

**PERRY LOCAL SCHOOL DISTRICT
LAKE COUNTY**

AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2011



Dave Yost • Auditor of State

Board of Education
Perry Local School District
4325 Manchester Avenue
Perry, Ohio 44081

We have reviewed the *independent Auditor's Report* of the Perry Local School District, Lake County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2010 through June 30, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them. In conjunction with the work performed by the Independent Public Accountant, the Auditor of State is issuing the following:

Finding for Recovery Repaid Under Audit

Linda C. Flenner separated from service from Perry Local School District. Upon separation, Ms. Flenner received a retirement/severance payout in the amount of \$1,600. The District's payroll records indicate Ms. Flenner's retirement/severance payout utilized an incorrect formula and therefore, Ms. Flenner was not entitled to this retirement/severance payout.

In accordance with the foregoing facts, and pursuant to Ohio Revised Code Section 117.28, a Finding for Recovery for public moneys illegally expended is hereby issued against Linda C. Fenner, former District employee, in the amount of \$1,600, and in favor of Perry Local School District's General Fund.

On October 31, 2011, this finding for recovery was repaid under audit by Linda C. Flenner, in the amount of \$1,600.

Board of Education
Perry Local School District
Page -2-

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D" and a long, sweeping tail on the "y".

Dave Yost
Auditor of State

March 1, 2012

**PERRY LOCAL SCHOOL DISTRICT
LAKE COUNTY
AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2011**

TABLE OF CONTENTS

	<u>Page</u>
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	3-5
Schedule of Expenditures of Federal Awards	6
Notes to the Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8-9
Schedule of Prior Audit Findings and Recommendations	10
Report on Applying Agreed-upon Procedures	11-12

This page intentionally left blank.

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Education
Perry Local School District
Perry, Ohio

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Perry Local School District, Lake County, Ohio, as of and for the year ended June 30, 2011, which collectively comprise the Perry Local School District, Ohio's basic financial statements and have issued our report thereon dated November 17, 2011 wherein, we noted that the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Perry Local School District, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Perry Local School District, Ohio's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Perry Local School District, Ohio's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs as **Findings 2011 - 1** that we consider to be a significant deficiency in internal control over financial reporting. 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.

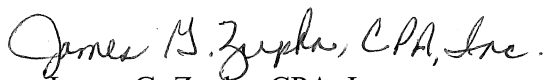
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Perry Local School District, Ohio's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of the Perry Local School District, Ohio, in a separate letter dated November 17, 2011.

Perry Local School District, Ohio's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Perry Local School District, Ohio's response and, accordingly, we express no opinion on it.

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


James G. Zupka, CPA, Inc.
Certified Public Accountants

November 17, 2011

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A
DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education
Perry Local School District
Perry, Ohio

Compliance

We have audited the Perry Local School District, Lake County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Perry Local School District, Ohio's major federal programs for the year ended June 30, 2011. The Perry Local School District, Ohio's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Perry Local School District, Ohio's management. Our responsibility is to express an opinion on the Perry Local School District, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Perry Local School District, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Perry Local School District, Ohio's compliance with those requirements.

In our opinion, the Perry Local School District, Ohio complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of the Perry Local School District, Ohio, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Perry Local School District, Ohio's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine that auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Perry Local School District, Ohio'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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Perry Local School District, Ohio as of and for the year ended June 30, 2011, and have issued our report thereon dated November 17, 2011, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

James M. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

November 17, 2011

**PERRY LOCAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor Number	Receipts	Non Cash Receipts	Expenditures	Non Cash Expenditures
<u>U.S. Department of Agriculture</u>						
<i>Passed through State Department of Education</i>						
Child Nutrition Cluster						
School Lunch Program	10.555	047902-LLP4	\$ 190,034	\$ 70,642	\$ 190,034	\$ 70,642
<i>Total Child Nutrition Cluster</i>			<u>190,034</u>	<u>70,642</u>	<u>190,034</u>	<u>70,642</u>
Total U.S. Department of Agriculture			<u>190,034</u>	<u>70,642</u>	<u>190,034</u>	<u>70,642</u>
<u>U.S. Department of Education</u>						
<i>Passed through State Department of Education</i>						
Title I Cluster:						
Title I School Subsidy	84.010	047902-C1S1	106,163	0	112,410	0
Title I Grants to Local Educational Agencies, Recovery Act	84.389		40,576	0	23,377	0
<i>Total Title I Cluster</i>			<u>146,739</u>	<u>0</u>	<u>135,787</u>	<u>0</u>
Special Education Cluster						
SE-IDEA Part B	84.027	047902-6BSF	533,075	0	296,191	0
SE-IDEA Preschool Special Education	84.173	047902-PGS1	10,465	0	11,007	0
Special Education Grants to States, Recovery Act	84.391		181,776	0	168,329	0
Special Education - Preschool Grants, Recovery Act	84.392		4,598	0	2,593	0
<i>Total Special Education Cluster</i>			<u>729,914</u>	<u>0</u>	<u>478,120</u>	<u>0</u>
Education Jobs Fund	84.410		0	0	19,634	0
Title II-D Education Technology	84.318	047902-TJS1	50	0	636	0
Improving Teacher Quality State Grants	84.367	047902-TRS1	22,598	0	43,964	0
ARRA - State Fiscal Stabilization Fund (SFSF)	84.394		62,883	0	63,749	0
Total U.S. Department of Education			<u>962,184</u>	<u>0</u>	<u>741,890</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$1,152,218</u>	<u>\$ 70,642</u>	<u>\$ 931,924</u>	<u>\$ 70,642</u>

See accompanying notes to Supplemental Schedule of Expenditures of Federal Awards.

**PERRY LOCAL SCHOOL DISTRICT
NOTES TO THE SUPPLEMENTAL SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS - CASH
JUNE 30, 2011**

NOTE 1: **BASIS OF PRESENTATION**

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

NOTE 2: **NONCASH SUPPORT**

The District receives noncash support in the form of food subsidies from the National School Lunch Program (NSLP), CFDA #10.555. The value of the food subsidies is determined by using the fair market value of the food items as quoted by local food suppliers.

**PERRY LOCAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
JUNE 30, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

2011(i)	Type of Financial Statement Opinion	Unqualified
2011(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2011(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
2011(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2011(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2011(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2011(v)	Type of Major Program's Compliance Opinion	Unqualified
2011(vi)	Are there any reportable findings under .510?	No
2011(vii)	Major Programs (list): Special Education Cluster - IDEA, Part B and IDEA Preschool - Special Education Grants - Recovery Act - CFDA #84.027, #84.173, #84.391 and #84.392	
2011(viii)	Dollar Threshold: Type A\B Program	Type A: \$300,000 or more Type B: All others less than \$300,000
2011(ix)	Low Risk Auditee?	Yes

**PERRY LOCAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505 (CONTINUED)
JUNE 30, 2011**

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

Finding No. 2011-1 Significant Deficiency - Payroll Severance Payments

Statement of Condition/Criteria

During our review of payroll, we noted that the one employee responsible for the entire payroll process was new and required additional oversight in certain areas, specifically the addition and deletion of employee data; payroll processing; sick, vacation and personal leave accrual, benefits, and retirement payouts. We noted that during this audit period the retirement/severance payouts of a few employees utilized an incorrect formula. This resulted in an error and overpayment to one individual. It was also noted that during our testing of sick, personal and vacation balances, minor variances were noted and existed on various individuals tested due to report dates and conversions from personal to sick leave time at fiscal year end.

Cause/Effect

The District utilized an incorrect formula to calculate retirement/severance payouts for three (3) employees to which the Treasurer signed off on.

Recommendation

We recommend that the District review and update the procedures related to retirement/severance payouts and that an independent review is performed for all calculations prior to final payout. We also recommend the District review its procedures for recording sick, personal, and vacation time and print reports at year end after the proper conversions are completed.

Since the error was made on the calculation of the three (3) employees, it should be noted that only one actually was paid out in error.

As of November 11, 2011, the District had collected the overpayment from the employee.

District Responses

The District acknowledges that the error was made in the calculation of the three employees. All future payments for retirement/severance payments will be computed separately and then again together to eliminate the changes of formula errors.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**PERRY LOCAL SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2011**

Number	Finding Summary	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding no Longer Valid; Explain
2010-01	Significant Deficiency - Capital Assets	No, Partially Corrected - Repeated to the District's Management in a Separate Letter
2010-02	Significant Deficiency - Credit Card Purchases	Corrective Action Taken

Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Perry Local School District
Lake County
4325 Manchester Avenue
Perry, Ohio 44081

To the Board of Education:

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

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

1. In our report dated November 17, 2011, we noted the Board adopted an anti-harassment policy on December 18, 2007. However, this policy did not include all matters required by Ohio Revised Code Section 3313.666.
2. The Board amended the policy on January 25, 2011. We read the amended policy, noting it now includes all the requirements listed in Ohio Revised Code Section 3313.666.

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

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

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

November 17, 2011

Perry Local School District

Lake County, Ohio

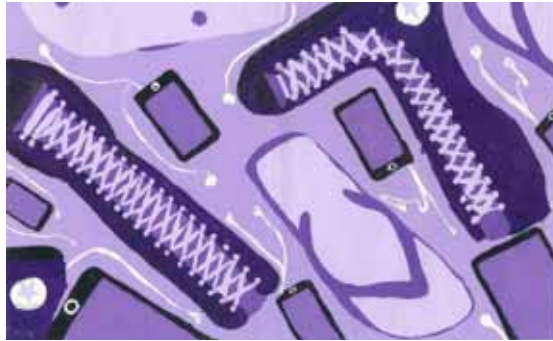
Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2011

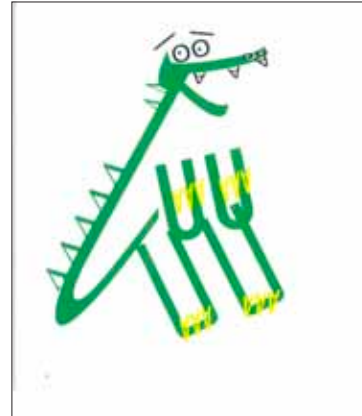


Tina - Grade 12

INTRODUCTORY SECTION



Susana - Grade 7



Gabby - Grade 8



Eric - Grade 6



Gabrielle - Grade 11

Perry Local School District, Lake County, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

Perry Local School District

Lake County, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2011

Issued By: Treasurer's Office – Lewis Galante, Chief Financial Officer

TABLE OF CONTENTS

I. Introductory Section

Title Page i
Table of Contents ii
Letter of Transmittal vi
Certificate of Achievement xii
List of Principal Officials..... xiii
Organizational Chart xiv

II. Financial Section

Independent Auditor’s Report..... 1
Management’s Discussion and Analysis 3
Basic Financial Statements:
Statement of Net Assets 12
Statement of Activities..... 13
Balance Sheet – Governmental Funds 14
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities..... 15
Statement of Revenues, Expenditures, and Changes in
Fund Balances – Governmental Funds 16
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities..... 17
Statement of Revenues, Expenditures, and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) -
General Fund..... 18
Statement of Fund Net Assets – Proprietary Fund..... 19
Statement of Revenues, Expenses, and Changes in Fund Net Assets –
Proprietary Fund 20
Statement of Cash Flows – Proprietary Fund 21
Statement of Fiduciary Net Assets – Fiduciary Funds..... 22
Statement of Changes in Fiduciary Net Assets – Fiduciary Fund 23
Notes to the Basic Financial Statements 24

TABLE OF CONTENTS

II. Financial Section (Continued)

Combining Statements and Individual Fund Schedules:

Description of Funds.....57
Combining Balance Sheet – Nonmajor Governmental Funds.....60
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances – Nonmajor Governmental Funds61
Combining Balance Sheet – Nonmajor Special Revenue Funds.....62
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances – Nonmajor Special Revenue Funds68
Statement of Changes in Assets and Liabilities –
Agency Fund.....74

Individual Fund Schedules of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis):

General Fund.....76
Permanent Improvement Fund.....80
Food Services Fund.....81
Uniform School Supplies Fund.....82
Special Rotary Fund.....83
Public School Support Fund84
Other Grants Fund.....85
Special Enterprise Fund86
Special Levy Fund87
Termination Benefits Fund89
District Managed Student Activity Fund90
Management Information Systems Fund.....91
Entry Year Teachers Fund92
Data Communication Fund.....93
School Net Professional Development Fund94
Ohio Reads Grant Fund95
Summer School Intervention Fund.....96

TABLE OF CONTENTS

II. Financial Section (Continued)

Miscellaneous State Grants Fund.....97
Education Jobs Fund.....98
IDEA, Part B Special Education, Education of Handicapped Children Fund.....99
School District Fiscal Stabilization Fund100
Title II-D Technology Grant Fund.....101
Title III – Limited English Proficiency Fund102
Title I – Disadvantaged Children/Targeted Assistance Fund103
Title V – Innovative Education Programs Fund104
Drug Free Schools Grant Fund105
IDEA Preschool Grant for the Handicapped Fund106
Improving Teacher Quality Fund.....107
Miscellaneous Federal Grants Fund.....108
School Net Fund109

III. Statistical Section

Net Assets by Component – Last Nine Fiscal Years
(Accrual Basis of Accounting)..... S2
Changes in Net Assets – Last Nine Fiscal Years
(Accrual Basis of Accounting..... S3
Program Revenues of Governmental Activities by Function -
Last Nine Fiscal Years (Accrual Basis of Accounting)..... S5
Fund Balances, Governmental Funds – Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)..... S6
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)..... S8
Assessed and Estimated Actual Value of Taxable Property -
Last Ten Years S12
Property Tax Rates (per \$1,000 of Assessed Values) – Last Ten Years S14
Property Tax Levies and Collections – Last Ten Years S15

TABLE OF CONTENTS

III. Statistical Section (Continued)

Principal Taxpayers – Real Estate Tax S16

Principal Taxpayers – Tangible Personal Property Tax S17

Principal Taxpayers – Public Utilities Tax S18

Computation of Direct and Overlapping Debt Attributable to Governmental Activities S19

Ratio of General Debt to Estimated Actual Value, Personal Income,
and Debt per Capita – Last Ten Fiscal Years S20

Computation of Legal Debt Margin – Last Ten Fiscal Years..... S22

Demographic and Economic Statistics – Last Ten Years S24

Principal Employers – 2008 and 2011 S25

Building Statistics – Last Ten Fiscal Years S26

Operating Statistics – Last Ten Fiscal Years S28

Enrollment Statistics – Last Ten Fiscal Years S29

Full-Time Equivalent Teachers by Education – Last Ten Fiscal Years S30

Teachers’ Salaries – Last Ten Fiscal Years S31

Average Number of Students per Teacher – Last Ten Fiscal Years..... S32

Attendance and Graduation Rates – Last Ten Fiscal Years..... S33

School District Employees by Function/Program – Last Six Fiscal Years S34

Free or Reduced Lunch Program Percentages – Last Five Fiscal Years S35



Mission Statement

Inspire all students to achieve personal excellence, pursue world-class standards and be self-directed, lifelong learners.

November 17, 2011

Members of the Board of Education and
Residents of the Perry Local Schools

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Perry Local School District (the “School District”) for the fiscal year ended June 30, 2011. This CAFR includes an unqualified (“clean”) opinion from James G. Zupka, CPA, Inc. and conforms to generally accepted accounting principles as applicable to governmental entities. The responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, is with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner that is designed to present fairly the financial position of the School District for all operations. This report is intended to provide the taxpayers of Perry with the comprehensive financial data in a format that will enable them to gain a transparent understanding of the School District’s financial operations. Copies of the CAFR will be made available to the Perry Public Library, major taxpayers, other interested parties, and on the School District’s web site.

The School District

The Perry Local School District is located in a residential/agricultural suburban community in eastern Lake County approximately thirty-five miles east of Cleveland. The School District is comprised of three separate communities, including Perry Village, Perry Township, and North Perry Village.

Within the three communities, the School District educates 1,849 students in grades K-12 or over 95 percent of all school-age children within its jurisdiction. During the reporting period, the School District is comprised of one high school (grades 9-12), one middle school (grades 6-8), one intermediate school (grades 3-5) and one primary school (grades K-2). The four schools are contained in three buildings and are under one roof as part of an interconnected educational campus via a one mile corridor. Beyond the main campus, the School District owns two other school buildings, a transportation facility, and a maintenance facility. The appraised value of all School District properties (including land improvements, buildings and improvements, furniture and equipment, vehicles, and library and textbooks) is \$164,266,394 (net of depreciation) as of June 30, 2011.

The legislative power of the School District rests with the School District’s Board of Education which is comprised of five members elected on staggered four-year terms. The School District operates in accordance with the rules, regulations, policies, and/or laws provided by the Ohio State Board of Education, the Ohio Department of Education, and Ohio Revised Code.

The Reporting Entity

The School District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. In evaluating how to define the School District for financial reporting purposes, management has considered its relationship with all departments, boards, and agencies that make up the School District. For the School District, this includes general operations, food service, and student-related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District has no component units.

The School District participates in three jointly governed organizations and is associated with an insurance purchasing pool and a claims servicing pool. These organizations are the Ohio Schools' Council Association, the Lake Geauga Computer Association (LGCA), the Auburn Career Center, the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), and the Lake County Council of Governments Health Care Benefits (HCBP) Self Insurance Program. These organizations are presented in Notes 18, 19, and 20 to the basic financial statements.

Organizational Structure

The School District is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally elected Board of Education consisting of five members elected at-large for staggered four-year terms. The School District provides educational services as mandated by State and federal agencies.

The School District is located in Perry Village, Lake County, Ohio, and serves students legally residing in Perry Village, Perry Township, and North Perry Village. The area extends roughly 24 square miles. The School District is staffed by 90 non-teaching personnel, 134 certified/licensed teachers (including tutors), 14 exempt employees, and 9 administrative employees to provide services to 1,849 students, their parents/guardians, and our communities at large. The School District operates two elementary schools (K-5), one middle school (6-8) and one high school (9-12).

Economic Condition and Outlook

Ohio House Bill 920, passed in 1976, provides that the assessed value of residential and commercial property will not be changed more than once every three years, and that the property tax bill of the average homeowner for voted millage will not be increased as a result of reappraisal or readjustment. Due to this, school districts have needed to pursue a cycle of levies to continue revenue growth to cover even inflationary changes to expenses. The result of this legislation limits growth in local revenue.

Since the inception of the Perry Nuclear Power Plant, the School District has not needed to solicit a tax levy from its communities. However, as the power plant converts real property to personal property, and as personal property depreciates, the total valuation of the School District has eroded, and residential landowners have taken on a greater share of the tax burden. Additionally, with the enactment of deregulation legislation in 2001, the School District was set to lose approximately 40 percent of its revenue or approximately \$10 million in 2017. This outlook changed over the past year as the state budget bill called for an immediate reduction of 2 percent of district resources to this line item for FY2012 and FY2013. This reduction reduces the public utility reimbursement by over \$500,000 in each of these two years. No legislation is enacted for a period beyond FY2013, but both scenarios of a continued reduction or a reduction of the full remaining amount of these funds seem plausible. The School District has been and will continue to be in cost containment and reduction mode as

the current economic conditions have reduced property growth to negligible amounts. The School District administration and Board of Education members remain committed to demonstrating financial responsibility to local taxpayers by enacting long-range plans to account for the loss of School District revenue both in the current year and in 2017.

The Ohio legislature passed legislation to reduce tangible property taxes on business equipment and inventory. Effective July 1, 2005, with passage of House Bill 66, tangible property taxes were approved for a phase out. The reimbursement of this loss too was accelerated in the latest budget bill. The School District will lose over \$500,000 in FY2012, but will not lose beyond this period, as it will be completely phased out.

The School District's enrollment has remained relatively stable throughout the last decade, fluctuating only by about three percent, and is projected to remain relatively stable in census data available for the future. Trends are starting to develop in both the kindergarten and first grade enrollment numbers that signify a reduction to future average daily membership. As a result, additional revenue from the State of Ohio will be minimal given the current formula utilized to calculate State aid.

School District Local Funding

School District management will carefully control expenses during the coming years to continue to assure that revenues are adequate and spent in a fiscally responsible manner. Since 2007, the financial cycles illustrate that the School District has reduced approximately \$7 million in annual spending as determined from the FY2007 Five-Year Forecast. The School District continued its spending reductions to achieve the Board goal of reducing the per pupil expenditure to approximately \$12,500 for FY2010. Moving forward, in the 2012 school year, we will continue to maintain our cost per pupil goal, while also ensuring that School District expenditures do not exceed revenue generated.

Major Initiatives

The School District completed its planned demolition of a large portion of the Center Road East and West facilities and renovated the remaining transportation facility, and will be completing a district-wide paving project over the next couple of years. No other major construction initiatives are planned.

Ohio Report Card

The Ohio Report Card is issued in early fall of each school year. The report uses data from the previous school year to inform the public of the School District's success or failure on thirty grade-level indicators, student attendance rates, and the School District's graduation rate. The 2011 report card demonstrated that the School District achieved an "Excellent" rating by meeting every indicator. This marks the eighth consecutive year the School District has achieved an "Excellent" rating. School District personnel, parents/guardians, and our communities at large are very proud of the academic achievements of our students.

Federal Projects

The School District files applications for federal funds electronically utilizing the Consolidated Local Plan. This allows the Director of Curriculum to coordinate the application of the goals of the Comprehensive Continuous Improvement Plan. The School District continues to apply for all federal funds that the School District is eligible to receive. This includes Title I, Title II-A, Title II-D, Title IV, and Title VI-D. The School District adheres to the specific requirements associated to spending the federal dollars received.

Educational Programs and Facilities Improvement

The School District maintains a Permanent Improvement Fund for the purpose of maintaining the School District's facilities and making necessary improvements when and where applicable. As of June 30, 2011, the cash balance of the Permanent Improvement Fund was \$12,989,558. As the School District moves forward, these funds will pay for capital expenses throughout the School District and its facilities.

Financial Information

Internal Accounting and Budgetary Control

In developing the School District's accounting system, much consideration was given to the adequacy of internal accounting controls. 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 School District utilizes an automated accounting and payroll system as designed by the State software development team. An internal controls system for capital assets is provided by an outside company. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

Prior to the start of each fiscal year, the Board of Education adopts an appropriation measure for that fiscal year. The Board has the ability to adopt temporary appropriations prior to September 30 if permanent appropriations are not yet available. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor certifies that the Board of Education's appropriation measures, including any supplements or amendments, 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 of Education. Budgets are controlled at the fund level. All purchase order requests must be approved by the administrator responsible for that specific budget and the Superintendent before being certified by the Chief Financial Officer. Once completed, necessary funds are encumbered and purchase orders are released to vendors for processing. Requests that exceed the available appropriation are rejected until additional appropriations are secured via authorized budget transfer.

The Perry Board of Education approves all financial reports on a monthly basis.

Financial Condition

The School District prepares financial statements following GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. GASB Statement No. 34 creates basic financial statements for reporting on the School District’s financial activities as follows:

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 School District that are governmental and those that are considered business-type activities. The School District does not have any business-type activities.

Fund financial statements - these statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. 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. Proprietary and fiduciary funds use the accrual basis of accounting.

Statement of budgetary comparisons – these statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of the new reporting model, management, in conjunction with James G. Zupka, CPA, Inc., is responsible for preparing a Management’s Discussion and Analysis of the School District. This discussion follows the Independent Auditor’s Report, providing an assessment of the School District’s finances for 2011 and a comparison to performance in 2010 and analysis of resources available for the future. Because the discussion focuses on major funds, only the internal service fund is discussed briefly in this letter.

Long-term Financial Planning

The Five-Year Forecast of Revenue and Expenditures serves as a financial planning tool and the foundation for academic and business operations of the School District. The forecast provides the Board and community stakeholders with a blueprint addressing the financial needs required to serve the student population. Assumptions are an integral part of the forecast and represent what the School District believes are significant factors impacting the forecast. A key component of the forecast is the timeline for the School District to evaluate revenues and expenditures and the increase or decrease in unreserved fund balances over the next five years. An in-depth review and analysis of the Five-Year Forecast is performed annually.

Relevant Financial Policies

The School District maintains a policy to replace textbooks, technology, necessary supplies, vehicles and maintenance of the School District’s facilities on a regular basis in a cost efficient manner. Such replacement is provided for in both the general and capital projects fund. The Board of Education has maintained a cash position in the Capital Projects fund of at least \$12.5 million to provide for such future issues related to facility maintenance and technology.

Independent Audit

State statute requires the School District to be audited at least every two fiscal years by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent Auditor, James G. Zupka, CPA, Inc. was selected to render an opinion on the School District's financial statements as of and for the year ended June 30, 2011. The opinion appears at the beginning of the financial section of this report.

Acknowledgments

The publication of this Comprehensive Annual Financial Report is a significant step toward providing a transparent financial disclosure to the citizens of Perry and raising the professional standards for Perry Local School District's financial reporting.

It is the intent of this CAFR to enhance accountability of the School District's finances for the residents and provide School District stakeholders with a perspective of the School District's financial and demographic information.

Special appreciation is expressed to James G. Zupka, CPA, Inc. for assistance in the planning, designing and review of this financial report and the Perry Local School District's Finance Department support staff for researching and compiling data.

Finally, a sincere appreciation is extended to the five members of the School District's Board of Education for their ongoing support, feedback, and direction in governing the Perry Local School District.

Respectfully submitted,

A handwritten signature in black ink that reads "Lewis Galante". The signature is written in a cursive style and is positioned to the left of a vertical yellow line.

Lewis Galante, Chief Financial Officer

A handwritten signature in black ink that reads "Jack Thompson". The signature is written in a cursive style.

Dr. Jack Thompson, Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Perry Local School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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



Linda C. Dandson

President

Jeffrey R. Egan

Executive Director

PRINCIPAL OFFICIALS

JUNE 30, 2011

BOARD OF EDUCATION

Mrs. Suanne Sines..... President
Mrs. Carole Martin..... Vice President
Mr. Matt Farrell..... Member
Mrs. Ashley Hacking Member
Dr. Frank Sailors Member

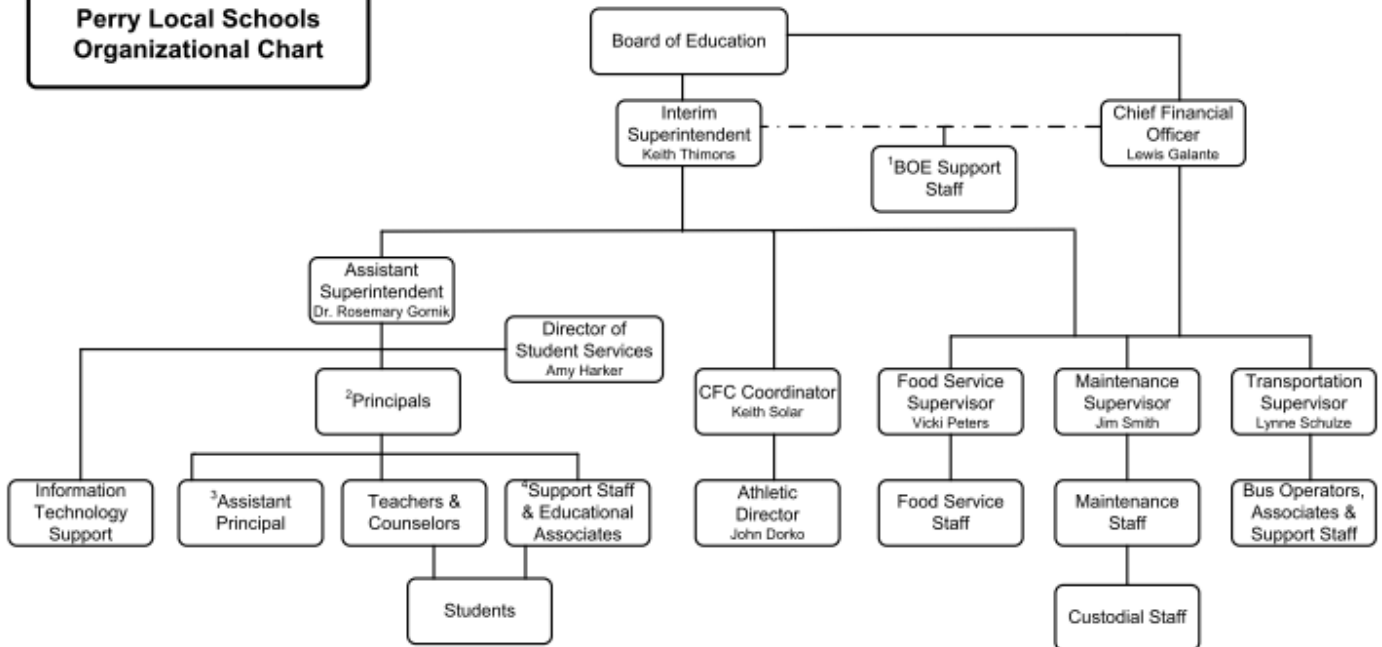
CHIEF FINANCIAL OFFICER

Mr. Lewis Galante

ADMINISTRATION

Mr. Keith Thimons Interim Superintendent
Dr. Rosemary Gornik Assistant Superintendent
Mrs. Amy Harker..... Director of Student Services

Perry Local Schools Organizational Chart



¹BOE Support Staff

Administrative Assistant: Pam DiPlacido
 Central Office Secretaries:
 Judy Church (Secretary to CFO, Purchasing)
 Susan Amos (Payroll/Benefits)
 Maureen Kovach (EMIS, Infinite Campus)
 Deb Kuhn (Secretary to Assistant Superintendent)
 Vicki Wojciechowski (Accounts Payable/Receivable)
 Robin Naughton (Secretary to Director of Student Services)
 Gina Deas (Receptionist)

²Principals

Perry High School: Robert Knisely
 Perry Middle School: Scott Hunt
 Perry Primary Elementary School: Jodi Poremba
 Perry Intermediate Elementary School: Shelley Pulling

³Assistant Principals

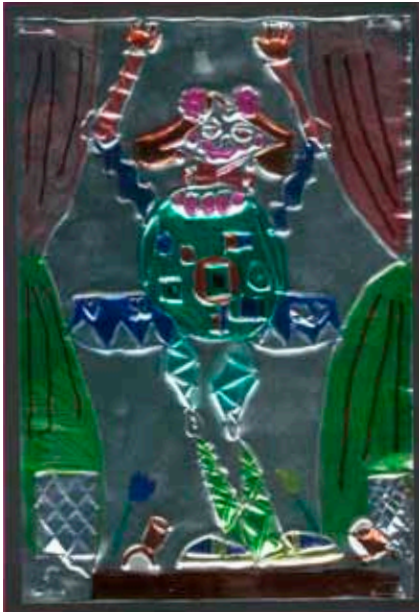
Todd Porcello

⁴Secretaries

Suzanne Tetonis/Linda Flenner
 Pat Shimko/Lynn Gossett
 Eileen Page/Sharon Chapman
 Patrice Carroll

June 30, 2011

FINANCIAL SECTION



Monica - Grade 2



Ryan - Grade 1



Heather - Grade 12

Perry Local School District, Lake County, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Education
Perry Local School District
Perry, Ohio

The Honorable Dave Yost
Auditor of State
State of Ohio

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Perry Local School District, Lake County, Ohio, as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Perry Local School District, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.


In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Perry Local School District, Ohio, as of June 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2011, on our consideration of the Perry Local School District, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Perry Local School District, Ohio's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.


James G. Zupka, CPA, Inc.
Certified Public Accountants

November 17, 2011

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2011

The management's discussion and analysis of the Perry Local School District's (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. The intent of the management's discussion and analysis is to look at the School 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 School District's financial performance.

Financial Highlights

Key financial highlights for 2011 are as follows:

- In total, net assets slightly decreased by \$134,586 or by 0.2 percent.
- General revenues accounted for \$27,515,996 or 92.6 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$2,201,005 or 7.4 percent of total revenues of \$29,717,001.
- Total assets of governmental activities remained relatively consistent with a slight increase over prior year. Total liabilities increased by \$240,450 as deferred revenue increased by \$1,071,202 and long-term liabilities decreased by \$953,534.
- The School District had \$29,851,587 in expenses related to governmental activities; only \$2,201,005 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily property taxes and grants and entitlements) of \$27,515,996 were inadequate to provide for these programs.
- Among major funds, the general fund had \$25,905,245 in revenues (including other financing sources) and \$22,831,231 in expenditures (including other financing uses). The general fund's fund balance increased to \$20,685,899 from \$17,611,885 (restated due to the implementation of GASB Statement No. 54). The permanent improvement capital projects fund decreased its fund balance to \$12,868,347 from \$14,261,089.

Using this Comprehensive Annual Financial Report (CAFR)

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 School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School 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 School District's most significant funds, with all other nonmajor funds presented in total in one column. In the case of the School District, the general fund is by far the most significant fund with the most activity. Additionally, the permanent improvement capital projects fund is significant due to the savings for future construction projects.

Reporting the School District as a Whole

Statement of Net Assets and Statement of Activities

While this document contains information about the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2011?” The Statement of Net Assets and Statement of Activities answer this question. These statements include all assets and all liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District’s property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors. On the other hand, financial factors may include the School District’s financial position, liquidity and solvency, fiscal capacity and risk and exposure.

In the Statement of Net Assets and Statement of Activities, the School District’s activities are classified as governmental activities:

- Governmental Activities - Most of the School District’s programs and services are reported here including instruction, supporting services, operation of non-instructional services and extracurricular activities.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

The analysis of the School District’s major funds begins on page 8. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The School District’s major governmental funds are the general fund and the permanent improvement fund.

Governmental Funds Most of the School 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 School District’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds The School District maintains one proprietary fund. Internal Service funds are an accounting device used to accumulate and allocate costs internally to the School District’s various functions. The School District uses an Internal Service fund to account for its medical self-insurance program. Because these services benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2011 compared to 2010:

Table 1 - Net Assets

	Governmental Activities	
	2011	2010
ASSETS		
Current and other assets	\$ 64,263,578	\$ 60,990,228
Capital assets, net	45,567,072	48,734,558
Total Assets	109,830,650	109,724,786
LIABILITIES		
Current and other liabilities	27,857,669	26,663,685
Long-term liabilities:		
Due within one year	693,195	1,137,342
Due in more than one year	3,096,717	3,606,104
Total Liabilities	31,647,581	31,407,131
NET ASSETS		
Invested in capital assets, net of related debt	44,047,353	47,091,662
Restricted	14,390,056	16,746,228
Unrestricted	19,745,660	14,479,765
Total Net Assets	\$ 78,183,069	\$ 78,317,655

Total assets increased \$105,864. Equity in pooled cash and cash equivalents and property taxes receivable increased by \$1,987,935 and \$1,311,529, respectively. These increases can be attributed to the School District's continued efforts in the reduction of expenses and projection of increased property taxes. Capital assets decreased \$3,167,486 due to annual depreciation of the School District's facilities exceeding capital additions.

Total liabilities decreased \$240,450. The decreases in the School District's liabilities can mainly be attributed to reductions in long-term liabilities.

Table 2 shows the changes in net assets for fiscal year 2011 and 2010.

Table 2 - Change in Net Assets

	Governmental Activities	
	2011	2010
REVENUES		
Program Revenues:		
Charges for services	\$ 1,094,723	\$ 1,061,416
Operating grants and contributions	1,106,282	817,455
Capital grants and contributions	-	73,100
Total Program Revenues	2,201,005	1,951,971
General Revenues:		
Property and other local taxes	14,892,402	14,805,151
Grants and entitlements	11,987,356	12,022,905
Investment income	137,071	176,980
All other revenues	499,167	815,620
Total General Revenues	27,515,996	27,820,656
Total Revenues	29,717,001	29,772,627
EXPENSES		
Program Expenses:		
Instruction	16,505,897	16,385,831
Supporting Services:		
Pupil and Instructional Staff	2,856,078	2,802,102
Board of Education, Administration, Fiscal and Business	2,373,247	2,792,428
Operation and Maintenance of Plant	4,185,579	4,287,297
Pupil Transportation	1,288,372	1,276,118
Central	20,091	24,042
Operation of Non-Instructional Services	1,142,138	1,316,950
Extracurricular Activities	1,429,181	1,324,495
Interest and Fiscal Charges	51,004	61,448
Total Expenses	29,851,587	30,270,711
Change in Net Assets	(134,586)	(498,084)
Net Assets - Beginning of Year	78,317,655	78,815,739
Net Assets - End of Year	\$ 78,183,069	\$ 78,317,655

Total revenues decreased slightly by \$55,626 or 0.2 percent as compared to fiscal year 2010. This decrease is mostly related to decreases other revenues, investment income, and capital grants and contributions offset by increases in charges for services, operating grants and contributions, and property taxes.

Total expenses decreased \$419,124 or 1.4 percent due to conscious district reductions that will assist in offsetting potential decreases in future revenues.

Governmental Activities

The School District has carefully planned its financial future by forecasting its revenue and expenses over the next five years. In May 2011, the School District submitted its revised five-year forecast to the Ohio Department of Education. Based upon the current five-year financial forecast, the School District has adequate operating funds for each of the next five years. Although the School District relies heavily upon local property taxes to support its operations, the School District does actively solicit and receive additional grant and entitlement funds to help offset some costs which made up 44.1 percent of revenues.

The School District's dependence upon property taxes is hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property and other local taxes made up 50.1 percent of revenues for governmental activities for the School District in fiscal year 2011.

Instruction comprises 55.3 percent of governmental program expenses. Supporting Services for pupils, instructional staff, and business operations encompasses an additional 35.9 percent. The remaining program expenses of 8.8 percent are expensed to facilitate other obligations of the School District, such as non-instructional services, extracurricular activities, and interest and fiscal charges.

The Statement of Activities shows the cost of program services and the charges for services and operating grants and contributions offsetting those services for 2011 and 2010. Table 3 shows the total cost for services for governmental activities and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3 - Governmental Activities

	Total Cost of Services 2011	Total Cost of Services 2010	Net Cost of Services 2011	Net Cost of Services 2010
Instruction	\$ 16,505,897	\$ 16,385,831	\$ 15,736,457	\$ 15,729,158
Supporting Services:				
Pupils and Instructional Staff	2,856,078	2,802,102	2,661,942	2,771,384
Board of Education, Administration, Fiscal, and Business	2,373,247	2,792,428	2,373,247	2,792,428
Operation and Maintenance of Plant	4,185,579	4,287,297	4,185,579	4,287,297
Pupil Transportation	1,288,372	1,276,118	1,270,356	1,184,793
Central	20,091	24,042	20,091	24,042
Operation of Non-Instructional Services	1,142,138	1,316,950	179,246	426,853
Extracurricular Activities	1,429,181	1,324,495	1,172,660	1,041,337
Interest and fiscal charges	51,004	61,448	51,004	61,448
Total cost of service	\$ 29,851,587	\$ 30,270,711	\$ 27,650,582	\$ 28,318,740

The dependence upon tax revenues for governmental activities is apparent. 92.6 percent of expenses are supported through taxes and other general revenues. The community, as a whole, is by far the primary support for the School District's students.

The School District's Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$29,317,828 (including other financing sources) and expenditures of \$27,695,678 (including other financing uses). The net change in fund balance for the year in the general fund experienced an increase of \$3,074,014 due to the School District's reduction in expenditures. In the permanent improvement capital projects fund, the net change in fund balance for the year decreased \$1,392,742 due to a number of capital related projects performed during the fiscal year.

General Fund Budgeting Highlights

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

During the course of fiscal year 2011, the School District amended its general fund budget numerous times, none significant. Fluctuations among the budget base expenditure categories are due to the School District site-based style of budgeting that is designed to tightly control expenditures but provide flexibility for managers to redirect funds as conditions develop during the year.

For the general fund, final budget basis revenue was \$26,618,098 (including other financing sources), which was higher than the original budget estimate. Overall revenue received by the general fund was less than the final budgetary projections by \$723,973 or 2.7 percent. Of this difference, a majority of the amount was due to the School District's real estate tax revenues and the collection of delinquent taxes being less than anticipated.

The final appropriations of \$25,504,130 (including other financing uses and prior year's encumbrances) were \$134,000 lower than the original appropriations. Actual expenditures plus outstanding encumbrances for the year were \$3,130,426 or 12.3 percent under general fund revised budgetary projections.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2011, the School District had \$45,567,072 invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles, and library and textbooks in governmental activities. Table 4 shows fiscal 2011 balances compared to 2010:

Table 4 - Capital Assets at June 30 (net of depreciation)

	Governmental Activities	
	2011	2010
Land	\$ 1,200,000	\$ 1,200,000
Construction in progress	568,403	250,908
Land Improvements	1,698,945	1,983,008
Buildings and Improvements	40,712,583	43,697,374
Furniture and Equipment	574,669	753,583
Vehicles	812,472	849,685
Total Capital Assets	\$ 45,567,072	\$ 48,734,558

Perry Local School District, Lake County

The primary decrease occurred in buildings and improvements. The decrease was due to the annual depreciation expense related to the buildings and improvements.

During fiscal year 2011, the School District purchased \$799,163 of capital assets. The significant additions to capital assets were made to construction in progress and vehicles. See Note 12 for additional information on capital assets.

Debt

At June 30, 2011, the School District had \$1,181,694 in a note outstanding. Table 5 summarizes the School District's debt outstanding.

Table 5 - Outstanding Debt at Year End

	Governmental Activities	
	2011	2010
2006 Energy Conservation Note	\$ 1,181,694	\$ 1,391,988
Capital Leases	-	65,179
Total Outstanding Debt	\$ 1,181,694	\$ 1,457,167

The 2006 energy conservation notes were issued for a ten year maturity life with an interest rate of 3.88 percent per annum. The proceeds were for renovating and otherwise improving energy conservation at the School District's facilities.

See Note 17 for additional information on long-term debt activity.

School District's Outlook

The School District has a strong financial position. The Board of Education and the administration closely monitor the School District's revenues and expenditures in accordance with its financial forecast and the School District's Continuous Improvement Plan.

The School District's financial future is not without challenges, though. The nature of school funding in Ohio severely restricts the growth in the School District's operating revenues and requires the School District to periodically seek additional funds from the taxpayers to offset rising operating costs.

In June 1999, the Ohio General Assembly passed Senate Bill 3 to deregulate the electric utility industry in Ohio. Under this legislation, the assessment rate on electric utility property was dramatically reduced but this School District will remain revenue neutral due to the Property Tax Replacement Fund. This fund derives its revenue from a special user's tax on electricity. The School District receives approximately \$10.16 million annually from this fund, however, it will sunset in 2017.

Financial aid from the State of Ohio through the State Foundation Program has not been the major source of operating revenue for the School District. Because the School District is considered a wealthy School District in terms of property values, it receives a relatively small amount of revenue from the State to fund operating expenditures.

As a result of the challenges mentioned above, the School District's administration continues to carefully plan its expenditures to provide adequate resources to meet student needs over the next several years. The administration and the School District's Task Force are currently reviewing all programs and services provided to students with the goal of reducing operating costs.

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 any questions about this report or need additional financial information, contact Lewis Galante, Chief Financial Officer at Perry Local School District, 4325 Manchester Avenue, Perry, Ohio 44081.

Basic Financial Statements

Statement of Net Assets

June 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 36,682,936
Property Taxes Receivable	26,998,164
Accounts Receivable	55,093
Accrued Interest Receivable	33,828
Intergovernmental Receivable	237,841
Materials and Supplies Inventory	197,551
Restricted Assets:	
Equity in Pooled Cash and Cash Equivalents	58,165
Nondepreciable Capital Assets	1,768,403
Depreciable Capital Assets	43,798,669
Total Assets	<u><u>109,830,650</u></u>
 LIABILITIES	
Accounts Payable	252,347
Contracts Payable	369,123
Accrued Wages and Benefits	1,690,609
Intergovernmental Payable	321,218
Accrued Interest Payable	10,049
Retainage Payable	30,697
Deferred Revenue	25,183,626
Long-term Liabilities:	
Due within one year	693,195
Due in more than one year	3,096,717
Total Liabilities	<u><u>31,647,581</u></u>
 NET ASSETS	
Invested in Capital Assets, Net of Related Debt	44,047,353
Restricted:	
Capital Projects	13,196,462
School Bus Purchase	58,165
State Funded Programs	46,408
Federally Funded Programs	52,205
Student Activities	136,450
Community Fitness Center	834,525
Other Purposes	65,841
Unrestricted	19,745,660
Total Net Assets	<u><u>\$ 78,183,069</u></u>

See accompanying notes to the basic financial statements.

Perry Local School District, Lake County

Statement of Activities

For the Fiscal Year Ended June 30, 2011

		Program Revenues		Net (Expense)
	Expenses	Charges for	Operating	Revenue and
		Services	Grants and	Changes in Net
			Contributions	Assets
Governmental activities:				
Instruction:				
Regular Instruction	\$ 14,105,672	\$ 53,114	\$ 197,693	\$ (13,854,865)
Special Instruction	633,158	28,523	215,780	(388,855)
Vocational Instruction	62,497	-	58,822	(3,675)
Other Instruction	1,704,570	-	215,508	(1,489,062)
Supporting Services:				
Pupils	1,474,901	-	-	(1,474,901)
Instructional Staff	1,381,177	-	194,136	(1,187,041)
Board of Education	97,586	-	-	(97,586)
Administration	1,393,757	-	-	(1,393,757)
Fiscal Services	674,297	-	-	(674,297)
Business	207,607	-	-	(207,607)
Operation and Maintenance of Plant Services	4,185,579	-	-	(4,185,579)
Pupil Transportation	1,288,372	18,016	-	(1,270,356)
Central	20,091	-	-	(20,091)
Operation of Non-Instructional Services:				
Food Service Operations	883,893	634,529	224,343	(25,021)
Community Services	177,849	104,020	-	(73,829)
Enterprise Operations	80,396	-	-	(80,396)
Extracurricular Activities	1,429,181	256,521	-	(1,172,660)
Interest and Fiscal Charges	51,004	-	-	(51,004)
Total Governmental activities	\$ 29,851,587	\$ 1,094,723	\$ 1,106,282	(27,650,582)
General Revenues:				
Property and Other Local Taxes levied for:				
General Purposes				13,699,919
Other Purposes				1,192,483
Grants & Entitlements not Restricted to Specific Programs				11,987,356
Investment Income				137,071
All Other Revenues				499,167
Total General Revenues				27,515,996
Change in Net Assets				(134,586)
Net Assets - Beginning of Year				78,317,655
Net Assets - End of Year				\$ 78,183,069

See accompanying notes to the basic financial statements.

Perry Local School District, Lake County

**Balance Sheet
Governmental Funds**

June 30, 2011

	<u>General</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 21,879,181	\$ 13,222,713	\$ 1,059,568	\$ 36,161,462
Materials and Supplies Inventory	186,430	-	11,121	197,551
Accrued Interest Receivable	22,894	10,934	-	33,828
Accounts Receivable	19,441	34,520	1,132	55,093
Interfund Receivable	116,389	-	-	116,389
Intergovernmental Receivable	-	-	237,841	237,841
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	58,165	-	-	58,165
Property Taxes Receivable	25,868,800	-	1,129,364	26,998,164
Total Assets	<u>\$ 48,151,300</u>	<u>\$ 13,268,167</u>	<u>\$ 2,439,026</u>	<u>\$ 63,858,493</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 211,148	\$ -	\$ 41,199	\$ 252,347
Accrued Wages and Benefits	1,592,387	-	98,222	1,690,609
Contracts Payable	-	369,123	-	369,123
Intergovernmental Payable	306,067	-	15,151	321,218
Retainage Payable	-	30,697	-	30,697
Interfund Payable	-	-	116,389	116,389
Deferred Revenue	25,355,799	-	1,259,664	26,615,463
Total Liabilities	<u>27,465,401</u>	<u>399,820</u>	<u>1,530,625</u>	<u>29,395,846</u>
Fund Balances:				
Nonspendable	186,430	-	11,121	197,551
Restricted	58,165	-	1,032,585	1,090,750
Committed	502,909	-	-	502,909
Assigned	368,715	12,868,347	-	13,237,062
Unassigned	19,569,680	-	(135,305)	19,434,375
Total Fund Balances	<u>20,685,899</u>	<u>12,868,347</u>	<u>908,401</u>	<u>34,462,647</u>
Total Liabilities and Fund Balances	<u>\$ 48,151,300</u>	<u>\$ 13,268,167</u>	<u>\$ 2,439,026</u>	<u>\$ 63,858,493</u>

See accompanying notes to the basic financial statements.

**Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities**

June 30, 2011

Total Governmental Fund Balances \$ 34,462,647

*Amounts reported for Governmental Activities in the Statement of Net Assets
are different because:*

Capital Assets used in Governmental Activities are not financial resources
and, therefore, are not reported in the funds 45,567,072

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

Property Taxes	\$ 1,305,257	
Intergovernmental	<u>126,580</u>	
Total		1,431,837

Internal Service funds are used by management to charge the costs
of certain activities, such as insurance to individual funds. The assets
and liabilities of the Internal Service fund are included in Governmental
Activities in the Statement of Net Assets. 521,474

Long-term liabilities are not due and payable in the current period and
therefore are not reported in the funds:

General Obligation Notes	(1,181,694)	
Compensated Absences	(2,608,218)	
Accrued Interest Payable	<u>(10,049)</u>	
Total		<u>(3,799,961)</u>

Net Assets of Governmental Activities **\$ 78,183,069**

See accompanying notes to the basic financial statements.

Perry Local School District, Lake County

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds**

For the Fiscal Year Ended June 30, 2011

	<u>General</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 13,410,657	\$ -	\$ 1,133,813	\$ 14,544,470
Intergovernmental	12,023,236	-	1,089,803	13,113,039
Interest	93,978	43,093	-	137,071
Tuition	77,661	-	-	77,661
Extracurricular Activities	21,062	-	135,970	157,032
Charges for Services	-	-	104,020	104,020
Contributions and Donations	79,463	-	23,208	102,671
Transportation Fees	18,016	-	-	18,016
Classroom Materials and Fees	24,552	-	-	24,552
Food Services	-	-	563,887	563,887
Miscellaneous	156,620	231,280	87,509	475,409
Total Revenues	<u>25,905,245</u>	<u>274,373</u>	<u>3,138,210</u>	<u>29,317,828</u>
EXPENDITURES				
Current:				
Instruction:				
Regular Instruction	9,909,474	239,581	904,504	11,053,559
Special Instruction	511,999	-	121,159	633,158
Vocational Instruction	30,996	-	47,856	78,852
Other Instruction	1,406,140	-	338,426	1,744,566
Supporting Services:				
Pupils	1,481,414	-	-	1,481,414
Instructional Staff	1,259,790	-	142,306	1,402,096
Board of Education	97,586	-	-	97,586
Administration	1,357,369	-	70,474	1,427,843
Fiscal Services	596,149	-	76,855	673,004
Business	219,907	-	-	219,907
Operation and Maintenance of Plant Services	3,681,986	-	141,008	3,822,994
Pupil Transportation	1,027,019	77,831	84,379	1,189,229
Central	20,091	-	-	20,091
Operation of Non-Instructional Services:				
Food Service Operations	-	-	880,902	880,902
Community Services	2,386	-	175,463	177,849
Enterprise Operations	66,623	-	13,773	80,396
Extracurricular Activities	1,094,761	-	200,227	1,294,988
Capital Outlay	499	1,087,420	-	1,087,919
Debt Service:				
Principal Retirement	65,179	210,294	-	275,473
Interest and Fiscal Charges	1,863	51,989	-	53,852
Total Expenditures	<u>22,831,231</u>	<u>1,667,115</u>	<u>3,197,332</u>	<u>27,695,678</u>
Net Change in Fund Balances	3,074,014	(1,392,742)	(59,122)	1,622,150
Fund Balances - Beginning of Year, Restated	17,611,885	14,261,089	967,523	32,840,497
Fund Balances - End of Year	<u>\$ 20,685,899</u>	<u>\$ 12,868,347</u>	<u>\$ 908,401</u>	<u>\$ 34,462,647</u>

See accompanying notes to the basic financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2011

Net Change in Fund Balances-Total Governmental Funds \$ 1,622,150

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Outlay	\$ 799,163	
Depreciation	<u>(3,966,649)</u>	
Total		(3,167,486)

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

Property Taxes	347,932	
Intergovernmental	<u>51,241</u>	
Total		399,173

Repayment of bond principal and capital leases are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 275,473

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	318,886	
Retirement Incentive	359,175	
Accrued Interest	<u>2,848</u>	
Total		680,909

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities. 55,195

Change in Net Assets of Governmental Activities \$ (134,586)

See accompanying notes to the basic financial statements.

Perry Local School District, Lake County

**Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
General Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Taxes	\$ 14,000,743	\$ 14,377,622	\$ 13,524,735	\$ (852,887)
Intergovernmental	11,890,061	11,890,061	12,023,236	133,175
Interest	85,078	85,078	86,031	953
Tuition	76,801	76,801	77,661	860
Contributions and Donations	544	544	550	6
Transportation Fees	17,816	17,816	18,016	200
Miscellaneous	278,009	150,491	144,211	(6,280)
Total Revenues	<u>26,349,052</u>	<u>26,598,413</u>	<u>25,874,440</u>	<u>(723,973)</u>
Expenditures				
Current:				
Instruction				
Regular	10,599,431	10,599,431	9,295,019	1,304,412
Special	736,448	736,448	644,762	91,686
Vocational	35,628	35,628	31,244	4,384
Other	1,659,022	1,659,022	1,453,475	205,547
Supporting Services				
Pupils	1,666,060	1,666,060	1,461,047	205,013
Instructional Staff	1,591,589	1,591,589	1,392,759	198,830
Board of Education	112,475	112,475	98,635	13,840
Administration	1,525,671	1,525,671	1,337,934	187,737
Fiscal Services	678,413	678,413	594,933	83,480
Business	248,535	248,535	217,951	30,584
Operation and Maintenance of Plant Services	4,229,548	4,229,548	3,709,091	520,457
Pupil Transportation	1,176,367	1,176,367	1,031,611	144,756
Central	33,621	33,621	29,484	4,137
Operation of Non-Instructional Services	247,015	113,015	112,599	416
Extracurricular Activities	1,097,738	1,097,738	962,661	135,077
Capital Outlay	569	569	499	70
Total Expenditures	<u>25,638,130</u>	<u>25,504,130</u>	<u>22,373,704</u>	<u>3,130,426</u>
Excess of Revenues Over Expenditures	<u>710,922</u>	<u>1,094,283</u>	<u>3,500,736</u>	<u>2,406,453</u>
Other Financing Sources				
Refund of Prior Year Expenditures	19,685	19,685	19,685	-
Total Other Financings Sources	<u>19,685</u>	<u>19,685</u>	<u>19,685</u>	<u>-</u>
Net Change in Fund Balance	730,607	1,113,968	3,520,421	2,406,453
Fund Balance - Beginning of Year	17,304,076	17,304,076	17,304,076	-
Prior Year Encumbrances Appropriated	269,809	269,809	269,809	-
Fund Balance - End of Year	<u>\$ 18,304,492</u>	<u>\$ 18,687,853</u>	<u>\$ 21,094,306</u>	<u>\$ 2,406,453</u>

See accompanying notes to the basic financial statements.

**Statement of Fund Net Assets
Proprietary Fund**

June 30, 2011

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 521,474
Total Assets	<u>521,474</u>
NET ASSETS	
Unrestricted	521,474
Total Net Assets	<u>\$ 521,474</u>

See accompany notes to the basic financial statements.

**Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Fund**

For the Fiscal Year Ended June 30, 2011

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Charges for Services	\$ 2,043,467
Total Operating Revenues	<u>2,043,467</u>
OPERATING EXPENSES	
Claims	1,988,272
Total Operating Expense	<u>1,988,272</u>
Change in Net Assets	55,195
Net Assets - Beginning of Year	466,279
Net Assets - End of Year	<u><u>\$ 521,474</u></u>

See accompany notes to the basic financial statements.

**Statement of Cash Flows
Proprietary Fund**

For the Fiscal Year Ended June 30, 2011

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 2,049,916
Cash Payments for Claims	(1,994,721)
Net Cash Provided by (Used in) Operating Activities	<u>55,195</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 55,195
 Cash and Cash Equivalents - Beginning of Year	 <u>466,279</u>
Cash and Cash Equivalents - End of Year	<u>\$ 521,474</u>

See accompanying notes to the basic financial statements.

**Statement of Fiduciary Net Assets
Fiduciary Funds**

June 30, 2011

	Private Purpose Trust	Agency Fund
Assets		
Equity in Pooled Cash and Cash Equivalents	\$ 6,123	\$ 60,744
Total Assets	6,123	\$ 60,744
Liabilities		
Due to Students	-	\$ 60,744
Total Liabilities	-	\$ 60,744
Net Assets		
Held in Trust for Scholarships	6,123	
Total Net Assets	\$ 6,123	

See accompanying notes to the basic financial statements.

**Statement of Changes in Fiduciary Net Assets
Fiduciary Fund**

For the Fiscal Year Ended June 30, 2011

	Private Purpose Trust
Additions	
Donations	\$ 908
Deductions	
Disbursements in Accordance with Trust	1,000
Change in Net Assets	(92)
Net Assets Beginning of Year	6,215
Net Assets End of Year	\$ 6,123

See accompanying notes to the basic financial statements.

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2011**

NOTE 1: DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Perry Local School District (the “School District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally elected five-member Board and provides education services as mandated by State or Federal agencies. The Board controls the School District’s three instructional facilities, staffed by 93.5 classified personnel, 134 certified full-time personnel, 14 exempt personnel, and 9 administrative employees to provide services to students and other community members.

Reporting Entity

The School District is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the School District are not misleading. The School District’s primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For the School District, this includes education, pupil transportation, food service, and maintenance of the School District’s facilities.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; (3) the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; (4) or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The reporting entity of the School District has no component units.

The School District participates in three jointly governed organizations, an insurance purchasing pool, and a claims servicing pool. These organizations are the Ohio Schools’ Council Association, the Lake Geauga Computer Association, the Auburn Career Center, the Ohio Association of School Business Officials Workers’ Compensation Group Rating Program and Lake County Council of Governments Health Care Benefits Self Insurance Program. These organizations are presented in Notes 18, 19, and 20, respectively, to the basic financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School 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 School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its government-wide and proprietary fund financial statements provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District’s accounting policies are described below.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Basis of Presentation

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

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule, the internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation.

The statement of net assets presents the financial condition of the governmental activities of the School District at fiscal year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, operating and/or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School 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 School District.

Fund Financial Statements

Fund financial statements are designed to present financial information of the School District at this more detailed level. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The School District's only internal service fund is presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by fund type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School 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 School District are grouped into the categories of 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 School District's major governmental funds are:

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting (Continued)

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 School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Permanent Improvement Fund - the permanent improvement fund is used to account for the receipts and expenditures related to the acquisition, construction or renovation of major capital facilities in the School District.

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

Proprietary Funds

The proprietary funds focus on the determination of operating income/loss, changes in net assets, financial position, and cash flows and are classified as either enterprise or internal service. The School District only has an internal service fund. The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounts for a self-insurance program which provides medical coverage to the School District's employees.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's fiduciary funds include a private purpose trust fund, which accounts for a college scholarship for students, and an agency fund, which accounts for student activities.

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the Statement of Net Assets. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus (Continued)

Fund Financial Statements

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. The proprietary funds and the 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.

Revenues - Exchange and Non-exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are 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 School District, available means expected to be received within sixty days of fiscal year end.

Non-exchange transactions, in which the School 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 (see Note 9). Revenues from grants, entitlements, and donations are 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 School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, grants, investment earnings, tuition, and rentals.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2011, but which were levied to finance fiscal year 2012 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenditures/Expenses

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the statement of revenues, expenditures, and changes in fund balances as an expenditure with a like amount reported as an intergovernmental revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

E. Equity in Pooled Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in the account or temporarily used to purchase short term investments. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During fiscal year 2011, investments were limited to a repurchase agreement, U.S. Government Agency notes, U.S. Government Agency Discount notes, U.S. Treasury Bills, a money market mutual fund, and STAROhio. 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 with maturities of one year or less are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2011.

Following Ohio statutes, the Board of Education has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2011 amounted to \$93,978, which includes \$81,842 assigned from other School District funds.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Equity in Pooled Cash and Cash Equivalents (Continued)

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

F. Restricted Assets

Assets are reported as restricted items when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets in the general fund represent amounts required by the State statute to be utilized for school bus purchases. See Note 23 for additional information regarding set-asides.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2011 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year which services are consumed.

H. Inventory

Inventories of the governmental funds are presented at the lower of cost or market on a first-in, first-out basis and expensed/expensed when used. Inventories consist of donated foods, purchased foods, school supplies held for resale and expendable supplies held for consumption.

I. Capital Assets

All capital assets of the School District are classified as general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported on the fund financial statements.

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

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

Description	Governmental Activities Estimated Lives
Land Improvements	20 years
Buildings and Improvements	10-50 years
Furniture and Equipment	5-10 years
Vehicles	10 years
Library and Textbooks	6 years

J. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables”. These amounts are eliminated in the governmental activities column of the statement of net assets.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination payment method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The liability is an estimate based on the School District’s past experience making termination 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 School District’s termination policy. The School District records a liability for accumulated unused sick leave for classified, certified, and administrative employees within the School District.

The entire compensated absence liability is reported on the government-wide financial statements. On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund or funds from which the employees who have accumulated the leave are paid.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from the internal service fund is reported on the internal service fund’s financial statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Accrued Liabilities and Long-Term Obligations (Continued)

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, claims and judgments and compensated absences 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. Capital lease obligations are recognized as a liability on the governmental fund financial statements when due.

M. Fund Balance

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

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not spendable in form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts would represent intended uses established by the School District’s Board of Education.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Balance (Continued)

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

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The amount restricted for school bus purchases includes state funds received for school bus purchases.

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

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are for the self-insurance program. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as non-operating.

P. Interfund Activity

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

Q. Estimates

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

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. As of June 30, 2011, there were no extraordinary or special items.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Board of Education at the fund level for all funds. The Treasurer has been given the authority to allocate the Board appropriations to the function and object levels.

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

Tax Budget

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing or increased tax rates. By no later than January 20, the Board-adopted budget is filed with the Lake County Budget Commission for rate determination.

Estimated Resources

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further 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 in the budgetary statements reflect the amounts in the amended certificate when the original appropriations were adopted.

The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2011.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Budgetary Data (Continued)

Appropriations

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certification saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any legal level of control. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education. The Board may pass supplemental fund appropriations provided the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. The amounts reported as the original budgeted amounts in the budgetary statements reflect the appropriation in the first complete appropriated budget, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On fund financial statements, encumbrances outstanding at year end are reported as part of the respective fund balance classification for subsequent year expenditures for governmental funds. Encumbrances outstanding at year end are not reported on government-wide financial statements.

Lapsing of Appropriations

At the close of each 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.

NOTE 3: CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2011, the School District has implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* and GASB Statement No. 59, *Financial Instruments Omnibus*.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The implementation of this Statement resulted in the reclassification of fund balances on the School District's governmental fund financial statements.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of this Statement did not have an effect on the School District's financial statements.

Perry Local School District, Lake County

NOTE 4: FUND BALANCES

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

Fund Balances	General	Permanent Improvement	Other Governmental Funds	Total
<i>Nonspendable</i>				
Inventories	\$ 186,430	\$ -	\$ 11,121	\$ 197,551
<i>Total Nonspendable</i>	<u>186,430</u>	<u>-</u>	<u>11,121</u>	<u>197,551</u>
<i>Restricted for</i>				
Community Fitness Center Operations	\$ -	\$ -	\$ 834,525	\$ 834,525
Special Levy			4,718	4,718
Athletics	-	-	136,450	136,450
Information System Improvements	-	-	9,819	9,819
Entry Year Programs	-	-	4,800	4,800
Data Communication	-	-	10,394	10,394
Professional Development	-	-	4,371	4,371
Student Intervention Services	-	-	15,493	15,493
Fiscal Stabilization	-	-	1,770	1,770
Limited English Proficiency Programs	-	-	3,468	3,468
Drug Abuse Education	-	-	2,654	2,654
Capital Improvements	-	-	139	139
School Bus Purchases	58,165	-	-	58,165
Other Grants	-	-	2,453	2,453
Other Purposes	-	-	1,531	1,531
<i>Total Restricted</i>	<u>58,165</u>	<u>-</u>	<u>1,032,585</u>	<u>1,090,750</u>
<i>Committed to</i>				
Termination Benefits	502,909	-	-	502,909
<i>Total Committed</i>	<u>502,909</u>	<u>-</u>	<u>-</u>	<u>502,909</u>
<i>Assigned to</i>				
Capital and Instructional Technology	-	12,868,347	-	12,868,347
Other Purposes	368,715	-	-	368,715
<i>Total Assigned</i>	<u>368,715</u>	<u>12,868,347</u>	<u>-</u>	<u>13,237,062</u>
<i>Unassigned (Deficit)</i>	19,569,680	-	(135,305)	19,434,375
Total Fund Balances	<u><u>\$ 20,685,899</u></u>	<u><u>\$ 12,868,347</u></u>	<u><u>\$ 908,401</u></u>	<u><u>\$ 34,462,647</u></u>

NOTE 5: PRIOR PERIOD ADJUSTMENT OF FUND BALANCES

Fund reclassifications are required in order to report funds in accordance with GASB Statement No. 54. The fund reclassification had the following effect on the School District's fund balances as previously reported:

	General	Other Governmental Funds
Fund Balance, June 30, 2010	\$ 16,365,922	\$ 2,213,486
Fund Reclassifications:		
Uniform School Supplies Fund	16,491	(16,491)
Special Rotary Fund	32,189	(32,189)
Public School Support Fund	65,382	(65,382)
Termination Benefits Fund	1,131,901	(1,131,901)
Restated Fund Balance, July 1, 2011	\$ 17,611,885	\$ 967,523

The fund reclassifications only impacted the governmental fund balances and did not impact governmental activities net assets.

NOTE 6: ACCOUNTABILITY AND COMPLIANCE

A. Accountability

Fund balances at June 30, 2011, included the following individual fund deficits:

	Fund Balance Deficits
<u>Nonmajor Special Revenue Funds</u>	
Food Service	\$ 35,748
IDEA, Part B Special Education	22,491
Title I, Disadvantaged Children/Targeted Assistance	24,958
IDEA, Preschool Grant for the Handicapped	2,108
Improving Teacher Quality	38,879

The fund deficits in the special revenue funds resulted from accrued liabilities. The general fund is liable for the deficits in these funds and will provide transfers when cash is required, not when accruals occur.

NOTE 6: **ACCOUNTABILITY AND COMPLIANCE** (CONTINUED)

B. Compliance

1 – Ohio Revised Code §5705.39 states that total appropriations from each fund shall not exceed the total estimated resources (estimated revenues plus unencumbered fund balances).

The following funds had final appropriations exceeding total estimated resources.

	Estimated Revenue Plus Unencumbered Balances	Final Appropriations	Excess
<u>Nonmajor Special Revenue Funds</u>			
IDEA, Preschool Grant for the Handicapped	\$ (7,447)	\$ 17,039	\$ (24,486)
Improving Teacher Quality	30,482	60,418	(29,936)

Management has indicated that appropriations and estimated resources will be closely monitored to ensure no future violations occur.

2 – Ohio Revised Code §5705.41(B) states that total expenditures plus outstanding encumbrances shall not exceed total appropriations from each fund.

The following funds had total expenditures plus outstanding encumbrances exceeding total final appropriations:

	Expenditures Plus Encumbrances	Final Appropriations	Variance
<u>Nonmajor Special Revenue Funds</u>			
School District Fiscal Stabilization	\$ 63,749	\$ 56,000	\$ (7,749)
Title II-D Technology Grant	635	-	(635)
Title III - Limited English Proficiency	8,512	7,800	(712)

Management has indicated that appropriations and corresponding expenditures will be closely monitored to ensure no future violations occur.

NOTE 6: ACCOUNTABILITY AND COMPLIANCE (CONTINUED)

B. Compliance (Continued)

3 – Ohio Revised Code §5705.10 states that money paid into a fund must be used only for the purposes for which such fund has been established. A negative fund cash balance indicates that money from one fund was used to cover expenses of another fund.

The following funds reported a negative unencumbered cash balance and did not meet the allowable exceptions permitted by Ohio Revised Code §3315.20:

	Negative Unencumbered Cash Balance
<u>Nonmajor Special Revenue Funds</u>	
Food Service	\$ 15,738
Title I, Disadvantaged Children/Targeted Assistance	38,994
IDEA, Preschool Grant for the Handicapped	16,223
Improving Teacher Quality	40,385

Although this violation was not corrected by year end, management has indicated that cash balances will be closely monitored to eliminate future violations.

NOTE 7: BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balances 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 Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) - for the general fund is 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 that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- C. Encumbrances are treated as expenditures (budget basis) rather than as a part of restricted, committed, and assigned fund balances (GAAP) basis; and
- D. Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

NOTE 7: BUDGETARY BASIS OF ACCOUNTING (CONTINUED)

Net Change in Fund Balance	
GAAP Basis	\$ 3,074,014
Net Adjustment for Revenue Accruals	121,907
Net Adjustments for Expenditure Accruals	31,009
Funds with Separate Legally Adopted Budgets	644,868
Adjustment for Encumbrances	(351,377)
Budget Basis	\$ 3,520,421

NOTE 8: DEPOSITS AND INVESTMENTS

State statutes classify monies held by the School District into three categories.

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

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

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

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligations or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty (30) days;

NOTE 8: **DEPOSITS AND INVESTMENTS** (CONTINUED)

4. Bonds or other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or division (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAROhio);
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty (180) days in an amount not to exceed twenty-five (25) percent of the interim monies available for investment at any one time; and
9. Under limited circumstances, corporate debt interest rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

The following disclosure is based on the criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*.

Cash on Hand

At June 30, 2011, the School District had \$900 in undeposited cash on hand, which is included on the balance sheet of the School District as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

At June 30, 2011, the carrying amount of the School District's deposits was \$(370,883), and the bank balance was \$223,986. A liability was not recorded for the negative carrying amount of deposits because there was no actual overdraft, due to the "zero balance" nature of the School District's bank accounts. All of the School District's bank balances were covered by Federal Depository Insurance.

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposit may not be returned. The School District had no deposit policy for custodial risk beyond the requirement of State statute. All deposits, except for deposits held by fiscal and escrow agents, are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the ORC, is held in financial institution pools at Federal Reserve banks, or at member banks of the Federal Reserve system in the name of the respective depository bank, and pledged as a pool of collateral against all of the public deposits it holds, or as specific collateral held at a Federal Reserve bank in the name of the School District. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

NOTE 8: DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The School District has a formal investment policy. The School District follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At June 30, 2011, fair value was \$12,889 above the School District's net cost for investments. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

	<u>Average Weighted Maturity</u>	<u>Fair Value</u>	<u>Credit Rating*</u>
Federal Home Loan Bank	1.55 yrs	\$ 11,208,782	AAA
Federal National Mtg. Assoc.	1.33 yrs	2,875,871	AAA
Federal Home Loan Mtg.	2.75 yrs	13,791,343	AAA
U.S. Treasury Bills	0.78 yr	2,362,118	AAA
Money Market Mutual Fund -			
First American Treasury	1 day	23,923	AAA
STAROhio	33 days	279,072	AAAm
Repurchase Agreement	1 day	6,636,842	N/A
		<u>\$ 37,177,951</u>	

* Credit ratings have been obtained from Standard & Poors

Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the School District's investment policy requires that operating funds be invested primarily in investments so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. To date, no investments have been purchased with a life greater than three years.

Credit Risk

The credit risks of the School District's investments are in the table above. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Bank notes, Federal National Mortgage Association notes, Federal Home Loan Mortgage notes, money market mutual fund and repurchase agreement are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

NOTE 8: DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer. The following is the School District's allocation as of June 30, 2011:

	<u>Percentage of Investments</u>
Federal Home Loan Bank	30.1%
Federal National Mtg. Assoc.	7.7%
Federal Home Loan Mtg.	37.1%
U.S. Treasury Bills	6.4%
Money Market Mutual Fund - First American Government	0.1%
STAROhio	0.7%
Repurchase Agreement	17.9%
	<u>100.0%</u>

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. As of June 30, 2011, the School District had no exposure to foreign currency risk.

NOTE 9: PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility, and certain tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2011 represents collections of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed value listed as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are paid 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.

Public utility property tax revenue received in calendar 2011 represents collections of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien December 31, 2009, were levied after April 1, 2010 and are collected in 2010 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

NOTE 9: PROPERTY TAXES (CONTINUED)

Tangible personal property tax revenue received in the School District’s fiscal year ended June 30, 2011 (other than public utility property) generally represents the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Calendar year 2010 is the last year for the collection of tangible personal property taxes from telephone companies. Payments by multi-county taxpayers are due September 20, 2010. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30, 2010; if paid semi-annually, the first payment is due April 30, 2010, with the remainder payable by September 20, 2010.

The School District receives property taxes from Lake County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property, and tangible personal property taxes which are measurable as of June 30, 2011, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2011, was \$513,001 in the general fund and \$4,718 in the special levy nonmajor special revenue fund.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which fiscal year 2011 taxes were collected are:

	2010 Second Half Collections		2011 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 297,018,260	64.08%	\$ 297,322,540	60.75%
Public Utility	166,246,910	35.87%	192,084,340	39.25%
Tangible Personal Property	236,240	0.05%	-	0.00%
Total Assessed Value	<u>\$ 463,501,410</u>	<u>100.00%</u>	<u>\$ 489,406,880</u>	<u>100.00%</u>
 Tax Rate per \$1,000 of Assessed Valuation	 \$ 44.20		 \$ 44.20	

NOTE 10: RECEIVABLES

Receivables at June 30, 2011, consisted of taxes, accounts, accrued interest, and intergovernmental grants. 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 year guarantee of Federal funds. All receivables are expected to be collected within one year. The School District had \$237,841 in intergovernmental receivables.

NOTE 11: LAKE COUNTY SCHOOL FINANCING DISTRICT

The Board of Education of the Lake County School District has, by a resolution adopted February 6, 1990, pursuant to Section 3311.50 of the Ohio Revised Code, created a county school financing district known as the Lake County School Financing District (the "Financing District") for the purpose of levying taxes for the provision of the following specified educational programs and services by the school districts that are part of the Financing District: the provision of necessary personnel, materials, supplies, and transportation for instruction in language arts, social studies, mathematics, fine and practical arts, health and physical education, science, and business education.

The Board of Education of the Lake County School District acts as the taxing authority of the Financing District pursuant to Section 3311.50 of the Ohio Revised Code. The Financing District receives settlements of taxes levied and distributes them within ten days to each of the member district's proportionate share of that tax settlement. Each member district's proportionate share is a fraction, the numerator being member district's total pupil population and the denominator being the aggregate pupil population of all member districts as of that date. Taxes collected by the Financing District available to the School District at June 30 are recorded as receivables and revenue for the current fiscal year. Uncollected taxes outstanding received by the Financing District within 60 days after the fiscal year are recorded as a receivable and deferred revenue for they are measurable but not available to the School District. The total receivable is included in the account "Taxes Receivable".

NOTE 12: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<u>Governmental Activities</u>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,200,000	-	-	\$ 1,200,000
Construction in Progress	250,908	627,383	(309,888)	568,403
<i>Total Capital Assets, not being depreciated</i>	<u>1,450,908</u>	<u>627,383</u>	<u>(309,888)</u>	<u>1,768,403</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	11,745,484	309,888	-	12,055,372
Building and Improvements	95,428,450	11,985	-	95,440,435
Furniture and Equipment	2,609,275	55,471	-	2,664,746
Vehicles	2,326,231	104,324	(105,676)	2,324,879
Library and text books	919,543	-	-	919,543
<i>Total Capital Assets, being depreciated</i>	<u>113,028,983</u>	<u>481,668</u>	<u>(105,676)</u>	<u>113,404,975</u>
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(9,762,476)	(593,951)	-	(10,356,427)
Building and Improvements	(51,731,076)	(2,996,776)	-	(54,727,852)
Furniture and Equipment	(1,855,692)	(234,385)	-	(2,090,077)
Vehicles	(1,476,546)	(141,537)	105,676	(1,512,407)
Library and text books	(919,543)	-	-	(919,543)
<i>Total Accumulated Depreciation</i>	<u>(65,745,333)</u>	<u>(3,966,649)</u>	<u>105,676</u>	<u>(69,606,306)</u>
Total Capital Assets being depreciated, Net	<u>47,283,650</u>	<u>(3,484,981)</u>	<u>-</u>	<u>43,798,669</u>
Governmental Activities' Capital Assets, Net	<u>\$ 48,734,558</u>	<u>\$ (2,857,598)</u>	<u>\$ (309,888)</u>	<u>\$ 45,567,072</u>

NOTE 12: CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 3,631,216
Vocational	8,526
Support Services:	
Instructional Staff	3,045
Administration	8,121
Business	678
Operation and Maintenance of Plant	47,704
Pupil Transportation	121,365
Operation of Non-Instructional Services:	
Food Services	8,065
Extracurricular Activities:	
Sport Oriented Activities	137,929
Total Depreciation Expense	<u><u>\$ 3,966,649</u></u>

NOTE 13: RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The School District is a member of the Ohio Schools Council Insurance Company property and fleet insurance purchasing group. On behalf of member school districts, the Ohio Schools Council prepares specifications and solicits quotations from insurance companies. The School District fleet was insured with the Ohio School Plan since April, 2008 with a \$1,000,000 liability limit per loss. The Ohio School Plan also carried the property insurance (which includes inland, marine, earthquake and crime), and also covered the boilers and machinery.

Additionally, since school districts are not protected by the doctrine of sovereign immunity, the School District contracted with the Ohio School Plan (through the Ohio School Boards Association/Nationwide Ohio Educational Liability Insurance program) for coverage with limits of liability of \$2,000,000 per claim and \$2,000,000 aggregate to insure the School District, the Board, all Board members, all administrators, certified and classified employees and volunteers.

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from last year.

NOTE 13: **RISK MANAGEMENT (CONTINUED)**

B. Workers' Compensation

For fiscal year 2011, the School District participated in a Group Rating Program (GRP), an insurance purchasing pool (Note 19). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP.

A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley UniComp provides administrative, cost control and actuarial services to the GRP. Each year the School District pays an enrollment fee to the Plan to cover costs of administering the program.

C. Employee Insurance Benefits

The School District provides medical coverage to employees through premium payments to the Lake County Council of Governments Health Care Benefits Program (see Note 20 for further details).

NOTE 14: **PENSION PLANS**

A. State Teachers Retirement System

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad Street, Columbus, Ohio 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio website at www.strsoh.org.

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

NOTE 14: **PENSION PLANS (CONTINUED)**

A. State Teachers Retirement System (Continued)

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Ohio Revised Code. Any member may retire who had (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the retirement allowance is based on years of credited service and final average salary, which is the average of the members’ three highest salary years. The annual allowance is calculated by using a base percentage of 2.20 percent multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.50 percent with an additional one-tenth of a percent added to the calculation for every year over 31 years (2.60 percent for 32 years, 2.70 percent for 33 years and so on) until 100.00 percent of the final average salary is reached. For members with 35 or more years of Ohio contributing services, the first 30 years will be calculated at 2.50 percent instead of 2.20 percent. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits - Benefits are established under Sections 3307.80 to 3307.89 of the Ohio Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.50 percent are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. Employer contributions into members’ accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the members’ designated beneficiary is entitled to receive the members’ account balance.

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

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

Benefits are increased annually by 3.00 percent of the original base amount for DB Plan participants.

NOTE 14: PENSION PLANS (CONTINUED)

A. State Teachers Retirement System (Continued)

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

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

For fiscal year ended June 30, 2010 (the latest information available), members were required to contribute 10.00 percent of their annual covered salary and the School District was required to contribute 14.00 percent. Member and employer contributions were established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10.00 percent for members and 14.00 percent for employers provided by Chapter 3307 of the Ohio Revised Code. Of the 14.00 percent contributed by the School District, 13.00 percent was the portion used to fund pension obligations.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010, and 2009 were \$1,257,051, \$1,262,544, and \$1,250,217, respectively; 87.59 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. Member and employer contributions actually made for the Defined Contribution and Combined Plan participants will be provided upon written request.

B. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability, and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained on SERS' website at www.ohsers.org under *Employer/Audit Resources*.

Funding Policy - Plan members are required to contribute 10.00 percent of their annual covered salary and the School District is required to contribute 14.00 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare Part B Fund, and the Health Care Fund) of the System. For fiscal year ending June 30, 2011, the allocation to pension and death benefits is 11.81 percent. The remaining 2.19 percent of the 14.00 percent employer contribution rate is allocated to the Health Care and Medicare Part B funds. The School District's pension contributions to SERS for the years ended June 30, 2011, 2010, and 2009 were \$457,578, \$521,395, and \$361,722, respectively; 95.32 percent has been contributed for fiscal year 2011 and 100 percent for fiscal year 2010 and 2009.

NOTE 15: POST-EMPLOYMENT BENEFITS

A. State Teachers Retirement System

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

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

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

Funding Policy - Under Ohio law funding for post-employment health care may be deducted from employer contributions. Of the 14.00 percent employer contribution rate, 1.00 percent of covered payroll was allocated to post-employment health care for years ended June 30, 2010, 2009 and 2008 (the latest information available). For the fiscal years ended June 30, 2011, 2010, and 2009, the School District's contributions to post-employment health care were \$96,696, \$97,119, and \$96,171, respectively; 87.59 percent has been contributed for 2011 and 100 percent for fiscal years 2010 and 2009.

B. School Employees Retirement System

Plan Description – In addition to the cost-sharing multiple-employer defined benefit pension plan described in Note 14, SERS administers two postemployment benefit plans.

Medicare Part B Plan - The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2011 was \$96.40 for most participants, but could be as high as \$369.10 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare Part B Fund. For fiscal year 2011, the actuarially required allocation is 0.76 percent. For the fiscal years ended June 30, 2011, 2010, and 2009, the School District's contributions to the Medicare Part B Plan were \$29,446, \$31,006, and \$29,845, respectively; 95.32 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

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

NOTE 15: POST-EMPLOYMENT BENEFITS (CONTINUED)

B. School Employees Retirement System (Continued)

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

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code § 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14.00 percent contribution to the Health Care Fund. For the year ended June 30, 2011, the health care allocation is 1.43 percent. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. State law provides that no employer shall pay a health care surcharge greater than 2.00 percent of that employer's SERS covered payroll; nor may SERS collect in aggregate more than 1.50 percent of the total statewide SERS covered payroll for the health care surcharge. For fiscal year 2011, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14.00 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contributions assigned to health care for the years ended June 30, 2011, 2010 and 2009 were \$114,674, \$78,633, and \$226,689, respectively; 95.32 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

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

The financial reports of SERS' Health Care and Medicare B plans are included in its Comprehensive Annual Financial Report. The report can be obtained on SERS' website at www.ohsers.org under *Employers/Audit Resources*.

NOTE 16: OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation, personal, and sick leave benefits are derived from negotiated agreements and State laws. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and other nine month employees do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, an employee is paid for up to 50 percent of accumulated sick days up to a maximum of 270 accumulated sick days.

B. Retirement Incentive Plan

The School District offered employees participation in a one-time two-year Early Retirement Incentive Plan (the Plan). Participation was open to eligible employees under the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS). The Plan allows the School District to pay the cost, as determined by STRS and SERS, of two years of eligible service credit for each eligible employee. To participate in the Plan, each eligible employee had to submit an irrevocable letter of resignation to the School District during the period February 1, 2009 through February 28, 2009, specifying the employee's date of retirement effective between June 8, 2009 and June 12, 2010. Seventeen eligible employees elected to participate in the Plan. As of the fiscal year end 2011, the School District has fully met the obligations of the Plan.

NOTE 17: LONG-TERM OBLIGATIONS

Changes in long-term obligations of the School District during fiscal year 2011 were as follows:

	Principal Outstanding June 30, 2010	Additions	Reductions	Principal Outstanding June 30, 2011	Due in One Year
Governmental Activities					
<u>General Obligation Notes</u>					
2006 Energy Conservation Note, \$2,156,818, 3.88%	\$ 1,391,988	\$ -	\$ 210,294	\$ 1,181,694	\$ 218,532
<u>Other Long-term Obligations</u>					
2008 Capital Lease, \$188,400	65,179	-	65,179	-	-
Retirement Incentive	359,175	-	359,175	-	-
Compensated Absences	2,927,104	213,810	532,696	2,608,218	474,663
Total Other Long-term Obligations	<u>3,351,458</u>	<u>213,810</u>	<u>957,050</u>	<u>2,608,218</u>	<u>474,663</u>
Total Governmental Activities	<u>\$ 4,743,446</u>	<u>\$ 213,810</u>	<u>\$ 1,167,344</u>	<u>\$ 3,789,912</u>	<u>\$ 693,195</u>

On March 30, 2006, the School District entered into a 10-year installment payment agreement with Citimortgage, Inc. for \$2,156,818, bearing interest at the rate of 3.88 percent per annum. The proceeds were used for the purpose of renovating and otherwise improving energy conservation at the School District's facilities. The annual debt service payments are paid out of the permanent improvement capital projects fund.

In fiscal year 2008, the School District obtained a capital lease in the amount of \$188,400, bearing an interest rate of 3.80 percent per annum. This lease matured in fiscal year 2011 and the final debt service requirement was made during the year from the School District's general fund. The lease was used to finance the purchase of 200 computers for students.

The retirement incentives were paid out of the general fund and compensated absences will be paid from the general fund.

Principal and interest requirements to retire general obligation debt outstanding as of June 30, 2011 are as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 218,532	\$ 43,751	\$ 262,283
2013	227,094	35,189	262,283
2014	235,990	26,293	262,283
2015	245,236	17,047	262,283
2016	254,842	7,441	262,283
Total	<u>\$ 1,181,694</u>	<u>\$ 129,721</u>	<u>\$ 1,311,415</u>

NOTE 18: JOINTLY GOVERNED ORGANIZATIONS

A. Ohio Schools' Council Association

The Ohio Schools' Council Association (Council) is a jointly governed organization among one hundred twenty-one school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board meets monthly September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2011, the School District paid \$1,266 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the Council's prepaid natural gas program. The Council provides participating school districts the ability to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. There are currently 137 districts in the Program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The School District also participates in the Council's electric purchase program. The Council provides 238 school districts and 11 MR/DD boards in the First Energy territory (Cleveland Electric Illuminating, Ohio Edison, Toledo Edison) the ability to purchase electricity at reduced rates if the school district committed to participating in either a thirty-six month (Cleveland Electric Illuminating Company) or a forty-four month (Ohio Edison and Toledo Edison) program beginning either May 1, 2005 or January 1, 2006 and ending December 31, 2009. Each month, the Council invoices participants based on estimated usage that was determined when the program was established. Each September, these estimated payments are compared to their actual usage for the year (July to June). Refund checks are issued to districts that consumed less than their projected usage of electrical energy and districts that over-consumed are invoiced.

B. Lake Geauga Computer Association

The Lake Geauga Computer Association (the LGCA) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS, and other applications to its eighteen member school districts. Each of the districts supports LGCA based upon a per pupil charge. The School District contributed \$23,627 to LGCA during fiscal year 2011. The Executive Committee (Governing Board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the Governing Board. LGCA's continued existence is not dependent on the School District's continued participation. LGCA is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit or burden on the School District. Financial information can be obtained by contacting the Treasurer at the Geauga County Educational Service Center, who serves as the fiscal agent, at 470 Center Street, Chardon, Ohio 44024.

NOTE 18: JOINTLY GOVERNED ORGANIZATIONS (CONTINUED)

C. Auburn Career Center

The Auburn Career Center is a joint vocational school district which is a jointly governed board appointment organization among eleven school districts. Each participating school district appoints one member to the Auburn Career Center's Board of Education. The students of each participating school district may attend classes offered at the vocational facility. Each participant's control over the operation of the Auburn Career Center is limited to its representation on the Board. The Auburn Career Center receives 1.5 mills of the School District's property tax, which is paid to the Auburn Career Center directly by Geauga County. No other contribution by the School District is required. Continued existence of the Auburn Career Center is not dependent on the School District's continued participation. Financial information can be obtained from 8140 Auburn Road, Painesville, Ohio 44077.

NOTE 19: INSURANCE PURCHASING POOL

The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP) was established through the Ohio Association of School Business Officials (OASBO) as a group purchasing pool. The Executive Director of the OASBO, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 20: CLAIMS SERVICING POOL

The School District participates in the Lake County Council of Governments Health Care Benefits (HCBP) Self Insurance Program, a claims servicing pool comprised of nine Lake County school districts organized under Chapter 167 of the Ohio Revised Code. Each school district has a representative on the assembly (usually the superintendent or a designee). Each member pays an administrative fee to the pool. The plan's business and affairs are conducted by a five-member Board of Directors elected by the HCBP's assembly. The assembly elects officers for one-year terms to serve on the Board of Directors. The School District pays a monthly contribution, which is placed in a common fund from which claim payments are made for all members. The Council is a separate and independent entity governed by its own set of bylaws and constitution. All assets and liabilities are the responsibility of the Council. The program is operated as a full indemnity program with no financial liability (other than the monthly premiums) or risk to the School District. The Council shall pay the run out of all claims for a withdrawing member. Any member which withdraws from the Council pursuant to the program agreement shall have no claim to the Council's assets.

NOTE 21: CONTINGENCIES

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2011.

NOTE 21: CONTINGENCIES (CONTINUED)

B. Litigation

The School District is party to legal proceedings. The School District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the School District.

NOTE 22: INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of June 30, 2011, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental Funds	\$ 116,389

On the fund financial statements, the general fund reported an interfund receivable and the nonmajor governmental funds reported interfund payable of \$116,389. The general fund provided loans to the nonmajor governmental funds in the amount of \$116,389. These loans from the general fund were made to eliminate the negative cash balances in the food service fund, education jobs fund, title II-D technology grant fund, title I – disadvantaged children/targeted assistance fund, the idea, preschool grant for the handicapped fund, and the improving teacher quality fund. The general fund provided temporary funding for the nonmajor governmental funds until funds are received from the grantor. These loans will be repaid within one year.

NOTE 23: SET-ASIDE REQUIREMENTS

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years.

The following cash basis information describes the changes in the fiscal year end set-aside amounts for textbooks, capital acquisition, and budget stabilization. Disclosure of this information is required by State statute.

	Textbooks & Instructional Materials Reserve	Capital Improvements Reserve
Set-Aside Reserve Balance, as of June 30, 2010	\$ (6,743,111)	\$ -
Current Year Set-Aside Requirements	293,446	293,446
Qualifying Disbursements	(256,924)	(1,500,985)
Total	\$ (6,706,589)	\$ (1,207,539)
 Set-Aside Balance, as of June 30, 2011, and carried forward to future fiscal years	 \$ (6,706,589)	 \$ -

NOTE 23: SET-ASIDE REQUIREMENTS (CONTINUED)

The School District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This amount may be used to reduce the set-aside requirements for future years. Although the School District had qualifying disbursements during the year that reduced the capital improvements set-aside amount below zero, these extra amounts may not be used to reduce the set-aside requirement in future fiscal years.

In addition to the above statutory reserves, the School District also received monies restricted for school bus purchases. As of June 30, 2011, the amount restricted for school bus purchases presented in the governmental funds was \$58,165.

NOTE 24: OTHER COMMITMENTS

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of June 30, 2011, the School District's commitments for encumbrances in the governmental funds were as follows:

	<u>Encumbrances Outstanding</u>
General	\$ 287,266
Permanent Improvement	514,038
Nonmajor Governmental	26,984
Total	<u>\$ 828,288</u>

**COMBINING STATEMENTS OF
INDIVIDUAL FUND SCHEDULES**

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for an report the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted or committed for specified purposes other than debt service or capital projects. A description of the School District's nonmajor special revenue funds follow:

Food Service - This fund accounts for the provision of food service to the School District.

Uniform School Supplies - This fund accounts for the purchase of necessary supplies, materials, or other school related items above those items provided for general instruction, paid for by students. As a result of the School District's implementation of GASB Statement No. 54, this fund has been combined with the General Fund on the governmental fund financial statements. This fund is a separate legally adopted budget and has not been combined with the General Fund on the budgetary statement and schedules.

Special Rotary – This fund accounts for field trip collections within the School District. As a result of the School District's implementation of GASB Statement No. 54, this fund has been combined with the General Fund on the governmental fund financial statements. This fund is a separate legally adopted budget and has not been combined with the General Fund on the budgetary statement and schedules.

Public School Support - This fund is used for the general support of the school building, staff, and students. As a result of the School District's implementation of GASB Statement No. 54, this fund has been combined with the General Fund on the governmental fund financial statements. This fund is a separate legally adopted budget and has not been combined with the General Fund on the budgetary statement and schedules.

Other Grants – This fund accounts for monies received to promote community involvement and to support activities between the School District and community.

Special Enterprise – This fund accounts for the operation of the Community Fitness Center funded through charges for services from families and corporations.

Special Levy – This fund accounts for the taxes levied by the Lake County School Financing District for the provision of the following specified educational programs and services by the school districts that are part of the Financing District: the provision of necessary personnel, materials, supplies, and transportation for instruction in language arts, social studies, mathematics, fine and practical arts, health and physical education, science, and business education.

Termination Benefits – This fund accumulated funds to pay termination benefits to eligible employees. As a result of the School District's implementation of GASB Statement No. 54, this fund has been combined with the General Fund on the governmental fund financial statements. This fund is a separate legally adopted budget and has not been combined with the General Fund on the budgetary statement and schedules.

District Managed Student Activity - This fund is used to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund includes all athletic programs, except supplemental coaching contacts, and accounts for revenues and costs of the School District's athletic programs.

Management Information Systems - This fund is used to account for revenue provided by the State of Ohio to be used solely for costs associated with the requirements of the education management information system required by Senate Bill 140.

Entry Year Teachers - This fund is used to implement entry-year programs pursuant to Division (T) of Section 3317.024 of the Ohio Revised Code.

Data Communication - This fund is used to account for money appropriated for Ohio Educational Computer Network Connections.

School Net Professional Development - This fund was established to provide training for teachers to become practitioners. This fund is provided to account for a limited number of professional development subsidy grants.

Ohio Reads Grant - This fund was established to provide funds to improve reading outcomes, especially on the fourth grade reading proficiency test, and for volunteer coordinators in public school buildings, for education service centers for costs associated with volunteer coordination, for background checks for volunteers, to evaluate the Ohio Reads Program, and for operating expenses associated with administering the program.

Summer School Intervention - This fund accounts for summer intervention services satisfying criteria defined in Division (E) of Section 2318.608 of the Ohio Revised Code.

Miscellaneous State Grants - This fund is used to account for various monies received from state agencies which are not classified elsewhere. A separate special cost center must be used for each grant and approved by the Auditor of State.

Education Jobs – This fund was established to provide compensation and benefits and other expenses, such as support services necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary or secondary educational and related services.

IDEA, Part B Special Education, Education of Handicapped Children - The purpose of this Federal program is to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

School District Fiscal Stabilization – The purpose of this Federal program is to support and restore state funding for elementary, secondary, post-secondary education and as applicable early childhood programs.

Title II-D – Technology Grants – This fund was established to improve State academic achievement through technology in schools; to assist students in becoming technologically literate by the end of eighth grade, and; to encourage effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

Title III – Limited English Proficiency – The purpose of this Federal program is to provide funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Title I - Disadvantaged Children/Targeted Assistance - This fund is used to provide financial assistance to state and local educational agencies to meet the special needs of educationally deprived children.

Title V – Innovative Education Programs - This fund is used to consolidate various programs into a single authorization of grants to states for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

Drug-Free Schools Grant - This fund provides funds to local educational agencies and consortia of these agencies to establish, operate, and improve local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools, and to engage in development, training, technical assistance, and coordination activities.

IDEA – Preschool Grant for the Handicapped – The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Improving Teacher Quality - This fund is used to account for monies to hire additional classroom teachers in grades 1 through 3 so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants - This fund is used to account for various monies received through state agencies from the Federal government or directly from the Federal government. This program is to provide individual instructions to first and second grade students in the academic area of reading and math, with the assistance of a trained group of adult volunteers using appropriate service training activities.

Nonmajor Capital Projects Fund

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 (other than those financed by proprietary funds). Following is a description of the nonmajor capital projects funds:

School Net - This fund is used to account for monies received by the State of Ohio for the purpose of purchasing computers for K-4 grades.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Private Purpose Trust Fund

Private Purpose Trust Scholarship - This fund accounts for scholarships provided to students.

Agency Fund

Student Activities Fund - This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

Perry Local School District, Lake County

**Combining Balances Sheet
Nonmajor Governmental Funds
June 30, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 1,059,429	\$ 139	\$ 1,059,568
Materials and Supplies Inventory	11,121	-	11,121
Accounts Receivable	1,132	-	1,132
Intergovernmental Receivable	237,841	-	237,841
Property Taxes Receivable	1,129,364	-	1,129,364
Total Assets	\$ 2,438,887	\$ 139	\$ 2,439,026
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 41,199	\$ -	\$ 41,199
Accrued Wages and Benefits	98,222	-	98,222
Intergovernmental Payable	15,151	-	15,151
Interfund Payable	116,389	-	116,389
Deferred Revenue	1,259,664	-	1,259,664
Total Liabilities	1,530,625	-	1,530,625
Fund Balances:			
Nonspendable	11,121	-	11,121
Restricted	1,032,446	139	1,032,585
Unassigned	(135,305)	-	(135,305)
Total Fund Balances	908,262	139	908,401
Total Liabilities and Fund Balances	\$ 2,438,887	\$ 139	\$ 2,439,026

Perry Local School District, Lake County

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 1,133,813	\$ -	\$ 1,133,813
Intergovernmental	1,089,803	-	1,089,803
Extracurricular Activities	135,970	-	135,970
Charges for Services	104,020	-	104,020
Contributions and Donations	23,208	-	23,208
Food Services	563,887	-	563,887
Miscellaneous	87,509	-	87,509
Total Revenues	<u>3,138,210</u>	<u>-</u>	<u>3,138,210</u>
EXPENDITURES			
Current:			
Instruction:			
Regular Instruction	904,504	-	904,504
Special Instruction	121,159	-	121,159
Vocational Instruction	47,856	-	47,856
Other Instruction	338,426	-	338,426
Supporting Services:			
Instructional Staff	142,306	-	142,306
Administration	70,474	-	70,474
Fiscal Services	76,855	-	76,855
Operation and Maintenance of Plant Services	141,008	-	141,008
Pupil Transportation	84,379	-	84,379
Central	-	-	-
Operation of Non-Instructional Services:			
Food Service Operations	880,902	-	880,902
Community Services	175,463	-	175,463
Enterprise Operations	13,773	-	13,773
Extracurricular Activities	200,227	-	200,227
Total Expenditures	<u>3,197,332</u>	<u>-</u>	<u>3,197,332</u>
Net Change in Fund Balances	(59,122)	-	(59,122)
Fund Balances - Beginning of Year, Restated	967,384	139	967,523
Fund Balances - End of Year	<u>\$ 908,262</u>	<u>\$ 139</u>	<u>\$ 908,401</u>

Perry Local School District, Lake County

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011**

	<u>Food Service</u>	<u>Other Grants</u>	<u>Special Enterprise</u>	<u>Special Levy</u>	<u>District Managed Student Activity</u>
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 2,453	\$ 849,345	\$ -	\$ 137,730
Materials and Supplies Inventory	11,121	-	-	-	-
Accounts Receivable	-	-	524	-	608
Intergovernmental Receivable	29,653	-	-	-	-
Property Taxes Receivable	-	-	-	1,129,364	-
Total Assets	<u>\$ 40,774</u>	<u>\$ 2,453</u>	<u>\$ 849,869</u>	<u>\$ 1,129,364</u>	<u>\$ 138,338</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 22,714	\$ -	\$ 15,344	\$ -	\$ 1,888
Accrued Wages and Benefits	31,018	-	-	-	-
Intergovernmental Payable	6,817	-	-	-	-
Interfund Payable	7,535	-	-	-	-
Deferred Revenue	8,438	-	-	1,124,646	-
Total Liabilities	<u>76,522</u>	<u>-</u>	<u>15,344</u>	<u>1,124,646</u>	<u>1,888</u>
Fund Balances:					
Nonspendable	11,121	-	-	-	-
Restricted	-	2,453	834,525	4,718	136,450
Unassigned	(46,869)	-	-	-	-
Total Fund Balances	<u>(35,748)</u>	<u>2,453</u>	<u>834,525</u>	<u>4,718</u>	<u>136,450</u>
Total Liabilities and Fund Balances	<u>\$ 40,774</u>	<u>\$ 2,453</u>	<u>\$ 849,869</u>	<u>\$ 1,129,364</u>	<u>\$ 138,338</u>

**Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2011**

	Management Information Systems	Entry Year Teachers	Data Communication	School Net Professional Development
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 9,819	\$ 4,800	\$ 10,394	\$ 4,371
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	-	-	-	-
Property Taxes Receivable	-	-	-	-
Total Assets	\$ 9,819	\$ 4,800	\$ 10,394	\$ 4,371
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	-
Intergovernmental Payable	-	-	-	-
Interfund Payable	-	-	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	9,819	4,800	10,394	4,371
Unassigned	-	-	-	-
Total Fund Balances	9,819	4,800	10,394	4,371
Total Liabilities and Fund Balances	\$ 9,819	\$ 4,800	\$ 10,394	\$ 4,371

(Continued)

**Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2011**

	<u>Summer School Intervention</u>	<u>Miscellaneous State Grants</u>	<u>Education Jobs</u>
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 15,493	\$ 1,531	\$ -
Materials and Supplies Inventory	-	-	-
Accounts Receivable	-	-	-
Intergovernmental Receivable	-	-	19,634
Property Taxes Receivable	-	-	-
Total Assets	<u>\$ 15,493</u>	<u>\$ 1,531</u>	<u>\$ 19,634</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-
Intergovernmental Payable	-	-	-
Interfund Payable	-	-	19,634
Deferred Revenue	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>19,634</u>
Fund Balances:			
Nonspendable	-	-	-
Restricted	15,493	1,531	-
Unassigned	-	-	-
Total Fund Balances	<u>15,493</u>	<u>1,531</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 15,493</u>	<u>\$ 1,531</u>	<u>\$ 19,634</u>

Perry Local School District, Lake County

**Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2011**

	IDEA, Part B Special Education, Education of Handicapped Children	School District Fiscal Stabilization	Title II-D Technology Grant	Title III - Limited English Proficiency
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 7,742	\$ 9,629	\$ -	\$ 3,468
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	29,986	-	585	-
Property Taxes Receivable	-	-	-	-
Total Assets	\$ 37,728	\$ 9,629	\$ 585	\$ 3,468
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	42,769	7,053	-	-
Intergovernmental Payable	5,543	806	-	-
Interfund Payable	-	-	585	-
Deferred Revenue	11,907	-	-	-
Total Liabilities	60,219	7,859	585	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	1,770	-	3,468
Unassigned	(22,491)	-	-	-
Total Fund Balances	(22,491)	1,770	-	3,468
Total Liabilities and Fund Balances	\$ 37,728	\$ 9,629	\$ 585	\$ 3,468

(Continued)

Perry Local School District, Lake County

**Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2011**

	Title I, Disadvantaged Children/ Targeted Assistance	Drug- Free Schools Grant	IDEA Preschool Grant for the Handicapped
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 2,654	\$ -
Materials and Supplies Inventory	-	-	-
Accounts Receivable	-	-	-
Intergovernmental Receivable	75,460	-	16,788
Property Taxes Receivable	-	-	-
Total Assets	\$ 75,460	\$ 2,654	\$ 16,788
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Wages and Benefits	17,382	-	-
Intergovernmental Payable	1,985	-	-
Interfund Payable	38,994	-	12,015
Deferred Revenue	42,057	-	6,881
Total Liabilities	100,418	-	18,896
Fund Balances:			
Nonspendable	-	-	-
Restricted	-	2,654	-
Unassigned	(24,958)	-	(2,108)
Total Fund Balances	(24,958)	2,654	(2,108)
Total Liabilities and Fund Balances	\$ 75,460	\$ 2,654	\$ 16,788

Perry Local School District, Lake County

**Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2011**

	<u>Improving Teacher Quality</u>	<u>Total Nonmajor Special Revenue Funds</u>
ASSETS		
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 1,059,429
Materials and Supplies Inventory	-	11,121
Accounts Receivable	-	1,132
Intergovernmental Receivable	65,735	237,841
Property Taxes Receivable	-	1,129,364
Total Assets	<u>\$ 65,735</u>	<u>\$ 2,438,887</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 1,253	\$ 41,199
Accrued Wages and Benefits	-	98,222
Intergovernmental Payable	-	15,151
Interfund Payable	37,626	116,389
Deferred Revenue	65,735	1,259,664
Total Liabilities	<u>104,614</u>	<u>1,530,625</u>
 Fund Balances:		
Nonspendable	-	11,121
Restricted	-	1,032,446
Unassigned	(38,879)	(135,305)
Total Fund Balances	<u>(38,879)</u>	<u>908,262</u>
Total Liabilities and Fund Balances	<u>\$ 65,735</u>	<u>\$ 2,438,887</u>

Perry Local School District, Lake County

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011**

	<u>Food Service</u>	<u>Other Grants</u>	<u>Special Enterprise</u>	<u>Special Levy</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 1,133,813
Intergovernmental	294,985	-	-	-
Extracurricular Activities	-	-	-	-
Charges for Services	-	-	104,020	-
Contributions and Donations	-	7,348	100	-
Food Services	563,887	-	-	-
Miscellaneous	-	-	57,075	-
Total Revenues	<u>858,872</u>	<u>7,348</u>	<u>161,195</u>	<u>1,133,813</u>
EXPENDITURES				
Current:				
Instruction:				
Regular Instruction	-	6,709	-	746,746
Special Instruction	-	500	-	-
Vocational Instruction	-	-	-	9,633
Other Instruction	-	-	-	-
Supporting Services:				
Instructional Staff	-	2,835	-	-
Administration	-	-	-	70,474
Fiscal Services	-	-	-	76,855
Operation and Maintenance of Plant Services	-	-	-	141,008
Pupil Transportation	-	-	-	84,379
Operation of Non-Instructional Services:				
Food Service Operations	880,902	-	-	-
Community Services	-	1,000	174,463	-
Enterprise Operations	-	-	13,773	-
Extracurricular Activities	-	-	-	-
Total Expenditures	<u>880,902</u>	<u>11,044</u>	<u>188,236</u>	<u>1,129,095</u>
Net Change in Fund Balances	(22,030)	(3,696)	(27,041)	4,718
Fund Balances (Deficits) - Beginning of Year, Restated	(13,718)	6,149	861,566	-
Fund Balances - End of Year	<u>\$ (35,748)</u>	<u>\$ 2,453</u>	<u>\$ 834,525</u>	<u>\$ 4,718</u>

Perry Local School District, Lake County

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011**

	District Managed Student Activity	Management Information Systems	Entry Year Teachers	Data Communi- cation
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	5,000	-	9,100
Extracurricular Activities	135,970	-	-	-
Charges for Services	-	-	-	-
Contributions and Donations	15,760	-	-	-
Food Services	-	-	-	-
Miscellaneous	30,434	-	-	-
Total Revenues	<u>182,164</u>	<u>5,000</u>	<u>-</u>	<u>9,100</u>
EXPENDITURES				
Current:				
Instruction:				
Regular Instruction	-	-	-	-
Special Instruction	-	-	-	-
Vocational Instruction	-	-	-	-
Other Instruction	-	-	-	-
Supporting Services:				
Instructional Staff	-	-	-	-
Administration	-	-	-	-
Fiscal Services	-	-	-	-
Operation and Maintenance of Plant Services	-	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services:				
Food Service Operations	-	-	-	-
Community Services	-	-	-	-
Enterprise Operations	-	-	-	-
Extracurricular Activities	200,227	-	-	-
Total Expenditures	<u>200,227</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(18,063)	5,000	-	9,100
Fund Balances - Beginning of Year, Restated	154,513	4,819	4,800	1,294
Fund Balances - End of Year	<u>\$ 136,450</u>	<u>\$ 9,819</u>	<u>\$ 4,800</u>	<u>\$ 10,394</u>

(Continued)

Perry Local School District, Lake County

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2011**

	School Net Professional Development	Summer School Intervention	Miscellaneous State Grants
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Extracurricular Activities	-	-	-
Charges for Services	-	-	-
Contributions and Donations	-	-	-
Food Services	-	-	-
Miscellaneous	-	-	-
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Instruction:			
Regular Instruction	-	-	-
Special Instruction	-	-	-
Vocational Instruction	-	-	-
Other Instruction	-	-	-
Supporting Services:			
Instructional Staff	-	-	-
Administration	-	-	-
Fiscal Services	-	-	-
Operation and Maintenance of Plant Services	-	-	-
Pupil Transportation	-	-	-
Operation of Non-Instructional Services:			
Food Service Operations	-	-	-
Community Services	-	-	-
Enterprise Operations	-	-	-
Extracurricular Activities	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balances	-	-	-
 Fund Balances - Beginning of Year, Restated	 4,371	 15,493	 1,531
Fund Balances - End of Year	\$ 4,371	\$ 15,493	\$ 1,531

Perry Local School District, Lake County

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2011**

	Education Jobs	IDEA, Part B Special Education, Education of Handicapped Children	School District Fiscal Stabilization	Title II-D Technology Grant
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	19,634	469,726	62,883	635
Extracurricular Activities	-	-	-	-
Charges for Services	-	-	-	-
Contributions and Donations	-	-	-	-
Food Services	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	19,634	469,726	62,883	635
EXPENDITURES				
Current:				
Instruction:				
Regular Instruction	19,634	-	64,462	-
Special Instruction	-	99,850	-	-
Vocational Instruction	-	38,223	-	-
Other Instruction	-	338,426	-	-
Supporting Services:				
Instructional Staff	-	26,552	-	635
Administration	-	-	-	-
Fiscal Services	-	-	-	-
Operation and Maintenance of Plant Services	-	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services:				
Food Service Operations	-	-	-	-
Community Services	-	-	-	-
Enterprise Operations	-	-	-	-
Extracurricular Activities	-	-	-	-
Total Expenditures	19,634	503,051	64,462	635
Net Change in Fund Balances	-	(33,325)	(1,579)	-
Fund Balances - Beginning of Year, Restated	-	10,834	3,349	-
Fund Balances - End of Year	\$ -	\$ (22,491)	\$ 1,770	\$ -

(Continued)

Perry Local School District, Lake County

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2011**

	Title III - Limited English Proficiency	Title I, Disadvantaged Children/ Targeted Assistance	Drug- Free Schools Grant
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	9,492	180,142	-
Extracurricular Activities	-	-	-
Charges for Services	-	-	-
Contributions and Donations	-	-	-
Food Services	-	-	-
Miscellaneous	-	-	-
Total Revenues	<u>9,492</u>	<u>180,142</u>	<u>-</u>
EXPENDITURES			
Current:			
Instruction:			
Regular Instruction	-	60,353	-
Special Instruction	7,209	-	-
Vocational Instruction	-	-	-
Other Instruction	-	-	-
Supporting Services:			
Instructional Staff	-	75,453	-
Administration	-	-	-
Fiscal Services	-	-	-
Operation and Maintenance of Plant Services	-	-	-
Pupil Transportation	-	-	-
Operation of Non-Instructional Services:			
Food Service Operations	-	-	-
Community Services	-	-	-
Enterprise Operations	-	-	-
Extracurricular Activities	-	-	-
Total Expenditures	<u>7,209</u>	<u>135,806</u>	<u>-</u>
Net Change in Fund Balances	2,283	44,336	-
Fund Balances - Beginning of Year, Restated	1,185	(69,294)	2,654
Fund Balances - End of Year	<u>\$ 3,468</u>	<u>\$ (24,958)</u>	<u>\$ 2,654</u>

Perry Local School District, Lake County

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2011**

	IDEA Preschool Grant for the Handicapped	Improving Teacher Quality	Total Nonmajor Special Revenue Funds
REVENUES			
Taxes	\$ -	\$ -	\$ 1,133,813
Intergovernmental	15,607	22,599	1,089,803
Extracurricular Activities	-	-	135,970
Charges for Services	-	-	104,020
Contributions and Donations	-	-	23,208
Food Services	-	-	563,887
Miscellaneous	-	-	87,509
Total Revenues	<u>15,607</u>	<u>22,599</u>	<u>3,138,210</u>
EXPENDITURES			
Current:			
Instruction:			
Regular Instruction	-	6,600	904,504
Special Instruction	13,600	-	121,159
Vocational Instruction	-	-	47,856
Other Instruction	-	-	338,426
Supporting Services:			
Instructional Staff	-	36,831	142,306
Administration	-	-	70,474
Fiscal Services	-	-	76,855
Operation and Maintenance of Plant Services	-	-	141,008
Pupil Transportation	-	-	84,379
Operation of Non-Instructional Services:			
Food Service Operations	-	-	880,902
Community Services	-	-	175,463
Enterprise Operations	-	-	13,773
Extracurricular Activities	-	-	200,227
Total Expenditures	<u>13,600</u>	<u>43,431</u>	<u>3,197,332</u>
Net Change in Fund Balances	2,007	(20,832)	(59,122)
Fund Balances - Beginning of Year, Restated	(4,115)	(18,047)	967,384
Fund Balances - End of Year	<u>\$ (2,108)</u>	<u>\$ (38,879)</u>	<u>\$ 908,262</u>

**Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2011**

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 52,937	\$ 67,012	\$ (59,205)	\$ 60,744
Liabilities				
Due to Students	\$ 52,937	\$ 67,012	\$ (59,205)	\$ 60,744

**INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)**

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
General Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Taxes	\$ 14,000,743	\$ 14,377,622	\$ 13,524,735	\$ (852,887)
Intergovernmental	11,890,061	11,890,061	12,023,236	133,175
Interest	85,078	85,078	86,031	953
Tuition	76,801	76,801	77,661	860
Contributions and Donations	544	544	550	6
Transportation Fees	17,816	17,816	18,016	200
Miscellaneous	278,009	150,491	144,211	(6,280)
Total Revenues	26,349,052	26,598,413	25,874,440	(723,973)
Expenditures				
Current:				
Instruction				
Regular				
Personal Services	6,903,664	6,903,664	6,054,146	849,518
Fringe Benefits	2,688,373	2,688,373	2,357,562	330,811
Purchased Services	623,515	623,515	546,670	76,845
Supplies and Materials	368,234	368,234	322,922	45,312
Capital Outlay	4,992	4,992	4,378	614
Capital Outlay - Replacement	6,079	6,079	5,331	748
Other Objects	4,574	4,574	4,010	564
Total Regular	10,599,431	10,599,431	9,295,019	1,304,412
Special				
Personal Services	2,896	2,896	2,540	356
Fringe Benefits	954	954	838	116
Purchased Services	723,275	723,275	634,274	89,001
Supplies and Materials	5,439	5,439	4,270	1,169
Capital Outlay	3,103	3,103	2,155	948
Other Objects	781	781	685	96
Total Special	736,448	736,448	644,762	91,686
Vocational				
Personal Services	13,808	13,808	12,109	1,699
Fringe Benefits	7,260	7,260	6,367	893
Purchased Services	14,560	14,560	12,768	1,792
Total Vocational	35,628	35,628	31,244	4,384
Other				
Personal Services	1,046,701	1,046,701	916,502	130,199
Fringe Benefits	562,994	562,994	493,716	69,278
Purchased Services	49,327	49,327	43,257	6,070
Total Other	1,659,022	1,659,022	1,453,475	205,547
Total Instruction	13,030,529	13,030,529	11,424,500	1,606,029

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
General Fund (continued)
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Supporting Services				
Pupils				
Personal Services	837,184	837,184	734,166	103,018
Fringe Benefits	387,427	387,427	339,753	47,674
Purchased Services	416,809	416,809	365,520	51,289
Supplies and Materials	23,405	23,405	20,525	2,880
Capital Outlay	214	214	188	26
Other Objects	1,021	1,021	895	126
Total Pupils	<u>1,666,060</u>	<u>1,666,060</u>	<u>1,461,047</u>	<u>205,013</u>
Instructional Staff				
Personal Services	621,232	621,232	544,788	76,444
Fringe Benefits	330,420	330,420	289,761	40,659
Purchased Services	390,164	390,164	342,153	48,011
Supplies and Materials	141,365	141,365	123,970	17,395
Capital Outlay	80,616	80,616	67,715	12,901
Capital Outlay - Replacement	26,378	26,378	23,132	3,246
Other Objects	1,414	1,414	1,240	174
Total Instructional Staff	<u>1,591,589</u>	<u>1,591,589</u>	<u>1,392,759</u>	<u>198,830</u>
Board of Education				
Personal Services	16,677	16,677	14,625	2,052
Fringe Benefits	2,031	2,031	1,781	250
Purchased Services	18,117	18,117	15,888	2,229
Supplies and Materials	371	371	325	46
Other Objects	75,279	75,279	66,016	9,263
Total Board of Education	<u>112,475</u>	<u>112,475</u>	<u>98,635</u>	<u>13,840</u>
Administration				
Personal Services	991,065	991,065	869,112	121,953
Fringe Benefits	442,007	442,007	387,617	54,390
Purchased Services	53,906	53,906	47,273	6,633
Supplies and Materials	26,569	26,569	23,300	3,269
Capital Outlay	982	982	861	121
Other Objects	11,142	11,142	9,771	1,371
Total Administration	<u>1,525,671</u>	<u>1,525,671</u>	<u>1,337,934</u>	<u>187,737</u>
Fiscal Services				
Personal Services	260,010	260,010	228,015	31,995
Fringe Benefits	95,336	95,336	83,605	11,731
Purchased Services	55,491	55,491	48,663	6,828
Supplies and Materials	1,778	1,778	1,559	219
Capital Outlay	262	262	230	32
Other Objects	265,536	265,536	232,861	32,675
Total Fiscal Services	<u>678,413</u>	<u>678,413</u>	<u>594,933</u>	<u>83,480</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
General Fund (continued)
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Business				
Personal Services	51,013	51,013	44,736	6,277
Fringe Benefits	27,866	27,866	24,436	3,430
Purchased Services	109,935	109,935	96,407	13,528
Supplies and Materials	44,249	44,249	38,804	5,445
Capital Outlay	15,472	15,472	13,568	1,904
Total Business	<u>248,535</u>	<u>248,535</u>	<u>217,951</u>	<u>30,584</u>
Operation and Maintenance of Plant Services				
Personal Services	1,224,398	1,224,398	1,073,733	150,665
Fringe Benefits	513,180	513,180	450,032	63,148
Purchased Services	2,040,344	2,040,344	1,789,273	251,071
Supplies and Materials	440,116	440,116	385,959	54,157
Capital Outlay	3,869	3,869	3,393	476
Capital Outlay - Replacement	4,667	4,667	4,093	574
Other Objects	2,974	2,974	2,608	366
Total Operation and Maintenance of Plant Services	<u>4,229,548</u>	<u>4,229,548</u>	<u>3,709,091</u>	<u>520,457</u>
Pupil Transportation				
Personal Services	654,996	654,996	574,397	80,599
Fringe Benefits	310,054	310,054	271,901	38,153
Purchased Services	25,930	25,930	22,739	3,191
Supplies and Materials	185,358	185,358	162,549	22,809
Other Objects	29	29	25	4
Total Pupil Transportation	<u>1,176,367</u>	<u>1,176,367</u>	<u>1,031,611</u>	<u>144,756</u>
Central				
Purchased Services	31,334	31,334	27,478	3,856
Supplies and Materials	311	311	273	38
Capital Outlay	1,976	1,976	1,733	243
Total Central	<u>33,621</u>	<u>33,621</u>	<u>29,484</u>	<u>4,137</u>
Total Supporting Services	<u>11,262,279</u>	<u>11,262,279</u>	<u>9,873,445</u>	<u>1,388,834</u>
Operation of Non-Instructional Services				
Community Services				
Supplies and Materials	2,015	2,015	1,767	248
Enterprise Operations				
Other Objects	245,000	111,000	110,832	168
Total Operation of Non-Instructional Services	<u>247,015</u>	<u>113,015</u>	<u>112,599</u>	<u>416</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
General Fund (continued)
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Extracurricular Activities				
Academic Oriented Activities				
Personal Services	107,242	107,242	94,046	13,196
Fringe Benefits	28,332	28,332	24,846	3,486
Total Academic Oriented Activities	<u>135,574</u>	<u>135,574</u>	<u>118,892</u>	<u>16,682</u>
Sport Oriented Activities				
Personal Services	588,051	588,051	515,690	72,361
Fringe Benefits	154,301	154,301	135,314	18,987
Purchased Services	24,056	24,056	21,097	2,959
Supplies and Materials	52	52	46	6
Capital Outlay	114	114	100	14
Total Sport Oriented Activities	<u>766,574</u>	<u>766,574</u>	<u>672,247</u>	<u>94,327</u>
School & Public Service Co-Curricular Activities				
Personal Services	158,734	158,734	139,201	19,533
Fringe Benefits	36,856	36,856	32,321	4,535
Total School and Public Service Co-Curricular Activities	<u>195,590</u>	<u>195,590</u>	<u>171,522</u>	<u>24,068</u>
Total Extracurricular Activities	<u>1,097,738</u>	<u>1,097,738</u>	<u>962,661</u>	<u>135,077</u>
Capital Outlay:				
Purchased Services	569	569	499	70
Total Expenditures	<u>25,638,130</u>	<u>25,504,130</u>	<u>22,373,704</u>	<u>3,130,426</u>
Excess of Revenues Over Expenditures	<u>710,922</u>	<u>1,094,283</u>	<u>3,500,736</u>	<u>2,406,453</u>
Other Financing Sources				
Refund of Prior Year Expenditures	19,685	19,685	19,685	-
Total Other Financings Sources	<u>19,685</u>	<u>19,685</u>	<u>19,685</u>	<u>-</u>
Net Change in Fund Balance	730,607	1,113,968	3,520,421	2,406,453
Fund Balance - Beginning of Year	17,304,076	17,304,076	17,304,076	-
Prior Year Encumbrances Appropriated	269,809	269,809	269,809	-
Fund Balance - End of Year	<u>\$ 18,304,492</u>	<u>\$ 18,687,853</u>	<u>\$ 21,094,306</u>	<u>\$ 2,406,453</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Interest	\$ 86,975	\$ 41,434	\$ (45,541)
Miscellaneous	413,025	196,760	(216,265)
Total Revenues	500,000	238,194	(261,806)
Expenditures			
Current:			
Instruction			
Regular			
Purchased Services	44,761	44,277	484
Supplies and Materials	52,356	51,789	567
Capital Outlay	145,586	144,010	1,576
Total Regular	242,703	240,076	2,627
Supporting Services			
Pupil Transportation			
Capital Outlay - Replacement	78,683	77,831	852
Capital Outlay:			
Purchased Services	65,401	64,693	708
Supplies and Materials	10,574	10,460	114
Capital Outlay	151,828	146,256	5,572
Capital Outlay - Replacement	1,688,528	1,667,416	21,112
Total Capital Outlay	1,916,331	1,888,825	27,506
Debt Service:			
Principal			
Principal	210,294	210,294	-
Interest & Fiscal Charges			
Interest & Fiscal Charges	51,989	51,989	-
Total Debt Service	262,283	262,283	-
Total Expenditures	2,500,000	2,469,015	30,985
Net Change in Fund Balance	(2,000,000)	(2,230,821)	(230,821)
Fund Balance - Beginning of Year	14,234,727	14,234,727	-
Prior Year Encumbrances Appropriated	299,758	299,758	-
Fund Balance - End of Year	<u>\$ 12,534,485</u>	<u>\$ 12,303,664</u>	<u>\$ (230,821)</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Food Service Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 241,253	\$ 194,690	\$ (46,563)
Food Services	698,747	563,887	(134,860)
Total Revenues	<u>940,000</u>	<u>758,577</u>	<u>(181,423)</u>
Expenditures			
Current:			
Operation of Non-Instructional Services			
Food Service Operations			
Personal Services	227,566	212,715	14,851
Fringe Benefits	145,226	135,749	9,477
Supplies and Materials	501,537	468,807	32,730
Capital Outlay - Replacement	320	299	21
Other Objects	351	328	23
Total Expenditures	<u>875,000</u>	<u>817,898</u>	<u>57,102</u>
Net Change in Fund Balance	65,000	(59,321)	(124,321)
Fund Balance - Beginning of Year	33,495	33,495	-
Prior Year Encumbrances Appropriated	10,088	10,088	-
Fund Balance (Deficit) - End of Year	<u>\$ 108,583</u>	<u>\$ (15,738)</u>	<u>\$ (124,321)</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$ 13,408	\$ 1,777	\$ (11,631)
Classroom Materials and Fees	16,592	2,199	(14,393)
Total Revenues	<u>30,000</u>	<u>3,976</u>	<u>(26,024)</u>
Expenditures			
Current:			
Instruction			
Regular			
Supplies and Materials	17,700	3,786	13,914
Total Expenditures	<u>17,700</u>	<u>3,786</u>	<u>13,914</u>
Net Change in Fund Balance	12,300	190	(12,110)
Fund Balance - Beginning of Year	16,491	16,491	-
Fund Balance - End of Year	<u>\$ 28,791</u>	<u>\$ 16,681</u>	<u>\$ (12,110)</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Special Rotary Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Extracurricular Activities	\$ 74	\$ 74	\$ -
Contributions and Donations	76,034	76,962	928
Miscellaneous	743	752	9
Total Revenues	<u>76,851</u>	<u>77,788</u>	<u>937</u>
Expenditures			
Current:			
Supporting Services			
Pupils			
Purchased Services	13,118	11,968	1,150
Operation of Non-Instructional Services			
Community Services			
Other Objects	678	619	59
Extracurricular Activities			
School & Public Service Co-Curricular Activities			
Purchased Services	42,022	38,338	3,684
Supplies and Materials	2,627	2,397	230
Other Objects	33,305	30,385	2,920
Total Extracurricular Activities	<u>77,954</u>	<u>71,120</u>	<u>6,834</u>
Total Expenditures	<u>91,750</u>	<u>83,707</u>	<u>8,043</u>
Net Change in Fund Balance	(14,899)	(5,919)	8,980
Fund Balance - Beginning of Year	32,189	32,189	-
Fund Balance - End of Year	<u>\$ 17,290</u>	<u>\$ 26,270</u>	<u>\$ 8,980</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Public School Support Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Extracurricular Activities	\$ 18,738	\$ 19,211	\$ 473
Contributions and Donations	1,903	1,951	48
Classroom Materials and Fees	21,802	22,353	551
Miscellaneous	7,557	7,748	191
Total Revenues	<u>50,000</u>	<u>51,263</u>	<u>1,263</u>
Expenditures			
Current:			
Extracurricular Activities			
School & Public Service Co-Curricular Activities			
Purchased Services	3,628	2,060	1,568
Supplies and Materials	99,566	55,605	43,961
Capital Outlay	3,058	1,708	1,350
Capital Outlay - Replacement	1,261	704	557
Other Objects	2,487	1,389	1,098
Total Expenditures	<u>110,000</u>	<u>61,466</u>	<u>48,534</u>
Net Change in Fund Balance	(60,000)	(10,203)	49,797
Fund Balance - Beginning of Year	64,869	64,869	-
Prior Year Encumbrances Appropriated	513	513	-
Fund Balance - End of Year	<u>\$ 5,382</u>	<u>\$ 55,179</u>	<u>\$ 49,797</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Other Grants Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Contributions and Donations	\$ 10,000	\$ 7,790	\$ (2,210)
Total Revenues	<u>10,000</u>	<u>7,790</u>	<u>(2,210)</u>
Expenditures			
Current:			
Instruction			
Regular			
Supplies and Materials	5,645	4,297	1,348
Capital Outlay	3,217	2,448	769
Total Regular	<u>8,862</u>	<u>6,745</u>	<u>2,117</u>
Special			
Supplies and Materials	657	500	157
Total Instruction	<u>9,519</u>	<u>7,245</u>	<u>2,274</u>
Supporting Services			
Instructional Staff			
Purchased Services	2,628	2,000	628
Supplies and Materials	1,097	835	262
Total Supporting Services	<u>3,725</u>	<u>2,835</u>	<u>890</u>
Operation of Non-Instructional Services			
Community Services			
Other Objects	1,314	1,000	314
Total Expenditures	<u>14,558</u>	<u>11,080</u>	<u>3,478</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,558)</u>	<u>(3,290)</u>	<u>1,268</u>
Other Financing Sources (Uses)			
Refund of Prior Year Receipts	(442)	(442)	-
Total Other Financings Sources (Uses)	<u>(442)</u>	<u>(442)</u>	<u>-</u>
Net Change in Fund Balance	(5,000)	(3,732)	1,268
Fund Balance - Beginning of Year	5,690	5,690	-
Prior Year Encumbrances Appropriated	459	459	-
Fund Balance - End of Year	<u>\$ 1,149</u>	<u>\$ 2,417</u>	<u>\$ 1,268</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Special Enterprise Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Charges for Services	\$ 82,804	\$ 104,020	\$ 21,216
Contributions and Donations	80	100	20
Miscellaneous	45,116	56,676	11,560
Total Revenues	<u>128,000</u>	<u>160,796</u>	<u>32,796</u>
Expenditures			
Current:			
Operation of Non-Instructional Services			
Community Services			
Purchased Services	311,522	191,339	120,183
Supplies and Materials	3,987	2,448	1,539
Capital Outlay	11,877	7,295	4,582
Total Community Services	<u>327,386</u>	<u>201,082</u>	<u>126,304</u>
Enterprise Operations			
Personal Services	19,078	11,718	7,360
Fringe Benefits	1,522	935	587
Supplies and Materials	1,482	910	572
Other Objects	407	250	157
Total Enterprise Operations	<u>22,489</u>	<u>13,813</u>	<u>8,676</u>
Total Expenditures	<u>349,875</u>	<u>214,895</u>	<u>134,980</u>
Excess of Revenues Over (Under) Expenditures	<u>(221,875)</u>	<u>(54,099)</u>	<u>167,776</u>
Other Financing Sources (Uses)			
Refund of Prior Year Receipts	(125)	(125)	-
Total Other Financings Sources (Uses)	<u>(125)</u>	<u>(125)</u>	<u>-</u>
Net Change in Fund Balance	(222,000)	(54,224)	167,776
Fund Balance - Beginning of Year	872,408	872,408	-
Prior Year Encumbrances Appropriated	11,318	11,318	-
Fund Balance - End of Year	<u>\$ 661,726</u>	<u>\$ 829,502</u>	<u>\$ 167,776</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Special Levy Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Taxes	\$ 1,129,095	\$ 1,129,095	\$ -
Total Revenues	<u>1,129,095</u>	<u>1,129,095</u>	<u>-</u>
Expenditures			
Current:			
Instruction			
Regular			
Personal Services	540,060	540,060	-
Fringe Benefits	206,686	206,686	-
Total Regular	<u>746,746</u>	<u>746,746</u>	<u>-</u>
Vocational			
Personal Services	7,645	7,645	-
Fringe Benefits	1,988	1,988	-
Total Vocational	<u>9,633</u>	<u>9,633</u>	<u>-</u>
Total Instruction	<u>756,379</u>	<u>756,379</u>	<u>-</u>
Supporting Services			
Administration			
Personal Services	46,972	46,972	-
Fringe Benefits	23,502	23,502	-
Total Administration	<u>70,474</u>	<u>70,474</u>	<u>-</u>
Fiscal Services			
Personal Services	51,534	51,534	-
Fringe Benefits	25,321	25,321	-
Total Fiscal Services	<u>76,855</u>	<u>76,855</u>	<u>-</u>
Operation and Maintenance of Plant Services			
Personal Services	102,144	102,144	-
Fringe Benefits	38,864	38,864	-
Total Operation and Maintenance of Plant Services	<u>141,008</u>	<u>141,008</u>	<u>-</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Special Levy Fund (continued)
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Pupil Transportation			
Personal Services	52,599	52,599	-
Fringe Benefits	31,780	31,780	-
Total Pupil Transportation	<u>84,379</u>	<u>84,379</u>	-
Total Supporting Services	<u>372,716</u>	<u>372,716</u>	-
Total Expenditures	<u>1,129,095</u>	<u>1,129,095</u>	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Termination Benefits Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues			
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures			
Current:			
Instruction			
Regular			
Personal Services	276,744	245,079	31,665
Fringe Benefits	391,216	359,175	32,041
Total Instruction	<u>667,960</u>	<u>604,254</u>	<u>63,706</u>
Supporting Services			
Pupils			
Personal Services	5,336	4,899	437
Fringe Benefits	80	73	7
Total Pupils	<u>5,416</u>	<u>4,972</u>	<u>444</u>
Fiscal Services			
Personal Services	-	-	-
Fringe Benefits	81,255	74,600	6,655
Total Fiscal Services	<u>81,255</u>	<u>74,600</u>	<u>6,655</u>
Pupil Transportation			
Personal Services	21,146	19,414	1,732
Fringe Benefits	24,223	22,239	1,984
Total Pupil Transportation	<u>45,369</u>	<u>41,653</u>	<u>3,716</u>
Total Supporting Services	<u>132,040</u>	<u>121,225</u>	<u>10,815</u>
Total Expenditures	<u>800,000</u>	<u>725,479</u>	<u>74,521</u>
Net Change in Fund Balance	(800,000)	(725,479)	74,521
Fund Balance - Beginning of Year	1,228,388	1,228,388	-
Fund Balance - End of Year	<u>\$ 428,388</u>	<u>\$ 502,909</u>	<u>\$ 74,521</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
District Managed Student Activity Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$ 231,607	\$ 135,970	\$ (95,637)
Contributions and Donations	26,845	15,760	(11,085)
Miscellaneous	51,172	30,042	(21,130)
Total Revenues	<u>309,624</u>	<u>181,772</u>	<u>(127,852)</u>
Expenditures			
Current:			
Extracurricular Activities			
Academic Oriented Activities			
Purchased Services	1,522	1,073	449
Supplies and Materials	4,678	3,297	1,381
Other Objects	3,730	2,630	1,100
Total Academic Oriented Activities	<u>9,930</u>	<u>7,000</u>	<u>2,930</u>
Sport Oriented Activities			
Personal Services	440	310	130
Fringe Benefits	621	438	183
Purchased Services	134,076	94,500	39,576
Supplies and Materials	92,207	64,989	27,218
Capital Outlay	13,315	9,385	3,930
Capital Outlay - Replacement	5,154	3,633	1,521
Other Objects	54,257	38,242	16,015
Total Sport Oriented Activities	<u>300,070</u>	<u>211,497</u>	<u>88,573</u>
Total Expenditures	<u>310,000</u>	<u>218,497</u>	<u>91,503</u>
Excess of Revenues Over (Under) Expenditures	<u>(376)</u>	<u>(36,725)</u>	<u>(36,349)</u>
Other Financing Sources			
Refund of Prior Year Expenditures	376	376	-
Total Other Financings Sources	<u>376</u>	<u>376</u>	<u>-</u>
Net Change in Fund Balance	-	(36,349)	(36,349)
Fund Balance - Beginning of Year	145,221	145,221	-
Prior Year Encumbrances Appropriated	11,672	11,672	-
Fund Balance - End of Year	<u>\$ 156,893</u>	<u>\$ 120,544</u>	<u>\$ (36,349)</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Management Information Systems Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 5,000	\$ 5,000	\$ -
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Expenditures			
Current:			
Supporting Services			
Instructional Staff			
Purchased Services	7,819	-	7,819
Total Expenditures	<u>7,819</u>	<u>-</u>	<u>7,819</u>
Net Change in Fund Balance	(2,819)	5,000	7,819
Fund Balance - Beginning of Year	4,819	4,819	-
Fund Balance - End of Year	<u>\$ 2,000</u>	<u>\$ 9,819</u>	<u>\$ 7,819</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Entry Year Teachers Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 4,000	\$ -	\$ (4,000)
Total Revenues	4,000	-	(4,000)
Expenditures			
Current:			
Instruction			
Regular			
Personal Services	5,850	-	5,850
Total Expenditures	5,850	-	5,850
Net Change in Fund Balance	(1,850)	-	1,850
Fund Balance - Beginning of Year	4,800	4,800	-
Fund Balance - End of Year	\$ 2,950	\$ 4,800	\$ 1,850

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Data Communication Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 9,000	\$ 9,100	\$ 100
Total Revenues	<u>9,000</u>	<u>9,100</u>	<u>100</u>
Expenditures			
Current:			
Supporting Services			
Instructional Staff			
Purchased Services	9,149	-	9,149
Total Expenditures	<u>9,149</u>	<u>-</u>	<u>9,149</u>
Net Change in Fund Balance	(149)	9,100	9,249
Fund Balance - Beginning of Year	1,294	1,294	-
Fund Balance - End of Year	<u>\$ 1,145</u>	<u>\$ 10,394</u>	<u>\$ 9,249</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
School Net Professional Development Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 2,970	\$ -	\$ (2,970)
Total Revenues	<u>2,970</u>	<u>-</u>	<u>(2,970)</u>
Expenditures			
Current:			
Supporting Services			
Instructional Staff			
Purchased Services	7,341	-	7,341
Total Expenditures	<u>7,341</u>	<u>-</u>	<u>7,341</u>
Net Change in Fund Balance	(4,371)	-	4,371
Fund Balance - Beginning of Year	4,371	4,371	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 4,371</u>	<u>\$ 4,371</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Ohio Reads Grant Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Final			(Negative)
Revenues				
Intergovernmental	\$ 2,543		\$ -	\$ (2,543)
Total Revenues	2,543		-	(2,543)
Expenditures				
Current:				
Instruction				
Regular				
Personal Services	2,543		-	2,543
Total Expenditures	2,543		-	2,543
Net Change in Fund Balance	-		-	-
Fund Balance - Beginning of Year	-		-	-
Fund Balance - End of Year	\$ -		\$ -	\$ -

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Summer School Intervention Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Current:			
Instruction			
Regular			
Personal Services	15,493	-	15,493
Total Expenditures	15,493	-	15,493
Net Change in Fund Balance	(15,493)	-	15,493
Fund Balance - Beginning of Year	15,493	15,493	-
Fund Balance - End of Year	\$ -	\$ 15,493	\$ 15,493

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Current:			
Instruction			
Regular			
Personal Services	1,531	-	1,531
Total Expenditures	1,531	-	1,531
Net Change in Fund Balance	(1,531)	-	1,531
Fund Balance - Beginning of Year	1,531	1,531	-
Fund Balance - End of Year	\$ -	\$ 1,531	\$ 1,531

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Education Jobs Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Final			
Revenues				
Intergovernmental	\$ 38,137		\$ -	\$ (38,137)
Total Revenues	38,137		-	(38,137)
Expenditures				
Current:				
Instruction				
Regular				
Personal Services	31,416		16,174	15,242
Fringe Benefits	6,721		3,460	3,261
Total Expenditures	38,137		19,634	18,503
Net Change in Fund Balance	-		(19,634)	(19,634)
Fund Balance - Beginning of Year	-		-	-
Fund Balance (Deficit) - End of Year	\$ -		\$ (19,634)	\$ (19,634)

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
IDEA, Part B Special Education, Education of Handicapped Children Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 747,208	\$ 714,852	\$ (32,356)
Total Revenues	<u>747,208</u>	<u>714,852</u>	<u>(32,356)</u>
Expenditures			
Current:			
Instruction			
Special			
Purchased Services	106,905	98,410	8,495
Supplies and Materials	1,564	1,440	124
Total Special	<u>108,469</u>	<u>99,850</u>	<u>8,619</u>
Vocational			
Purchased Services	41,522	38,223	3,299
Other			
Personal Services	254,401	234,185	20,216
Fringe Benefits	68,666	63,210	5,456
Supplies and Materials	2,716	2,500	216
Total Other	<u>325,783</u>	<u>299,895</u>	<u>25,888</u>
Total Instruction	<u>475,774</u>	<u>437,968</u>	<u>37,806</u>
Supporting Services			
Instructional Staff			
Personal Services	24,136	22,218	1,918
Fringe Benefits	4,708	4,334	374
Total Instructional Staff	<u>28,844</u>	<u>26,552</u>	<u>2,292</u>
Total Expenditures	<u>504,618</u>	<u>464,520</u>	<u>40,098</u>
Net Change in Fund Balance	242,590	250,332	7,742
Fund Balance (Deficit) - Beginning of Year	(242,590)	(242,590)	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 7,742</u>	<u>\$ 7,742</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
School District Fiscal Stabilization Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	Final		
Revenues			
Intergovernmental	\$ 50,000	\$ 62,883	\$ 12,883
Total Revenues	50,000	62,883	12,883
 Expenditures			
Current:			
Instruction			
Regular			
Personal Services	41,413	47,144	(5,731)
Fringe Benefits	14,587	16,605	(2,018)
Total Expenditures	56,000	63,749	(7,749)
 Net Change in Fund Balance	(6,000)	(866)	5,134
 Fund Balance - Beginning of Year	10,495	10,495	-
Fund Balance - End of Year	\$ 4,495	\$ 9,629	\$ 5,134

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Title II-D Technology Grant Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ -	\$ 50	\$ 50
Total Revenues	-	50	50
Expenditures			
Current:			
Supporting Services			
Instructional Staff			
Purchased Services	-	635	(635)
Total Expenditures	-	635	(635)
Net Change in Fund Balance	-	(585)	(585)
Fund Balance - Beginning of Year	-	-	-
Fund Balance (Deficit) - End of Year	\$ -	\$ (585)	\$ (585)

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Title III – Limited English Proficiency Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 8,277	\$ 9,492	\$ 1,215
Total Revenues	<u>8,277</u>	<u>9,492</u>	<u>1,215</u>
Expenditures			
Current:			
Instruction			
Special			
Purchased Services	2,749	3,001	(252)
Supplies and Materials	5,051	5,511	(460)
Total Expenditures	<u>7,800</u>	<u>8,512</u>	<u>(712)</u>
Net Change in Fund Balance	477	980	503
Fund Balance - Beginning of Year	1,023	1,023	-
Prior Year Encumbrances Appropriated	162	162	-
Fund Balance - End of Year	<u>\$ 1,662</u>	<u>\$ 2,165</u>	<u>\$ 503</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Title I – Disadvantaged Children/Targeted Assistance Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 198,323	\$ 146,739	\$ (51,584)
Total Revenues	<u>198,323</u>	<u>146,739</u>	<u>(51,584)</u>
Expenditures			
Current:			
Instruction			
Regular			
Personal Services	59,604	54,547	5,057
Fringe Benefits	15,921	14,570	1,351
Total Instruction	<u>75,525</u>	<u>69,117</u>	<u>6,408</u>
Supporting Services			
Instructional Staff			
Personal Services	60,976	55,802	5,174
Fringe Benefits	11,876	10,868	1,008
Total Supporting Services	<u>72,852</u>	<u>66,670</u>	<u>6,182</u>
Total Expenditures	<u>148,377</u>	<u>135,787</u>	<u>12,590</u>
Net Change in Fund Balance	49,946	10,952	(38,994)
Fund Balance (Deficit) - Beginning of Year	(49,946)	(49,946)	-
Fund Balance (Deficit) - End of Year	<u>\$ -</u>	<u>\$ (38,994)</u>	<u>\$ (38,994)</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Title V – Innovative Education Programs Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 1,734	\$ -	\$ (1,734)
Total Revenues	1,734	-	(1,734)
Expenditures			
Current:			
Supporting Services			
Instructional Staff			
Purchased Services	1,734	-	1,734
Total Expenditures	1,734	-	1,734
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Drug Free Schools Grant Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Final			
Revenues				
Intergovernmental	\$ 3,483		\$ -	\$ (3,483)
Total Revenues	3,483		-	(3,483)
Expenditures				
Current:				
Supporting Services				
Pupils				
Purchased Services	3,483		-	3,483
Total Expenditures	3,483		-	3,483
Net Change in Fund Balance	-		-	-
Fund Balance - Beginning of Year	2,654		2,654	-
Fund Balance - End of Year	\$ 2,654		\$ 2,654	\$ -

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
IDEA Preschool Grant for the Handicapped Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 6,881	\$ 15,063	\$ 8,182
Total Revenues	<u>6,881</u>	<u>15,063</u>	<u>8,182</u>
Expenditures			
Current:			
Instruction			
Special			
Purchased Services	12,061	12,007	54
Supplies and Materials	1,937	1,928	9
Capital Outlay	3,891	3,873	18
Total Expenditures	<u>17,889</u>	<u>17,808</u>	<u>81</u>
Net Change in Fund Balance	(11,008)	(2,745)	8,263
Fund Balance (Deficit) - Beginning of Year	(14,328)	(14,328)	-
Prior Year Encumbrances Appropriated	850	850	-
Fund Balance (Deficit) - End of Year	<u>\$ (24,486)</u>	<u>\$ (16,223)</u>	<u>\$ 8,263</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Improving Teacher Quality Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 49,323	\$ 22,599	\$ (26,724)
Total Revenues	<u>49,323</u>	<u>22,599</u>	<u>(26,724)</u>
Expenditures			
Current:			
Instruction			
Regular			
Personal Services	8,158	6,050	2,108
Fringe Benefits	742	550	192
Total Instruction	<u>8,900</u>	<u>6,600</u>	<u>2,300</u>
Supporting Services			
Instructional Staff			
Purchased Services	54,100	40,125	13,975
Total Expenditures	<u>63,000</u>	<u>46,725</u>	<u>16,275</u>
Net Change in Fund Balance	(13,677)	(24,126)	(10,449)
Fund Balance (Deficit) - Beginning of Year	(18,841)	(18,841)	-
Prior Year Encumbrances Appropriated	2,582	2,582	-
Fund Balance (Deficit) - End of Year	<u>\$ (29,936)</u>	<u>\$ (40,385)</u>	<u>\$ (10,449)</u>

Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Final			
Revenues				
Intergovernmental	\$ 1,005		\$ -	\$ (1,005)
Total Revenues	1,005		-	(1,005)
Expenditures				
Current:				
Supporting Services				
Instructional Staff				
Purchased Services	1,005		-	1,005
Total Expenditures	1,005		-	1,005
Net Change in Fund Balance	-		-	-
Fund Balance - Beginning of Year	-		-	-
Fund Balance - End of Year	\$ -		\$ -	\$ -

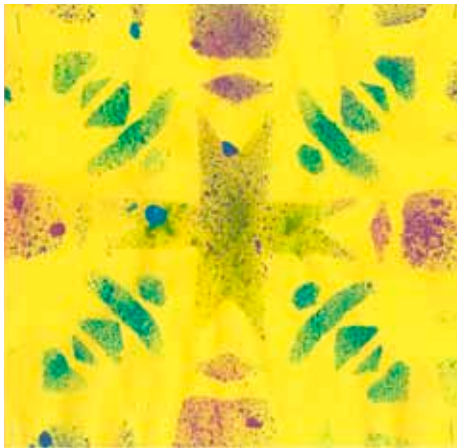
Perry Local School District, Lake County

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Non-GAAP Budgetary Basis) –
School Net Fund
For the Fiscal Year Ended June 30, 2011**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Current:			
Supporting Services			
Instructional Staff			
Capital Outlay	139	-	139
Total Expenditures	139	-	139
Net Change in Fund Balance	(139)	-	139
Fund Balance - Beginning of Year	139	139	-
Fund Balance - End of Year	\$ -	\$ 139	\$ 139



Madelyn - Grade 3



Lauren - Grade 1



Dominic - Kindergarten



Alyssa - Grade 7



Natalie - Grade 8

Perry Local School District, Lake County, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

STATISTICAL SECTION



Megan - Grade 12



Riley - Grade 7



Emily - Kindergarten

Perry Local School District, Lake County, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

Statistical Section

This part of Perry Local School 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 School District's overall financial health.

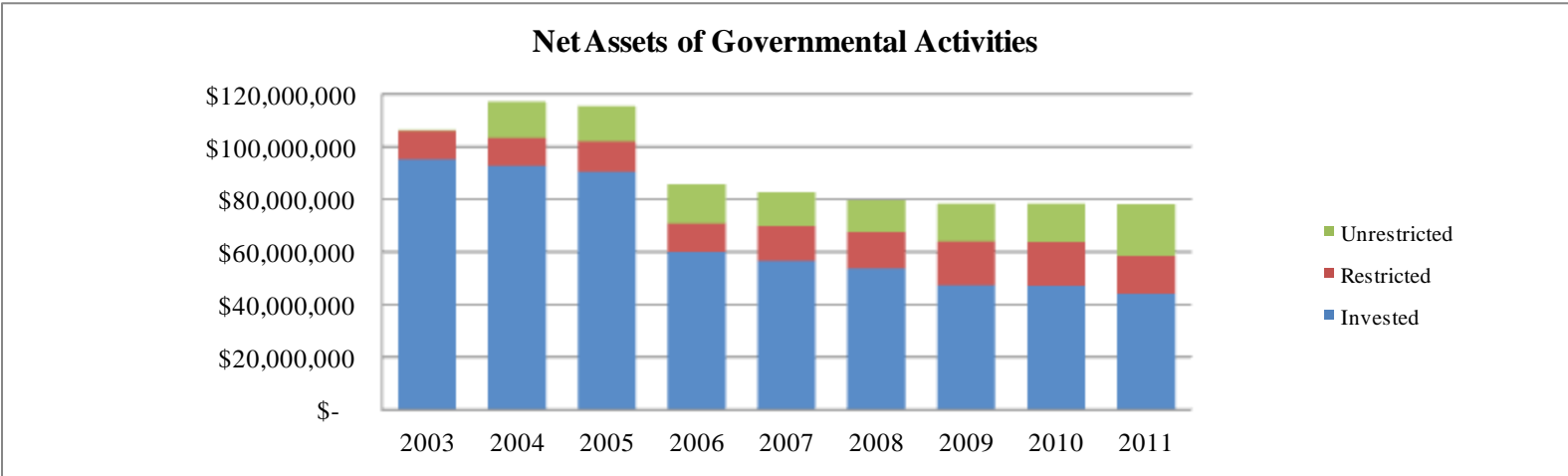
<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position and well-being have changed over time.	S2-S11
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source, the property tax.	S12-S18
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S19-S23
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S24
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S25-S35

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

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities:									
Invested in Capital Assets, Net of Related Debt	\$ 95,212,336	\$ 92,675,980	\$ 90,546,942	\$ 59,992,836	\$ 56,511,384	\$ 53,751,215	\$ 47,342,570	\$ 47,091,662	\$ 44,047,353
Restricted for:									
Capital Projects	8,656,228	8,609,909	8,910,360	9,947,444	11,359,392	12,825,042	14,249,390	14,500,298	13,196,462
School Bus Purchase	-	-	-	-	-	-	58,165	58,165	58,165
Special Revenue	-	-	-	-	-	-	2,284,252	2,187,765	-
State Funded Programs	-	-	-	-	-	-	-	-	46,408
Federally Funded Programs	-	-	-	-	-	-	-	-	52,205
Student Activities	-	-	-	-	-	-	-	-	136,450
Community Fitness Center	-	-	-	-	-	-	-	-	834,525
Other Purposes	2,159,607	2,061,406	2,628,809	892,313	2,032,605	963,076	-	-	65,841
Unrestricted	405,558	13,917,922	13,420,556	14,872,035	12,758,157	12,143,089	14,383,278	14,479,765	19,745,660
Total Governmental Activities Net Assets	\$106,433,729	\$117,265,217	\$115,506,667	\$85,704,628	\$82,661,538	\$79,682,422	\$78,317,655	\$78,317,655	\$78,183,069

Note: In previous years' presentation, the Restricted for State and Federally Funded Programs, Student Activities, Community Fitness Center, and Other Purposes were included with the Restricted for Special Revenue.



Perry Local School District, Lake County

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
<u>Governmental Activities:</u>									
Instruction:									
Regular	\$14,175,032	\$13,077,553	\$12,230,592	\$15,325,095	\$15,184,441	\$15,294,055	\$ 14,536,488	\$ 14,254,974	\$ 14,105,672
Special	1,269,402	1,124,743	1,090,125	821,449	1,457,668	1,428,200	1,320,251	494,104	633,158
Vocational	114,383	115,592	98,570	116,040	114,297	121,250	120,587	158,137	62,497
Other	69,240	37,796	32,197	785,313	923,679	916,119	770,761	1,478,616	1,704,570
Support Services:									
Pupils	950,288	1,081,468	742,116	878,232	1,308,572	1,025,569	1,031,255	1,409,441	1,474,901
Instructional Staff	2,339,328	2,837,881	3,121,059	2,349,787	2,477,950	2,506,310	1,532,979	1,392,661	1,381,177
Board of Education	152,511	147,150	157,757	139,355	100,833	125,627	86,509	93,238	97,586
Administration	2,629,941	2,242,357	2,416,152	1,585,349	1,916,794	1,905,194	1,702,892	1,751,420	1,393,757
Fiscal Services	610,539	965,298	1,010,287	690,717	944,895	974,311	790,862	747,605	674,297
Business	46,852	33,432	40,684	29,094	39,441	278,977	115,727	200,165	207,607
Operation and Maintenance of Plant Services	3,559,262	4,732,211	4,601,421	4,515,919	5,713,758	4,527,545	4,255,754	4,287,297	4,185,579
Pupil Transportation	1,901,163	1,726,655	1,640,910	1,718,572	1,557,654	1,361,969	1,479,169	1,276,118	1,288,372
Central	36,117	98,440	189,676	205,084	48,985	50,928	37,888	24,042	20,091
Operation of Non-Instructional Services:									
Food Service Operations	577,810	375,570	264,973	458,537	269,861	995,261	968,702	934,833	883,893
Other	363,411	1,434,705	2,167,803	288,604	188,690	424,243	400,759	382,117	258,245
Extracurricular Activities	1,381,559	1,301,345	1,342,991	1,519,311	1,922,761	1,457,243	1,351,305	1,324,495	1,429,181
Interest and Fiscal Charges	-	-	-	-	81,952	90,102	83,295	61,448	51,004
<i>Total Governmental Activities Expenses</i>	<u>30,176,838</u>	<u>31,332,196</u>	<u>31,147,313</u>	<u>31,426,458</u>	<u>34,252,231</u>	<u>33,482,903</u>	<u>30,585,183</u>	<u>30,270,711</u>	<u>29,851,587</u>

(continued)

Perry Local School District, Lake County

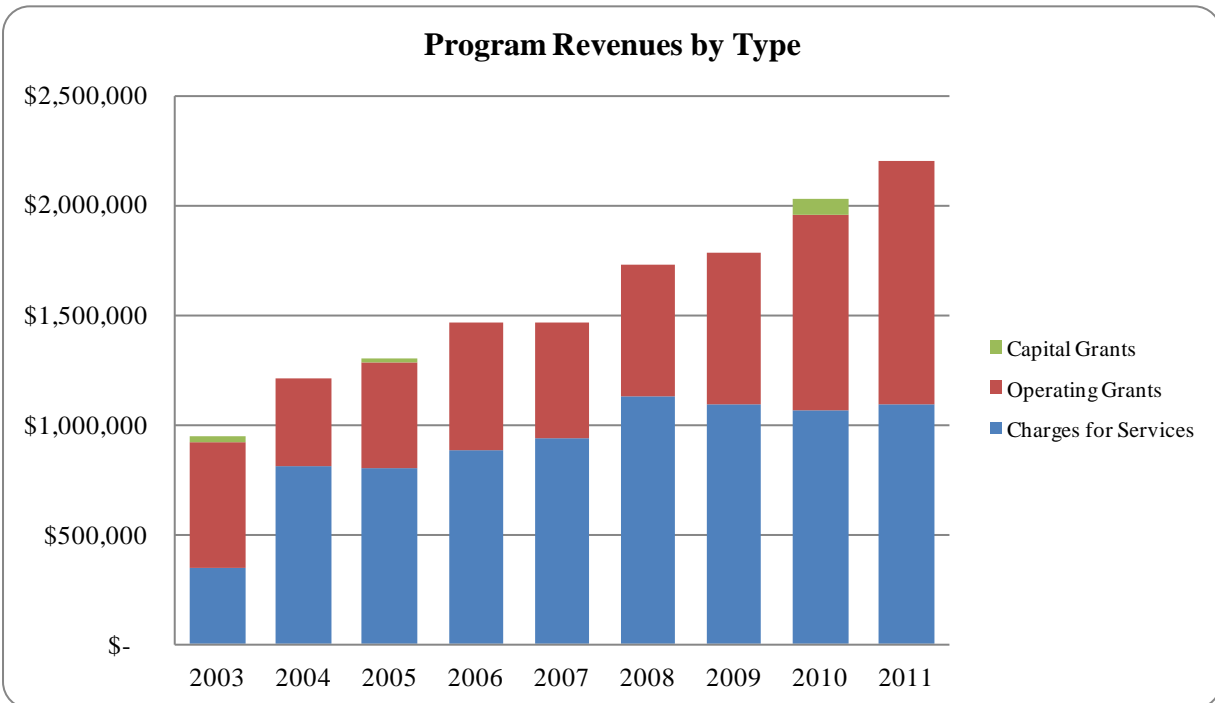
**Changes in Net Assets
Last Nine Fiscal Years (Continued)
(accrual basis of accounting)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Program Revenues									
Governmental Activities:									
Charges for Services:									
Regular Instruction	10,380	-	-	-	-	-	28,358	22,766	53,114
Special Instruction							3,604	12,237	28,523
Pupil Transportation	27,769	-	-	-	-	-	28,139	14,685	18,016
Operation of Food Service	311,853	485,823	463,931	516,379	602,693	706,296	640,039	638,696	634,529
Other	-	49,475	84,262	99,282	77,912	108,758	112,134	89,874	104,020
Extracurricular Activities	-	270,029	252,128	271,157	253,558	308,698	275,804	283,158	256,521
Operating Grants and Contributions:									
Regular Instruction	-	49,006	44,125	43,589	35,282	62,103	117,140	188,252	197,693
Special Instruction	55,286	58,946	55,041	54,492	48,541	300,270	313,273	157,431	215,780
Vocational Instruction	-	-	-	-	-	-	-	-	58,822
Other Instruction	-	-	-	-	-	-	-	275,987	215,508
Pupil Support	110,550	130,066	201,238	347,178	293,502	5,095	-	2,005	-
Staff Support	-	1,572	1,457	991	-	79,595	81,741	28,713	194,136
Administration	10,696	-	-	-	-	10,000	10,000	-	-
Pupil Transportation	-	-	-	-	-	9,440	-	3,540	-
Operation of Food Service	143,454	93,897	96,985	3,091	2,402	136,034	173,448	161,527	224,343
Operation of Maintenance of Plant Services	6,669	5,100	5,244	8,143	15,637	-	-	-	-
Extracurricular Activities	216,438	63,366	61,475	122,380	138,276	-	-	-	-
Capital Grants and Contributions:									
Pupil Transportation	27,562	-	16,905	-	-	-	-	73,100	-
Total Governmental Activities- Program Revenues	920,657	1,207,280	1,282,791	1,466,682	1,467,803	1,726,289	1,783,680	1,951,971	2,201,005
Net (Expense)/Revenue									
Governmental Activities	(29,256,181)	(30,124,916)	(29,864,522)	(29,959,776)	(32,784,428)	(31,756,614)	(28,801,503)	(28,318,740)	(27,650,582)
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Property Taxes Levied for:									
General Purposes	12,445,857	27,110,348	15,151,250	15,324,587	15,046,416	14,965,281	14,455,059	14,805,151	13,699,919
Other Purposes	-	-	-	-	-	-	-	-	1,192,483
Grants and Entitlements not Restricted to Specific Programs	11,952,691	11,857,910	11,826,865	11,682,411	11,937,105	12,052,117	12,119,566	12,022,905	11,987,356
Investment Earnings	436,900	212,009	806,475	848,737	1,402,315	1,249,528	772,699	176,980	137,071
Gain on Sale of Assets	11,779	-	-	-	-	-	-	-	-
All Other Revenues	1,125,593	1,776,137	321,382	325,611	365,960	510,572	514,017	815,620	499,167
Transfers	(35,175)	-	-	-	-	-	-	-	-
Total Governmental Activities	25,937,645	40,956,404	28,105,972	28,181,346	28,751,796	28,777,498	27,861,341	27,820,656	27,515,996
Change in Net Assets									
Governmental Activities	\$ (3,318,536)	\$ 10,831,488	\$ (1,758,550)	\$ (1,778,430)	\$ (4,032,632)	\$ (2,979,116)	\$ (940,162)	\$ (498,084)	\$ (134,586)

Perry Local School District, Lake County

Program Revenues of Governmental Activities by Function
Last Nine Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities									
Instruction:									
Regular	\$ 10,380	\$ 49,006	\$ 44,125	\$ 43,589	\$ 35,282	\$ 62,103	\$ 145,498	\$ 211,018	\$ 250,807
Special	55,286	58,946	55,041	54,492	48,541	300,270	316,877	169,668	244,303
Vocational	-	-	-	-	-	-	-	-	58,822
Other	-	-	-	-	-	-	-	275,987	215,508
Support Services:									
Pupils	110,550	130,066	201,238	347,178	293,502	5,095	-	2,005	-
Instructional Staff	-	1,572	1,457	991	-	79,595	81,741	28,713	194,136
Administration	10,696	-	-	-	-	10,000	10,000	-	-
Business	-	-	-	-	-	-	-	-	-
Operation and Maintenance of Plant Services	6,669	5,100	5,244	8,143	15,637	-	-	-	-
Pupil Transportation	55,331	-	16,905	-	-	9,440	28,139	91,325	18,016
Operation of Non-Instructional Services:									
Operation of Food Service	455,307	579,720	560,916	519,470	605,095	842,330	813,487	800,223	858,872
Other	-	49,475	84,262	99,282	77,912	108,758	112,134	89,874	104,020
Extracurricular Activities	216,438	333,395	313,603	393,537	391,834	308,698	275,804	283,158	256,521
Total Program Revenues	\$920,657	\$1,207,280	\$1,282,791	\$1,466,682	\$1,467,803	\$1,726,289	\$1,783,680	\$1,951,971	\$2,201,005

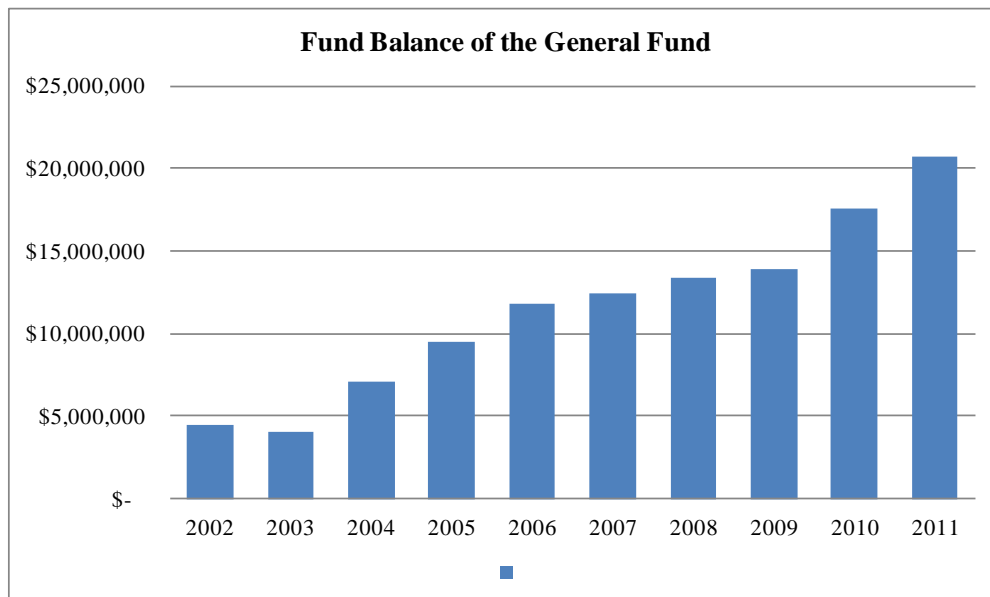


Perry Local School District, Lake County

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

	2002	2003	2004	2005	2006
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Reserved	2,436,179	876,616	1,016,895	975,084	663,620
Unreserved	1,999,779	3,175,690	6,074,494	8,484,998	11,142,872
<i>Total General Fund</i>	<u>4,435,958</u>	<u>4,052,306</u>	<u>7,091,389</u>	<u>9,460,082</u>	<u>11,806,492</u>
All Other Governmental Funds					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Reserved	16,198	485,944	234,730	49,173	1,979,202
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	1,220,576	1,203,008	1,196,380	1,069,639	569,147
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	8,560,992	8,656,228	8,428,372	8,878,110	9,888,935
<i>Total All Other Governmental Funds</i>	<u>9,797,766</u>	<u>10,345,180</u>	<u>9,859,482</u>	<u>9,996,922</u>	<u>12,437,284</u>
<i>Total Governmental Funds</i>	<u>\$14,233,724</u>	<u>\$14,397,486</u>	<u>\$16,950,871</u>	<u>\$19,457,004</u>	<u>\$24,243,776</u>

Note: The School District implemented GASB Statement No. 54 in fiscal year 2011.



Perry Local School District, Lake County

2007	2008	2009	2010	2011
\$ -	\$ -	\$ -	\$ 155,453	\$ 186,430
-	-	-	58,165	58,165
-	-	-	1,131,901	502,909
-	-	-	321,664	368,715
-	-	-	15,944,702	19,569,680
450,223	464,813	584,934	-	-
11,979,169	12,958,071	13,341,149	-	-
<u>12,429,392</u>	<u>13,422,884</u>	<u>13,926,083</u>	<u>17,611,885</u>	<u>20,685,899</u>
-	-	-	12,469	11,121
-	-	-	1,072,697	1,032,585
-	-	-	14,261,089	12,868,347
-	-	-	(117,643)	(135,305)
638,136	95,940	64,495	-	-
441,381	976,868	3,158,487	-	-
-	-	-	-	-
11,359,392	12,689,452	13,129,352	-	-
<u>12,438,909</u>	<u>13,762,260</u>	<u>16,352,334</u>	<u>15,228,612</u>	<u>13,776,748</u>
<u>\$ 24,868,301</u>	<u>\$ 27,185,144</u>	<u>\$ 30,278,417</u>	<u>\$ 32,840,497</u>	<u>\$ 34,462,647</u>

Perry Local School District, Lake County

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

	2002	2003	2004	2005	2006
Revenues					
Taxes	\$17,166,513	\$12,445,857	\$16,560,396	\$17,355,962	\$17,807,067
Intergovernmental	-	12,236,648	12,286,897	12,345,946	12,248,973
Interest	728,956	436,900	212,009	806,475	848,737
Tuition and Fees	-	66,813	49,475	84,263	99,281
Transportation Fees	28,977	-	-	-	-
Extracurricular Activities	255,400	216,438	270,029	252,128	271,157
Charges for Services	-	453,483	485,823	463,931	516,379
Contributions and Donations	-	-	-	-	-
Food Services	-	-	-	-	-
Classroom Materials and Fees	5,936	-	-	-	-
Unrestricted Grants-in-Aid	6,574,747	-	-	-	-
Restricted Grants-in-Aid	266,635	-	-	-	-
Miscellaneous	212,954	1,126,136	882,010	806,862	421,489
Total Revenues	25,240,118	26,982,275	30,746,639	32,115,567	32,213,083
Expenditures					
Current:					
Instruction:					
Regular	11,841,767	11,048,190	10,987,013	11,221,408	11,928,011
Special	1,035,170	1,208,518	1,154,364	1,179,131	829,328
Vocational	-	111,581	116,348	110,527	115,937
Other	157,262	23,805	93,347	39,230	785,313
Support Services:					
Pupil	1,112,736	908,440	1,110,410	926,847	860,994
Instructional Staff	2,908,952	2,144,084	2,730,084	3,074,742	2,406,939
Board of Education	194,849	108,040	147,150	157,757	139,355
Administration	2,454,008	2,549,248	2,253,431	2,458,805	1,669,702
Fiscal Services	634,082	609,225	959,051	1,006,609	775,340
Business	51,242	45,909	32,489	39,741	29,094
Operation and Maintenance of Plant Services	4,298,574	3,808,039	3,838,174	3,935,458	4,591,199
Pupil Transportation	1,967,017	1,808,567	1,605,915	1,647,709	1,624,819
Central	132,078	41,560	94,401	187,096	191,145
Operation of Non-Instructional Services:					
Food Services Operations	-	924,381	1,020,241	893,120	406,998
Community Services	50,066	-	-	-	-
Other	-	154,440	374,251	130,107	239,986
Extracurricular Activities	1,329,410	1,077,129	1,086,579	1,294,516	1,397,808
Capital Outlay	275,949	96,212	590,006	1,306,631	1,228,656

(continued)

Perry Local School District, Lake County

2007	2008	2009	2010	2011
\$17,547,414	\$17,400,098	\$14,466,126	\$ 14,763,706	\$ 14,544,470
12,489,225	12,647,424	12,636,433	12,921,816	13,113,039
1,402,315	1,249,528	772,699	176,980	137,071
77,912	44,066	16,217	31,311	77,661
-	21,035	28,140	14,684	18,016
253,558	299,946	267,742	278,447	157,032
602,693	101,310	112,134	89,873	104,020
-	-	-	66,788	102,671
-	657,214	571,348	567,862	563,887
-	16,395	13,951	8,404	24,552
-	-	-	-	-
-	-	-	-	-
537,102	448,467	864,005	483,529	475,409
<u>32,910,219</u>	<u>32,885,483</u>	<u>29,748,795</u>	<u>29,403,400</u>	<u>29,317,828</u>

12,037,677	11,260,700	10,580,613	10,550,274	11,053,559
1,499,703	1,478,133	1,297,463	568,813	633,158
108,223	108,115	109,693	145,425	78,852
867,981	760,547	773,955	1,372,927	1,744,566
1,158,210	984,687	1,072,344	1,352,200	1,481,414
2,545,006	2,499,901	1,624,412	1,391,934	1,402,096
100,833	125,543	86,509	93,238	97,586
1,954,373	1,830,378	1,683,482	1,718,939	1,427,843
944,592	947,270	725,078	813,867	673,004
39,741	278,348	115,727	199,467	219,907
4,381,060	4,459,596	4,126,267	3,973,674	3,822,994
1,579,401	1,272,936	1,308,781	1,294,510	1,189,229
56,059	50,928	37,888	24,042	20,091
1,202,080	989,954	938,928	893,521	880,902
-	188,326	214,538	198,389	177,849
12,766	235,917	194,898	183,728	80,396
1,215,304	1,289,702	1,224,804	1,192,674	1,294,988
2,320,402	1,571,292	142,859	544,374	1,087,919

(continued)

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

	2002	2003	2004	2005	2006
Expenditures (continued)					
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>28,443,162</u>	<u>26,667,368</u>	<u>28,193,254</u>	<u>29,609,434</u>	<u>29,220,624</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,203,044)</u>	<u>314,907</u>	<u>2,553,385</u>	<u>2,506,133</u>	<u>2,992,459</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	138,984	11,779	-	-	-
Proceeds from Sale of Debt	-	-	-	-	2,156,818
Inception of Capital Lease	-	-	-	-	-
Refund of Prior Year Expenditures	413,611	-	-	-	-
Refund of Prior Year Receipts	(2,489)	-	-	-	-
Transfers In	118,098	304,150	513,454	1,570,061	2,305,000
Transfers Out	(412,398)	(504,325)	(513,454)	(1,570,061)	(2,305,000)
<i>Total Other Financing Sources (Uses)</i>	<u>255,806</u>	<u>(188,396)</u>	<u>-</u>	<u>-</u>	<u>2,156,818</u>
<i>Net Change in Fund Balances</i>	<u>(\$2,947,238)</u>	<u>\$126,511</u>	<u>\$2,553,385</u>	<u>\$2,506,133</u>	<u>\$5,149,277</u>
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%

Perry Local School District, Lake County

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
180,331	187,396	194,737	265,136	275,473
81,952	74,887	67,546	64,188	53,852
<u>32,285,694</u>	<u>30,594,556</u>	<u>26,520,522</u>	<u>26,841,320</u>	<u>27,695,678</u>
<u>624,525</u>	<u>2,290,927</u>	<u>3,228,273</u>	<u>2,562,080</u>	<u>1,622,150</u>
-	2,516	-	-	-
-	-	-	-	-
-	188,400	-	-	-
-	-	-	-	-
-	-	-	-	-
3,285,960	2,433,697	2,618,500	2,180,479	-
<u>(3,285,960)</u>	<u>(2,598,697)</u>	<u>(2,753,500)</u>	<u>(2,180,479)</u>	<u>-</u>
-	25,916	(135,000)	-	-
<u>\$624,525</u>	<u>\$2,316,843</u>	<u>\$3,093,273</u>	<u>\$2,562,080</u>	<u>\$1,622,150</u>
0.88%	0.88%	1.00%	1.24%	1.22%

Perry Local School District, Lake County

**Assessed and Estimated Actual Value of Taxable Property
Last Ten Years**

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
	2002	\$132,874,290	\$129,570,020	\$749,840,886	\$151,204,940
2003	136,300,080	129,986,080	760,817,600	210,365,000	239,051,136
2004	165,446,320	85,007,160	715,581,371	177,833,610	202,083,648
2005	171,498,000	83,717,980	729,188,514	195,577,990	222,247,716
2006	177,586,570	83,765,960	746,721,514	174,218,170	197,975,193
2007	203,647,280	89,561,620	837,739,714	163,837,760	186,179,273
2008	207,911,800	90,901,040	853,750,971	152,113,140	172,855,841
2009	210,347,700	92,109,470	864,163,343	156,680,560	178,046,091
2010	193,466,610	103,551,650	848,623,600	166,246,910	188,916,943
2011	194,035,030	103,287,510	849,492,971	192,084,340	218,277,659

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

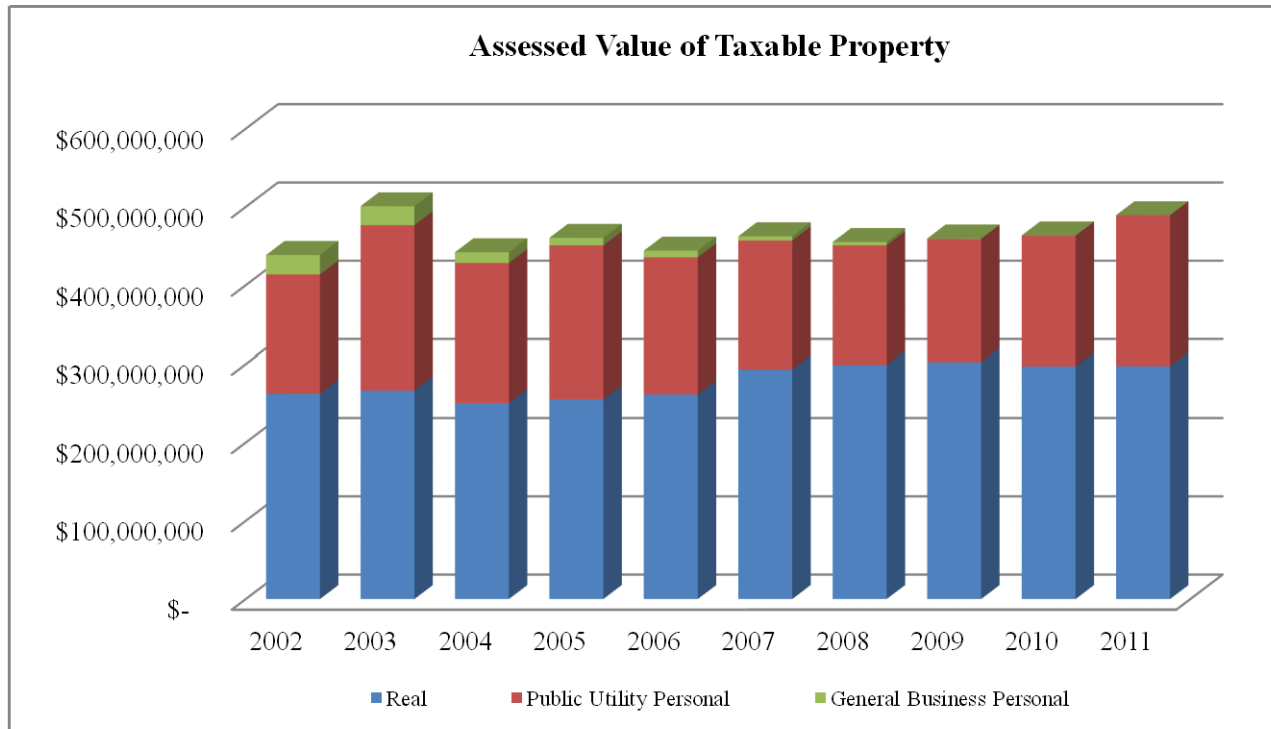
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: Office of the County Auditor, Lake County, Ohio, Schedule A

Perry Local School District, Lake County

Tangible Personal Property		Total		Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
General Business					
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$24,835,318	\$99,341,272	\$438,484,568	\$1,021,005,953	44.20	42.95%
24,218,272	96,873,088	500,869,432	1,096,741,824	44.20	45.67%
13,710,656	54,842,624	441,997,746	972,507,643	44.20	45.45%
9,664,511	38,658,044	460,458,481	990,094,274	44.20	46.51%
8,481,211	45,233,125	444,051,911	989,929,833	44.20	44.86%
5,396,244	43,169,952	462,442,904	1,067,088,939	44.20	43.34%
4,218,120	67,489,920	455,144,100	1,094,096,732	44.20	41.60%
472,480	7,559,680	459,610,210	1,049,769,114	44.20	43.78%
236,240	3,779,840	463,501,410	1,041,320,383	44.20	44.51%
0	0	489,406,880	1,067,770,631	44.20	45.83%



Perry Local School District, Lake County

Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Years

Tax Year/ Collection Year	School Levy	County Levy	Other Levies (1)	Total Levy	Debt Service Included in Total Levy (2)			
					School	County	Other	Total
2001/2002	44.20	10.30	25.90	80.40	-	-	-	-
2002/2003	44.20	10.30	25.90	80.40	-	-	-	-
2003/2004	44.20	10.30	25.90	80.40	-	-	-	-
2004/2005	44.20	10.30	25.90	80.40	-	-	-	-
2005/2006	44.20	10.30	26.30	80.80	-	-	-	-
2006/2007	44.20	10.30	26.30	80.80	-	-	-	-
2007/2008	44.20	10.40	26.30	80.90	-	-	-	-
2008/2009	44.20	10.40	26.30	80.90	-	-	-	-
2009/2010	44.20	10.40	29.10	83.70	-	-	-	-
2010/2011	44.20	10.40	28.40	83.00	-	-	-	-

Source: Office of the County Auditor, Lake County, Ohio - Data is presented on a calendar year basis consistent with the County Auditor's method of maintaining the information.

(1) Other levies are comprised of levies from the following overlapping governments: Auburn JVSD, Perry Corp., Perry Twp., Lakeland Community College, Metropolitan Park District, North Perry Corp., Fire District, Lake County Joint Financing District, Perry Twp. Library District, and Perry Joint Fire District

(2) None of the levies had debt service levies

**Property Tax Levies and Collections (1)
Last Ten Years**

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2001	\$22,843,097	\$20,852,639	91.29%	\$1,695,160	\$22,547,799	98.71%
2002	13,295,823	10,845,961	81.57	337,313	11,183,274	84.11
2003	15,533,716	13,233,275	85.19	353,155	13,586,430	87.46
2004	14,237,249	13,219,709	92.85	3,526,989	16,746,698	117.63 (4)
2005	15,352,373	15,192,286	98.96	2,654,146	17,846,432	116.25 (4)
2006	14,345,921	14,226,667	99.17	2,608,008	16,834,676	117.35 (4)
2007	14,393,154	14,028,888	97.47	5,190,914	19,219,803	133.53 (4)
2008	13,864,693	13,679,694	98.67	2,621,886	16,301,580	117.58 (4)
2009	14,063,652	13,864,858	98.59	177,778	14,042,636	99.85
2010	14,446,289	13,936,527	96.47	154,027	14,090,554	97.54

Source: Office of the County Auditor, Lake County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2011 information cannot be presented because all collections have not been made by June 30, 2011.
- (3) The County does not maintain delinquency information by tax year.
- (4) A property tax settlement was reached with the Perry Power Plant. The proceeds from the settlement are included with delinquent taxes.

Perry Local School District, Lake County

**Principal Taxpayers
Real Estate Tax
2008 and 2011 (1)**

	December 31, 2010	
Name of Taxpayer	Assessed Value	Percent of Real Property Assessed Value
First Energy Nuclear	\$65,450,000	22.01%
Losely Gertrude TR	1,505,870	0.51%
Fifth Third Bank	1,473,380	0.50%
A & L Nurseries LLC	1,413,850	0.48%
APSCO Properties LTD	1,607,820	0.54%
Deming V LLC	1,193,820	0.40%
Norshar Company	1,186,780	0.40%
Deming III LLC	1,094,310	0.37%
Loreto Development	858,120	0.29%
Loreto Development	819,110	0.28%
Totals	\$76,603,060	25.78%
Total Assessed Valuation	\$297,322,540	

	December 31, 2007 (2)	
Name of Taxpayer	Assessed Value	Percent of Real Property Assessed Value
First Energy Nuclear	\$69,686,910	23.32%
Lake County Nursery Inc.	2,341,760	0.78%
A & L Nurseries LLC	1,426,280	0.48%
Deming V LLC	1,389,200	0.46%
APSCO Properties LTD	1,351,540	0.45%
Loreto Development	1,332,210	0.45%
Deming III LLC	1,095,050	0.37%
Losely Eward	1,073,990	0.36%
Deming IX LLC	737,360	0.25%
Gerard K Klyn Inc.	716,440	0.24%
Totals	\$81,150,740	27.16%
Total Assessed Valuation	\$298,812,840	

Source: Office of the County Auditor, Lake County, Ohio

(1) The amounts presented represent the assessed values upon which 2008 and 2011 collections were based.

(2) Information prior to 2008 was unavailable.

Perry Local School District, Lake County

**Principal Taxpayers
Tangible Personal Property Tax
2008 and 2011 (1)**

Name of Taxpayer	December 31, 2010 (2)	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Total	\$0	0.00%
Total Assessed Valuation	\$0	

Name of Taxpayer	December 31, 2007 (4)	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Mid West Materials Inc	\$1,923,470	45.60%
APSCO Inc	1,156,810	27.42%
Windstream Western Reserve Inc	557,070	13.21%
Mackenzie Nursery Supply	277,590	6.58%
Lake County Parts Warehouse Inc	199,840	4.74%
Rideout Foods Inc	156,010	3.70%
Clark Rubber & Plastic Co	128,320	3.04%
Neff Perkins Company	121,760	2.89%
MMI Services Inc	95,160	2.26%
Great Lakes Power Services Co	89,530	2.12%
Total (3)	\$4,705,560	111.56%
Total Assessed Valuation (3)	\$4,218,120	

Source: Office of the County Auditor, Lake County, Ohio

- (1) The amounts presented represent the assessed values upon which 2008 and 2011 collections were based.
- (2) The tangible personal property tax for general business was completely phased out for collection year 2011.
- (3) The assessed personal property valuation total is the 2004 frozen abstract values depreciated by 25% a year until zero for 2009. The top ten values are the actual collected values for that year.
- (4) Information prior to 2008 was unavailable.

Perry Local School District, Lake County

**Principal Taxpayers
Public Utilities Tax
2008 and 2011 (1)**

December 31, 2010		
Name of Taxpayer	Assessed Value	Percent of Public Utility Assessed Value
First Energy Nuclear	\$170,466,510	88.75%
American Transmission	7,220,890	3.76%
Ohio Edison	6,947,160	3.62%
CEI	6,884,720	3.58%
East Ohio Gas	555,080	0.28%
Total	\$192,074,360	99.99%
 Total Assessed Valuation	 \$192,084,340	

December 31, 2007 (2)		
Name of Taxpayer	Assessed Value	Percent of Public Utility Assessed Value
First Energy Nuclear	\$128,589,180	84.54%
American Transmission	8,104,890	5.33%
Ohio Edison	8,087,760	5.32%
CEI	5,800,990	3.81%
Toledo Edison	588,190	0.39%
East Ohio Gas	491,260	0.32%
Total	\$151,662,270	99.70%
 Total Assessed Valuation	 \$152,113,140	

Source: Office of the County Auditor, Lake County, Ohio

- (1) The amounts presented represent the assessed values upon which 2008 and 2011 collections were based.
- (2) Information prior to 2008 was unavailable.

Perry Local School District, Lake County

**Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2011**

	<u>Debt Attributable to Governmental Activities</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
Overlapping Debt:			
Payable from Property Taxes			
Lake County Bonds	\$16,425,000	7.63%	\$1,253,228
Perry Village Bonds	165,398	100.00%	165,398
Perry Township Bonds	717,054	100.00%	717,054
Total Overlapping Debt	<u>\$17,307,452</u>		<u>\$2,135,680</u>
 Direct Debt - Perry Local School District			
Energy Conservation Note	<u>1,181,694</u>	100.00%	<u>1,181,694</u>
Total Direct Debt	<u>1,181,694</u>		<u>1,181,694</u>
 Total Direct and Overlapping Debt	<u><u>\$18,489,146</u></u>		<u><u>\$3,317,374</u></u>

Source: Office of the Auditor, Lake County, Ohio; Perry Township & Perry Village

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2010 collection year.

**Ratio of General Debt to Estimated Actual Value,
Personal Income, and Debt per Capita
Last Ten Fiscal Years**

Fiscal Year	Population (1)	General Debt			Ratio of General Debt to Estimated Actual Value (2)	Ratio of General Debt to Personal Income (3)	General Debt Per Capita
		Energy Conservation Note	Capital Leases	Total Debt			
2002	6,596 (a)	\$ -	\$ -	\$ -	0.00%	0.00%	\$ -
2003	6,596 (a)	-	-	-	0.00%	0.00%	-
2004	6,596 (a)	-	-	-	0.00%	0.00%	-
2005	6,596 (a)	-	-	-	0.00%	0.00%	-
2006	6,596 (a)	2,156,818	-	2,156,818	0.22%	1.54%	326.99
2007	6,596 (a)	1,976,487	496,395	2,472,882	0.23%	1.76%	374.91
2008	6,596 (a)	1,789,091	217,815	2,006,906	0.18%	1.43%	304.26
2009	6,596 (a)	1,594,354	127,949	1,722,303	0.16%	1.23%	261.11
2010	6,596 (a)	1,391,988	65,179	1,457,167	0.14%	1.04%	220.92
2011	6,596 (a)	1,181,694	-	1,181,694	0.11%	0.84%	179.15

Sources: (1) U.S. Bureau of Census, Census of Population
(a) 2000 Federal Census
(2) The Estimated Actual Value can be found on page S13.
(3) The Personal Income can be found on page S24.

This page is intentionally left blank.

Perry Local School District, Lake County

**Computation of Legal Debt Margin
Last Ten Fiscal Years**

	2002	2003	2004	2005
Assessed Valuations	<u>\$438,484,568</u>	<u>\$500,869,432</u>	<u>\$441,997,746</u>	<u>\$460,458,481</u>
Debt Limit - 9% of Taxable Valuation (1)	<u>\$39,463,611</u>	<u>\$45,078,249</u>	<u>\$39,779,797</u>	<u>\$41,441,263</u>
Amount of Debt Applicable to Debt Limit				
Energy Conservation Notes	-	-	-	-
Less Amount Available in Debt Service	-	-	-	-
Total	-	-	-	-
Exemptions:				
Energy Conservation Notes	-	-	-	-
Amount of Debt Subject to Limit	-	-	-	-
Legal Debt Margin	<u>\$39,463,611</u>	<u>\$45,078,249</u>	<u>\$39,779,797</u>	<u>\$41,441,263</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	100.00%	100.00%
Unvoted Debt Limit - .10% of Taxable Valuation (1)	\$438,485	\$500,869	\$441,998	\$460,458
Amount of Debt Subject to Limit	-	-	-	-
Unvoted Legal Debt Margin	<u>\$438,485</u>	<u>\$500,869</u>	<u>\$441,998</u>	<u>\$460,458</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Lake County Auditor and School District Financial Records

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

Perry Local School District, Lake County

2006	2007	2008	2009	2010	2011
<u>\$444,051,911</u>	<u>\$462,442,904</u>	<u>\$455,144,100</u>	<u>\$459,610,210</u>	<u>\$463,501,410</u>	<u>\$489,406,880</u>
<u>\$39,964,672</u>	<u>\$41,619,861</u>	<u>\$40,962,969</u>	<u>\$41,364,919</u>	<u>\$41,715,127</u>	<u>\$44,046,619</u>
2,156,818	1,976,487	1,789,091	1,594,354	1,391,988	1,181,694
-	-	-	-	-	-
<u>2,156,818</u>	<u>1,976,487</u>	<u>1,789,091</u>	<u>1,594,354</u>	<u>1,391,988</u>	<u>1,181,694</u>
<u>(2,156,818)</u>	<u>(1,976,487)</u>	<u>(1,789,091)</u>	<u>(1,594,354)</u>	<u>(1,391,988)</u>	<u>(1,181,694)</u>
-	-	-	-	-	-
<u>\$39,964,672</u>	<u>\$41,619,861</u>	<u>\$40,962,969</u>	<u>\$41,364,919</u>	<u>\$41,715,127</u>	<u>\$44,046,619</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$444,052	\$462,443	\$455,144	\$459,610	\$463,501	\$489,407
-	-	-	-	-	-
<u>\$444,052</u>	<u>\$462,443</u>	<u>\$455,144</u>	<u>\$459,610</u>	<u>\$463,501</u>	<u>\$489,407</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Perry Local School District, Lake County

Demographic and Economic Statistics
(includes North Perry Village, Perry Township and Perry Village)
Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (3)</u>	<u>Per Capita Personal Income (1)</u>	<u>Unemployment Rate (2)</u>	
2002	6,596	140,461,820	21,295	5.00%	
2003	6,596	140,461,820	21,295	5.90%	
2004	6,596	140,461,820	21,295	6.00%	
2005	6,596	140,461,820	21,295	5.80%	
2006	6,596	140,461,820	21,295	5.30%	
2007	6,596	140,461,820	21,295	5.60%	
2008	6,596	140,461,820	21,295	5.70%	
2009	6,596	140,461,820	21,295	8.80%	(a)
2010	6,596	140,461,820	21,295	8.40%	(b)
2011	6,596	140,461,820	21,295	7.40%	(c)

Sources: (1) 2000 U.S. Federal Census Bureau
(2) Represents Lake County
(a) Information as of July 2009
(b) Information as of June 2010
(c) Information as of June 2011
(3) Computation of Per Capita Personal Income multiplied by population.

Perry Local School District, Lake County

Principal Employers 2008 and 2011

Employer	Nature of Business	2011	
		Number of Employees (2)	Percentage of Total Employment
FirstEnergy Corporation (CEI)	Energy	700	20%
APSCO	Manufacturing	275	8%
Perry Local School District	Education	256	7%
Cottage Gardens	Agriculture	166	5%
Lake County Nursery	Agriculture	57	2%
Mid-West Materials	Manufacturing	55	2%
Rideout's IGA	Grocer	50	1%
Perry Joint Fire District	Safety	43	1%
Total		1,602	46%
Total Employment within the School District (1)		3,532	

Employer	Nature of Business	2008 (3)	
		Number of Employees (2)	Percentage of Total Employment
FirstEnergy Corporation (CEI)	Energy	800	23%
Perry Local School District	Education	241	7%
APSCO	Manufacturing	187	5%
Cottage Gardens	Agriculture	126	4%
Mid-West Materials	Manufacturing	60	2%
Rideout's IGA	Grocer	50	1%
Perry Joint Fire District	Safety	46	1%
Lake County Nursery	Agriculture	30	1%
Total		1,540	44%
Total Employment within the School District (1)		3,532	

Source: (1) Obtained from the 2000 U.S. Census Bureau

(2) Obtained from the Cuyahoga County Library Search Engine

(3) Information prior to 2008 is not available.

Perry Local School District, Lake County

Building Statistics Last Ten Fiscal Years

	2002	2003	2004	2005
Perry Elementary School				
Constructed in 1995				
Total Building Square Footage 83,000				
Enrollment Grades K-4	655	614	598	613
Student Capacity	1,200	1,200	1,200	1,200
Regular Instruction Classrooms	38	38	38	38
Regular Instruction Teachers	32	31	32	30
Special Instruction Classrooms	17	17	17	17
Special Instruction Teachers	11	11	10	10
Perry Primary Elementary School				
Enrollment Grades K-2	0	0	0	0
Regular Instruction Classrooms	0	0	0	0
Regular Instruction Teachers	0	0	0	0
Special Instruction Classrooms	0	0	0	0
Special Instruction Teachers	0	0	0	0
Perry Intermediate Elementary School				
Enrollment Grades 3-5	0	0	0	0
Regular Instruction Classrooms	0	0	0	0
Regular Instruction Teachers	0	0	0	0
Special Instruction Classrooms	0	0	0	0
Special Instruction Teachers	0	0	0	0
Perry Middle School				
Constructed in 1995				
Total Building Square Footage 113,000				
Enrollment Grades 5-8/ 6-8 (1)	617	612	612	602
Student Capacity	1,200	1,200	1,200	1,200
Regular Instruction Classrooms	34	34	34	34
Regular Instruction Teachers	32	30	30	28
Special Instruction Classrooms	14	14	14	14
Special Instruction Teachers	10	10	10	10
Perry High School				
Constructed in 1993				
Total Building Square Footage 271,000				
Enrollment Grades 9-12	644	613	618	601
Student Capacity	1,200	1,200	1,200	1,200
Regular Instruction Classrooms	30	30	30	30
Regular Instruction Teachers	21	22	22	19
Special Instruction Classrooms	18	18	18	18
Special Instruction Teachers	18	16	16	17

Source: District Records, Ohio Department of Education

(1) Location of grade levels in buildings changed in August 2009 and a new building was created; K-4 was split into Perry Primary School housing grades K-2, Perry Intermediate housing grades 3-5, and Perry Middle housing grades 6-8

Perry Local School District, Lake County

2006	2007	2008	2009	2010	2011
638	674	651	656	0	0
1,200	1,200	1,200	1,200	1,200	1,200
38	38	38	38	0	0
30	26	30	29	0	0
17	17	17	17	0	0
11	11	12	12	0	0
0	0	0	0	372	367
0	0	0	0	20	20
0	0	0	0	17	18
0	0	0	0	10	10
0	0	0	0	4	3
0	0	0	0	434	420
0	0	0	0	28	28
0	0	0	0	20	18
0	0	0	0	10	10
0	0	0	0	7	6.5
592	588	598	625	456	456
1,200	1,200	1,200	1,200	1,200	1,200
34	34	34	34	24	24
29	30	26	25	18	19
14	14	14	14	11	11
10	10.5	14.5	14.5	9.5	11
605	644	649	598	602	606
1,200	1,200	1,200	1,200	1,200	1,200
30	30	30	30	30	30
21	26	22	20	20	23
18	18	18	18	18	18
18	11	16	19	17.5	17

Perry Local School District, Lake County

**Operating Statistics
Last Ten Fiscal Years**

Fiscal Year	Student Enrollment		General Government		Governmental Activities (3)	
	Average Enrollment (1)	Percent of Change	Total Expenditures (2)	Per Pupil Cost	Total Expenses	Per Pupil Cost
2002	1,873	1.63%	28,444,162	15,186	N/A	N/A
2003	1,844	1.55%	26,667,368	14,462	30,176,838	16,365
2004	1,823	1.14%	28,193,254	15,465	31,332,196	17,187
2005	1,859	-1.97%	29,609,434	15,928	31,147,313	16,755
2006	1,834	1.34%	29,220,624	15,933	31,426,458	17,135
2007	1,904	-3.82%	32,023,411	16,819	34,252,231	17,990
2008	1,886	0.95%	30,332,273	16,083	33,482,903	17,753
2009	1,879	0.37%	26,258,239	13,975	33,482,903	17,820
2010	1,864	0.80%	26,511,996	14,223	30,270,711	16,240
2011	1,849	0.80%	27,366,353	14,801	29,851,587	16,145

Source: School District Records

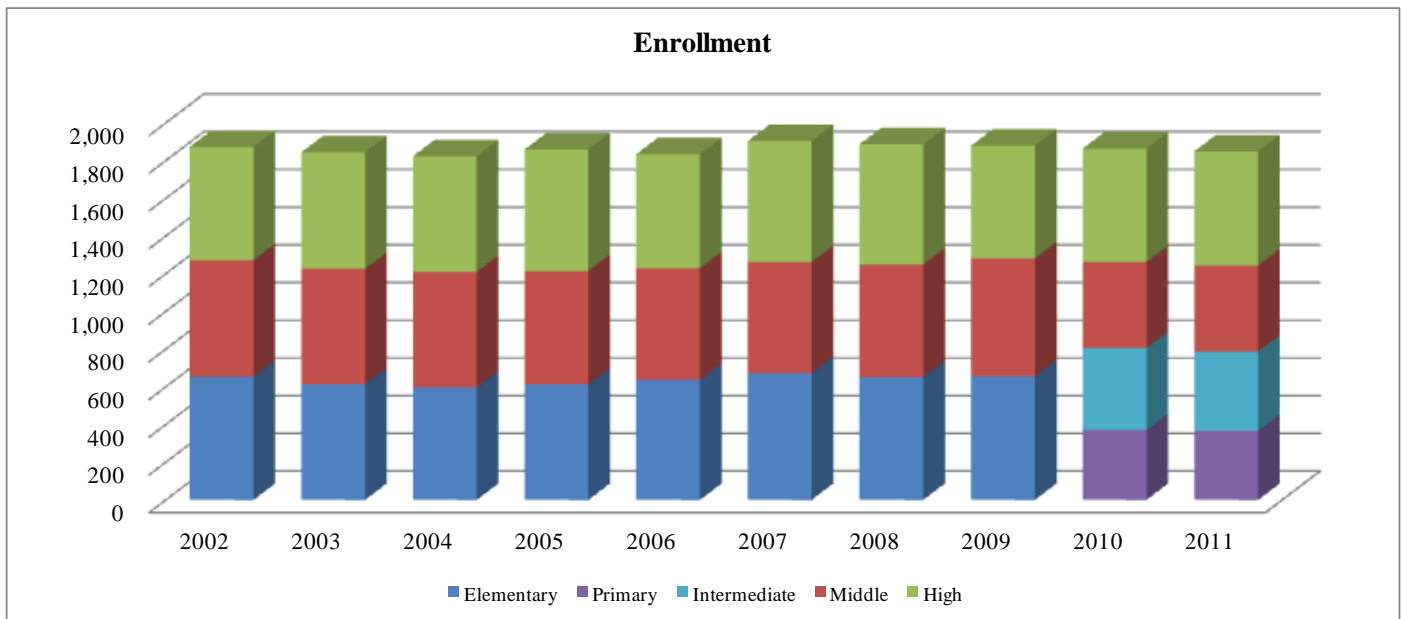
- (1) Based upon EMIS information provided to the Ohio Department of Education
- (2) Debt Service expenditures and other financing uses have been excluded
- (3) The School District implemented GASB 34 in fiscal year 2003.

Perry Local School District, Lake County

Enrollment Statistics Last Ten Fiscal Years

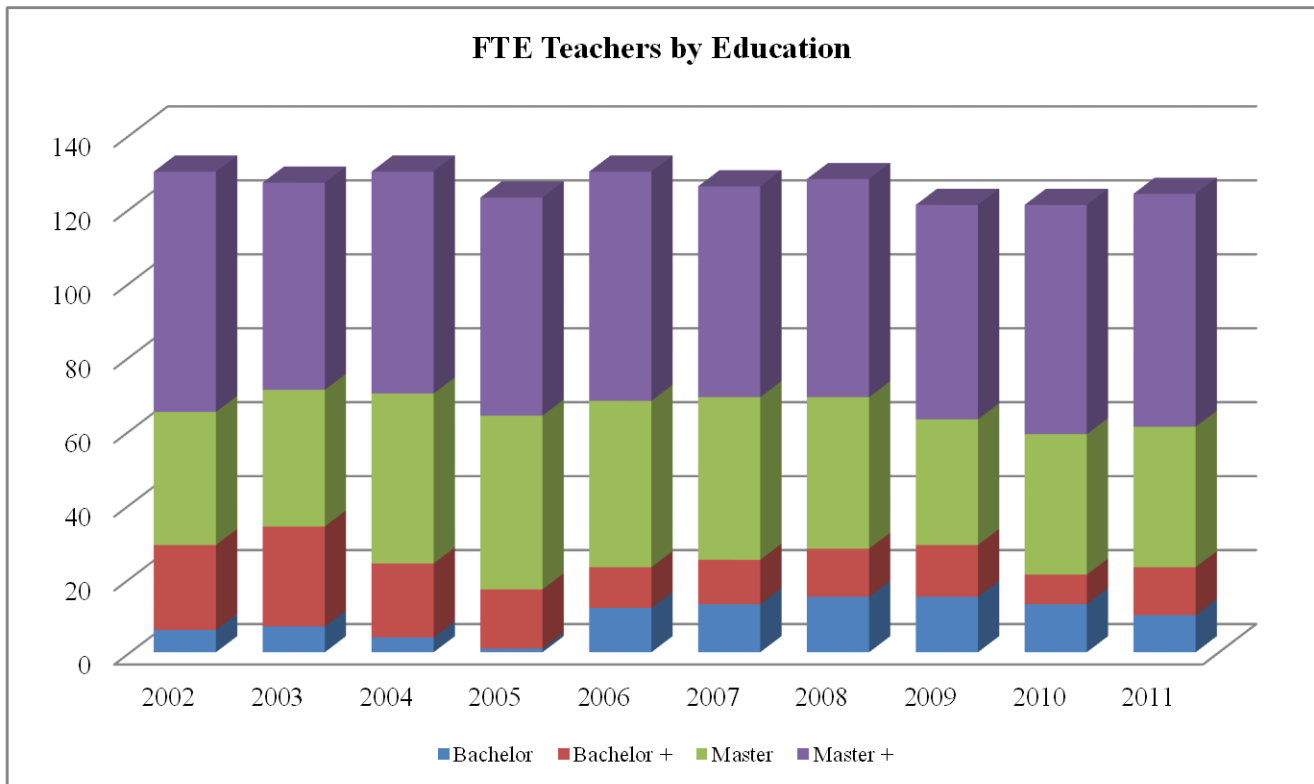
Fiscal Year	Elementary School	Primary School	Intermediate School	Middle School	High School	Total
2002	655	0	0	617	601	1,873
2003	614	0	0	612	618	1,844
2004	598	0	0	612	613	1,823
2005	613	0	0	602	644	1,859
2006	638	0	0	592	604	1,834
2007	674	0	0	588	642	1,904
2008	651	0	0	598	637	1,886
2009	656	0	0	625	598	1,879
2010	0	372	434	456	602	1,864
2011	0	367	420	456	606	1,849

Source: Ohio Department of Education



**Full-Time Equivalent Teachers by Education
Last Ten Fiscal Years**

Degree	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Bachelor's Degree	6	7	4	1	12	13	15	15	13	10
Bachelor + 15	11	10	7	6	3	4	6	5	2	5
Bachelor + 30	12	17	13	10	8	8	7	9	6	8
Master's Degree	36	37	46	47	45	44	41	34	38	38
Master + 15	65	56	60	59	62	57	59	58	62	63
Total	130	127	130	123	130	126	128	121	121	124



Source: School District Records

**Teachers' Salaries
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Minimum Salary (1)</u>	<u>Maximum Salary (2)</u>	<u>Average Salary Comparable Districts (3)</u>	<u>Statewide Average Salary (3)</u>
2002	\$ 32,846	\$ 70,882	\$ 47,088	\$ 43,755
2003	32,846	70,882	45,523	45,645
2004	32,846	70,882	49,058	47,658
2005	32,846	70,882	50,746	49,436
2006	32,846	70,882	51,168	50,771
2007	32,846	70,882	52,435	53,534
2008	32,846	70,822	N/A	53,410
2009	32,846	70,822	N/A	54,656
2010	32,846	72,654	N/A	55,958
2011	32,846	72,654	N/A	56,715

Source: (1) Starting teacher with no experience
 (2) Teacher with a Masters degree +15
 (3) Provided by the Ohio Department of Education

**Average Number of Students per Teacher
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Perry Average</u>	<u>State Average</u>
2002	15.8	16.9
2003	15.9	16.5
2004	17.0	18.5
2005	17.2	18.5
2006	16.3	18.6
2007	16.5	19.6
2008	16.4	18.6
2009	(1)	(1)
2010	(1)	(1)
2011	(1)	(1)

Source: Ohio Department of Education, EMIS Reports

(1) Information has not been provided from the Ohio Department of Education.

Perry Local School District, Lake County

**Attendance and Graduation Rates
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Perry Attendance Rate</u>	<u>State Average</u>	<u>Perry Graduation Rate</u>	<u>State Average</u>
2002	95.90%	94.30%	99.20%	82.70%
2003	96.20%	94.50%	96.00%	84.30%
2004	96.20%	94.50%	97.20%	85.90%
2005	95.60%	94.30%	98.60%	86.20%
2006	96.00%	94.10%	100.00%	86.10%
2007	96.10%	94.10%	98.10%	86.90%
2008	96.00%	94.20%	94.90%	84.60%
2009	96.20%	94.30%	94.90%	84.60%
2010	95.60%	94.30%	96.40%	83.00%
2011	95.80%	94.50%	97.50%	84.30%

Source: Ohio Department of Education

Perry Local School District, Lake County

**School District Employees by Function/Program
Last Six Fiscal Years (1)**

Function/Program	2006	2007	2008	2009	2010	2011
Regular Instruction	80.00	76.00	78.00	74.00	75.00	78.00
Special Instruction	39.00	41.00	41.00	48.50	45.50	37.00
Pupil Support Services						
Special Education Supervisor	1.00	1.00	1.00	0.00	0.00	0.00
Guidance Counselors	4.00	4.00	4.00	4.00	4.00	4.00
Librarians	1.00	1.00	1.00	1.00	1.00	1.00
Psychologists	1.00	1.00	1.00	1.00	1.00	1.00
Speech and Language Pathologists	0.00	0.00	0.00	0.00	0.00	0.00
Nurses	2.00	2.00	2.00	2.00	2.00	2.00
Educational/Media Associates	25.00	22.00	21.00	21.00	21.00	25.50
Facilitators	3.00	1.00	1.00	1.00	1.00	1.00
Athletic Director	1.00	1.00	1.00	1.00	1.00	1.00
Tutors	0.00	0.00	0.00	0.00	9.50	10.00
Recreational	0.00	0.00	0.00	0.00	1.00	1.00
Administrators						
Elementary	2.00	2.00	2.00	2.00	2.00	2.00
Middle	2.00	2.00	2.00	1.00	1.00	1.00
High	2.00	2.00	2.00	2.00	2.00	2.00
District	5.00	6.00	4.00	5.00	4.00	4.00
Operation of Plant						
Supervision	1.00	1.00	1.00	1.00	1.00	1.00
Custodians	18.00	17.00	17.00	13.00	18.00	18.00
Maintenance	4.00	4.00	4.00	4.00	4.00	4.00
Pupil Transportation						
Supervision	1.00	1.00	1.00	1.00	1.00	1.00
Bus Operators	21.00	21.50	17.00	18.00	16.00	17.00
Bus Aides	4.00	5.50	2.00	3.00	2.00	2.00
Van Drivers	0.00	0.00	0.00	0.00	0.00	0.00
Bus Mechanics	2.00	2.00	2.00	2.00	2.00	2.00
Food Service Program	14.00	12.00	13.00	13.00	13.00	13.00
Administrative Support Services						
Secretary/Administrative Support	19.00	20.00	20.00	19.00	19.00	20.00
Information Technology	3.00	3.00	3.00	3.00	3.00	2.00

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee. The count is performed on September 1 of each year.

Source: District Records

(1) Information prior to 2006 is not available.

Perry Local School District, Lake County

Free or Reduced Lunch Program Percentages Last Five Fiscal Years (1)

School Year	Students	Students Applicable for Free Lunch	Percentage of Applicable Students for the Free Lunch Program	Students Applicable for Reduced Lunch	Percentage of Applicable Students for the Reduced Lunch Program	Total Students Applicable for the Free and Reduced Lunch Program	Total Percentage of Applicable Students for the Free and Reduced Lunch Programs
2007	1,834	105	5.73%	224	12.21%	329	17.94%
2008	1,904	109	5.72%	130	6.83%	239	12.55%
2009	1,876	238	12.69%	89	4.74%	327	17.43%
2010	1,882	328	17.43%	90	4.78%	418	22.21%
2011	1,941	386	19.89%	60	3.09%	446	22.98%

Source: "Lunch MR 81 Report for October" obtained from the Ohio Department of Education.
(1) Information prior to 2007 is not available.



Alison - Grade 7



Chancey - Grade 6



Sarah - Grade 12

**Perry Local School District, Lake County, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011**



Dave Yost • Auditor of State

PERRY LOCAL SCHOOL DISTRICT

LAKE 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
MARCH 13, 2012