



Mary Taylor, CPA

Auditor of State

Declaration of Fiscal Emergency

Effective November 14, 2009, the Department of Education declared the Little Miami Local School District, Warren County, to be in a state of Fiscal Caution in accordance with Section 3316.031 of the Ohio Revised Code. The declaration was based on an anticipated deficit for the fiscal years ending June 30, 2010 and 2011.

The Auditor of State declared the Little Miami Local School District in fiscal watch on March 11, 2010. This declaration was based upon the failure to submit a written proposal for eliminating the anticipated deficits that prompted the declaration of fiscal caution and preventing the School District from experiencing further fiscal difficulties. Upon reviewing the Little Miami Local School District's five-year forecast filed with the Department of Education on November 4, 2009, which included forecasted deficits of \$251,000 and \$9,980,000 for the fiscal years ending June 30, 2010, and 2011, the Auditor of State found the Department of Education's request that the Little Miami Local School District be placed in fiscal watch to be reasonable.

Section 3316.04, Revised Code, requires that the board of education of a district declared to be in fiscal watch prepare and submit an initial financial plan to the State Superintendent of Public Instruction that demonstrates the actions the board will take to eliminate the district's current operating deficit and avoid incurring future operating deficits. A school district that fails to submit an acceptable plan within 120 days of the Auditor of State's declaration is to be declared in a state of fiscal emergency in accordance with Section 3316.03(B)(2), Revised Code. The Little Miami Local School District Board of Education has failed to submit an acceptable recovery plan to Superintendent of Public Instruction. The recovery plan anticipates a deficit of \$5,844,000 for the fiscal year ending June 30, 2010.

Accordingly, the Auditor of State hereby declares the Little Miami Local School District to be in a state of Fiscal Emergency under Section 3316.03 (B)(2) of the Ohio Revised Code. A copy of this declaration being submitted to Kym Dunbar, President of the Board of Education of the Little Miami Local School District, J. Pari Sabety, State Director the Office of Budget and Management, Nick Nelson, Warren County Auditor, and Deborah Delisle, State Superintendent of Public Instruction.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

July 13, 2010