



Comprehensive Annual Financial Report

For the Fiscal Year
Ended June 30, 2014

Ross Local Schools

3371 Hamilton-Cleves Road Hamilton, OH 45013 | 513-863-1253

www.rossrams.com



Dave Yost • Auditor of State

Board of Education
Ross Local School District
3371 Hamilton-Cleves Road
Hamilton, OH 45013

We have reviewed the *Independent Auditor's Report* of the Ross Local School District, Butler County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2013 through June 30, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

April 15, 2015

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**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

of the

ROSS LOCAL SCHOOL DISTRICT,

BUTLER COUNTY, OHIO

For the Fiscal Year Ended June 30, 2014

BOARD OF EDUCATION

Edward Bosse

David Brown

Glenda Holt

John McCandless

Steve Stitsinger

SUPERINTENDENT OF SCHOOLS

Greg Young

**ISSUED BY
TREASURER'S OFFICE**

Cathy McMonigle,
Treasurer

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TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	vii
Appointed Officials	xii
Organizational Chart	xiii
GFOA Certificate of Achievement for Excellence in Financial Reporting	xiv
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet - Governmental Funds	14
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities	15
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	17
Statement of Fiduciary Net Position - Fiduciary Funds	18
Statement of Changes in Fiduciary Net Position - Fiduciary Fund	19
Notes to the Basic Financial Statements	20
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	44
Notes to the Required Supplementary Information	45
Combining Statements and Individual Fund Schedules:	
Major Governmental Funds	48
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Classroom Facilities Project Fund	49
Combining Statements and Individual Fund Schedules:	
Nonmajor Governmental Funds	51
Combining Balance Sheet	52
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	53
Nonmajor Special Revenue Funds	
Fund Descriptions	55
Combining Balance Sheet	56
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	58

TABLE OF CONTENTS

	Page
Nonmajor Special Revenue Funds (continued)	
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Other Local Grants Fund	60
Classroom Facilities Maintenance Fund	61
Athletic Fund	62
Auxiliary Service Fund	63
Race to the Top Fund	64
IDEA Part B Fund	65
Title I Fund	66
IDEA PreSchool Fund	67
Improving Teacher Quality Fund	68
Special Revenue Fund	69
Food Service Fund	70
Nonmajor Debt Service Fund	
Fund Description	71
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Debt Service Fund	72
Nonmajor Capital Project Funds	
Fund Descriptions	73
Combining Balance Sheet	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	75
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Permanent Improvement Fund	76
Building Fund	77
Other General Funds	
Fund Descriptions	78
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Budget and Actual (Non-GAAP Budgetary Basis):	
Uniform School Supplies Fund	79
Public School Support Fund	80
Nonmajor Fiduciary Funds	
Fund Descriptions	81
Statement of Changes in Assets and Liabilities	82

TABLE OF CONTENTS

	<u>Schedule</u>	<u>Page</u>
STATISTICAL SECTION		
Statistical Section Narrative		83
Net Position by Component	1	84
Expenses, Program Revenues and Net (Expense)/Revenue	2	85
General Revenues and Total Change in Net Position	3	86
Fund Balances, Governmental Funds	4	87
Governmental Funds Revenues	5	88
Governmental Funds Expenditures and Debt Service Ratio	6	89
Other Financing Sources and Uses and Net Change in Fund Balances, Governmental Funds	7	90
Assessed and Estimated Actual Value of Taxable Property	8	91
Property Tax Rates (per \$1,000 of assessed value)	9	92
Property Tax Levies and Collections	10	93
Principal Taxpayers - Real Estate Tax	11	94
Principal Taxpayers - Public Utilities Tax	12	95
Outstanding Debt by Type	13	96
Ratio of Net Bonded Debt Outstanding	14	97
Direct and Overlapping Governmental Activities Debt	15	98
Computation of Legal Debt Margin	16	99
Demographic and Economic Statistics	17	100
Major Employers	18	101
School District Employees by Function/Program	19	102
Teachers' Salaries	20	103
Operating Statistics	21	104
Building Statistics	22	105

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INTRODUCTORY SECTION



Ross Local School District

SUPERINTENDENT (513) 863-1253
TREASURER (513) 863-1250
3371 Hamilton-Cleves Road • Hamilton, OH 45013

ROSS HIGH SCHOOL
3601 Hamilton-Cleves Rd
Hamilton, Ohio 45013
(513) 863-1252

ROSS MIDDLE SCHOOL
3425 Hamilton-Cleves Rd
Hamilton, Ohio 45013
(513) 863-1251

ELDA ELEMENTARY
3980 Hamilton-Cleves Rd.
Hamilton, Ohio 45013
(513) 738-1972

MORGAN ELEMENTARY
3427 Chapel Rd
Hamilton, Ohio 45013
(513) 738-1986

December 30, 2014

To the Citizens and Board of Education of the Ross Local School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Ross Local School District (School District) for the fiscal year ended June 30, 2014. This report contains financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the School District for the 2013-2014 fiscal year. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the School District's continuing commitment to provide financial information to the citizens of the Ross Local School District.

Responsibility for the accuracy, completeness, and fairness of this report rests with the School District and specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the position and results of operations of the various funds and account groups of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A. The School District's MD&A follows the report of the independent auditors.

The School District provides a full range of programs and services for its students. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; as well as a broad range of co-curricular and extra-curricular activities to complement the students' curricular program.

In addition to these general activities, the School District acts as the fiscal agent for state funds distributed to a non-public parochial school located within the School District boundaries. Therefore, this fiduciary responsibility is included in the reporting entity as a special revenue fund. The parochial school served is Queen of Peace. While this organization is similar in operations and services provided, it is a separate and distinct entity whose financial statements are not included in this report.

ECONOMIC CONDITION

The School District is located in the Miami Valley of Southwest Ohio. The School District is midway between Dayton and Cincinnati in rapidly growing Butler County. The area served by the School District is primarily an agricultural area. Many of our residents commute to the Cincinnati area each day.

The School District's economy continues to experience challenges with recovery with unemployment above 5.5% and minimal growth in new home construction.

THE SCHOOL DISTRICT AND ITS FACILITIES

The School District is located in the southwestern section of Butler County, Ohio, and encompasses the Townships of Ross, Morgan, Hanover and St. Clair. The School District has an area of 76 square miles and is primarily a residential and farming community.

The School District had 2,807 students enrolled in the two elementary schools, middle school, and high school. In addition to the schools listed, the School District maintained and operated a transportation facility, central office facility and several sport fields.

ORGANIZATION OF THE SCHOOL DISTRICT

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

The Board members, their terms and years on the Board as of June 30, 2014 are:

<u>Board Member</u>	<u>Term</u>
Mr. David Brown	10/19/2006 – 12/31/2015
Mr. Steve Stitsinger	07/18/2006 – 12/31/2015
Mr. Edward Bosse	01/01/1982 – 12/31/2017
Ms. Glenda Holt	01/01/2006 – 12/31/2017
Mr. John McCandless	06/10/2009 – 12/31/2015

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations of the School District. Mr. Greg Young was appointed Superintendent on August 1, 2009. Mr. Young has a BA in Education from Centre College and a MA in Education from Eastern Kentucky University.

The Treasurer is the chief financial officer of the School District and is responsible for maintaining all financial records, issuing all payments, maintaining custody of all School District funds and assets, and investing idle funds as specified by Ohio law. Ms. Cathy McMonigle was appointed Treasurer on September 26, 2013. The Board appointed Cathy McMonigle as Treasurer. Mrs. McMonigle has a B.S in Organizational Behavior, Personnel and Employee Relations and Accounting from Miami University.

EMPLOYEE RELATIONS

The School District has 268 full and part-time employees. This number has decreased slightly as the School District works to trim costs through attrition. There is one organization representing the certificated employees. The School District's classified and administrative employees are not currently represented.

The Ross Education Association (REA), an affiliate of the Ohio Education Association (OEA), represents all certificated employees of the School District. On April 7, 2014 (effective September 1, 2013), the REA and the School District entered into a new two-year collective bargaining agreement on language, salary and fringe benefit issues, which expires on August 31, 2015.

SERVICES PROVIDED

The School District provides a wide variety of educational and support services as mandated by state statute or public desires. These include regular instruction and special instructional programs for handicapped students, student guidance and health services, transportation services, as well as extracurricular activities. Enterprise fund services include educational supply service and food service operation.

MAJOR INITIATIVES

Academic Performance

2013-2014 was another banner school year for our School District. Student achievement increased as evidenced by our state report card. Our high score on the report card's performance index indicates more students performed in the accelerated and advanced ranges on the state's assessments. Here are a few academic highlights from 2013-2014:

School District Highlights

- Student attendance rate was 96.4%.
- The Performance index score for the School District was 106.2, the highest score in Butler County.
- The district received a letter grade of A for Achievement Indicators Met.
- Our letter grade of A for Overall Progress on the state report card indicates that our students made more than one year's worth of progress from the previous year.

Ross High School Highlights

- SAT scores increased to historical highs in reading and writing.
- Our graduation rate was 97.1%. It marks three consecutive years that the rate has been over 97%.
- Passage rates improved on the Ohio Graduation Test in writing, reading, math and social studies.

Ross Middle School Highlights

- The fifth grade scores of 88.1% in reading, 85.8% in math, and 93.1% in science were the best of all Butler County school districts. The math and science scores were the best among our state similar districts.
- Our sixth grade reading (95.5%) and math (96.4%) scores were the best among all Butler County school districts and the math score was the best of our state similar districts.
- We had a historical high score in seventh grade reading at 94.7%. That score and our seventh grade math score of 91.6% were the highest among all Butler County school districts.
- Our eighth grade reading score of 96.8% was the highest among all Butler County school districts and the best of our state similar districts.

Elda Elementary Highlights

- Received a letter grade of A for Achievement and Annual Measurable Objectives on the state report card.
- Performance index score was 105.8.

Morgan Elementary Highlights

- Performance Index score of 109.6 was the highest among all schools in Butler County.
- Received a letter grade of A for Achievement, Progress, and Annual Measurable Objectives on the state report card.
- *Cincy* magazine named the Ross Local School District one of the top 20 school districts in an eight-county area. This is the seventh year in a row that we have earned this distinction.

Facilities

Our School District completed the construction process for additions and renovations to Morgan Elementary School. This was accomplished through the Ohio School Facilities Commission's Classroom Facilities Assistance

Program. This project marked an end to the district's 12 year, \$57,000,000 Facilities Master Plan. The district put a preventative maintenance program in place.

FINANCIAL INFORMATION

The School District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing accounting entity. Records for general governmental operations are maintained on a cash basis system of accounting as prescribed by the Auditor of State. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, as more fully described in the notes to the financial statements, provides for a modified accrual basis of accounting for the governmental funds, and for full accrual basis of accounting for governmental activities.

Internal Controls

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School District are protected from loss, theft or misuse. These controls also ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

Single Audit Act

As a recipient of federal and state financial assistance, the School District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the School District.

As part of the School District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the School District has complied with applicable laws and regulations. The results of the School District's single audit for the fiscal year ended June 30, 2014 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

The School District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function of expenditure within an individual fund. The School District also maintains an encumbrance accounting system to assist in budgetary control. Unencumbered appropriations lapse at year-end. Encumbered amounts at year-end are carried forward to succeeding years and not re-appropriated. As demonstrated by the statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management.

In order to comply with Ohio budgetary law, the School District amends the appropriations during the last week of the fiscal year. Since little or no financial transactions are completed after this amendment, the budget versus actual variance is typically insignificant. Amendments are properly approved in accordance with Ohio law.

The School District follows Board policy as detailed in the Fiscal Management section of policy manual. No additional policies were implemented.

Long-term Financial Planning

The School District has always maintained that fiscal responsibility is a primary goal. In November, 2005 the residents of the School District approved a .75% income tax for a period of four years. On November 4, 2008, the residents voted to replace the existing four-year traditional income tax with a continuous earned only income tax. Conversion to the earned only income tax reduced the total income tax receipts by an estimated \$400,000. The stability provided by the continuous tax source of revenue is important to the district's long-term financial planning.

The School District cut \$2.1 million from the budget over a three year period ending with the 2011-2012 school year in preparation for state budget cuts in July, 2010. These reductions to the district budget also pushed deficit spending back an additional year. The School District realizes a return to the ballot is eminent. The status of state funding for education in Ohio has been protected to a great extent but no additional funding is expected in the next biennium.

The School District's revenue has benefited from the Rockies Express natural gas pipeline which cuts through the district. This new source of property tax revenue has been one of the factors keeping the district out of deficit spending.

OTHER INFORMATION

GFOA Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ross Local School District for its comprehensive annual financial report for the fiscal year ended June 30, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Independent Audit

State statutes require an annual audit by independent accountants. Plattenburg & Associates, Inc. conducted the School District's 2014 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-133. The accountant's report on the basic financial statements and combining and individual fund statements is included in the financial section of this report.

Acknowledgements

The preparation and publication of this report would not have been possible without the cooperation of the entire Treasurer's Office.

Finally, this report would not have been possible without the support and interest of the Board. We appreciate their leadership and commitment to excellence.

Sincerely,


Greg Young
Superintendent


Cathy McMonigle
Treasurer

Ross Local School District
Appointed Officials
June 30, 2014

Official

Title

Mr. Greg Young

Superintendent

Ms. Cathy McMonigle

Treasurer

Mr. Ray Lyttle

Director, Special Ed and Personnel

Mrs. Kathy DiBlasi

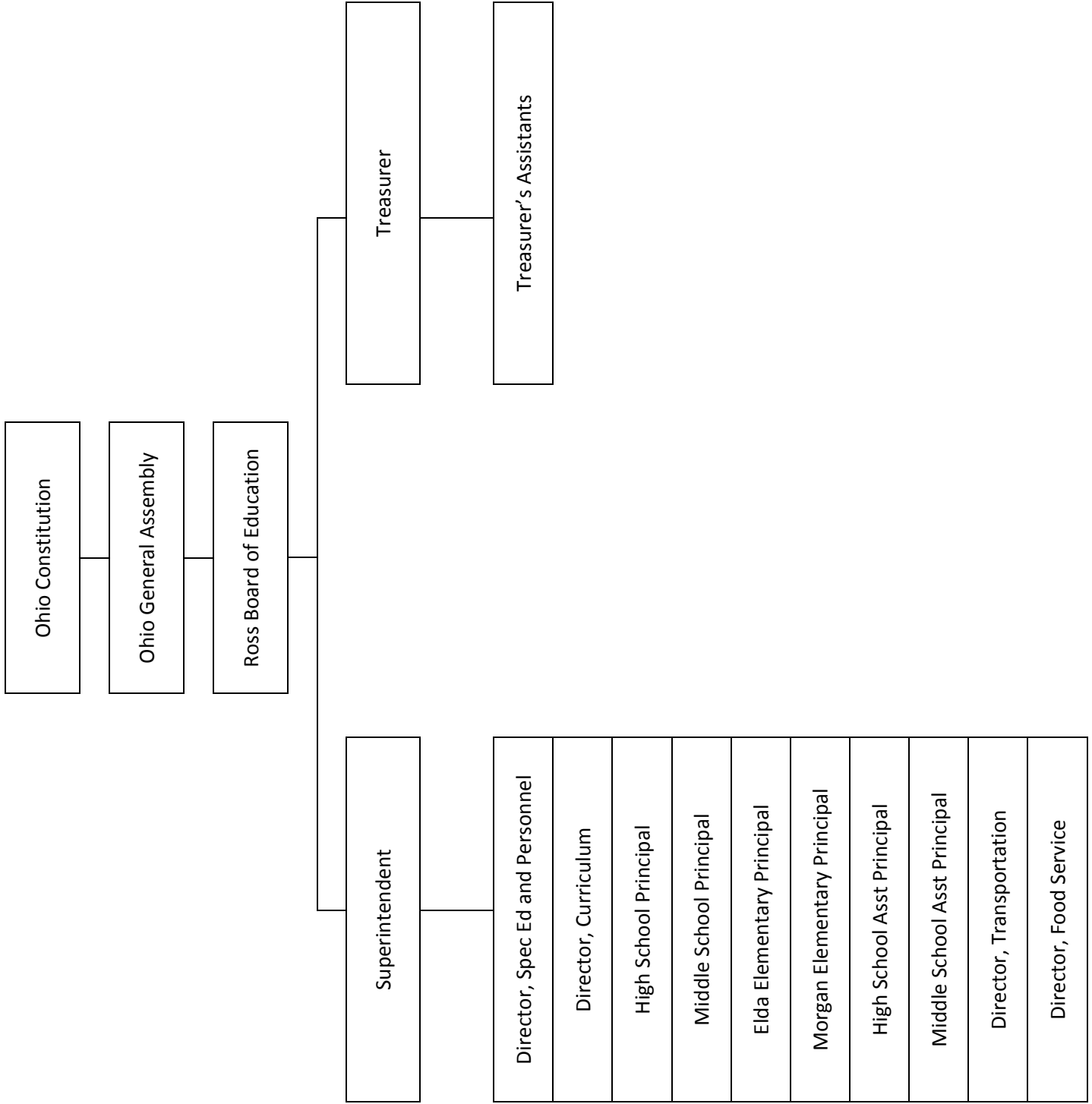
Director, Curriculum

Mr. Ronald Mandery

Director, Transportation

Mrs. Deborah Christophel

Director, Food Services





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Ross Local School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Ross Local School District

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to previously 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 District, as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 22 to the financial statements, the District adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information listed in the table of contents 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
December 30, 2014

Ross Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited)

The discussion and analysis of Ross Local School District, Ohio's (the District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's performance.

Financial Highlights

Key financial highlights for 2014 are as follows:

- Net Position of governmental activities increased \$7,438,651 which represents a 17% increase from 2013.
- General revenues accounted for \$30,903,548 in revenue or 90% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$3,448,465 or 10% of total revenues of \$34,352,013.
- The District had \$26,913,362 in expenses related to governmental activities; \$3,448,465 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$30,903,548 were also used to provide for these programs.

Overview of the Financial Statements

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

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

Government-wide Financial Statements

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2014?" The Government-wide Financial Statements answer this question. These statements include *all assets, deferred outflows of resources, liabilities and deferred inflows of resources* 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.

Ross Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited)

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

In the Government-wide Financial Statements, the overall financial position of the District is presented as Governmental Activities. The District's programs and services include instruction, support services, operation of non-instructional services, extracurricular activities, and interest and fiscal charges.

Fund Financial Statements

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

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

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is similar to proprietary funds.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report contains required supplementary information concerning the budget of the General Fund.

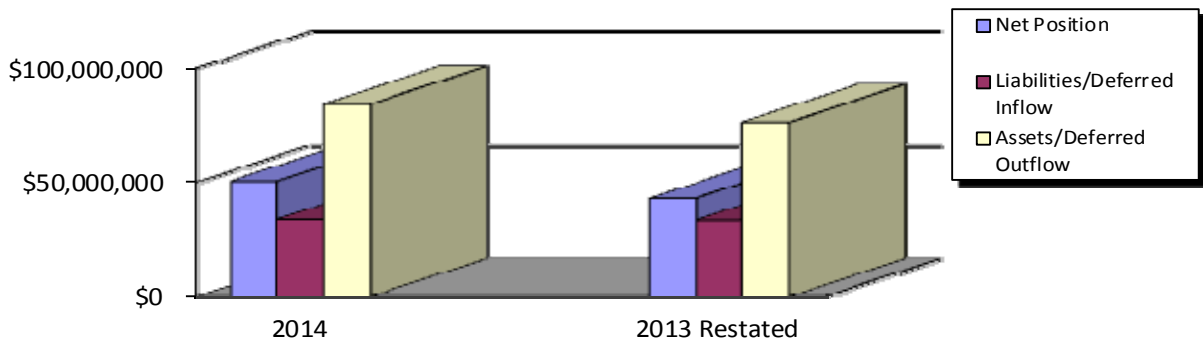
The District as a Whole

As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2014 compared to 2013:

Ross Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited)

Table 1
Net Position

	Governmental Activities	
	2014	2013 Restated
Assets:		
Current and Other Assets	\$32,039,165	\$28,089,819
Capital Assets	51,582,655	47,663,852
Total Assets	83,621,820	75,753,671
Total Deferred Outflows of Resources	684,937	739,437
Liabilities:		
Other Liabilities	4,887,222	2,682,766
Long-Term Liabilities	19,463,450	21,043,943
Total Liabilities	24,350,672	23,726,709
Total Deferred Inflows of Resources	9,462,328	9,701,293
Net Position:		
Net Investment in Capital Assets	34,070,944	30,014,580
Restricted	9,708,921	5,636,656
Unrestricted	6,713,892	7,403,870
Total Net Position	\$50,493,757	\$43,055,106



Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2014, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$50,493,757.

At year-end, capital assets represented 60% of total assets. Capital assets include land, buildings and improvements and equipment. Capital assets, net of related debt to acquire the assets at June 30, 2014, was \$34,070,944. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it

Ross Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited)

should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$9,708,921 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Capital Assets increased mainly due to the continuation of the construction of Morgan Elementary. Long-Term Liabilities decreased mainly due to the District continuing to make principal payments on its long term debt obligations. Other Liabilities increased mainly due to an increase in contracts payable.

Table 2 shows the changes in net position for fiscal years 2014 and 2013.

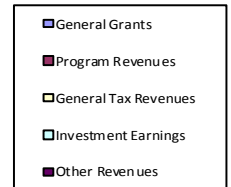
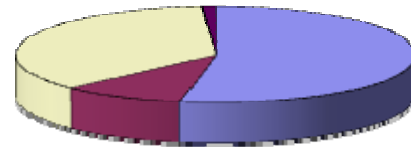
Table 2
Changes in Net Position

	Governmental Activities	
	2014	2013 Restated
Revenues:		
Program Revenues		
Charges for Services	\$1,310,488	\$1,572,932
Operating Grants, Contributions	2,137,977	1,565,970
General Revenues:		
Income Taxes	2,693,467	2,770,012
Property Taxes	9,617,078	8,451,259
Grants and Entitlements	18,161,853	12,122,593
Other	431,150	448,823
Total Revenues	<u>34,352,013</u>	<u>26,931,589</u>
Program Expenses:		
Instruction	15,483,334	14,643,783
Support Services:		
Pupil and Instructional Staff	1,312,121	2,284,457
School Administrative, General		
Administration, Fiscal and Business	2,558,862	2,676,992
Operations and Maintenance	2,811,279	3,089,136
Pupil Transportation	1,747,775	1,561,487
Central	76,265	7,482
Operation of Non-Instructional Services	1,399,223	1,282,191
Extracurricular Activities	813,219	951,709
Interest and Fiscal Charges	711,284	734,427
Total Program Expenses	<u>26,913,362</u>	<u>27,231,664</u>
Change in Net Position	7,438,651	(300,075)
Net Position Beginning of Year	<u>43,055,106</u>	<u>43,355,181</u>
Net Position End of Year	<u>\$50,493,757</u>	<u>\$43,055,106</u>

Ross Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited)

The District revenues are mainly from two sources. Income taxes, property taxes levied for general, special revenue and capital project purposes and grants and entitlements comprised 89% of the District's revenues for governmental activities. The District's reliance upon tax revenues is demonstrated in the following graph:

Revenue Sources	2014	Percent of Total
General Grants	\$18,161,853	52.87%
Program Revenues	3,448,465	10.04%
General Tax Revenues	12,310,545	35.84%
Investment Earnings	39,560	0.12%
Other Revenues	391,590	1.14%
	<u>\$34,352,013</u>	<u>100.00%</u>



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

Thus, Ohio districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 53% of revenue for governmental activities for the District in fiscal year 2014.

Grants and Entitlements increased mainly due to an increase in grants monies received in fiscal year 2014 as compared to fiscal year 2013 for the Classroom Facilities project. Total expenses decreased mainly due to the decrease in pupil and instructional staff expenses.

Instruction comprises 57.5% of governmental program expenses. Support services expenses were 31.6% of governmental program expenses. All other expenses including interest expense were 10.9%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

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

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Ross Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014
(Unaudited)

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2014	2013	2014	2013
Instruction	\$15,483,334	\$14,643,783	(\$13,745,749)	(\$14,047,062)
Support Services:				
Pupil and Instructional Staff	1,312,121	2,284,457	(1,294,121)	(1,744,814)
School Administrative, General				
Administration, Fiscal and Business	2,558,862	2,676,992	(2,504,453)	(2,589,035)
Operations and Maintenance	2,811,279	3,089,136	(2,789,430)	(3,089,136)
Pupil Transportation	1,747,775	1,561,487	(1,736,250)	(1,561,487)
Central	76,265	7,482	(76,265)	(282)
Operation of Non-Instructional Services	1,399,223	1,282,191	(232,841)	(50,751)
Extracurricular Activities	813,219	951,709	(374,504)	(275,768)
Interest and Fiscal Charges	711,284	734,427	(711,284)	(734,427)
Total Expenses	<u>\$26,913,362</u>	<u>\$27,231,664</u>	<u>(\$23,464,897)</u>	<u>(\$24,092,762)</u>

The District's Funds

The District has two major governmental funds: the General Fund and Classroom Facilities Project Fund. Assets of these funds comprised \$27,676,152 (86%) of the total \$32,058,456 governmental funds' assets.

General Fund: Fund balance at June 30, 2014 was \$6,531,569, an increase in fund balance of \$362,126 from 2013. The primary reason for the increase in fund balance was due to an increase in tuition and fees revenue and a decrease in capital outlay expenditures.

Classroom Facilities Project Fund: Fund balance at June 30, 2014 was \$8,286,169, an increase in fund balance of \$1,776,813 from 2013. The primary reason for the increase in fund balance was due to an increase in intergovernmental revenue.

General Fund Budgeting Highlights

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

During the course of fiscal year 2014, the District amended its general fund budget. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the General Fund, the original budget basis revenue was \$22,939,913, compared to final budget estimates of \$23,097,712. The difference between the original budget basis and final budget was \$157,799, which was mostly due to conservative estimates in taxes and intergovernmental revenue.

The District's ending unobligated cash balance was \$7,300,588.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2014, the District had \$51,582,655 invested in land, buildings and improvements, and equipment. Table 4 shows fiscal year 2014 balances compared to fiscal year 2013:

Table 4
Capital Assets, Net of Depreciation

	Governmental Activities	
	2014	2013
Land	\$1,262,525	\$1,262,525
Construction in Progress	5,893,616	214,444
Land Improvements	658,515	740,630
Building and Improvements	43,058,340	44,753,914
Equipment	84,097	160,239
Vehicles	625,555	532,100
Total Net Capital Assets	<u>\$51,582,648</u>	<u>\$47,663,852</u>

Capital Assets increased mainly due to the continuation of the construction of Morgan Elementary.

See Note 8 to the basic financial statements for further details on the District's capital assets.

Debt

At June 30, 2014, the District had \$18,652,207 in Bonds and Capital Leases outstanding and \$678,993 due within one year. Table 5 summarizes outstanding debt at year end.

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	Governmental Activities	
	2014	2013
Governmental Activities:		
General Obligation Bonds:		
2003 School Improvement Bonds	\$760,000	\$1,655,000
2006 Refunding:		
Current Interest Bonds	7,305,000	7,350,000
Current Term	1,720,000	1,720,000
Capital Appreciation Bonds - Principal	110,000	110,000
Capital Appreciation Bonds - Accretion	420,038	320,131
2012 Refunding:		
Current Interest	6,445,000	6,445,000
Capital Appreciation Bonds - Principal	60,000	60,000
Capital Appreciation Bonds Accretion	35,521	19,309
Premium	742,714	802,017
Discounts	(10,625)	(13,281)
	<u>17,587,648</u>	<u>18,468,176</u>
Capital Leases	<u>1,064,559</u>	<u>1,673,791</u>
Long-Term Debt	<u>\$18,652,207</u>	<u>\$20,141,967</u>

See Note 9 and 10 to the basic financial statements for further details on the District's outstanding debt.

For the Future

On June 30, 2013, Governor John Kasich signed House Bill 59, the state biennium budget bill for fiscal years 2014 and 2015. The budget bill limits the total increased funding that will be provided to public school districts to 6.25 percent in fiscal year 2014 and 10.5 percent in fiscal year 2015, both of which impact the District. Coupled with the funding gain limits, House Bill 59 also introduced new spending mandates and increased deductions from public school districts to fund charter and non-public options. These funding limits, spending mandates and deduction increases all have to be taken into account in monitoring the operation of the District and future decisions on pursuing additional revenue or expenditure reductions. This scenario requires management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

All of the District's financial abilities will be needed to meet the challenges of the future. With careful planning and monitoring of the District's finances, the District's management is confident that the District can continue to provide a quality education for our students and provide a secure financial future.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's office at the Ross Local School District, 3771 Hamilton Cleves Road, Hamilton, Ohio 45013.

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Ross Local School District, Ohio
Statement of Net Position
June 30, 2014

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$20,284,125
Restricted Cash and Investments	577,054
Receivables (Net):	
Taxes	10,825,690
Accounts	33,000
Interest	3,927
Intergovernmental	309,383
Inventory	5,986
Nondepreciable Capital Assets	7,156,138
Depreciable Capital Assets, Net	<u>44,426,517</u>
 Total Assets	 <u>83,621,820</u>
 Deferred Outflows of Resources:	
Deferred Charge on Refunding	<u>684,937</u>
 Total Deferred Outflows of Resources	 <u>684,937</u>
 Liabilities:	
Accounts Payable	288,697
Accrued Wages and Benefits	2,596,550
Contracts Payable	1,703,242
Retainage Payable	252,058
Accrued Interest Payable	46,675
Long-Term Liabilities:	
Due Within One Year	911,125
Due In More Than One Year	<u>18,552,325</u>
 Total Liabilities	 <u>24,350,672</u>
 Deferred Inflows of Resources:	
Property Taxes	9,200,077
Grants and Other Taxes	<u>262,251</u>
 Total Deferred Inflows of Resources	 <u>9,462,328</u>
 Net Position:	
Net Investment in Capital Assets	34,070,944
Restricted for:	
Debt Service	858,113
Capital Projects	7,723,337
Classroom facilities maintenance	883,023
Athletics	97,504
Auxiliary Services	18,207
Scholarships	99,294
Federal Grants	27,450
Other Purposes	1,993
Unrestricted	<u>6,713,892</u>
 Total Net Position	 <u>\$50,493,757</u>

See accompanying notes to the basic financial statements.

Ross Local School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2014

	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services and Sales	Operating Grants and Contributions	and Changes in Net Position Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$12,632,399	\$164,352	\$196,086	(\$12,271,961)
Special	2,286,630	9,004	1,315,612	(962,014)
Vocational	0	0	1,254	1,254
Other	564,305	51,277	0	(513,028)
Support Services:				
Pupil	988,179	0	583	(987,596)
Instructional Staff	323,942	0	17,417	(306,525)
General Administration	38,249	0	0	(38,249)
School Administration	1,875,622	752	53,657	(1,821,213)
Fiscal	644,991	0	0	(644,991)
Operations and Maintenance	2,811,279	16,122	5,727	(2,789,430)
Pupil Transportation	1,747,775	0	11,525	(1,736,250)
Central	76,265	0	0	(76,265)
Operation of Non-Instructional Services	1,399,223	631,454	534,928	(232,841)
Extracurricular Activities	813,219	437,527	1,188	(374,504)
Interest and Fiscal Charges	711,284	0	0	(711,284)
Total Governmental Activities	\$26,913,362	\$1,310,488	\$2,137,977	(23,464,897)
General Revenues:				
Income Taxes				2,693,467
Property Taxes Levied for:				
General Purposes				8,042,831
Debt Service Purposes				1,339,782
Capital Projects Purposes				234,465
Grants and Entitlements, Not Restricted				11,228,078
Grants and Entitlements, Restricted for Capital Construction				6,933,775
Revenue in Lieu of Taxes				302,250
Investment Earnings				39,560
Other Revenues				89,340
Total General Revenues				30,903,548
Change in Net Position				7,438,651
Net Position - Beginning of Year, Restated				43,055,106
Net Position - End of Year				\$50,493,757

See accompanying notes to the basic financial statements.

Ross Local School District, Ohio
Balance Sheet
Governmental Funds
June 30, 2014

	General	Classroom Facilities Project	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$7,584,726	\$9,989,411	\$2,709,988	\$20,284,125
Restricted Cash and Investments	324,996	252,058	0	577,054
Receivables (Net):				
Taxes	9,208,912	0	1,616,778	10,825,690
Accounts	30,580	0	2,420	33,000
Interest	3,927	0	0	3,927
Intergovernmental	262,251	0	47,132	309,383
Interfund	19,291	0	0	19,291
Inventory	0	0	5,986	5,986
Total Assets	17,434,683	10,241,469	4,382,304	32,058,456
Liabilities:				
Accounts Payable	232,737	0	55,960	288,697
Accrued Wages and Benefits	2,406,143	0	190,407	2,596,550
Compensated Absences	34,230	0	330	34,560
Contracts Payable	0	1,703,242	0	1,703,242
Retainage Payable	0	252,058	0	252,058
Interfund Payable	0	0	19,291	19,291
Total Liabilities	2,673,110	1,955,300	265,988	4,894,398
Deferred Inflows of Resources:				
Property Taxes	7,774,935	0	1,561,541	9,336,476
Income Taxes	190,567	0	0	190,567
Grants and Other Taxes	262,251	0	47,132	309,383
Investment Earnings	2,251	0	0	2,251
Total Deferred Inflows of Resources	8,230,004	0	1,608,673	9,838,677
Fund Balances:				
Restricted	0	7,216,713	2,531,663	9,748,376
Committed	0	1,069,456	0	1,069,456
Assigned	327,740	0	150,000	477,740
Unassigned	6,203,829	0	(174,020)	6,029,809
Total Fund Balances	6,531,569	8,286,169	2,507,643	17,325,381
Total Liabilities, Deferred Inflows and Fund Balances	\$17,434,683	\$10,241,469	\$4,382,304	\$32,058,456

See accompanying notes to the basic financial statements.

Ross Local School District, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 June 30, 2014

Total Governmental Fund Balance \$17,325,381

Amounts reported for governmental activities in the
 statement of net position are different because:

Capital assets used in governmental activities are not financial
 resources and, therefore, are not reported in the funds.

 Capital assets used in the operation of Governmental Funds 51,582,655

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

Delinquent Property Taxes	\$136,399	
Interest	2,251	
Intergovernmental	<u>47,132</u>	
		376,349

In the statement of net position interest payable is accrued when
 incurred; whereas, in the governmental funds interest is
 reported as a liability only when it will require the use of
 current financial resources. (46,675)

Some liabilities reported in the statement of net position do not
 require the use of current financial resources and, therefore,
 are not reported as liabilities in governmental funds.

 Compensated Absences (695,923)

Deferred outflows of resources associated with long-term liabilities
 are not reported in the funds. 684,937

Long-term liabilities are not due and payable in the current
 period and, therefore, are not reported in the funds. (18,732,967)

Net Position of Governmental Activities \$50,493,757

See accompanying notes to the basic financial statements.

Ross Local School District, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2014

	General	Classroom Facilities Project	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property and Other Taxes	\$8,185,026	\$0	\$1,594,896	\$9,779,922
Income Taxes	2,492,302	0	198,585	2,690,887
Tuition and Fees	153,907	0	0	153,907
Investment Earnings	34,174	3,135	0	37,309
Intergovernmental	11,745,037	6,933,775	1,585,679	20,264,491
Extracurricular Activities	204,543	0	275,416	479,959
Charges for Services	12,847	0	663,773	676,620
Revenue in Lieu of Taxes	262,251	0	39,999	302,250
Other Revenues	57,301	0	32,041	89,342
Total Revenues	23,147,388	6,936,910	4,390,389	34,474,687
Expenditures:				
Current:				
Instruction:				
Regular	11,529,185	0	153,343	11,682,528
Special	1,617,995	0	700,154	2,318,149
Other	584,583	0	0	584,583
Support Services:				
Pupil	1,001,805	0	650	1,002,455
Instructional Staff	316,703	0	19,294	335,997
General Administration	38,249	0	0	38,249
School Administration	1,776,577	0	59,962	1,836,539
Fiscal	635,360	0	15,542	650,902
Operations and Maintenance	1,984,706	0	96,936	2,081,642
Pupil Transportation	1,822,023	0	0	1,822,023
Central	78,728	0	0	78,728
Operation of Non-Instructional Services	5,151	0	1,337,319	1,342,470
Extracurricular Activities	259,214	0	518,146	777,360
Capital Outlay	274,264	5,427,111	3,174	5,704,549
Debt Service:				
Principal Retirement	197,377	0	1,351,855	1,549,232
Interest and Fiscal Charges	8,175	0	599,460	607,635
Total Expenditures	22,130,095	5,427,111	4,855,835	32,413,041
Excess of Revenues Over (Under) Expenditures	1,017,293	1,509,799	(465,446)	2,061,646
Other Financing Sources (Uses):				
Transfers In	0	267,014	388,153	655,167
Transfers (Out)	(655,167)	0	0	(655,167)
Total Other Financing Sources (Uses)	(655,167)	267,014	388,153	0
Net Change in Fund Balance	362,126	1,776,813	(77,293)	2,061,646
Fund Balance - Beginning of Year	6,169,443	6,509,356	2,584,936	15,263,735
Fund Balance - End of Year	\$6,531,569	\$8,286,169	\$2,507,643	\$17,325,381

See accompanying notes to the basic financial statements.

Ross Local School District, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2014

Net Change in Fund Balance - Total Governmental Funds \$2,061,646

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	\$5,893,086	
Depreciation Expense	<u>(1,900,972)</u>	
		3,992,114

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (73,311)

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

Income Taxes	\$2,580	
Delinquent Property Taxes	(162,844)	
Interest	2,251	
Intergovernmental	<u>35,339</u>	
		(122,674)

Repayment of bond principal and STRS Early Retirement Incentive is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,652,133

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 10,323

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	\$32,392	
Amortization of Bond Premium	59,303	
Amortization of Bond Discount	(2,656)	
Amortization of Deferred Charge on Refunding	(54,500)	
Bond Accretion	<u>(116,119)</u>	
		<u>(81,580)</u>

Change in Net Position of Governmental Activities \$7,438,651

See accompanying notes to the basic financial statements.

Ross Local School District, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$1,058	\$37,206
Total Assets	<u>1,058</u>	<u>37,206</u>
Liabilities:		
Accounts Payable	0	3,382
Other Liabilities	<u>0</u>	<u>33,824</u>
Total Liabilities	<u>0</u>	<u>\$37,206</u>
Net Position:		
Held in Trust	<u>1,058</u>	
Total Net Position	<u><u>\$1,058</u></u>	

See accompanying notes to the basic financial statements.

Ross Local School District, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2014

	Private Purpose Trust
Additions:	
Donations	\$0
Total Additions	0
Deductions:	
Scholarships	0
Total Deductions	0
Change in Net Position	0
Net Position - Beginning of Year	1,058
Net Position - End of Year	\$1,058

See accompanying notes to the basic financial statements.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Note 1 - Summary of Significant Accounting Policies

Description of the District

The Ross Local School District (the "School District") is organized under Sections 2 and 3, Article VI, of the Constitution of the State of Ohio and Chapters 3311 and 3315 of the Ohio Revised Code. Under existing statutes, the Ross Local Board of Education, on behalf of the School District, has the authority to acquire, maintain and dispose of school property; develop and adopt school programs; and establish, organize and operate schools.

The financial statements of the Ross Local 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.

Reporting Entity

The financial reporting entity is composed of the School District (primary government). The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. Potential component units were reviewed for possible inclusion in the financial statements. Component units are legally separate organizations for which the School District would be financially accountable. The School District would be financially accountable for an organization if the School District appointed a voting majority of the organization's governing board and (1) the School District was able to significantly influence the programs or services performed or provided by the organization; or (2) the School District was legally entitled to or can otherwise access the organization's resources; the School District was legally obligated or had otherwise assumed the responsibility to finance the deficits of or provided financial support to, the organization; or the School District was 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. There were no component units included in the reporting entity.

Jointly Governed Organization: The School District participates in two jointly governed organizations. These jointly governed organizations are described in Note 17.

Basis of Presentation - Fund Accounting

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the School District as a whole. These statements include financial activities of the primary government except for fiduciary funds. The effect of interfund activity has been removed from these statements. The statements distinguish between those types of activities of the School District that are governmental and those that are considered to be business-type activities. The School District has no business type activities.

The government-wide statements are prepared using the economic resources measurement focus, which differs from the manner in which the governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by a program and grants and contributions that are restricted to meeting the operations or capital requirements of 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 government function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements – Fund financial statements report detailed information about the School District. The focus of governmental financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources are generally included on the balance sheet. Operating statements of these funds present sources (i.e. revenues and other financial sources) and uses (i.e. expenditures and other financing uses) of current financial resources.

The School District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid in 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 funds of the School District are grouped into the categories governmental and fiduciary.

The following fund types are used by the District:

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, deferred outflows of resources, liabilities and deferred inflows of resources is reported as fund balance.

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

Classroom Facilities Project Fund – This fund was created to account for State monies to be received and used for improvements on existing facilities of the School District.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The School District's fiduciary funds consist of a private purpose trust fund and an agency fund. The private-purpose trust fund accounts for scholarship programs for students. These assets are

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

not available for the School District's use. Agency funds, which are used to account for student activities, are custodial in nature (assets equals liabilities) and do not involve measurement of results of operations.

Note 2 - Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and relates to the timing of the measurements made.

The modified accrual basis of accounting is used by the governmental funds. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after fiscal year-end. Under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, income taxes, interest, tuition, student fees and grants.

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. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Government-wide financial statements are prepared using the accrual basis of accounting. Also, fiduciary funds use accrual accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Revenues – Exchange and Non-exchange Transactions

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

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property and income taxes, grants, entitlements, and donations. On an accrual basis, revenue from property and income taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used of the fiscal year in which use is first permitted, matching requirements, in which the School District must provide local resources to be used for specific 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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, grants and other taxes (which includes tax incremental financing 'TIF') and investment earnings. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2014, but which were levied to finance year 2015 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. TIF's have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements.

Equity in Pooled Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements. During fiscal year 2014, the School District's investments were limited to U.S. Money Markets, U.S. Agency securities and U.S. Treasuries.

The Governmental Accounting Standards Board Statement No. 31 (GASB 31), "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," requires that investments, with certain exceptions, be recorded at their fair value and that changes in the fair value are reported in the operations statements. The School District recorded investments held at June 30, 2014 at fair value.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings.

An analysis of the Treasurer's investment account at the year-end is provided in Note 4.

Restricted Assets

Restricted assets in the general fund represent equity in pooled cash and investments set aside for the budget stabilization and retainage owed to contractors.

Inventories

Inventories of governmental funds are stated at cost, determined on a first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental funds when purchased.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements but are not reported in the governmental fund financial statements. The School District defines capital assets as those with an individual cost of more than \$5,000 and an estimated

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

useful life in excess of one year. All capital assets are reported at cost or estimated historical cost. Donated capital assets are stated at their estimated fair value when received. 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.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements. Capital assets are reported as expenditures of the current period in the governmental fund financial statements.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	30-50 years
Land Improvements	10-20 years
Furniture and Equipment	5-20 years
Vehicles	10 years

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 vesting 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 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 entire compensated absences liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that has matured, for example, as a result of employee resignations and retirements.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. Governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources with the exception of compensated absences as noted above.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net position is

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. None of the District's restricted net position was restricted by enabling legislation.

Interfund Transactions

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.

On fund financials, receivables and payables resulting from short-term interfund loans are classified as "interfund receivable/payable." These amounts are eliminated in the governmental activities column of the statement of net position.

Fund Balance

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

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

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

Committed – resources that can be used only for the specific purposes imposed by a formal action (board resolution) of the District's Board of Education. The Board of Education is the highest level of decision making authority for the District. Those committed resources cannot be used for any other purpose unless the District's Board of Education removes or changes the specified use by taking the same type of action (board resolution) it employed to previously commit those resources.

Assigned – resources intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts are intended to be used for specific purposes as approved through the District's formal purchase order procedure by the Superintendent and the Treasurer. The adoption of the board appropriation resolution is the established policy, which gives the authorization to assign resources for a specific purpose.

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

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

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

Estimates

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

Note 3 – Deficit Fund Balances

At June 30, 2014, the following funds had a deficit fund balance:

<u>Other Governmental Funds:</u>	
Race to the Top	\$2,929
IDEA Part B	35,692
Title I	33,306
Food Service	102,093

These deficit balances were created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 4 - Equity in Pooled Cash and Investments

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

Active Deposits - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the School District. Such monies must by law 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 - Those monies not required for use within the current two-year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories or as savings or deposit accounts, including, but not limited to, passbook accounts.

Interim Deposits - Interim monies are those monies that 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 accounts including passbook accounts.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged 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 moneys deposited with the institution.

Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal 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 days;
- (4) Bonds and other obligations of the State of Ohio;
- (5) No-load money market mutual funds consisting exclusively of obligations described in division (1) or (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;
- (6) The State Treasurer's investment pool (STAR Ohio);
- (7) Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days from the date of purchase in an amount not to exceed 25 percent of the interim moneys available for investment at any one time; and
- (8) Under limited circumstances, debt interests 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. Investments may only be made through specified dealers and institutions. Payment for investments may be made only

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and amended by GASB Statement No. 40 "Deposit and Investment Risk Disclosures":

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a custodial credit risk policy. At year-end, \$15,952,935 of the School District's bank balance of \$16,558,935 was exposed to custodial credit risk since it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

Investments

The School District's investments at June 30, 2014 are as summarized as follows:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Federal Home Loan Bank - Discount Note	\$449,969	0.18
Federal Home Loan Bank	516,750	1.31
Federal Home Loan Mortgage Corporation	696,077	2.60
U.S. Treasury Notes	435,374	1.34
Federal National Mortgage Association	2,323,311	2.40
U.S. Money Market Funds	132,533	0.00
Total Fair Value	\$4,554,014	

Credit Risk - It is the School District's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings by nationally recognized statistical rating organizations. The School District's investments in Federal Agency Securities were rated AA+ by Standard & Poor's and Aaa by Moody's. The School District's investments in U.S. Treasury Notes and U.S. Money Market Funds were not rated.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a failure of a counter party, 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 School District's investment securities are registered in the name of the School District.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Interest Rate Risk - In accordance with the investment policy, the School District manages its exposure to declines in fair value by limiting the weighted average maturity of its investment portfolio to five years.

Concentration of Credit Risk - The School District's investment policy does not place any limit on investments in any single issuer. The School District's investments are in the following:

Investments	Percent
Federal Home Loan Bank - Discount Note	11.34
Federal Home Loan Bank	15.28
Federal Home Loan Mortgage Corporation	9.56
U.S. Treasury Notes	51.02
Federal National Mortgage Association	2.92
U.S. Money Market Funds	9.88

Note 5 – Property Taxes

Property taxes are levied and assessed on a calendar year basis. Distributions from the second half of the calendar year occur in the subsequent fiscal year and are intended to finance the operations of that year, except monies available to be advanced against such distributions which may be appropriated and used in the current fiscal year. Property taxes include amounts levied against real and public utility property located within the School District.

Real property taxes and public utility taxes are levied after April against the assessed value listed as of the prior January 1, the lien date. Assessed values are established by State law at 35 percent of appraised value.

The School District receives property taxes from the Butler County Auditor, who periodically advances to the School District its portion of taxes collected. Second-half real property tax payments collected by the County by June 30, 2014 are available to finance fiscal year 2014 operations.

Accrued property taxes receivable represents delinquent taxes outstanding and real property and public utility taxes that became measurable as of June 30, 2014. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations. The amounts available as advances in the General Fund and Other Governmental Funds at June 30, 2014 were \$297,939, and \$55,237, respectively.

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

Amount	
Agricultural/Residential and Other Real Estate	\$343,934,570
Personal Property	38,385,980
Total Assessed Value	<u><u>\$382,320,550</u></u>

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Note 6 – Interfund Transactions

Interfund transactions at June 30, 2014 consisted of the following interfund receivables/payables and transfers in/out:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General	\$19,291	\$0	\$0	\$655,167
Classroom Facilities Project Fund	0	0	267,014	0
Other Governmental Funds	0	19,291	388,153	0
Total	<u>\$19,291</u>	<u>\$19,291</u>	<u>\$655,167</u>	<u>\$655,167</u>

The interfund loans were made to provide operating capital. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the general or debt service funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 7 – Income Tax

The School District levies a voted tax of .75 percent for general operations on the income of residents and estates. The voted levy is for a continuous term. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the General Fund and the Classroom Facilities Maintenance Fund. The State requires the School District to set aside a certain amount of money for maintaining classrooms. This is being funded with income tax as allowed by law.

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Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Note 8 – Capital Assets

A summary of the changes in capital assets for governmental activities during the fiscal year is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$1,262,525	\$0	\$0	\$1,262,525
Construction in Progress	214,444	5,679,169	0	5,893,613
Capital Assets, being depreciated:				
Land Improvements	2,206,068	0	0	2,206,068
Buildings and Improvements	68,075,295	12,392	0	68,087,687
Equipment	735,152	7,749	530,669	212,232
Vehicles	2,228,168	193,776	0	2,421,944
Totals at Historical Cost	<u>74,721,652</u>	<u>5,893,086</u>	<u>530,669</u>	<u>80,084,069</u>
Less Accumulated Depreciation:				
Land Improvements	1,465,438	82,115	0	1,547,553
Buildings and Improvements	23,321,381	1,707,956	0	25,029,337
Equipment	574,913	10,580	457,358	128,135
Vehicles	1,696,068	100,321	0	1,796,389
Total Accumulated Depreciation	<u>27,057,800</u>	<u>1,900,972</u>	<u>457,358</u>	<u>28,501,414</u>
Governmental Activities Capital Assets, Net	<u>\$47,663,852</u>	<u>\$3,992,114</u>	<u>\$73,311</u>	<u>\$51,582,655</u>

Depreciation expenses were charged to governmental functions as follows:

Instruction:	
Regular	\$1,005,772
Support Services:	
Instructional Staff	291
Operations and Maintenance	760,429
Pupil Transportation	96,836
Operation of Non-Instructional Services	6,497
Extracurricular Activities	31,147
Total Depreciation Expense	<u>\$1,900,972</u>

Note 9 – Long-Term Obligations

Long-Term Obligations – The changes in the School District’s long-term obligations during fiscal year 2014 were as follows:

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

	Interest Rate	Restated Beginning Balance	Issued	Retired	Ending Balance	Due In One Year
Governmental Activities:						
General Obligation Bonds:						
2003 School Improvement Bonds	3.1-5.0%	\$1,655,000	\$0	(\$895,000)	\$760,000	\$0
2006 Refunding:						
Current Interest Bonds		7,350,000	0	(45,000)	7,305,000	50,000
Current Term	4.0-4.375%	1,720,000	0	0	1,720,000	0
Capital Appreciation Bonds - Principal		110,000	0	0	110,000	0
Capital Appreciation Bonds - Accretion		320,131	99,907	0	420,038	0
2012 Refunding:						
Current Interest	2.0-3.0%	6,445,000	0	0	6,445,000	0
Capital Appreciation Bonds - Principal		60,000	0	0	60,000	0
Capital Appreciation Bonds Accretion		19,309	16,212	0	35,521	0
Premium		802,017	0	(59,303)	742,714	0
Discounts		(13,281)	0	2,656	(10,625)	0
Total Bonds		18,468,176	116,119	(996,647)	17,587,648	50,000
Capital Leases		1,673,791	0	(609,232)	1,064,559	628,993
Long-Term Debt		20,141,967	116,119	(1,605,879)	18,652,207	678,993
STRS Early Retirement Incentive		183,661	0	(102,901)	80,760	80,760
Compensated Absences		728,315	164,910	(162,742)	730,483	151,372
Total Governmental Activities						
Long-Term Liabilities		<u>\$21,053,943</u>	<u>\$281,029</u>	<u>(\$1,871,522)</u>	<u>\$19,463,450</u>	<u>\$911,125</u>

The School District issued \$24,900,000 in School Improvement Bonds in fiscal year 2003 that was originally scheduled to mature in fiscal year 2025, for the construction of a high school and improvements to the School District's elementary schools. The original issue included current interest serial bonds and capital appreciation bonds. The School District advanced refunded \$16,105,000 of this issuance in fiscal years 2007 and 2012. The remaining current interest serial bonds will be fully matured in 2017. The refunded bonds were not included in the School District's outstanding debt since the School District has satisfied its obligations through the advance refunding.

The School District issued \$9,415,000 in Series 2006 Refunding Bonds that mature in December 2029, for the partial advance refunding of \$9,415,000 of Series 2003 School Improvement Bonds. The Series 2006 bonds include current interest serial bonds that will mature in December 2028; two issues of current interest term bonds that mature in December 2020 and December 2025; and capital appreciation bonds that will mature in December 2015. The maturity amount of the capital appreciation bonds is \$725,000.

The School District issued \$6,690,000 in Series 2012 Refunding Bonds that mature in December 2024, for the partial advance refunding of \$6,690,000 in Series 2003 School Improvement Bonds. These bonds include serial bonds that will mature in December 2024 and capital appreciation bonds that will mature in December 2019. The maturity amount of the capital appreciation bonds is \$320,000.

All general obligation debt is supported by the full faith and credit of the School District. The School Improvement and Refunding Bonds are paid from the Debt Service Fund. The Capital Leases will be paid from the General Fund and the Permanent Improvement Fund. Compensated absences and the STRS early retirement incentive are generally paid by the General Fund and Special Revenue funds.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Principal and interest requirements to retire the School District's long-term general obligation bonds outstanding at June 30, 2014 are shown in the table below.

Fiscal Year Ending June 30	Current Interest Bonds			Capital Appreciation		
	Principal	Interest	Total	Principal	Interest	Total
2015	\$50,000	\$386,862	\$436,862	\$0	\$0	\$0
2016	35,000	161,750	196,750	110,000	615,000	725,000
2017	515,000	920,662	1,435,662	0	0	0
2018	515,000	957,462	1,472,462	0	0	0
2019	980,000	530,812	1,510,812	0	0	0
2020-2024	5,625,000	2,498,052	8,123,052	60,000	260,000	320,000
2025-2029	8,510,000	969,069	9,479,069	0	0	0
Total	<u>\$16,230,000</u>	<u>\$6,424,669</u>	<u>\$22,654,669</u>	<u>\$170,000</u>	<u>\$875,000</u>	<u>\$1,045,000</u>

Note 10 – Capital Leases – Lessee Disclosure

During fiscal year 2011, the School District entered into a lease agreement related to the construction of the new high school. Assets acquired under these leases were \$782,000. During fiscal year 2013, the School District entered into a \$1,274,991 lease-purchase agreement to finance a portion of the renovations to Morgan Elementary.

These leases meet the criteria of a capital lease as defined by generally accepted accounting principles, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds.

The following is a schedule of the future minimum lease payments for the capital leases, and the present value of the future minimum lease payments at June 30, 2014:

Fiscal Year Ending June 30	Capital Leases
2015	\$649,263
2016	443,711
2017	0
2018	0
2019	0
Total	<u>1,092,974</u>
Less: amount representing interest	<u>(28,415)</u>
Present Value of Future Minimum Lease Payments	<u>\$1,064,559</u>

Note 11 – Operating Lease – Lessee Disclosure

On August 1, 2011 the School District entered into a two-year operating lease agreement with M.B.A. Holdings Company to continue its lease of the bus garage, with an option to renew for an additional two years. The School District elected to renew the lease for an additional two years. The future minimum annual rental payments are \$38,216 and is payable monthly at \$3,185. For fiscal year 2014, the School District's rental costs were \$38,216.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Note 12 – Other Employee Benefits

Accumulated Unpaid Vacation

School District classified employees earn vacation leave at varying rates based upon negotiated agreements and State laws. In the case of death or retirement, an employee (or his estate) is paid for his unused vacation leave.

Accumulated Unpaid Sick Leave

School District employees may accumulate sick leave. Upon retirement, payment is made for 26.5% of the total unused sick leave balance up to a maximum of fifty days for certified and classified employees.

Early Retirement Incentive

During fiscal year 2014, the School District participated in the State Teacher Retirement System Early Retirement Incentive program for certificated staff. During fiscal year 2014, only two teachers were eligible to participate. The School District purchased two years of service credit for eligible certificated employees in fiscal 2013. Principal obligations of the purchased credit are based upon individual age, length of service and salary at retirement. Future principal and interest requirements to pay the early retirement incentive debt obligation to the State Teachers Retirement System in fiscal year 2015 totaled \$80,760.

Note 13 – OASBO Worker's Comp Program

The School District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the OASBO. 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 14 – Pension Plans

School Employees Retirement System

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 and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute 14% 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 B Fund, and Health Care Fund) of the System. For the fiscal year ending June 30, 2014, the allocation to pension and death benefits is 13.10%. The remaining 0.90% of the 14% employer contribution rate is allocated

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

to the Health Care and Medicare B Funds. The School District's required contributions to SERS for the fiscal years ended June 30, 2014, 2013, and 2012 were approximately \$531,792, \$399,000, and \$410,000, respectively; contributions equaled the required contributions each year.

State Teachers Retirement System of Ohio

The School District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. STRS Ohio issued a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to STRS Ohio, 275 East 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 plans, a Defined Benefit (DB) Plan, 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% of earned compensation among various investment choices. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. 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.

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (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 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 member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% 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 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. 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 Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% 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

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

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 member's designated beneficiary is entitled to receive the member's account balance.

Combined Plan Benefits – Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member 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 the 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% of the original base amount for DB Plan participants.

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 and 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 to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 11% for members and 14% for employers.

Contribution requirements and contributions actually made for the fiscal year ended June 30, 2014, were 11% of covered payroll for members and 14% for employers. The School District's contributions to STRS Ohio for the fiscal years ended June 30, 2014, 2013, and 2012 were approximately \$1,347,480, \$1,465,000, and \$1,525,000, respectively; 82% has been contributed for 2014 and 100% for fiscal years 2013 and 2012.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by SERS or STRS Ohio have an option to choose Social Security or SERS. The School District's liability is 6.2% of wages paid.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Note 15 – Postemployment Benefits

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS Ohio), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by state statute and are funded on a pay-as-you-go basis.

Ohio law authorizes STRS Ohio 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 Chapter 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs in the form of a monthly premium.

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contribution rate, 1% of covered payroll was allocated to post-employment health care for fiscal years ended June 30, 2014, 2013, and 2012. The 14% employer contribution rate is the maximum rate established under Ohio law. The School District's contributions to STRS Ohio allocated to post-employment health care for the fiscal years ended June 30, 2014, 2013 and 2012 were approximately \$96,249, \$105,000, and \$109,000, respectively.

SERS administers two postemployment benefit plans:

Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 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 premium for calendar year 2013 was \$104.90 for most participants, but could be as high as \$335.70 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 B Fund. For fiscal year 2014, the actuarially required allocation was 0.74%. The School District's contributions for the fiscal years ended June 30, 2014, 2013 and 2012 were approximately \$28,109, \$21,000, and \$22,000, respectively.

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 plans from various vendors, including HMO's, PPO's, 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.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

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% contribution to the Health Care Fund. For the year ended June 30, 2013, the health care allocation was 0.16%. 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. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2014, the minimum compensation level was established at \$20,250.

The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School District contributions assigned to health care for the fiscal years ended June 30, 2014, 2013, and 2012 were approximately \$6,078, \$5,000, and \$16,000, respectively. 82% has been contributed for 2014 and 100% for fiscal years 2013 and 2012.

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.

Note 16 – 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 major governmental funds and all other governmental funds are presented below:

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Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Fund Balances	General	Classroom Facilities Project	Other Governmental Funds	Total
Restricted for:				
Other Local Grants	0	0	1,993	1,993
Improving Teacher Quality	0	0	15,062	15,062
Classroom Facilities Maintenance	0	0	883,023	883,023
Athletics	0	0	110,760	110,760
Auxilliary Services	0	0	29,069	29,069
Special Revenue	0	0	99,294	99,294
Debt Service	0	0	887,962	887,962
Capital Improvements	0	7,216,713	504,500	7,721,213
Total Restricted	0	7,216,713	2,531,663	9,748,376
Committed to:				
Capital Improvements	0	1,069,456	0	1,069,456
Total Committed	0	1,069,456	0	1,069,456
Assigned to:				
Building	0	0	150,000	150,000
Public School Support	52,107	0	0	52,107
Encumbrances	275,633	0	0	275,633
Total Assigned	327,740	0	150,000	477,740
Unassigned (Deficit)	6,203,829	0	(174,020)	6,029,809
Total Fund Balance	\$6,531,569	\$8,286,169	\$2,507,643	\$17,325,381

Note 17 – Jointly Governed Organizations

Southwest Ohio Computer Association

The Southwest Ohio Computer Association (SWOCA) is a jointly governed organization among a three county consortium of Ohio school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to the administrative and instructional functions of the member school districts. Each member school district appoints a representative to the Board of Directors which is the legislative and managerial body of SWOCA. The degree of control exercised by any participating member school district is limited to its representation on the Board.

Butler Technology and Career Development Schools

The Butler Technology and Career Development Schools (BTCDS), a jointly governed organization, is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from each of the participating school districts' elected board. The Board possesses its own budgeting and taxing authority as a separate body politic and corporate, established by the Ohio Revised Code. BTCDS was formed for the purpose of providing vocational education opportunities to the students of the member school districts which includes the students of the School District.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

The School District has no ongoing financial interest in or responsibility for BTCDS. To obtain financial information, write to BTCDS, at 3603 Hamilton-Middletown, Hamilton, Ohio 45011.

Note 18 – Risk Management

The School District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During the fiscal year, the School District contracted with commercial insurance carriers for property and general liability insurance and boiler and machinery insurance.

The School District has elected to provide employee medical and dental benefits through Butler Health Plan (BHP), a public entity risk pool currently operating as a common risk management and insurance program. BHP is comprised of sixteen other school districts in Butler and Hamilton Counties. CareSource provides claims review and processing services for BHP. The School District pays a monthly premium to the pool for its general insurance coverage. The employees share the cost of the monthly premium for the coverage with the Board. The risk of loss transfers entirely to BHP.

There were no significant reductions in insurance coverage from the prior year. Also, there were no settlements that exceeded insurance coverage for the past three fiscal years.

Note 19 – Contingencies

Litigation

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

Federal and State Funding

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, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2014, if applicable, cannot be determined at this time.

Note 20 – Statutory Reserves

The School District is required by State statute to annually set aside in the general fund an amount based on the statutory formula for the acquisition, maintenance, and construction of capital improvements. Amounts not spent by year-end 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 change in the year-end set aside amounts for capital acquisition and budget stabilization. Disclosure of this information is required by State statute.

Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

	Capital Improvements	Budget Stabilization
Set-aside Balance as of June 30, 2013	\$0	\$324,996
Current Year Set-aside Requirement	474,896	0
Current Year Qualifying Expenditures	(587,072)	0
Total	(\$112,176)	\$324,996
Balance carried forward to FY2015	0	324,996
Set-aside reserve balance as of June 30, 2014	\$0	\$324,996

The Ohio General Assembly eliminated the requirement for the budget stabilization set-aside and effective April 10, 2001, the Board of Education could choose to eliminate the set-aside with the exception of rebates received from the Bureau of Workers Compensation. The budget stabilization set-aside is no longer required. However, the School District has opted to leave this reserve intact.

Note 21 – Significant Contractual Commitments

The School District utilizes encumbrance accounting to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. The School District's outstanding encumbrance amounts at June 30, 2014 were:

Various School Improvements	\$2,125,729
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Note 22 – Change in Accounting Principles

The District adopted the provisions of GASB Statement Number 65, *Items Previously Reported as Assets and Liabilities*. GASB Statement Number 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012 and have been implemented by the District.

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Ross Local School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2014

Note 23 – Prior Period Adjustment

In prior periods, the District had reported assets related to bond issuance costs in the Governmental Activities entity-wide financial statements. GASB Statement Number 65, *Items Previously Reported as Assets and Liabilities*, has reclassified debt issuance costs as an expense in the period incurred rather than amortizing the costs over the life of the debt. The implementation of GASB Statement Number 65 requires a restatement of prior period's net position as follows:

	<u>Governmental Activities</u>
Net Position - June 30, 2013	\$43,305,444
Prior Period Adjustment:	
Bond Issuance Costs	(250,338)
Restated Net Position - June 30, 2013	<u><u>\$43,055,106</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION

Ross Local School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2014

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$10,617,402	\$10,690,437	\$10,690,437	\$0
Revenue in lieu of taxes	260,459	262,251	262,251	0
Tuition and Fees	63,541	63,978	63,978	0
Investment Earnings	20,965	21,109	21,109	0
Intergovernmental	11,766,288	11,847,226	11,847,226	0
Extracurricular Activities	103,093	103,802	103,802	0
Charges for Services	5,937	5,978	5,978	0
Other Revenues	102,228	102,931	102,931	0
Total Revenues	22,939,913	23,097,712	23,097,712	0
Expenditures:				
Current:				
Instruction:				
Regular	11,276,382	11,171,744	11,171,744	0
Special	1,564,396	1,549,879	1,549,879	0
Other	588,130	582,673	582,673	0
Support Services:				
Pupil	985,535	976,390	976,390	0
Instructional Staff	362,415	359,052	359,052	0
General Administration	46,723	46,289	46,289	0
School Administration	1,809,345	1,792,555	1,792,555	0
Fiscal	670,553	664,331	664,331	0
Operations and Maintenance	2,179,764	2,159,537	2,159,537	0
Pupil Transportation	1,933,403	1,915,462	1,915,462	0
Central	72,049	71,380	71,380	0
Operation of Non-Instructional Services	5,199	5,151	5,151	0
Extracurricular Activities	248,886	246,576	246,576	0
Capital Outlay	283,796	281,163	281,163	0
Debt Service:				
Principal Retirement	199,226	197,377	197,377	0
Interest and Fiscal Charges	8,252	8,175	8,175	0
Total Expenditures	22,234,054	22,027,734	22,027,734	0
Excess of Revenues Over (Under) Expenditures	705,859	1,069,978	1,069,978	0
Other Financing Sources (Uses):				
Advances In	74,488	75,000	75,000	0
Advances (Out)	(95,174)	(94,291)	(94,291)	0
Transfers (Out)	(661,303)	(655,167)	(655,167)	0
Total Other Financing Sources (Uses)	(681,989)	(674,458)	(674,458)	0
Net Change in Fund Balance	23,870	395,520	395,520	0
Fund Balance Beginning of Year, (includes prior year encumbrances appropriated)	6,905,068	6,905,068	6,905,068	0
Fund Balance - End of Year	\$6,928,938	\$7,300,588	\$7,300,588	\$0

See accompanying notes to the required supplementary information.

Ross Local School District, Ohio
Notes to the Required Supplementary Information
For The Year Fiscal Ended June 30, 2014

Note 1 - Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Board. The legal level of control has been established by Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. During the course of fiscal year 2014, the District amended its budget at several times, however none were significant.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2014.

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as an assignment of fund balance for governmental fund types and expendable trust funds (GAAP basis).

Ross Local School District, Ohio
Notes to the Required Supplementary Information
For The Year Fiscal Ended June 30, 2014

4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).

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

Net Change in Fund Balance

	<u>General</u>
GAAP Basis	\$362,126
Revenue Accruals	(49,676)
Expenditure Accruals	600,762
Advances In	75,000
Advances (Out)	(94,291)
Encumbrances	(499,650)
Funds Budgeted Elsewhere	1,249
Budget Basis	<u><u>\$395,520</u></u>

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



MAJOR GOVERNMENTAL FUND

Classroom Facilities Project Fund - The classroom facilities fund is used to account for the receipts and expenditures related to construction projects. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Classroom Facilities Project Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3,135	\$3,135	\$0
Intergovernmental	6,933,775	6,933,775	0
Total Revenues	6,936,910	6,936,910	0
Expenditures:			
Current:			
Capital Outlay	5,849,598	5,849,598	0
Total Expenditures	5,849,598	5,849,598	0
Excess of Revenues Over (Under) Expenditures	1,087,312	1,087,312	0
Other Financing Sources (Uses):			
Transfers In	267,014	267,014	0
Total Other Financing Sources (Uses)	267,014	267,014	0
Net Change in Fund Balance	1,354,326	1,354,326	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	6,509,356	6,509,356	0
Fund Balance - End of Year	<u>\$7,863,682</u>	<u>\$7,863,682</u>	<u>\$0</u>

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Debt Service Fund

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

Capital Projects Funds

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

Ross Local School District, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,222,763	\$840,954	\$646,271	\$2,709,988
Receivables (Net):				
Taxes	0	1,375,981	240,797	1,616,778
Accounts	2,420	0	0	2,420
Intergovernmental	47,132	0	0	47,132
Inventory	5,986	0	0	5,986
Total Assets	1,278,301	2,216,935	887,068	4,382,304
Liabilities:				
Accounts Payable	55,960	0	0	55,960
Accrued Wages and Benefits	190,407	0	0	190,407
Compensated Absences	330	0	0	330
Interfund Payable	19,291	0	0	19,291
Total Liabilities	265,988	0	0	265,988
Deferred Inflows of Resources:				
Property Taxes	0	1,328,973	232,568	1,561,541
Grants and Other Taxes	47,132	0	0	47,132
Total Deferred Inflows of Resources	47,132	1,328,973	232,568	1,608,673
Fund Balances:				
Restricted	1,139,201	887,962	504,500	2,531,663
Assigned	0	0	150,000	150,000
Unassigned	(174,020)	0	0	(174,020)
Total Fund Balances	965,181	887,962	654,500	2,507,643
Total Liabilities, Deferred Inflows and Fund Balances	\$1,278,301	\$2,216,935	\$887,068	\$4,382,304

Ross Local School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$0	\$1,357,356	\$237,540	\$1,594,896
Income Taxes	198,585	0	0	198,585
Intergovernmental	1,428,287	119,246	38,146	1,585,679
Extracurricular Activities	275,416	0	0	275,416
Charges for Services	663,773	0	0	663,773
Revenue in Lieu of Taxes	0	28,631	11,368	39,999
Other Revenues	32,041	0	0	32,041
Total Revenues	2,598,102	1,505,233	287,054	4,390,389
Expenditures:				
Current:				
Instruction:				
Regular	153,343	0	0	153,343
Special	700,154	0	0	700,154
Support Services:				
Pupil	650	0	0	650
Instructional Staff	19,294	0	0	19,294
School Administration	57,226	2,328	408	59,962
Fiscal	0	13,244	2,298	15,542
Operations and Maintenance	96,936	0	0	96,936
Operation of Non-Instructional Services	1,337,319	0	0	1,337,319
Extracurricular Activities	518,146	0	0	518,146
Capital Outlay	0	0	3,174	3,174
Debt Service:				
Principal Retirement	0	940,000	411,855	1,351,855
Interest and Fiscal Charges	0	567,604	31,856	599,460
Total Expenditures	2,883,068	1,523,176	449,591	4,855,835
Excess of Revenues Over (Under) Expenditures	(284,966)	(17,943)	(162,537)	(465,446)
Other Financing Sources (Uses):				
Transfers In	238,153	0	150,000	388,153
Total Other Financing Sources (Uses)	238,153	0	150,000	388,153
Net Change in Fund Balance	(46,813)	(17,943)	(12,537)	(77,293)
Fund Balance - Beginning of Year	1,011,994	905,905	667,037	2,584,936
Fund Balance - End of Year	\$965,181	\$887,962	\$654,500	\$2,507,643

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NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

Other Local Grants - To account for various local grants.

Classroom Facilities Maintenance - To account for a portion of income tax monies to be used on maintenance of existing classroom facilities as mandated by the State.

Athletic - To account for those student activity programs which have student participation in the activity but do not have student management in the programs. This fund includes athletic programs as well as the band, cheerleaders, flag corps and other similar types of activities.

Auxiliary Service - To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

Race to the Top – To account for a competitive grant program designed to encourage and reward states that are creating the conditions for education innovation and reform; achieving significant improvement in student outcomes, including making substantial gains in student achievement, closing achievement gaps, improving high school graduation rates, and ensuring student preparation for success in college and careers.

IDEA Part B - To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialist in providing educational services to the handicapped.

Title I - To account for federal funds for services provided to meet special educational needs of educationally deprived children.

IDEA Preschool - To account for federal funds for the improvement and expansion of services for handicapped children ages three through five years.

Improving Teacher Quality - To account for federal funds designed to provide professional development for teachers and increasing the quality of teachers in the classroom.

Special Revenue – To account for various local grants and contributions.

Food Service - To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

Ross Local School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Other Local Grants	Classroom Facilities Maintenance	Athletic	Auxiliary Service	Race to the Top
Assets:					
Equity in Pooled Cash and Investments	\$3,163	\$883,023	\$147,770	\$38,695	\$1,071
Receivables (Net):					
Accounts	0	0	366	119	0
Intergovernmental	0	0	0	0	4,000
Inventory	0	0	0	0	0
Total Assets	3,163	883,023	148,136	38,814	5,071
Liabilities:					
Accounts Payable	1,170	0	8,609	377	4,000
Accrued Wages and Benefits	0	0	28,767	9,368	0
Compensated Absences	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Total Liabilities	1,170	0	37,376	9,745	4,000
Deferred Inflows of Resources:					
Grants and Other Taxes	0	0	0	0	4,000
Total Deferred Inflows of Resources	0	0	0	0	4,000
Fund Balances:					
Restricted	1,993	883,023	110,760	29,069	0
Unassigned	0	0	0	0	(2,929)
Total Fund Balances	1,993	883,023	110,760	29,069	(2,929)
Total Liabilities, Deferred Inflows and Fund Balances	\$3,163	\$883,023	\$148,136	\$38,814	\$5,071

IDEA Part B	Title I	IDEA PreSchool	Improving Teacher Quality	Special Revenue	Food Service	Total Nonmajor Special Revenue Funds
\$0	\$15,977	\$0	\$24,349	\$103,350	\$5,365	\$1,222,763
0	634	0	113	0	1,188	2,420
26,634	5,181	0	11,317	0	0	47,132
0	0	0	0	0	5,986	5,986
<u>26,634</u>	<u>21,792</u>	<u>0</u>	<u>35,779</u>	<u>103,350</u>	<u>12,539</u>	<u>1,278,301</u>
16,401	0	0	486	4,056	20,861	55,960
0	49,917	0	8,914	0	93,441	190,407
0	0	0	0	0	330	330
19,291	0	0	0	0	0	19,291
<u>35,692</u>	<u>49,917</u>	<u>0</u>	<u>9,400</u>	<u>4,056</u>	<u>114,632</u>	<u>265,988</u>
<u>26,634</u>	<u>5,181</u>	<u>0</u>	<u>11,317</u>	<u>0</u>	<u>0</u>	<u>47,132</u>
<u>26,634</u>	<u>5,181</u>	<u>0</u>	<u>11,317</u>	<u>0</u>	<u>0</u>	<u>47,132</u>
0	0	0	15,062	99,294	0	1,139,201
(35,692)	(33,306)	0	0	0	(102,093)	(174,020)
<u>(35,692)</u>	<u>(33,306)</u>	<u>0</u>	<u>15,062</u>	<u>99,294</u>	<u>(102,093)</u>	<u>965,181</u>
<u>\$26,634</u>	<u>\$21,792</u>	<u>\$0</u>	<u>\$35,779</u>	<u>\$103,350</u>	<u>\$12,539</u>	<u>\$1,278,301</u>

Ross Local School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2014

	Other Local Grants	Classroom Facilities Maintenance	Athletic	Auxiliary Service	Race to the Top
Revenues:					
Income Taxes	\$0	\$198,585	\$0	\$0	\$0
Intergovernmental	3,221	0	0	139,012	32,544
Extracurricular Activities	0	0	275,416	0	0
Charges for Services	0	0	1,697	0	0
Other Revenues	0	0	0	0	0
Total Revenues	3,221	198,585	277,113	139,012	32,544
Expenditures:					
Current:					
Instruction:					
Regular	2,502	0	0	0	31,313
Special	405	0	0	0	0
Support Services:					
Pupil	0	0	0	0	0
Instructional Staff	0	0	0	0	1,466
School Administration	0	0	0	0	0
Operations and Maintenance	162	81,142	0	0	0
Operation of Non-Instructional Services	0	3,211	0	161,967	0
Extracurricular Activities	0	0	511,260	0	0
Total Expenditures	3,069	84,353	511,260	161,967	32,779
Excess of Revenues Over (Under) Expenditures	152	114,232	(234,147)	(22,955)	(235)
Other Financing Sources (Uses):					
Transfers In	0	0	238,153	0	0
Total Other Financing Sources (Uses)	0	0	238,153	0	0
Net Change in Fund Balance	152	114,232	4,006	(22,955)	(235)
Fund Balance - Beginning of Year	1,841	768,791	106,754	52,024	(2,694)
Fund Balance - End of Year	\$1,993	\$883,023	\$110,760	\$29,069	(\$2,929)

IDEA Part B	Title I	IDEA PreSchool	Improving Teacher Quality	Special Revenue	Food Service	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$198,585
564,952	239,791	1,445	62,049	10,186	375,087	1,428,287
0	0	0	0	0	0	275,416
0	0	0	0	25,440	636,636	663,773
0	0	0	0	28,701	3,340	32,041
<u>564,952</u>	<u>239,791</u>	<u>1,445</u>	<u>62,049</u>	<u>64,327</u>	<u>1,015,063</u>	<u>2,598,102</u>
0	30,661	0	46,710	42,157	0	153,343
466,549	231,755	1,445	0	0	0	700,154
650	0	0	0	0	0	650
17,828	0	0	0	0	0	19,294
55,000	0	0	0	2,226	0	57,226
0	0	0	0	0	15,632	96,936
22,969	238	0	0	9,450	1,139,484	1,337,319
0	0	0	0	6,886	0	518,146
<u>562,996</u>	<u>262,654</u>	<u>1,445</u>	<u>46,710</u>	<u>60,719</u>	<u>1,155,116</u>	<u>2,883,068</u>
<u>1,956</u>	<u>(22,863)</u>	<u>0</u>	<u>15,339</u>	<u>3,608</u>	<u>(140,053)</u>	<u>(284,966)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>238,153</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>238,153</u>
1,956	(22,863)	0	15,339	3,608	(140,053)	(46,813)
(37,648)	(10,443)	0	(277)	95,686	37,960	1,011,994
<u>(\$35,692)</u>	<u>(\$33,306)</u>	<u>\$0</u>	<u>\$15,062</u>	<u>\$99,294</u>	<u>(\$102,093)</u>	<u>\$965,181</u>

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Other Local Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$3,221	\$3,221	\$0
Total Revenues	3,221	3,221	0
Expenditures:			
Current:			
Instruction:			
Regular	2,488	2,488	0
Special	405	405	0
Support Services:			
Operations and Maintenance	162	162	0
Total Expenditures	3,055	3,055	0
Net Change in Fund Balance	166	166	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	1,842	1,842	0
Fund Balance - End of Year	<u>\$2,008</u>	<u>\$2,008</u>	<u>\$0</u>

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Classroom Facilities Maintenance Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$198,585	\$198,585	\$0
Total Revenues	198,585	198,585	0
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	129,124	129,124	0
Operation of Non-Instructional Services	3,611	3,611	0
Total Expenditures	132,735	132,735	0
Net Change in Fund Balance	65,850	65,850	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	768,791	768,791	0
Fund Balance - End of Year	\$834,641	\$834,641	\$0

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Athletic Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$275,416	\$275,416	\$0
Charges for Services	1,697	1,697	0
Total Revenues	<u>277,113</u>	<u>277,113</u>	<u>0</u>
Expenditures:			
Current:			
Extracurricular Activities	<u>523,748</u>	<u>526,132</u>	<u>(2,384)</u>
Total Expenditures	<u>523,748</u>	<u>526,132</u>	<u>(2,384)</u>
Excess of Revenues Over (Under) Expenditures	<u>(246,635)</u>	<u>(249,019)</u>	<u>(2,384)</u>
Other Financing Sources (Uses):			
Transfers In	<u>238,153</u>	<u>238,153</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>238,153</u>	<u>238,153</u>	<u>0</u>
Net Change in Fund Balance	(8,482)	(10,866)	(2,384)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>118,095</u>	<u>118,095</u>	<u>0</u>
Fund Balance - End of Year	<u>\$109,613</u>	<u>\$107,229</u>	<u>(\$2,384)</u>

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Auxiliary Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$139,012	\$139,012	\$0
Total Revenues	139,012	139,012	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	202,508	202,508	0
Total Expenditures	202,508	202,508	0
Net Change in Fund Balance	(63,496)	(63,496)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	91,933	91,933	0
Fund Balance - End of Year	\$28,437	\$28,437	\$0

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

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Race to the Top Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$96,852	\$96,852	\$0
Total Revenues	96,852	96,852	0
Expenditures:			
Current:			
Instruction:			
Regular	31,312	31,312	0
Support Services:			
Instructional Staff	1,472	1,472	0
Total Expenditures	32,784	32,784	0
Net Change in Fund Balance	64,068	64,068	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(64,068)	(64,068)	0
Fund Balance - End of Year	\$0	\$0	\$0

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	IDEA Part B Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$611,878	\$611,878	\$0
Total Revenues	611,878	611,878	0
Expenditures:			
Current:			
Instruction:			
Special	525,332	525,332	0
Support Services:			
Pupil	650	650	0
Instructional Staff	25,519	25,519	0
School Administration	55,000	55,000	0
Operation of Non-Instructional Services	22,986	22,986	0
Total Expenditures	629,487	629,487	0
Excess of Revenues Over (Under) Expenditures	(17,609)	(17,609)	0
Other Financing Sources (Uses):			
Advances In	19,291	19,291	0
Total Other Financing Sources (Uses)	19,291	19,291	0
Net Change in Fund Balance	1,682	1,682	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	(1,682)	(1,682)	0
Fund Balance - End of Year	\$0	\$0	\$0

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$266,330	\$265,341	(\$989)
Total Revenues	<u>266,330</u>	<u>265,341</u>	<u>(989)</u>
Expenditures:			
Current:			
Instruction:			
Regular	25,252	25,252	0
Special	222,343	222,343	0
Operation of Non-Instructional Services	<u>4,223</u>	<u>4,223</u>	<u>0</u>
Total Expenditures	<u>251,818</u>	<u>251,818</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>14,512</u>	<u>13,523</u>	<u>(989)</u>
Other Financing Sources (Uses):			
Transfers In	2,810	2,800	(10)
Transfers (Out)	<u>(2,800)</u>	<u>(2,800)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>10</u>	<u>0</u>	<u>(10)</u>
Net Change in Fund Balance	14,522	13,523	(999)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>2,455</u>	<u>2,455</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$16,977</u></u>	<u><u>\$15,978</u></u>	<u><u>(\$999)</u></u>

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	IDEA PreSchool Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,445	\$1,445	\$0
Total Revenues	1,445	1,445	0
Expenditures:			
Current:			
Instruction:			
Special	1,445	1,445	0
Total Expenditures	1,445	1,445	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Improving Teacher Quality Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$73,829	\$73,829	\$0
Total Revenues	73,829	73,829	0
Expenditures:			
Current:			
Instruction:			
Regular	49,516	49,516	0
Total Expenditures	49,516	49,516	0
Net Change in Fund Balance	24,313	24,313	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	36	36	0
Fund Balance - End of Year	\$24,349	\$24,349	\$0

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Special Revenue Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$10,186	\$10,186	\$0
Other Revenues	56,061	56,061	0
Total Revenues	66,247	66,247	0
Expenditures:			
Current:			
Instruction:			
Regular	49,918	49,918	0
Support Services:			
School Administration	2,226	2,226	0
Operation of Non-Instructional Services	9,450	9,450	0
Extracurricular Activities	6,886	6,886	0
Total Expenditures	68,480	68,480	0
Net Change in Fund Balance	(2,233)	(2,233)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	96,159	96,159	0
Fund Balance - End of Year	\$93,926	\$93,926	\$0

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$315,806	\$315,806	\$0
Charges for Services	640,275	640,275	0
Other Revenues	3,340	3,340	0
Total Revenues	<u>959,421</u>	<u>959,421</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	16,232	16,232	0
Operation of Non-Instructional Services	1,063,567	1,063,567	0
Total Expenditures	<u>1,079,799</u>	<u>1,079,799</u>	<u>0</u>
Net Change in Fund Balance	(120,378)	(120,378)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>121,445</u>	<u>121,445</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$1,067</u></u>	<u><u>\$1,067</u></u>	<u><u>\$0</u></u>

NONMAJOR DEBT SERVICE FUND

Fund Description

Debt Service Fund – The Debt Service Fund is used for the accumulation of resources for and the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment.

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$1,359,458	\$1,359,458	\$0
Intergovernmental	119,246	119,246	0
Other Revenues	28,631	28,631	0
Total Revenues	<u>1,507,335</u>	<u>1,507,335</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
School Administration	2,328	2,328	0
Fiscal	13,244	13,244	0
Debt Service:			
Principal Retirement	940,000	940,000	0
Interest and Fiscal Charges	567,604	567,604	0
Total Expenditures	<u>1,523,176</u>	<u>1,523,176</u>	<u>0</u>
Net Change in Fund Balance	(15,841)	(15,841)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>856,795</u>	<u>856,795</u>	<u>0</u>
Fund Balance - End of Year	<u>\$840,954</u>	<u>\$840,954</u>	<u>\$0</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Descriptions

Permanent Improvement - To account for all transactions related to acquisition, construction or improvement of the infrastructure of buildings and grounds through permanent improvements.

Building - The building fund is used to account for receipts and expenditures related to the acquisition and construction of capital facilities including real property.

Ross Local School District, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2014

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$496,271	\$150,000	\$646,271
Receivables (Net):			
Taxes	240,797	0	240,797
Total Assets	<u>737,068</u>	<u>150,000</u>	<u>887,068</u>
Liabilities:			
Accounts Payable	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:			
Property Taxes	<u>232,568</u>	<u>0</u>	<u>232,568</u>
Total Deferred Inflows of Resources	<u>232,568</u>	<u>0</u>	<u>232,568</u>
Fund Balances:			
Restricted	504,500	0	504,500
Assigned	<u>0</u>	<u>150,000</u>	<u>150,000</u>
Total Fund Balances	<u>504,500</u>	<u>150,000</u>	<u>654,500</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u><u>\$737,068</u></u>	<u><u>\$150,000</u></u>	<u><u>\$887,068</u></u>

Ross Local School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2014

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Property and Other Taxes	\$237,540	\$0	\$237,540
Intergovernmental	38,146	0	38,146
Revenue in Lieu of Taxes	11,368	0	11,368
Total Revenues	287,054	0	287,054
Expenditures:			
Current:			
Support Services:			
School Administration	408	0	408
Fiscal	2,298	0	2,298
Capital Outlay	3,174	0	3,174
Debt Service:			
Principal Retirement	411,855	0	411,855
Interest and Fiscal Charges	31,856	0	31,856
Total Expenditures	449,591	0	449,591
Excess of Revenues Over (Under) Expenditures	(162,537)	0	(162,537)
Other Financing Sources (Uses):			
Transfers In	0	150,000	150,000
Total Other Financing Sources (Uses)	0	150,000	150,000
Net Change in Fund Balance	(162,537)	150,000	(12,537)
Fund Balance - Beginning of Year	667,037	0	667,037
Fund Balance - End of Year	<u>\$504,500</u>	<u>\$150,000</u>	<u>\$654,500</u>

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$237,905	\$237,905	\$0
Intergovernmental	38,146	38,146	0
Other Revenues	11,368	11,368	0
Total Revenues	<u>287,419</u>	<u>287,419</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Support Services:			
School Administration	408	408	0
Fiscal	2,298	2,298	0
Capital Outlay	3,174	3,174	0
Debt Service:			
Principal Retirement	411,855	411,855	0
Interest and Fiscal Charges	31,856	31,856	0
Total Expenditures	<u>449,591</u>	<u>449,591</u>	<u>0</u>
Net Change in Fund Balance	(162,172)	(162,172)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>658,443</u>	<u>658,443</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$496,271</u></u>	<u><u>\$496,271</u></u>	<u><u>\$0</u></u>

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	150,000	150,000	0
Total Expenditures	150,000	150,000	0
Excess of Revenues Over (Under) Expenditures	(150,000)	(150,000)	0
Other Financing Sources (Uses):			
Transfers In	150,000	150,000	0
Total Other Financing Sources (Uses)	150,000	150,000	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

OTHER GENERAL FUNDS

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

Fund Descriptions

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

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

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Uniform School Supplies Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$89,930	\$89,930	\$0
Extracurricular Activities	134	134	0
Total Revenues	90,064	90,064	0
Expenditures:			
Current:			
Instruction:			
Regular	76,151	76,151	0
Total Expenditures	76,151	76,151	0
Excess of Revenues Over (Under) Expenditures	13,913	13,913	0
Other Financing Sources (Uses):			
Advances In	75,000	75,000	0
Advances (Out)	(75,000)	(75,000)	0
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balance	13,913	13,913	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	38,690	38,690	0
Fund Balance - End of Year	\$52,603	\$52,603	\$0

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

Ross Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2014

	Public School Support Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$100,606	\$100,606	\$0
Total Revenues	100,606	100,606	0
Expenditures:			
Current:			
Instruction:			
Regular	33,753	33,753	0
Support Services:			
Instructional Staff	40,137	40,137	0
Extracurricular Activities	28,378	28,378	0
Total Expenditures	102,268	102,268	0
Net Change in Fund Balance	(1,662)	(1,662)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	49,441	49,441	0
Fund Balance - End of Year	\$47,779	\$47,779	\$0

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

NONMAJOR FUND

Fiduciary fund

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

Student Activity (Agency Fund) – Fund used to account for resources that belong to various student groups in the District. Students are involved in the management of the program.

Ross Local School District, Ohio
Statement of Changes In Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2014

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$36,307	\$76,533	\$75,634	\$37,206
Total Assets	<u>36,307</u>	<u>76,533</u>	<u>75,634</u>	<u>37,206</u>
Liabilities:				
Accounts Payable	0	3,382	0	3,382
Other Liabilities	36,307	73,151	75,634	33,824
Total Liabilities	<u>\$36,307</u>	<u>\$76,533</u>	<u>\$75,634</u>	<u>\$37,206</u>

STATISTICAL SECTION



STATISTICAL SECTION

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

CONTENTS

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

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

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

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

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

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

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net Investment in Capital Assets	\$11,674,008	\$13,033,241	\$13,233,413	\$13,365,318	\$13,714,999	\$15,648,895	\$29,821,233	\$29,538,230	\$30,014,580	\$34,070,944
Restricted	2,462,019	1,028,253	1,169,953	2,163,316	26,400,093	25,205,756	11,081,744	8,398,780	5,636,656	9,708,921
Unrestricted	321,865	1,877,874	2,399,521	1,918,679	2,460,439	1,928,932	2,880,967	5,668,509	7,654,208	6,713,892
Total Government Net Position	\$14,457,892	\$15,939,368	\$16,802,887	\$17,447,313	\$42,575,531	\$42,783,583	\$43,783,944	\$43,605,519	\$43,305,444	\$50,493,757

Source: District Records

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities:										
Regular Instruction	\$8,836,363	\$8,762,193	\$11,323,356	\$11,085,096	\$11,592,916	\$12,455,704	\$12,554,421	\$12,225,999	\$12,166,170	\$12,632,399
Special Instruction	1,386,822	1,555,089	1,782,823	1,881,815	2,078,745	1,949,860	1,876,301	1,780,666	1,604,276	2,286,630
Adult/Continuing	3,987	78,155	1,837	1,173	0	0	0	0	0	0
Other	251,650	207,342	256,839	222,898	401,083	615,611	796,116	786,732	873,337	564,305
Pupil	770,183	823,651	818,693	1,028,579	930,722	1,053,650	1,049,738	868,746	807,496	988,179
Instructional Staff	816,001	1,182,254	1,302,590	1,432,129	1,431,265	1,563,829	1,517,143	1,376,411	1,476,961	323,942
General Administration	74,268	83,630	14,304	51,828	22,942	22,390	20,266	21,793	30,201	38,249
School Administration	1,653,472	1,795,625	1,756,814	1,922,777	1,906,408	1,979,015	1,859,702	1,960,499	1,991,135	1,875,622
Fiscal	496,548	518,893	525,050	668,717	717,195	735,029	746,212	665,521	655,656	644,991
Operation and Maintenance	1,721,084	2,134,602	2,628,197	2,828,484	2,428,993	1,920,431	2,119,800	1,954,719	3,089,136	2,811,279
Pupil Transportation	1,506,050	2,021,368	2,192,810	2,097,136	1,988,556	1,892,347	1,831,602	1,585,983	1,561,487	1,747,775
Central	17,620	21,697	10,058	33,898	22,946	9,145	9,100	7,200	7,482	76,265
Operation of Non-Instructional Services	1,005,303	1,129,226	1,140,065	1,205,384	1,240,422	1,254,605	1,188,930	1,296,960	1,282,191	1,399,223
Extracurricular Activities	722,467	900,778	1,075,040	904,121	945,408	827,471	802,357	799,603	951,709	813,219
Interest and Fiscal Charges	997,146	1,006,783	965,394	928,810	927,424	909,985	890,291	729,462	734,427	711,284
Total Government Expenses	20,258,964	22,221,286	25,793,870	26,292,845	26,635,025	27,188,572	27,261,979	26,060,294	27,231,664	26,913,362
Program Revenues										
Governmental Activities:										
Charges for Services	157,486	179,873	309,079	183,828	193,468	192,433	268,093	252,257	220,800	164,352
Regular Instruction	0	0	0	0	0	0	0	0	0	9,004
Special Instruction	24,689	44,662	0	0	0	0	0	0	0	0
Adult/Continuing	0	0	0	0	0	0	0	0	0	51,277
Other	0	0	0	0	0	0	0	0	0	752
School Administration	0	0	0	0	0	0	0	0	0	16,122
Operations and Maintenance	658,197	735,407	769,131	779,561	775,235	762,161	709,594	720,003	676,191	631,454
Operation of Non-Instructional Services	482,901	449,059	455,068	574,182	582,507	674,517	592,849	651,252	675,941	437,527
Operating Grants and Contributions	141,275	130,975	86,065	84,107	95,500	135,902	583,700	234,939	153,266	196,086
Regular Instruction	345,522	112,843	97,997	110,298	260,893	498,922	324,514	370,570	222,655	1,315,612
Special Instruction	0	0	0	0	0	0	0	0	0	1,254
Vocational Instruction	0	0	0	0	0	0	0	0	0	0
Adult/Continuing	0	0	0	0	0	20,387	20,038	0	0	0
Pupil Support	8,242	8,212	6,542	6,405	55,984	78,234	0	0	0	583
Staff Support	557,028	699,852	706,481	695,655	481,030	610,235	696,173	419,821	539,643	17,417
School Administration	2,612	0	20,003	7,169	41,709	631,875	823,610	380,706	87,957	53,657
Operations and Maintenance	0	0	0	0	2,285	300,727	0	0	0	5,727
Pupil Transportation	0	0	0	0	0	0	19,132	32,653	0	11,525
Central	148,246	136,352	135,828	152,680	171,439	139,801	146,470	159,659	173,388	0
Community Service	177,614	167,894	216,056	236,914	274,375	342,180	328,290	376,791	381,861	0
Operation of Food Service	0	0	0	0	0	0	0	0	0	534,928
Operation of Non-Instructional Services	0	0	0	0	0	0	0	0	0	1,188
Extracurricular Activities	0	0	0	0	0	0	0	0	0	0
Capital Grants and Contributions	23,940	0	0	0	0	0	0	0	0	0
Regular Instruction	2,727,752	2,677,129	2,839,338	2,842,799	2,946,425	4,396,519	4,521,563	3,605,851	3,138,902	3,448,465
Total Government Revenues	(\$17,531,212)	(\$19,544,157)	(\$22,954,532)	(\$23,450,046)	(\$23,688,600)	(\$22,792,053)	(\$22,740,416)	(\$22,454,443)	(\$24,092,762)	(\$23,464,897)
Net (Expense)/Revenue										

Source: District Records

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue	(\$17,531,212)	(\$19,544,157)	(\$22,954,532)	(\$23,450,046)	(\$23,688,600)	(\$22,792,053)	(\$22,740,416)	(\$22,454,443)	(\$24,092,762)	(\$23,464,897)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes:										
Property Taxes Levied for General Purposes	6,031,701	6,129,278	6,393,115	6,457,283	6,776,876	6,545,535	7,486,206	8,833,635	7,036,508	8,042,831
Property Taxes Levied for Debt Service Purposes	1,674,219	1,592,086	1,738,698	1,757,071	1,740,275	1,527,360	1,348,279	1,472,468	1,204,324	1,339,782
Property taxes levied for Permanent Improvement	0	0	112,081	214,656	232,892	211,255	224,108	259,814	210,427	234,465
Income Taxes:										
Income Taxes Levied for General Purposes	0	616,390	2,921,039	2,814,600	2,900,690	2,438,661	2,594,243	2,534,540	2,770,012	2,693,467
Grants and Entitlements Not Restricted to Specific Programs:	10,579,473	12,071,717	12,172,806	12,324,708	12,645,945	11,900,756	11,606,019	11,438,492	12,122,593	11,228,078
Grants and Entitlements Restricted for Capital Construction	0	0	0	0	24,030,706	896	51,266	0	0	6,933,775
Revenue in Lieu of Taxes	0	0	0	0	0	0	0	0	0	302,250
Investment Earnings	257,276	197,853	281,311	277,259	121,136	34,280	26,859	25,120	(4,688)	39,560
Miscellaneous	186,475	418,309	199,001	248,895	368,298	341,362	403,797	289,961	453,511	89,340
Total Governmental Activities	18,729,144	21,025,633	23,818,051	24,094,472	48,816,818	23,000,105	23,740,777	24,854,030	23,792,687	30,903,548
Change in Net Position	\$1,197,932	\$1,481,476	\$863,519	\$644,426	\$25,128,218	\$708,052	\$1,000,361	\$2,399,587	(\$300,075)	\$7,438,651

Source: District Records

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011 (1)	2012	2013	2014
General Fund										
Reserved	\$1,045,944	\$1,060,106	\$795,274	\$1,041,917	\$875,229	\$1,154,703				
Unreserved	444,271	907,321	1,493,602	1,413,686	2,211,236	1,355,457				
Nonspendable							\$3,065	\$3,529	\$2,759	\$0
Restricted							285,493	0	0	0
Assigned							598,604	431,008	935,115	327,740
Unassigned							2,136,263	4,552,500	5,231,569	6,203,829
Total General Fund	1,490,215	1,967,427	2,288,876	2,455,603	3,086,465	2,510,160	3,023,425	4,987,037	6,169,443	6,531,569
All Other Governmental Funds										
Reserved	1,902,173	359,031	73,164	98,581	319,724	6,901,997				
Unreserved, Reported in:										
Special Revenue Funds	149,684	171,853	199,540	245,360	347,028	509,324				
Debt Service Funds	568,262	722,723	975,428	1,199,350	1,714,809	1,970,696				
Capital Projects Funds	70,796	5,439	119,151	347,879	1,552,270	2,154,280				
Nonspendable							37,231	11,025	8,689	0
Restricted							10,045,115	8,444,988	7,136,665	9,748,376
Committed							0	0	2,000,000	1,069,456
Assigned							0	0	0	150,000
Unassigned							(32,269)	(54,004)	(51,062)	(174,020)
Total All Other Governmental Funds	\$2,690,915	\$1,259,046	\$1,367,283	\$1,891,170	\$3,933,831	\$11,536,297	\$10,050,077	\$8,402,009	\$9,094,292	\$10,793,812

Source: District Records

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

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Income Taxes	\$0	\$490,254	\$2,589,139	\$2,861,441	\$2,917,782	\$2,375,539	\$2,740,228	\$2,659,996	\$2,767,809	\$2,690,887
Property and Other Local Taxes	7,715,893	7,910,405	8,238,574	8,200,063	8,669,179	8,290,021	8,769,088	9,638,126	9,897,505	9,779,922
Intergovernmental	11,981,021	13,308,769	13,495,938	13,620,674	15,911,324	23,544,169	26,962,568	14,378,205	13,676,770	20,264,491
Interest	267,450	199,955	265,026	278,655	128,325	39,631	29,208	25,120	(4,688)	37,309
Tuition & Fees	24,689	44,662	65,501	47,343	91,898	98,350	168,729	152,511	131,136	153,907
Revenue in Lieu of Taxes	0	0	0	0	0	0	0	0	0	302,250
Extracurricular Activities	482,901	449,059	455,368	574,482	582,507	674,517	600,212	651,252	675,941	479,959
Charges for Services	815,683	843,410	878,028	889,701	876,546	856,244	808,958	819,749	765,557	676,620
Miscellaneous	189,704	490,180	333,382	305,207	354,711	344,599	446,263	289,961	468,101	89,342
Total Revenues	\$21,477,341	\$23,736,694	\$26,320,956	\$26,777,566	\$29,532,272	\$36,223,070	\$40,525,254	\$28,614,920	\$28,378,131	\$34,474,687

Source: District Records

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Instruction:										
Regular Instruction	\$8,944,567	\$9,339,630	\$10,972,805	\$10,938,234	\$11,093,744	\$11,371,731	\$11,474,365	\$11,301,198	\$11,164,838	\$11,682,528
Special Instruction	1,386,340	1,538,621	1,764,474	1,828,241	2,044,809	2,000,992	1,858,736	1,804,043	1,596,697	2,318,149
Vocational/Other Instruction	255,637	285,497	258,676	224,071	401,083	613,747	794,252	784,868	873,337	584,583
Support Services:										
Pupil	778,124	821,071	814,796	993,799	923,006	1,070,762	1,054,805	893,991	815,353	1,002,455
Instructional Staff	817,505	1,175,382	1,293,856	1,420,677	1,426,226	1,561,106	1,520,598	1,374,028	1,471,784	335,997
General Administration	14,896	21,658	14,304	27,103	19,757	22,390	20,266	21,793	30,201	38,249
School Administration	1,677,051	1,750,074	1,718,729	1,879,562	1,903,872	1,954,414	1,885,350	1,959,531	2,006,602	1,836,539
Fiscal	502,712	511,533	515,893	642,145	701,065	715,941	724,974	660,933	651,722	650,902
Operations and Maintenance	1,360,566	1,722,497	1,903,710	1,931,543	1,926,178	1,873,019	1,846,098	1,792,949	2,001,108	2,081,642
Pupil Transportation	1,352,560	1,762,849	1,894,220	1,808,953	1,691,627	2,123,796	1,708,500	1,553,332	1,545,723	1,822,023
Central	12,000	12,000	0	32,014	16,462	12,157	9,100	7,200	7,482	78,728
Operation of Non-Instructional Services	1,072,809	1,101,243	1,111,904	1,155,472	1,230,270	1,704,071	1,628,000	1,282,988	1,280,226	1,342,470
Extracurricular Activities	664,400	798,082	905,316	760,067	788,596	335,198	310,984	751,176	916,799	777,360
Capital Outlay	15,997,523	2,067,162	931,748	890,594	1,037,976	2,150,955	14,995,249	2,371,432	1,487,224	5,704,549
Debt Service:										
Principal Retirement	814,000	790,000	836,000	1,005,492	765,929	823,767	1,798,803	1,074,577	1,313,301	1,549,232
Interest and Fiscal Charges	1,010,546	994,052	954,839	896,377	888,149	862,863	833,406	800,527	616,036	607,635
Total Expenditures	\$36,661,236	\$24,691,351	\$25,891,270	\$26,434,344	\$26,858,749	\$29,196,909	\$42,463,486	\$28,434,566	\$27,778,433	\$32,413,041

Debt Service as a Percentage of Noncapital Expenditures 8.88% 8.25% 7.09% 7.41% 6.39% 6.34% 9.49% 7.22% 7.27% 8.13%

Source: District Records

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Other Financing Sources (Uses):										
Proceeds from Refunding Bonds Issued	\$0	\$0	\$9,415,000	\$0	\$0	\$0	\$0	\$6,690,000	\$0	\$0
Proceeds from Premium on Bonds Issued	0	0	581,988	0	0	0	0	427,034	0	0
Payment to Escrow Agent	0	0	(9,839,167)	0	0	0	0	(6,981,844)	0	0
Inception of Leases	0	0	0	347,392	0	0	965,277	0	1,274,991	0
Other Uses	0	0	(157,821)	0	0	0	0	0	0	0
Transfers In	0	0	0	0	11,365	0	0	0	3,000,000	655,167
Transfers (Out)	0	0	0	0	(11,365)	0	0	0	(3,000,000)	(655,167)
Total Other Financing Sources (Uses)	0	0	0	347,392	0	0	965,277	135,190	1,274,991	0
Net Change in Fund Balances	(\$15,183,895)	(\$954,657)	\$429,686	\$690,614	\$2,673,523	\$7,026,161	(\$972,955)	\$315,544	\$1,874,689	\$2,061,646

Source: District Records

Ross Local School District, Ohio
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection (Calendar) Years (1)
 Schedule 8

Calendar Year	Real Property		Tangible Personal Property		Tangible Personal Property		Tangible Personal Property		Total	
	Assessed Value		Estimated		Public Utility		General Business		Estimated	
	Residential/ Agricultural	Commercial/ Industrial / PU	Actual Value	Assessed Value	Actual Value	Assessed Value	Actual Value	Assessed Value	Actual Value	Assessed Value
2004	\$248,082,010	\$14,828,130	\$751,171,829	\$9,365,200	\$10,642,273	\$8,926,189	\$5,704,756	\$281,201,529	\$797,518,858	46.62
2005	285,784,110	16,135,620	862,627,800	8,516,760	9,678,136	8,156,222	32,624,888	318,592,712	904,930,824	46.62
2006	299,750,260	16,326,670	903,076,943	8,596,020	9,768,205	6,044,715	32,238,480	330,717,665	945,083,628	46.37
2007	306,635,710	16,878,350	924,325,886	7,823,600	8,890,455	4,920,678	26,243,616	336,258,338	959,459,957	40.37
2008	338,662,470	20,256,840	1,025,483,743	8,071,100	9,171,705	4,919,087	26,253,131	371,909,497	1,060,908,579	51.21
2009	327,048,680	20,007,460	991,588,971	8,526,190	9,688,852	0	0	355,582,330	1,001,277,823	50.03
2010	326,692,800	20,650,120	992,408,343	55,286,320	62,825,364	0	0	402,629,240	1,055,233,707	49.73
2011	323,894,200	19,728,340	981,778,686	53,164,800	60,414,545	0	0	396,787,340	1,042,193,231	49.73
2012	324,407,780	19,366,720	982,212,857	38,993,460	44,310,750	0	0	382,767,960	1,026,523,607	49.73
2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

(1) - Assessed values shown in this schedule will not agree to amounts in the notes to the financial statements, since the schedules are shown on a calendar year basis, which is consistent with the method county auditors maintain this information

N/A - Information not available

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 % for machinery and equipment and 23% for inventories. General business tangible personal property tax is phased out beginning in 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007, 6.25% 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 to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 %, 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.

Ross Local School District, Ohio
Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Calendar Years
Schedule 9

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Unvoted Millage										
Operating	5.36	5.36	5.36	5.36	5.36	4.66	4.66	4.66	4.66	N/A
Voted Millage - by levy										
1976 Operating - continuing										
Residential/Agricultural Real	5.56	5.49	4.95	7.35	5.28	5.50	5.51	5.60	5.61	N/A
Commercial/Industrial and Public Utility Real	6.39	6.38	6.04	8.24	5.24	5.40	5.44	5.68	5.73	N/A
General Business and Public Utility Personal	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	N/A
1981 Operating - continuing										
Residential/Agricultural Real	2.89	2.90	2.57	3.82	2.57	2.68	2.69	2.73	2.74	N/A
Commercial/Industrial and Public Utility Real	3.32	3.31	3.13	4.28	2.72	2.80	2.82	2.94	2.97	N/A
General Business and Public Utility Personal	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90	N/A
1987 Operating - continuing										
Residential/Agricultural Real	2.10	2.08	1.87	2.79	1.82	1.89	1.90	1.93	1.93	N/A
Commercial/Industrial and Public Utility Real	2.47	2.47	2.34	3.19	2.03	2.09	2.10	2.20	2.22	N/A
General Business and Public Utility Personal	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	N/A
1990 Operating - continuing										
Residential/Agricultural Real	1.80	1.78	1.60	2.38	1.55	1.61	1.62	1.65	1.65	N/A
Commercial/Industrial and Public Utility Real	2.22	2.21	2.09	2.86	1.82	1.89	1.88	1.97	1.99	N/A
General Business and Public Utility Personal	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	N/A
1995 Operating - continuing										
Residential/Agricultural Real	1.32	1.30	1.17	1.74	1.11	1.16	1.16	1.18	1.18	N/A
Commercial/Industrial and Public Utility Real	1.45	1.45	1.37	1.88	1.19	1.22	1.24	1.29	1.30	N/A
General Business and Public Utility Personal	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	N/A
1999 Operating - continuing										
Residential/Agricultural Real	3.60	3.55	3.20	0.00	3.00	3.13	3.14	3.19	3.19	N/A
Commercial/Industrial and Public Utility Real	3.71	3.70	3.51	0.00	3.04	3.14	3.16	3.30	3.33	N/A
General Business and Public Utility Personal	4.75	4.75	4.75	0.00	4.75	4.75	4.75	4.75	4.75	N/A
General Emergency	0.00	0.00	0.00	4.75	0.00	0.00	0.00	0.00	0.00	N/A
2002 Bond Levy (High School)	6.25	6.25	6.00	0.00	5.48	4.30	4.00	4.00	4.00	N/A
Total voted millage by type of property										
Residential/Agricultural Real	23.52	23.35	21.36	18.08	26.18	25.65	25.38	25.64	25.67	N/A
Commercial/Industrial and Public Utility Real	25.81	25.77	24.48	20.45	26.88	26.18	26.00	26.73	26.91	N/A
General Business and Public Utility Personal	46.62	46.62	46.37	40.37	51.21	50.03	49.73	49.73	49.73	N/A
Overlapping Rates by Taxing District										
Township										
Residential/Agricultural Real	6.08	6.34	6.00	5.33	6.20	6.31	6.32	6.43	6.44	N/A
Commercial/Industrial and Public Utility Real	6.21	6.48	6.23	5.46	6.02	6.12	6.12	6.30	6.33	N/A
General Business and Public Utility Personal	6.72	6.72	6.72	6.72	6.72	6.72	6.72	6.72	6.72	N/A
County										
Residential/Agricultural Real	7.33	7.94	8.40	6.28	8.55	8.88	8.95	9.08	9.09	N/A
Commercial/Industrial and Public Utility Real	7.88	8.38	9.00	6.75	8.65	8.97	9.21	9.54	9.55	N/A
General Business and Public Utility Personal	8.74	8.74	9.44	8.45	9.75	9.74	9.72	9.72	9.72	N/A
Vocational School	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	N/A

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

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

N/A - Information not available

Source: Butler County Auditor

Ross Local School District, Ohio
Property Tax Levies and Collections (1)
Last Ten Levy Years
Schedule 10

Levy Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy (2)
2004	\$7,928,997	\$7,511,048	94.73%	\$307,057	\$7,818,105	98.60%
2005	8,519,603	8,084,647	94.89%	360,419	8,445,066	99.13%
2006	8,263,259	7,870,754	95.25%	285,468	8,156,222	98.70%
2007	9,249,118	8,690,381	93.96%	339,034	9,029,415	97.62%
2008	9,282,983	8,720,409	93.94%	436,319	9,156,728	98.64%
2009	9,825,245	9,488,255	96.57%	303,778	9,792,033	99.66%
2010	9,339,263	9,011,281	96.49%	248,064	9,259,345	99.14%
2011	11,577,769	10,670,255	92.16%	290,130	10,960,385	94.67%
2012	10,786,467	10,540,600	97.72%	326,933	10,867,533	100.75%
2013	N/A	N/A	N/A	N/A	N/A	N/A

Source: Butler County Auditor

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

(2) Total collections for certain years may exceed 100% of the current tax levy due to the collection of delinquent taxes from prior years. The County does not identify delinquent tax collections by tax year.

N/A - Information not available

Ross Local School District, Ohio

Principal Taxpayers

Real Estate Tax

2013 and 2004

Schedule 11

Name of Taxpayer	2013	
	Assessed Value	Percent of Real Property Assessed Value
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
Totals	<u>N/A</u>	<u>N/A</u>
Total Real Estate Assessed Valuation	<u><u>N/A</u></u>	

Name of Taxpayer	2004	
	Assessed Value	Percent of Real Property Assessed Value
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
Totals	<u>N/A</u>	<u>N/A</u>
Total Real Estate Assessed Valuation	<u><u>N/A</u></u>	

(1) The amounts presented represent the assessed values upon which 2013 and 2004 collections were based.

N/A - Information not available

Source: Office of the Butler County Auditor.

Ross Local School District, Ohio

Principal Taxpayers

Public Utilities Tax

2013 and 2004 (1)

Schedule 12

Name of Taxpayer	2013	
	Assessed Value	Percent of Public Utility Assessed Value
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
Total	<u>N/A</u>	<u>N/A</u>
Total Assessed Valuation	<u>N/A</u>	

Name of Taxpayer	2004	
	Assessed Value	Percent of Public Utility Assessed Value
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
Total	<u>N/A</u>	<u>N/A</u>
Total Assessed Valuation	<u>N/A</u>	

(1) The amounts presented represent the assessed values upon which 2013 and 2004 collections were based.

N/A - Information not available

Source: Office of the Butler County Auditor

Ross Local School District, Ohio
 Outstanding Debt by Type
 Last Ten Fiscal Years (1)
 Schedule 13

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income (2)	Per Capita
	General Obligation Bonds and Notes	Capital Leases			
2005	\$23,442,469	\$1,234,000	\$24,676,469	0.22%	71.18
2006	22,714,033	1,179,000	23,893,033	0.21%	68.12
2007	22,042,428	1,123,000	23,165,428	0.19%	64.95
2008	21,211,370	1,329,900	22,541,270	0.18%	62.41
2009	20,627,210	1,188,971	21,816,181	0.17%	59.91
2010	20,000,677	1,040,204	21,040,881	0.16%	57.39
2011	19,329,478	936,678	20,266,156	0.16%	54.91
2012	18,686,351	662,101	19,348,452	0.14%	52.25
2013	17,728,739	1,673,791	19,402,530	0.14%	52.30
2014	17,587,648	1,064,559	18,652,207	0.13%	50.24

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2013 is calendar year 2012)

(2) - On the calendar year basis

Ross Local School District, Ohio
Ratios of Net Bonded Debt Outstanding
Last Ten Fiscal Years
Schedule 14

Fiscal Year	Governmental Activities			Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita (3)
	Estimated Actual Value (1)	General Obligation Bonds(2)	Resources Available to Pay Principal			
2005	\$797,518,858	\$23,442,469	\$568,262	\$22,874,207	2.87%	65.99%
2006	904,930,824	22,714,033	722,723	21,991,310	2.43%	62.70%
2007	945,083,628	22,042,428	975,428	21,067,000	2.23%	59.06%
2008	959,459,957	21,211,370	1,199,350	20,012,020	2.09%	55.41%
2009	1,060,908,579	20,627,210	1,714,809	18,912,401	1.78%	51.93%
2010	1,001,277,823	20,000,677	1,970,696	18,029,981	1.80%	49.18%
2011	1,055,233,707	19,329,478	1,972,615	17,356,863	1.64%	47.03%
2012	1,042,193,231	18,686,351	1,994,685	16,691,666	1.60%	45.08%
2013	1,026,523,607	17,728,739	543,022	17,185,717	1.67%	46.33%
2014	N/A	17,587,648	887,962	16,699,686	N/A	44.98%

N/A - Information not available

Sources:

- (1) - See Schedule of Assessed and Estimated Actual Value of Taxable Property
- (2) - See Schedule of Ratios of Outstanding Debt by Type
- (3) - See Schedule of Demographic and Economic Statistics

Ross Local School District, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2014
 Schedule 15

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Butler County	\$50,968,150	5.14%	\$2,619,763
Hamilton City	3,295,000	0.18%	5,931
Fairfield Township	8,590,000	0.14%	12,026
Butler Technology & Career Center	<u>10,035,000</u>	4.72%	<u>473,652</u>
Subtotal, Overlapping Debt	<u>72,888,150</u>		<u>3,111,372</u>
District Direct Debt	<u>18,652,207</u>	100.00%	<u>18,652,207</u>
Total Direct and Overlapping Debt	<u><u>\$91,540,357</u></u>		<u><u>\$21,763,579</u></u>

Source: Ohio Municipal Advisory Council

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

Ross Local School District, Ohio
 Computation of Legal Debt Margin
 Last Ten Fiscal Years
 Schedule 16

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tax Valuation	\$281,201,529	\$318,592,712	\$330,717,665	\$336,258,338	\$371,909,497	\$355,582,330	\$402,629,240	\$396,787,340	\$382,767,960	N/A
Debt Limit - 9% of Taxable Valuation (1)	\$25,308,138	\$28,673,344	\$29,764,590	\$30,263,250	\$33,471,855	\$32,002,410	\$36,236,632	\$35,710,861	\$34,449,116	N/A
Amount of Debt Applicable to Debt Limit General Obligation Bonds Less Amount Available in Debt Service	\$23,600,000	\$22,865,000	\$22,097,868	\$21,261,397	\$20,671,554	\$20,039,878	\$19,363,266	\$18,634,905	\$17,679,440	N/A
Amount of Debt Subject to Limit	\$23,600,000	\$22,865,000	\$22,097,868	\$21,261,397	\$20,671,554	\$20,039,878	\$19,363,266	\$18,634,905	\$17,679,440	N/A
Legal Debt Margin	\$1,708,138	\$5,808,344	\$7,666,722	\$9,001,853	\$12,800,301	\$11,962,532	\$16,873,366	\$17,075,956	\$16,769,676	N/A
Legal Debt Margin as a Percentage of the Debt Limit	6.75%	20.26%	25.76%	29.75%	38.24%	37.38%	46.56%	47.82%	48.68%	N/A
Unvoted Debt Limit - 10% of Taxable Valuation (1)	\$281,202	\$318,593	\$330,718	\$336,258	\$371,909	\$355,582	\$402,629	\$396,787	\$382,768	N/A
Amount of Debt Subject to Limit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A
Unvoted Legal Debt Margin	\$281,202	\$318,593	\$330,718	\$336,258	\$371,909	\$355,582	\$402,629	\$396,787	\$382,768	N/A
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	N/A
N/A - Information not available										

Source: School District Financial Records

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

Note: The amount of debt presented as subject to the limit should be the balances used to compute the margin as specified by statute, i.e. the gross balances, not amounts that are net of premiums or discounts. On deep discount or capital appreciation bonds, this would be the original issue amount.

Note: The definition of tax valuation for the purpose of calculating the debt margin was modified by H.B. 530, effective 3/30/06, to exclude tangible personal property used in business, telephone, or telegraph property, interexchange telecommunications company property, or personal property owned or leased by a railroad company and used in railroad operations.

Ross Local School District, Ohio
Demographic and Economic Statistics
Last Ten Calendar Years
Schedule 17

Calendar Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2004	346,655	\$11,113,938,000	\$32,061	4.90%
2005	350,732	11,579,554,000	33,015	4.40%
2006	356,691	12,177,020,000	34,139	5.00%
2007	361,192	12,711,661,000	35,194	8.50%
2008	364,179	13,009,362,000	35,722	9.50%
2009	366,633	12,798,310,000	34,908	9.10%
2010	369,089	13,052,213,000	35,363	9.50%
2011	370,296	13,756,873,000	37,151	7.50%
2012	370,959	14,366,745,000	38,729	7.30%
2013	371,272	14,592,549,000	39,304	5.30%

- Sources:**
- (1) United States Census Bureau. Provided by County only.
 - (2) US Dept. of Commerce, Bureau of Economic Analysis.
 - (3) Ohio Dept. of Job & Family Services. Butler County Unemployment rate.

Ross Local School District, Ohio
 Major Employers (1)
 Current Fiscal Year and Fiscal Period Six Years Ago (2)
 Schedule 18

2014			
Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
AK Steel Holding Corp	Mfg	(4)	(5)
Butler County Government	Govt	(4)	(5)
Cincinnati Financial Corp	Ins	(4)	(5)
Cornerstone Brands Inc	Trade	(4)	(5)
Ft Hamilton Memorial Hospital	Serv	(4)	(5)
GE Aviation	Mfg	(4)	(5)
Hamilton City Schools	Govt	(4)	(5)
Lakota Local Schools	Govt	(4)	(5)
Liberty Mutual/Ohio Casualty Corp	Ins	(4)	(5)
Mercy Regional Hospital	Serv	(4)	(5)
Miami University	Govt	(4)	(5)
Middletown Regional Health System	Serv	(4)	(5)
Miller Coors	Mfg	(4)	(5)
Pierre Foods	Mfg	(4)	(5)

2008			
Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Population
AK Steel Holding Corp	Mfg	(4)	(5)
Amylin Pharmaceuticals Inc	Mfg	(4)	(5)
Armor Holdings Inc	Mfg	(4)	(5)
Butler County Government	Govt	(4)	(5)
Cincinnati Financial Corp	Ins	(4)	(5)
Cornerstone Brands Inc	Trade	(4)	(5)
Fairfield City Bd of Ed	Govt	(4)	(5)
Ft Hamilton Memorial Hospital	Serv	(4)	(5)
Hamilton City Bd of Ed	Govt	(4)	(5)
Lakota Local Bd of Ed	Govt	(4)	(5)
Liberty Mutual/Ohio Casualty Corp	Ins	(4)	(5)
Mercy Regional Hospital	Serv	(4)	(5)
Miami University	Govt	(4)	(5)
Middletown Regional Health System	Serv	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Butler County

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

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

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

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

Ross Local School District, Ohio
School District Employees by Function/Program
Last Ten Fiscal Years
Schedule 19

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Regular Instruction										
Elementary Classroom Teachers	51.00	51.00	50.00	48.00	53.00	52.50	51.50	41.00	48.50	50.50
Middle School Classroom Teachers	37.00	37.00	39.50	39.50	37.50	37.00	36.50	42.50	41.50	44.00
High School Classroom Teachers	48.00	50.00	51.00	51.00	42.00	43.00	44.00	43.50	45.00	50.00
Special Instruction										
Elementary Classroom Teachers	8.00	9.00	11.00	13.00	5.00	4.00	4.00	4.00	4.00	5.50
Gifted Education Teachers	1.50	1.50	1.50	1.50	1.50	1.50	1.50	-	-	-
Middle School Classroom Teachers	6.00	6.00	6.00	7.00	7.00	6.00	6.00	6.00	5.00	7.00
High School Classroom Teachers	5.00	5.00	5.25	6.50	8.00	7.00	6.00	6.00	5.00	5.00
Vocational Instruction										
High School Classroom Teachers	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.50	0.50	-
Pupil Support Services										
Guidance Counselors	6.00	6.00	6.00	6.00	7.00	7.00	7.00	6.00	6.00	6.00
Librarians	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Psychologists	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.50	3.00	3.00	3.00	2.00	1.00
Nurse	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	1.00
Administrators										
Elementary	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
High School	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Operation of Plant										
Custodians	13.00	14.00	14.00	14.00	14.00	12.00	12.00	12.00	12.00	12.00
Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Transportation										
Bus Drivers	32.00	33.00	33.00	30.00	29.00	25.00	24.00	24.00	23.00	24.00
Bus Aides	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Van Drivers	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50	2.00	2.00
Food Service Program										
Elementary Cooks	6.00	6.00	6.00	5.50	5.50	6.00	6.00	5.50	5.50	5.00
Middle School Cooks	6.00	6.00	6.00	5.50	5.50	5.50	5.50	5.50	4.50	4.50
High School Cooks	7.00	7.00	7.00	6.50	6.50	6.50	6.50	6.50	6.50	6.50

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: School district records

Ross Local School District, Ohio
 Teachers' Salaries
 Last Ten Fiscal Years
 Schedule 20

Fiscal Year	Minimum Salary (1)	Maximum Salary (2)	Average Salary Comparable Districts (3)	Statewide Average Salary (4)
2005	\$28,532	\$61,743	\$46,963	\$49,438
2006	29,531	63,905	47,449	50,772
2007	30,860	66,781	48,835	53,536
2008	31,817	68,851	50,225	53,410
2009	32,772	70,918	51,191	54,656
2010	33,722	72,975	54,092	55,958
2011	33,722	72,975	54,741	56,715
2012	33,722	72,975	55,491	56,715
2013	33,722	72,975	57,759	56,037
2014	34,059	73,704	56,472	55,196

Source: School District records

- (1) Starting teacher with no experience.
- (2) Teacher with a Masters degree and more than 30 year's experience.
- (3) Provided by the State Department of Education. Includes Sample1, Sample 2 and Sample3 City School Districts.
- (4) Provided by the State Department of Education. Fiscal year 2013 was not available.

Ross Local School District, Ohio
 Operating Statistics
 Last Ten Fiscal Years
 Schedule 21

Fiscal Year	General Fund Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2005	\$16,383,648	2,882	\$5,685	-8.60%	165	17.5
2006	18,687,008	2,919	6,402	12.61%	166	17.6
2007	21,259,435	2,922	7,276	13.65%	166	17.6
2008	21,642,823	2,903	7,455	2.47%	168	17.3
2009	23,038,836	2,763	8,338	11.84%	157	17.6
2010	24,086,992	2,847	8,460	1.46%	155	18.4
2011	23,899,565	2,830	8,445	-0.18%	151	18.7
2012	20,010,254	2,773	7,216	-14.55%	144	19.3
2013	21,932,464	2,843	7,715	6.91%	150	19.0
2014	22,277,542	2,807	7,936	2.88%	162	17.3

Source: School District Records.

Ross Local School District, Ohio
 Building Statistics
 Last Ten Fiscal Years
 Schedule 22

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
MORGAN ELEMENTARY										
Constructed in 1982										
Total Building Square Footage	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050
Enrollment Grades PK-5	439	487	488	461	386	394	470	470	470	352
Student Capacity	500	500	500	500	500	500	500	500	500	500
Regular Instruction Classrooms	23	22	21	20	22	22	22	22	22	19
Regular Instruction Teachers	23	22	22	20	22	22	22	22	22	22
Special Instruction Classrooms	3	4	4	6	2	2	2	2	2	2
Special Instruction Teachers	4	5	5	6	2	2	2	2	2	3
ELDA ELEMENTARY										
Constructed in 1962										
Total Building Square Footage	57,358	57,358	57,358	57,358	57,358	57,358	57,358	57,489	57,489	57,489
Enrollment Grades K-4	616	673	663	643	605	597	617	999	999	655
Student Capacity	575	575	575	575	575	575	575	575	575	575
Regular Instruction Classrooms	28	29	28	28	30	25	24	23	23	24
Regular Instruction Teachers	28	29	28	28	31	25	24	23	23	30
Special Instruction Classrooms	3	3	5	5	2	2	2	2	2	2
Special Instruction Teachers	4	4	7	7	3	3	3	2	2	3
ROSS MIDDLE SCHOOL (RMS)										
Constructed in 1969										
Total Building Square Footage*	79,363	101,279	101,279	101,279	101,279	101,279	101,279	110,738	110,738	110,738
Enrollment Grades 5-8	783	815	825	808	818	855	837	905	905	888
Student Capacity	800	750	750	750	750	750	750	875	875	875
Regular Instruction Classrooms	37	37	37	38	39	39	39	39	39	44
Regular Instruction Teachers	37	37	39.5	39.5	39.5	39.5	39.0	42.5	42.5	40.5
Special Instruction Classrooms	4	5	5	5	6	6	6	5	5	6
Special Instruction Teachers	6	6	6	8	7	7	7	6	6	7
ROSS HIGH SCHOOL (RHS)										
Constructed in 2005										
Total Building Square Footage**	101,279	180,080	180,080	180,080	180,080	180,080	180,080	180,080	180,080	180,080
Enrollment Grades 9-12	932	971	946	991	954	1,002	931	931	931	912
Student Capacity	750	920	920	920	920	920	920	920	920	920
Regular Instruction Classrooms	40	49	49	49	46	40	40	40	40	48
Regular Instruction Teachers	48	50	51	51	40	45	46	43.5	43.5	43.5
Special Instruction Classrooms	2	4	5	5	5	5	5	5	5	5
Special Instruction Teachers	5	5	6.25	6	6	7	6	6	6	5

* RMS moved into its' current building in FY2006
 **RHS moved into its' current building in FY2006

Source: School District records.

ROSS LOCAL SCHOOL DISTRICT



Single Audit Reports

June 30, 2014

**ROSS LOCAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

Federal Grant/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
Passed Through Ohio Department of Education:						
Nutrition Cluster:						
School Breakfast Program	3L70	10.553	\$20,973	\$0	\$20,973	\$0
National School Lunch Program	3L60	10.555	287,853	59,281	287,853	59,281
Total Nutrition Cluster			<u>308,826</u>	<u>59,281</u>	<u>308,826</u>	<u>59,281</u>
Total U.S. Department of Agriculture			<u>308,826</u>	<u>59,281</u>	<u>308,826</u>	<u>59,281</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>						
Passed Through Ohio Department of Education:						
Special Education Cluster:						
Special Education-Preschool Grants	3C50	84.173	109,363	0	1,445	0
Special Education-Grants to States	3M20	84.027	611,879	0	629,487	0
Total Special Education Cluster			<u>721,242</u>	<u>0</u>	<u>630,932</u>	<u>0</u>
Title I Grants to Local Educational Agencies	3M00	84.010	265,540	0	251,838	0
Race to the Top - ARRA	3FD0	84.395	96,852	0	31,712	0
Improving Teacher Quality	3Y60	84.367	73,829	0	49,516	0
Total Department of Education			<u>1,157,463</u>	<u>0</u>	<u>963,998</u>	<u>0</u>
Total Federal Assistance			<u>\$1,466,289</u>	<u>\$59,281</u>	<u>\$1,272,824</u>	<u>\$59,281</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards expenditures is a summary of the activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

**INDEPENDENT AUDITOR'S 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***

To the Board of Education
Ross Local School District

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ross Local School District (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 30, 2014, wherein we noted the District adopted GASB No. 65 as disclosed in Note 22.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
December 30, 2014

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Education
Ross Local School District

Report on Compliance for Each Major Federal Program

We have audited the Ross Local School District (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 District's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of 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, 2014.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on

compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 30, 2014, which contained unmodified opinions on those financial statements, wherein we noted the District adopted GASB Statement No. 65 as disclosed in Note 22. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
December 30, 2014

**ROSS LOCAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2014**

Section I – Summary of Auditor’s Results

<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any material reported non-compliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were the any other significant control deficiencies reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under Section .510?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (list):</i>	Special Education Cluster: Grants to State - CFDA# 84.027 Preschool Grants - CFDA# 84.173 Title I - CFDA#84.010
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: > \$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	No

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

ROSS LOCAL SCHOOL DISTRICT
June 30, 2014

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133

Finding 2013-1 – Material Weakness related to the Financial Statements and recording of capital assets.

Status: Fully Corrected. Applications of controls have been implemented over financial reporting relating to capital assets.



Dave Yost • Auditor of State

ROSS LOCAL SCHOOL DISTRICT

BUTLER 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
MAY 7, 2015**