665)	(14,371)	254,294
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	354,211	354,211	0
Fund Balance End of Year	\$85,546	\$339,840	\$254,294

(1) This fund is combined with the General fund in GAAP Statements.

Centerville City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2016

	Special Enterprise Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$720,000	\$768,384	\$48,384
Total Revenues	720,000	768,384	48,384
Expenditures:			
Current:			
Instruction:			
Regular	700,000	706,166	(6,166)
Total Expenditures	700,000	706,166	(6,166)
Net Change in Fund Balance	20,000	62,218	42,218
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	102,886	102,886	0
Fund Balance End of Year	\$122,886	\$165,104	\$42,218

(1) This fund is combined with the General fund in GAAP Statements.



## **NONMAJOR FUNDS**

### **Internal Service Funds**

The Internal Service Funds are used to account for the financing of services provided by one department to other departments of the District on a cost-reimbursement basis. The following is a description of the District's non-major internal service funds.

#### **Fund Descriptions**

**Workers Comp Self Insurance** - A fund used to account for workers' compensation self-insurance revenues and expenses.

**Medical Self Insurance** - A fund used to account for medical self-insurance revenues and expenses.

Centerville City School District, Ohio  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2016

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	<u>Workers Comp Self Insurance</u>	<u>Medical Self Insurance</u>	<u>Total Internal Service Funds</u>
Current Assets:			
Equity in Pooled Cash and Investments	<u>\$5,053</u>	<u>\$4,516,277</u>	<u>\$4,521,330</u>
Total Assets	<u>5,053</u>	<u>4,516,277</u>	<u>4,521,330</u>
Liabilities:			
Current Liabilities:			
Claims Payable	<u>38,188</u>	<u>1,491,421</u>	<u>1,529,609</u>
Total Liabilities	<u>38,188</u>	<u>1,491,421</u>	<u>1,529,609</u>
Net Position:			
Unrestricted	<u>(33,135)</u>	<u>3,024,856</u>	<u>2,991,721</u>
Total Net Position	<u><u>(\$33,135)</u></u>	<u><u>\$3,024,856</u></u>	<u><u>\$2,991,721</u></u>

Centerville City School District, Ohio  
Combining Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2016

	Workers Comp Self Insurance	Medical Self Insurance	Total Internal Service Funds
Operating Revenues:			
Charges for Services	<u>\$270,369</u>	<u>\$13,467,140</u>	<u>\$13,737,509</u>
Total Operating Revenues	<u>270,369</u>	<u>13,467,140</u>	<u>13,737,509</u>
Operating Expenses:			
Contractual Services	<u>301,709</u>	<u>13,336,445</u>	<u>13,638,154</u>
Total Operating Expenses	<u>301,709</u>	<u>13,336,445</u>	<u>13,638,154</u>
Operating Income (Loss)	<u>(31,340)</u>	<u>130,695</u>	<u>99,355</u>
Non-Operating Revenues (Expenses):			
Investment Earnings	<u>0</u>	<u>20,367</u>	<u>20,367</u>
Total Non-Operating Revenues (Expenses)	<u>0</u>	<u>20,367</u>	<u>20,367</u>
Change in Net Position	<u>(31,340)</u>	<u>151,062</u>	<u>119,722</u>
Net Position - Beginning of Year	<u>(1,795)</u>	<u>2,873,794</u>	<u>2,871,999</u>
Net Position - End of Year	<u><u>(\$33,135)</u></u>	<u><u>\$3,024,856</u></u>	<u><u>\$2,991,721</u></u>

Centerville City School District, Ohio  
Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2016

	Workers Comp Self Insurance	Medical Self Insurance	Total Internal Service Funds
Cash Flows from Operating Activities:			
Receipts from Interfund Services Provided	\$270,369	\$13,467,140	\$13,737,509
Cash Payments to Employees	0	(13,590,437)	(13,590,437)
Cash Payments to Suppliers	(270,492)	0	(270,492)
Net Cash Provided (Used) by Operating Activities	(123)	(123,297)	(123,420)
Cash Flows from Investing Activities:			
Earnings on Investments	0	20,367	20,367
Net Cash Provided (Used) by Cash Flows from Investing Activities	0	20,367	20,367
Net Increase (Decrease) in Cash and Investments	(123)	(102,930)	(103,053)
Cash and Investments - Beginning of Year	5,176	4,619,207	4,624,383
Cash and Investments - End of Year	5,053	4,516,277	4,521,330
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(31,340)	130,695	99,355
Changes in Assets & Liabilities:			
Increase (Decrease) in Claims Payables	31,217	(253,992)	(222,775)
Net Cash Provided (Used) by Operating Activities	(\$123)	(\$123,297)	(\$123,420)

## **NONMAJOR FUNDS**

### **Fiduciary funds**

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

### **Fund Descriptions**

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

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

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

Centerville City School District, Ohio  
Combining Statement of Fiduciary Net Position  
Fiduciary Funds - Private Purpose Trust  
June 30, 2016

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total Private Purpose Trust
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$16,307	\$0	\$16,307
Restricted Cash and Investments	0	9,698	9,698
<b>Total Assets</b>	<b>16,307</b>	<b>9,698</b>	<b>26,005</b>
<b>Liabilities:</b>			
Accounts Payable	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Position:</b>			
Held in Trust	16,307	9,698	26,005
<b>Total Net Position</b>	<b>\$16,307</b>	<b>\$9,698</b>	<b>\$26,005</b>

Centerville City School District, Ohio  
Combining Statement of Changes in Fiduciary Net Position  
Fiduciary Funds - Private Purpose Trust  
For the Fiscal Year Ended June 30, 2016

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total Private Purpose Trust
Additions:			
Investment Earnings	\$0	\$95	\$95
Other	2,887	0	2,887
Total Additions	2,887	95	2,982
Deductions:			
Other	3,660	0	3,660
Total Deductions	3,660	0	3,660
Change in Net Position	(773)	95	(678)
Net Position - Beginning of Year	17,080	9,603	26,683
Net Position - End of Year	\$16,307	\$9,698	\$26,005

Centerville City School District, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2016

	Student Managed Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$242,031	\$345,756	\$332,655	\$255,132
<b>Total Assets</b>	<b>242,031</b>	<b>345,756</b>	<b>332,655</b>	<b>255,132</b>
<b>Liabilities:</b>				
Accounts Payable	574	681	574	681
Other Liabilities	241,457	345,075	332,081	254,451
<b>Total Liabilities</b>	<b>\$242,031</b>	<b>\$345,756</b>	<b>\$332,655</b>	<b>\$255,132</b>



# STATISTICAL SECTION



## Statistical Section

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

### CONTENTS

#### Financial Trends

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

#### Revenue Capacity

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

#### Debt Capacity

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

#### Economic and Demographic Information

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

#### Operating Information

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

#### Sources

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

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities										
Net investment in Capital Assets	\$19,898,816	\$16,619,018	\$18,184,642	\$19,832,451	\$19,609,926	\$22,826,512	\$23,755,262	\$24,654,327	(\$3,598,250)	\$1,055,858
Restricted	9,701,906	14,227,591	15,791,775	18,084,408	15,063,531	17,422,268	14,924,816	11,539,215	11,746,911	8,851,343
Unrestricted	20,355,521	17,339,547	10,134,780	7,819,899	14,813,557	17,057,039	10,724,934	15,486,286	(107,611,438)	(100,215,489)
Total Net Position	\$49,956,243	\$48,186,156	\$44,111,197	\$45,736,758	\$49,487,014	\$57,305,819	\$49,405,012	\$51,679,828	(\$99,462,777)	(\$90,308,288)

Source: District Records

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Expenses</b>										
<b>Governmental activities:</b>										
Instruction	\$46,700,195	\$52,829,847	\$52,259,836	\$51,972,550	\$53,820,326	\$52,373,986	\$53,699,518	\$55,001,081	\$55,873,786	\$53,625,448
Pupil	3,577,115	3,968,691	4,051,547	4,444,613	4,736,966	4,822,621	4,733,715	5,021,469	6,414,737	9,273,708
Instructional Staff	6,062,995	6,921,246	6,996,959	6,989,837	7,495,036	6,816,225	7,411,114	7,709,876	4,501,497	1,315,330
General Administration	28,630	27,428	33,370	30,057	18,192	21,396	23,561	23,934	23,525	25,445
School Administration	4,244,080	4,689,445	4,579,795	4,675,069	4,699,993	5,021,299	5,270,505	5,753,180	5,477,706	8,402,676
Fiscal	1,413,598	1,598,472	1,479,988	1,549,503	1,617,902	1,572,000	1,585,468	1,784,496	1,814,410	1,776,784
Business	621,270	644,649	660,901	536,689	520,931	529,138	526,133	555,158	472,414	532,427
Operations and Maintenance	5,790,712	6,540,093	5,991,427	5,886,180	6,070,571	6,429,544	7,007,402	7,065,457	6,144,537	6,820,755
Pupil Transportation	5,425,018	6,287,495	6,258,860	6,790,123	7,647,060	8,172,035	8,346,409	7,508,247	6,858,880	7,146,201
Central	71,357	88,823	99,859	69,029	66,148	57,117	67,309	56,703	631,619	735,117
Operation of Non-Instructional Services	4,198,295	4,722,429	4,647,458	4,602,539	4,652,500	3,703,033	4,998,273	4,079,825	5,024,917	4,900,984
Extracurricular Activities	695,810	660,133	663,382	717,549	795,539	779,430	905,109	802,191	813,476	1,672,175
Interest and Fiscal Charges	3,417,104	3,351,454	3,296,412	3,208,485	3,098,943	2,970,734	1,816,604	2,001,841	2,013,978	776,971
Unallocated Depreciation	804,630	1,549,295	1,652,651	1,942,562	2,149,162	2,188,015	2,216,722	2,219,387	1,629,219	1,606,780
<b>Total Expenses</b>	<b>83,050,809</b>	<b>93,879,500</b>	<b>92,672,453</b>	<b>93,414,785</b>	<b>97,389,269</b>	<b>95,456,573</b>	<b>98,607,842</b>	<b>99,582,845</b>	<b>97,694,701</b>	<b>98,610,801</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for Services and Sales										
Instruction	785,817	794,926	675,858	590,007	1,331,940	1,413,229	1,731,225	1,911,700	2,037,790	2,106,294
Instructional Staff	7,936	2,985	4,278	8,421	0	0	0	0	0	0
Fiscal	10,055	1,140	0	0	0	0	0	0	0	0
Operation and Maintenance	28,746	71,382	64,861	66,871	16,133	0	0	10,090	0	308
Pupil Transportation	113,044	283,041	58,796	98,687	95,143	53,182	39,872	9,602	64,215	15,789
Central	0	0	0	0	1,640	2,084	908	212	278	6,171
Operation of Non-Instructional Services	2,229,732	2,782,324	2,973,238	3,045,345	2,073,030	2,129,649	1,934,719	1,849,864	1,760,187	1,884,740
Extracurricular Activities	998,446	881,761	903,403	1,018,834	1,465,403	1,410,803	1,389,834	1,407,793	1,516,620	1,356,166
Operating Grants and Contributions	8,203,029	6,324,849	5,553,009	6,499,087	6,274,202	5,404,293	5,414,982	6,942,480	6,969,614	6,103,276
Capital Grants and Contributions	88,306	52,398	0	0	0	0	0	0	0	0
<b>Total Program Revenues</b>	<b>12,465,111</b>	<b>11,194,806</b>	<b>10,233,443</b>	<b>11,327,252</b>	<b>11,257,491</b>	<b>10,413,240</b>	<b>10,511,540</b>	<b>12,131,741</b>	<b>12,348,704</b>	<b>11,472,744</b>
<b>Net (Expense)/Revenue</b>	<b>(\$70,585,698)</b>	<b>(\$82,684,694)</b>	<b>(\$82,439,010)</b>	<b>(\$82,087,533)</b>	<b>(\$86,131,778)</b>	<b>(\$85,043,333)</b>	<b>(\$88,096,302)</b>	<b>(\$87,451,104)</b>	<b>(\$85,345,997)</b>	<b>(\$87,138,057)</b>

Source: District Records

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

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue	(\$70,585,698)	(\$82,684,694)	(\$82,439,010)	(\$82,087,533)	(\$86,131,778)	(\$85,043,333)	(\$88,096,302)	(\$87,451,104)	(\$85,345,997)	(\$87,138,057)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	58,898,441	59,235,774	55,742,677	60,236,439	65,604,287	66,243,908	59,486,901	69,556,462	74,424,152	72,824,579
Payment in Lieu of Taxes	0	0	0	0	0	0	21,600	0	0	0
Grants and Entitlements Not Restricted to Specific Programs	18,110,062	19,874,547	21,338,489	22,666,873	23,546,918	21,835,387	20,375,498	19,971,742	21,330,949	22,060,076
Unrestricted Contributions	0	0	0	63,000	146,244	121,693	200,416	127,067	114,424	112,804
Investment Earnings	1,591,521	1,520,441	1,021,509	388,456	299,241	183,443	0	357,459	351,154	686,962
Insurance Recoveries	0	0	0	0	0	4,246,081	0	0	0	0
Other Revenue	266,130	283,845	261,376	358,326	285,344	231,626	111,080	137,835	211,203	608,125
Total General Revenues	78,866,154	80,914,607	78,364,051	83,713,094	89,882,034	92,862,138	80,195,495	90,150,565	96,431,882	96,292,546
Change in Net Position	\$8,280,456	(\$1,770,087)	(\$4,074,959)	\$1,625,561	\$3,750,256	\$7,818,805	(\$7,900,807)	\$2,699,461	\$11,085,885	\$9,154,489

Source: District Records

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

	Fiscal Year									
	2007	2008	2009	2010	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)
General Fund										
Reserved	\$2,789,507	\$3,981,849	\$3,650,175	\$3,777,674	\$0	\$0	\$0	\$0	\$0	\$0
Unreserved	19,723,460	15,440,767	8,667,764	9,012,820	0	0	0	0	0	0
Assigned					363,830	5,122,612	6,459,943	1,024,400	944,260	1,032,373
Unassigned					16,053,875	10,760,750	2,752,010	13,465,446	23,499,449	31,017,462
Total General Fund	22,512,967	19,422,616	12,317,939	12,790,494	16,417,705	15,883,362	9,211,953	14,489,846	24,443,709	32,049,835
All Other Governmental Funds										
Reserved	8,210,841	4,456,077	1,548,669	3,020,731	0	0	0	0	0	0
Unreserved, Reported in:										
Capital Project Funds	571,577	11,709,007	10,368,091	6,779,774	0	0	0	0	0	0
Debt Service Funds	6,946,014	7,554,746	7,802,259	7,640,126	0	0	0	0	0	0
Special Revenue Funds	17,895,293	686,726	713,027	487,182	0	0	0	0	0	0
Nonspendable					23,832	69,035	30,557	0	0	0
Restricted					15,358,789	17,100,523	14,749,320	11,553,186	11,819,463	9,002,072
Unassigned					(291,808)	(144,651)	(281,048)	(34,087)	(68,300)	(212,014)
Total all Other Governmental Funds	\$33,623,725	\$24,406,556	\$20,432,046	\$17,927,813	\$15,090,813	\$17,024,907	\$14,498,829	\$11,519,099	\$11,751,163	\$8,790,058

Source: District Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The change in the classification of fund balance amounts in 2011 are discussed in the Notes to the Financial Statements.

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Taxes	\$59,213,557	\$59,168,982	\$55,744,271	\$59,815,451	\$65,346,443	\$64,822,725	\$61,652,124	\$69,556,581	\$74,407,501	\$72,814,818
Revenue in Lieu of Taxes	0	0	0	0	0	0	21,600	0	0	0
Tuition and Fees	1,037,675	1,097,171	1,061,332	1,098,131	1,178,584	1,466,412	1,684,719	1,787,659	1,881,467	2,046,512
Investment Earnings	4,396,507	2,625,527	1,334,585	388,456	226,944	181,809	9,688	374,927	295,494	671,541
Intergovernmental	23,601,016	25,161,650	26,571,011	28,898,767	30,053,923	27,145,656	25,364,538	27,338,273	28,332,707	28,075,828
Extracurricular Activities	885,909	1,223,915	1,191,862	1,343,390	1,467,043	1,412,887	1,383,997	1,467,920	1,516,898	1,362,337
Charges for Services	2,255,480	2,313,093	2,427,631	2,386,643	2,423,906	2,129,649	1,934,719	1,859,954	1,760,187	1,885,048
Other Revenues	278,243	457,226	261,375	421,328	345,344	350,032	408,326	338,630	546,167	796,499
<b>Total Revenues</b>	<b>\$91,668,387</b>	<b>\$92,047,564</b>	<b>\$88,592,067</b>	<b>\$94,352,166</b>	<b>\$101,042,187</b>	<b>\$97,509,170</b>	<b>\$92,459,711</b>	<b>\$102,723,944</b>	<b>\$108,740,421</b>	<b>\$107,652,583</b>

Source: District Records



Centerville City School District, Ohio  
 Governmental Funds Expenditures and Debt Service Ratio  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 6

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction	\$46,617,935	\$51,027,205	\$52,433,915	\$51,281,544	\$53,032,086	\$53,382,253	\$53,947,184	\$54,208,496	\$55,880,735	\$53,717,399
Pupil	3,559,857	4,025,867	4,275,525	4,479,385	4,667,754	4,846,446	4,791,029	4,904,585	6,595,684	9,305,048
Instructional Staff	6,057,715	6,920,528	7,058,555	7,027,415	7,533,641	6,892,354	7,385,586	7,594,923	4,972,168	1,380,914
General Administration	28,630	27,428	33,370	30,057	18,192	21,396	23,561	23,934	23,525	25,445
School Administration	4,237,603	4,581,370	4,606,366	4,739,956	4,651,791	4,988,421	5,379,880	5,509,241	5,756,322	8,343,560
Fiscal	1,388,142	1,571,277	1,487,469	1,539,841	1,623,008	1,582,201	1,578,039	1,787,705	1,892,949	1,785,634
Business	615,981	637,467	656,005	542,435	514,055	540,334	551,454	556,092	486,310	538,491
Operation and Maintenance	5,566,692	6,315,309	5,781,291	5,662,639	5,807,690	6,164,381	6,391,690	6,853,275	6,082,407	6,946,797
Pupil Transportation	5,688,794	6,526,641	6,420,174	6,402,151	7,038,695	7,534,125	7,225,462	7,150,277	6,473,311	7,452,123
Central	71,357	88,823	99,859	69,029	66,148	57,117	67,309	56,703	613,843	751,829
Operation of Non-Instructional Services	4,206,291	4,708,867	4,648,664	4,631,046	4,633,203	3,715,033	4,990,839	4,027,841	5,018,992	4,919,320
Extracurricular Activities	694,793	658,991	662,240	716,407	794,397	778,288	903,967	801,875	813,328	1,672,386
Capital Outlay	29,118,134	11,400,943	5,543,888	2,918,319	3,436,577	3,315,960	1,408,105	350,409	928,018	3,507,838
Debt service										
Principal Retirement	2,373,798	2,550,000	2,735,000	3,225,000	3,450,000	3,715,000	3,525,000	3,975,000	1,130,000	1,212,247
Interest and Fiscal Charges	3,406,509	3,324,368	3,228,933	3,118,620	2,984,739	2,826,001	2,341,213	2,625,425	1,892,219	1,848,638
Bond Issuance Cost	0	0	0	0	0	0	413,542	0	0	0
<b>Total Expenditures</b>	<b>\$113,632,231</b>	<b>\$104,365,084</b>	<b>\$99,671,254</b>	<b>\$96,383,844</b>	<b>\$100,251,976</b>	<b>\$100,359,310</b>	<b>\$100,923,860</b>	<b>\$100,425,781</b>	<b>\$98,559,811</b>	<b>\$103,407,669</b>

Debt Service as a percentage of Noncapital Expenditures 6.90% 6.26% 6.45% 6.80% 6.64% 6.74% 6.28% 6.63% 3.09% 3.13%

Source: District Records

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Other Financing Sources (Uses)										
Issuance of Long Term Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$48,510,531	\$0	\$0	\$378,200
Premium on Issuance of Long Term Debt	0	0	0	0	0	0	5,816,489	0	0	0
Payment to Refunded Bonds Escrow Agent	0	0	0	0	0	0	(55,075,019)	0	0	0
Sale of Capital Assets	0	0	0	0	0	3,810	14,661	0	5,317	21,907
Insurance Recoveries	0	0	0	0	0	4,246,081	0	0	0	0
Transfers In	0	0	0	0	0	132,431	0	0	7,000	0
Transfers (Out)	0	0	0	0	0	(132,431)	0	0	(7,000)	0
Total Other Financing Sources (Uses)	0	0	0	0	0	4,249,891	(733,338)	0	5,317	400,107
Net Change in Fund Balances	(\$21,963,844)	(\$12,317,520)	(\$11,079,187)	(\$2,031,678)	\$790,211	\$1,399,751	(\$9,197,487)	\$2,298,163	\$10,185,927	\$4,645,021

Source: District Records

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

Calendar Year	Real Property		Tangible Personal Property		Public Utilities Personal		Total		Total Direct Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2006	\$1,595,795,040	\$4,559,414,400	\$43,435,276	\$173,741,105	\$30,122,230	\$77,359,363	\$1,669,352,546	\$4,810,514,868	67.65
2007	1,623,847,360	4,639,563,886	33,208,833	138,370,138	29,168,980	74,911,244	1,686,225,173	4,852,845,268	67.65
2008	1,666,917,860	4,762,622,457	21,998,498	91,660,408	21,909,160	49,236,433	1,710,825,518	4,903,519,298	67.65
2009	1,671,026,740	4,774,362,114	3,997,360	16,655,667	22,815,220	34,052,567	1,697,839,320	4,825,070,348	67.65
2010	1,698,384,630	4,852,527,514	687,780	2,865,750	22,613,600	33,751,642	1,721,686,010	4,889,144,906	73.55
2011	1,703,649,230	4,867,569,229	0	0	23,633,360	35,273,672	1,727,282,590	4,902,842,901	73.55
2012	1,639,940,410	4,685,544,029	0	0	25,003,230	37,318,254	1,664,943,640	4,722,862,283	73.55
2013	1,624,145,870	4,640,416,771	0	0	26,568,000	39,653,731	1,650,713,870	4,680,070,502	73.55
2014	1,638,788,470	4,682,252,771	0	0	29,072,030	43,391,090	1,667,860,500	4,725,643,861	77.77
2015	1,667,220,530	4,763,487,229	0	0	31,054,260	46,349,642	1,698,274,790	4,809,836,871	77.64

Source: County Auditor

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

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

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

Calendar Year	District Direct Rates				Total	Overlapping Rates				
	General Purpose	Debt	Capital Purpose			County	City of Centerville	City of Kettering	Library	Township/ Park
2006	62.17	3.68	1.80		67.65	18.24	2.35	6.80	3.03	16.85
2007	62.17	3.68	1.80		67.65	20.24	2.35	6.80	2.70	16.85
2008	62.17	3.68	1.80		67.65	20.94	2.35	6.79	2.70	16.85
2009	62.17	3.68	1.80		67.65	20.94	2.35	6.79	2.70	16.85
2010	68.07	3.68	1.80		73.55	20.94	2.35	6.79	2.70	16.80
2011	68.07	3.68	1.80		73.55	20.94	2.35	6.79	2.70	16.80
2012	68.07	3.68	1.80		73.55	20.94	2.35	6.79	3.00	16.80
2013	68.07	3.68	1.80		73.55	20.94	2.35	6.79	3.00	16.95
2014	73.97	2.00	1.80		77.77	20.94	2.35	6.79	3.00	18.60
2015	73.84	2.00	1.80		77.64	22.94	2.35	6.79	3.00	18.90

Source: County Auditor

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

Centerville City School District, Ohio  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
Schedule 10

Taxpayer	2015 (1)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Dayton Power and Light Co.	\$23,828,800	1.40%
City of Centerville	8,835,410	0.52%
Miller Farm Apartments	6,605,810	0.39%
Washington Place Limited	5,941,750	0.35%
Miami Valley Hospital	5,853,770	0.34%
Cross Pointe Associates Inc.	5,789,910	0.34%
Vectren Energy Delivery of Ohio	5,693,320	0.34%
St. Leonard	4,913,020	0.29%
Steeplechase Advisors LTD	4,277,070	0.25%
Washington Park Office Center	3,849,320	0.23%
Total Principal Tax Payers	75,588,180	4.45%
All Others	1,622,686,610	95.55%
Total Assessed Value	\$1,698,274,790	100.00%

Taxpayer	2006 (1)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Dayton Power and Light Co.	\$16,669,790	0.99%
Ohio Bell Telephone Co.	11,185,320	0.66%
Cross Pointe Associates Inc.	8,052,100	0.48%
Miller Farm Apartments	6,926,300	0.41%
Washington Place Limited	6,506,070	0.39%
Steeplechase Advisors LTD	5,220,670	0.31%
CVS Partnerships	4,593,100	0.27%
Voss Chevrolet, Inc	4,126,830	0.24%
Chesapeake Landing	3,953,350	0.23%
United Dominion Realty	3,623,490	0.21%
Total Principal Tax Payers	70,857,020	4.20%
All Others	1,615,368,153	95.80%
Total Assessed Value	\$1,686,225,173	100.00%

Source: County Auditor

(1) - Denotes calendar year

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

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected within the Calendar Year of the Levy		Delinquent Collections in Subsequent Years	Total Collections to Date	
		Amount (2)	Percentage of Levy		Amount	Percentage of Levy
2006	\$64,029,196	\$62,882,801	98.21%	\$1,146,395	\$64,029,196	100.00%
2007	63,472,743	63,076,291	99.38%	396,452	63,472,743	100.00%
2008	63,496,813	62,517,299	98.46%	979,514	63,496,813	100.00%
2009	62,933,120	61,546,296	97.80%	1,160,290	62,706,586	99.64%
2010	73,900,895	71,989,830	97.41%	1,226,072	73,215,901	99.07%
2011	74,369,554	72,393,492	97.34%	1,887,629	74,281,122	99.88%
2012	74,178,106	71,761,882	96.74%	808,135	72,570,017	97.83%
2013	73,841,162	72,605,510	98.33%	1,235,652	73,841,162	100.00%
2014	81,678,083	79,734,175	97.62%	1,303,157	81,037,332	99.22%
2015	82,272,522	80,746,415	98.15%	1,526,107	82,272,522	100.00%

Source: County Auditor

(1) - Taxes levied and collected are presented on a cash basis

(2) - State reimbursements of rollback and homestead exemptions are included

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

Fiscal Year	Governmental Activities		Debt Service Fund Balance	General Bonded Debt Outstanding	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases		Net General Obligation Bonds			
2007	\$75,860,108	\$0	\$7,233,315	\$68,626,793	1.58%	0.41%	\$1,432
2008	73,344,412	0	7,988,085	65,356,327	1.51%	0.39%	1,384
2009	70,663,795	0	8,194,620	62,469,175	1.44%	0.36%	1,334
2010	67,516,574	0	7,952,517	59,564,057	1.40%	0.36%	1,274
2011	64,171,609	0	7,818,706	56,352,903	1.31%	0.33%	1,133
2012	60,593,399	0	7,427,770	53,165,629	1.24%	0.30%	1,070
2013	55,705,689	0	6,150,723	49,554,966	1.18%	0.26%	984
2014	57,235,181	0	4,121,747	53,113,434	1.22%	0.27%	1,011
2015	55,858,558	0	4,472,658	51,385,900	1.18%	0.26%	986
2016	53,317,201	335,953	4,783,876	48,533,325	1.11%	0.24%	941

Source: District Records

Centerville City School District, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2016  
 Schedule 13

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Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
City of Kettering	9,160,000	0.09%	8,244
Subtotal Overlapping Debt	9,160,000		8,244
District Direct Debt	53,653,154	100.00%	53,653,154
Total Direct and Overlapping Debt	\$62,813,154		\$53,661,398

Source: Ohio Municipal Advisory Council

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



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

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed value (1)	\$1,698,274,790
Debt limit (9% of assessed value)	152,844,731
Debt applicable to limit	53,653,154
Legal debt margin	<u>\$99,191,577</u>

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$150,241,729	\$151,760,266	\$153,974,297	\$152,805,539	\$154,951,741	\$155,455,433	\$149,844,928	\$148,564,248	\$150,107,445	\$152,844,731
Total net debt applicable to limit	73,520,000	70,970,000	68,235,000	65,010,000	61,560,000	57,845,000	55,705,689	57,235,181	55,858,558	53,653,154
Legal debt margin	<u>\$76,721,729</u>	<u>\$80,790,266</u>	<u>\$85,739,297</u>	<u>\$87,795,539</u>	<u>\$93,391,741</u>	<u>\$97,610,433</u>	<u>\$94,139,239</u>	<u>\$91,329,067</u>	<u>\$94,248,887</u>	<u>\$99,191,577</u>
Total net debt applicable to the limit as a percentage of debt limit	48.93%	46.76%	44.32%	42.54%	39.73%	37.21%	37.18%	38.53%	37.21%	35.10%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2016 is calendar year 2015)

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

Calendar Year	(1) Population	(2) Personal Income (Thousands of Dollars)	(3) Per Capita Personal Income	(4) Unemployment Rate
2006	52,991	\$18,606,241	\$34,227	6.2%
2007	52,991	18,996,515	35,135	7.8%
2008	52,991	19,487,632	36,245	11.4%
2009	52,991	18,829,675	35,176	11.1%
2010	56,638	19,347,596	36,108	9.6%
2011	56,638	20,258,807	37,684	9.4%
2012	56,638	21,263,616	39,795	7.8%
2013	56,638	21,514,166	40,150	5.5%
2014	56,638	21,695,498	40,742	6.0%
2015	56,638	22,473,513	42,223	5.0%

(1) - City of Centerville and Washington Township; 2003-2009 based on 2000 U.S. Census data, 2010 - 2013 based on 2010 U.S. Census data

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

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

(4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average for 2006 - 2013, Current Unemployment rate for 2015

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

2015

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
AES Corp/Dayton Power & Light	Util	(4)	(5)
Behr Dayton Thermal Products LLC	Mfg	(4)	(5)
Dayton City Schools	Govt	(4)	(5)
Dmax Ltd	Mfg	(4)	(5)
GE Capital	Fin	(4)	(5)
Green Tokai Co	Mfg	(4)	(5)
Kettering Health Network	Serv	(4)	(5)
PNC Financial Services Group	Fin	(4)	(5)
Premier Health Partners, Inc.	Serv	(4)	(5)
Reed Elsevier LexisNexis	Serv	(4)	(5)
Reynolds & Reynolds Co., Inc.	Mfg	(4)	(5)
University of Dayton	Serv	(4)	(5)
U.S. Federal Government	Govt	(4)	(5)

2008

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

Source: Ohio Department of Development

(1) - For all of Montgomery County

(2) - Only current fiscal year and fiscal period seven years ago information available. Information for fiscal period nine years ago not available.

(3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(4) - The number of employees of each listed major employer was not available.

(5) - The employer's percentage of total employment for each major employer was not available.

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction										
Classroom Teachers	424.4	425.9	406.0	407.0	407.0	393.0	398.5	392.4	396.3	411.8
Special Education Teachers and Tutors	107.1	112.4	106.0	106.0	107.0	107.0	101.5	108.2	108.7	109.5
Educational Aides	51.0	52.1	56.0	58.0	58.0	49.0	48.6	51.0	52.0	51.6
Special Education Aides	72.0	73.5	77.0	75.0	74.0	61.0	60.0	65.5	68.0	82.4
Total Instruction	<u>654.5</u>	<u>663.9</u>	<u>645.0</u>	<u>646.0</u>	<u>646.0</u>	<u>610.0</u>	<u>608.6</u>	<u>617.1</u>	<u>625.0</u>	<u>655.3</u>
Support and Administration										
Support Personnel										
Librarians, Nurses, Counselors, Visiting Teacher	53.6	57.4	51.0	52.0	52.0	47.0	49.0	51.6	51.6	54.5
Principals	14.5	15.5	14.0	14.0	14.0	14.0	14.0	14.0	14.0	15.0
Central Office Administration	7.0	7.0	7.0	6.0	6.0	6.0	7.0	7.0	7.0	7.0
Secretaries and Clerical	41.0	39.0	37.0	38.0	38.0	38.0	36.0	36.0	37.0	31.0
Transportation	96.0	97.2	99.0	99.0	100.0	99.0	99.0	100.0	104.0	127.0
Food Service	56.0	61.0	60.0	60.0	60.0	60.0	60.0	59.0	59.0	49.0
Custodial	41.0	44.0	47.0	47.0	48.0	48.0	48.0	48.0	49.0	54.1
Maintenance and Mechanics	12.0	13.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Total Support and Administration	<u>321.1</u>	<u>334.1</u>	<u>325.0</u>	<u>326.0</u>	<u>328.0</u>	<u>322.0</u>	<u>323.0</u>	<u>325.6</u>	<u>331.6</u>	<u>347.6</u>
Total Employees	<u>975.6</u>	<u>998.0</u>	<u>970.0</u>	<u>972.0</u>	<u>974.0</u>	<u>932.0</u>	<u>931.6</u>	<u>942.7</u>	<u>956.6</u>	<u>1002.9</u>

Source: District Records

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

Fiscal Year	Enrollment	Operating Expenditure	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2007	8,307	\$78,733,790	\$9,478	4.90%	\$83,050,809	\$9,998	4.86%	424.4	19.6	14.50%
2008	8,336	87,089,773	10,447	10.23%	93,879,500	11,262	12.64%	425.9	19.6	13.90%
2009	8,287	88,163,433	10,639	1.83%	92,672,453	11,183	(0.70%)	406.0	20.4	14.20%
2010	8,350	87,121,905	10,434	(1.93%)	93,414,785	11,187	0.05%	401.0	20.8	14.40%
2011	8,344	90,380,660	10,832	3.82%	97,389,269	11,672	4.34%	400.0	20.9	14.62%
2012	8,391	90,502,349	10,786	(0.43%)	95,456,573	11,376	(2.52%)	393.0	21.4	14.67%
2013	8,391	94,644,105	11,279	4.58%	98,607,842	11,752	3.31%	398.5	21.1	14.53%
2014	8,372	93,825,356	11,207	(0.64%)	99,582,845	11,895	1.23%	392.4	21.3	16.50%
2015	8,375	95,537,592	11,407	1.79%	97,694,701	11,665	(1.92%)	399.0	21.0	16.62%
2016	8,254	100,346,784	12,157	6.57%	98,610,801	11,947	2.42%	411.8	20.0	16.00%

Source: District Records

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>School</u>										
Primary Schools (2)										
Centerville Primary Village North (1970)										
Square feet	48,276	64,371	64,371	64,371	64,371	64,371	64,371	64,371	64,371	64,371
Capacity (1)	650	500	500	500	500	500	500	500	500	500
Enrollment	635	451	454	458	457	457	476	557	557	577
Site Acreage	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Centerville Primary Village South (2007)										
Square feet	N/A	72,990	72,990	72,990	72,990	72,990	72,990	72,990	72,990	72,990
Capacity (1)	N/A	700	700	700	700	700	700	700	700	700
Enrollment	N/A	760	765	771	770	770	777	698	698	681
Site Acreage	N/A	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Elementary Schools (2)										
Cline Elementary (1954)										
Square feet	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500	96,500
Capacity (1)	550	550	550	550	550	550	550	550	550	550
Enrollment	595	475	478	482	481	481	442	440	440	435
Site Acreage (with Magsig)	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Driscoll Elementary (1962)										
Square feet	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047	55,047
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	386	310	312	314	314	314	306	307	307	287
Site Acreage	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4
Dr. John Hole Elementary (1956)										
Square feet	45,100	45,100	45,100	45,100	45,100	45,100	45,100	45,100	45,100	45,100
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	428	352	354	357	356	356	340	337	337	360
Site Acreage	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3
Normandy Elementary (1964)										
Square feet	58,108	58,108	58,108	58,108	58,108	58,108	58,108	58,108	58,108	58,108
Capacity (1)	550	550	550	550	550	550	550	550	550	550
Enrollment	567	462	465	468	468	468	544	507	507	477
Site Acreage	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7	14.7
Stingley Elementary (1962)										
Square feet	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727	48,727
Capacity (1)	400	400	400	400	400	400	400	400	400	400
Enrollment	441	346	348	351	350	350	267	266	266	244
Site Acreage (with Tower Hts)	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Weller Elementary (1959)										
Square feet	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955	54,955
Capacity (1)	550	550	550	550	550	550	550	550	550	550
Enrollment	579	490	492	496	496	496	493	491	491	523
Site Acreage	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6	19.6

Source: District Records

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

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>School</u>										
Middle Schools										
Magsig Middle School (1919)										
Square feet	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100	90,100
Capacity (1)	600	600	600	600	600	600	600	600	600	600
Enrollment	569	579	592	596	600	600	602	607	607	596
Site Acreage (with Cline)	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1	25.1
Tower Heights Middle School (1966)										
Square feet	66,885	66,885	82,685	82,685	82,685	82,685	82,685	82,685	82,685	82,685
Capacity (1)	600	600	600	600	600	600	600	600	600	600
Enrollment	590	603	578	582	586	586	544	517	517	535
Site Acreage (with Stingley)	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Watts Middle School (1969)										
Square feet	64,369	97,369	97,369	97,369	97,369	97,369	97,369	97,369	97,369	97,369
Capacity (1)	600	750	750	750	750	750	750	750	750	750
Enrollment	630	685	739	743	749	748	762	760	760	727
Site Acreage	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
High School										
Centerville High School (1973)										
Square feet	413,102	489,243	489,243	489,243	489,243	489,243	489,243	489,243	489,243	489,243
Capacity (1)	2,700	2,700	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Enrollment	2,748	2,721	2,682	2,698	2,718	2,718	2,821	2,824	2,824	2,812
Site Acreage	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0	60.0

Source: District Records

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

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# Dave Yost • Auditor of State

**CENTERVILLE CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY**

## **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
DECEMBER 29, 2016**