

ROSS LOCAL SCHOOL DISTRICT

Single Audit Reports

June 30, 2006



Mary Taylor, CPA
Auditor of State

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

We have reviewed the *Independent Auditors' Report* of the Ross Local School District, Butler County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2005 through June 30, 2006. 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.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 14, 2007

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ROSS LOCAL SCHOOL DISTRICT

Table of Contents

	<u>Page</u>
Schedule of Expenditures of Federal Awards	1
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	2 - 3
Report on Compliance with Requirements Applicable to each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	4 - 5
Schedule of Findings and Questioned Costs	6
Schedule of Prior Audit Findings	7

ROSS LOCAL SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2006

<u>Federal Grantor/Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture:</u>				
(Passed through Ohio Department of Education)				
Food Donation	N/A	10.550	\$ 35,954	35,954
Nutrition Cluster:				
National School Lunch Program	LLP4	10.555	<u>108,361</u>	<u>108,361</u>
Total U.S. Department of Agriculture			<u>144,315</u>	<u>144,315</u>
 <u>U.S. Department of Education:</u>				
(Passed through Ohio Department of Education)				
Special Education Cluster:				
Title VI - B Grant	6BSF	84.027	617,629	620,466
Preschool Grant	PGS1/PGD7	84.173	<u>4,732</u>	<u>3,149</u>
Total Special Education Cluster			<u>622,361</u>	<u>623,615</u>
Grants to Local Education Agencies (ESEA Title I)	C1S1	84.010	109,168	109,718
Innovative Education Program Strategy - Title VI	C2S1	84.298	8,038	7,650
Title II-A - Rural Education	N/A	84.358	92,375	82,325
Safe and Drug Free Schools	DRS1	84.186	8,212	8,212
Technology Literacy Challenge Fund Grant	TJS1	84.318	<u>5,022</u>	<u>4,475</u>
Total U.S. Department of Education			<u>845,176</u>	<u>835,995</u>
 <u>Office of Library Services:</u>				
Museum and Library Services Act	N/A	45.310	<u>82,119</u>	<u>60,053</u>
Total Federal Awards			\$ <u>1,071,610</u>	<u>1,040,363</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The schedule of expenditures of federal awards has been prepared on the cash basis of accounting.

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair value of the commodities received and disbursed.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

**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 the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ross Local School District (the School District) as of and for the year ended June 30, 2006, which collectively comprise the School District's basic financial statements and have issued our report thereon dated March 20, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

Compliance and Other Matters

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

This report is intended for the information of management, the Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Clark, Schufer, Huckell & Co.

Middletown, Ohio
March 20, 2007

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Education
Ross Local School District:

Compliance

We have audited the compliance of Ross Local School District (the School District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

In our opinion, the School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Internal Control over Compliance

The management of the School District is responsible for establishing and maintaining effective control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District as of and for the year ended June 30, 2006, and have issued our report thereon dated March 20, 2007. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School District's 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 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Clark Schaefer, Hackett & Co.

Middletown, Ohio
March 20, 2007

ROSS LOCAL SCHOOL DISTRICT

Schedule of Findings and Questioned Costs

Year Ended June 30, 2006

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	none
• Reportable condition(s) identified that are not considered to be material weaknesses?	none
Noncompliance material to financial statements noted?	none

Federal Awards

Internal Control over major programs:	
• Material weakness(es) identified?	none
• Reportable condition(s) identified not considered to be material weaknesses?	none
Type of auditors' report issued on compliance for major programs:	unqualified
Any audit findings disclosed that are required To be reported in accordance with section 510(a) of OMB Circular A-133?	none
Identification of major programs: <i>CFDA 84.027 & 84.173- Special Education Cluster</i>	
Dollar threshold to distinguish between Type A and Type B Programs:	\$300,000
Auditee qualified as low-risk auditee?	yes

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

ROSS LOCAL SCHOOL DISTRICT

Schedule of Prior Audit Findings

Year Ended June 30, 2006

The prior audit disclosed no instances of noncompliance with requirements of major federal programs. In addition, no reportable conditions or material weaknesses with respect to internal controls over compliance with requirements that could have a direct and material effect on a major federal program were reported in the prior year.

**Ross Local School District,
Butler County, Ohio**

Comprehensive
Annual
Financial
Report

For the Fiscal Year Ended
June 30, 2006

**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

of the

ROSS LOCAL SCHOOL DISTRICT,

BUTLER COUNTY, OHIO

For the Fiscal Year Ended June 30, 2006

BOARD OF EDUCATION

Edward Bosse
Marcia Lang Canter
Richard Emery
Glenda Holt
Darrell Ramsey

SUPERINTENDENT OF SCHOOLS

M. Todd Yohey

**ISSUED BY
TREASURER'S OFFICE**

Chris Poetter,
Treasurer

Introductory Section

ROSS LOCAL SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
For the Year Ended June 30, 2006

Table of Contents

	Page
I Introductory Section	
Table of Contents	i
Letter of Transmittal	iv
Appointed Officials	xi
Consultants and Advisors	xii
Organizational Chart	xiii
GFOA Certificate of Achievement	xiv
II Financial Section	
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	10
Statement of Activities	11
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	12
Reconciliation of Total Governmental Fund Balances to Net Assets of Government Activities	13
Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Fiduciary Funds:	
Statement of Net Assets	16
Statement of Changes in Net Assets	17
Notes to the Basic Financial Statements	18

ROSS LOCAL SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
For the Year Ended June 30, 2006

Table of Contents
(Continued)

	Page
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund	39
Notes to Required Supplementary Information	40
Supplemental Section - Combining Statements and Individual Fund Schedules	
Non-Major Governmental Fund Descriptions	41
Combining Balance Sheet - Non-Major Governmental Funds	44
Combining Statement or Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	45
Combining Balance Sheet - Non-Major Special Revenue Funds	46
Combining Statement or Revenues, Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds	50
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the following funds:	
Public School Support	54
Other Grant	55
Athletic	56
Auxiliary Service	57
Entry Year Teaching Program	58
Management Information Systems	59
ONENet	60
SchoolNet Professional Development	61
Ohio Reads Grant	62
Summer School Subsidy	63
Miscellaneous State Grants	64
Title VI-B	65
Title I	66
Title VI	67

ROSS LOCAL SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
For the Year Ended June 30, 2006

Table of Contents
(Continued)

	Page
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) for the following funds:	
Drug Free Schools	68
Title VI-B Preschool	69
Class Size Reduction Grant	70
Miscellaneous Federal Grants	71
Special Revenue	72
Food Service	73
Uniform School Supplies	74
Debt Service	75
Capital Projects	76
IVDL Grant	77
Combining Statement of Changes in Fiduciary Assets and Liabilities - Agency Fund	78
III Statistical Section	
Net Assets by Component - Last Four Years	79
Changes in Net Assets of Governmental Activities - Last Four Fiscal Years	80
Fund Balances, Governmental Funds - Last Ten Years	82
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years	84
Assessed and Estimated Actual Value of Taxable Property	86
Property Tax Rates - Last Ten Years	88
Property Tax Levies and Collections	90
Principal Taxpayers - Real Estate	91
Principal Taxpayers - Tangible Personal Property Tax	92
Principal Taxpayers - Public Utilities Tax	93
Ratio of Outstanding Debt by Type	94
Computation of Direct and Overlapping Debt Attributable to Governmental Activities	95
Computation of Legal Debt Margin	96
Demographic and Economic Statistics	98
Principal Employers - Current Year and Nine Years Ago	99
School District Employees by Function/Program	100
Operating Statistics	101
Building Statistics	102



DISTRICT OFFICES 3371 Hamilton-Cleves Rd., Hamilton, OH 45013
Superintendent: (513) 863-1253 • **Treasurer:** (513) 863-1250

ROSS HIGH SCHOOL (513) 863-1252
3601 Hamilton-Cleves Road, Hamilton, OH 45013
ROSS MIDDLE SCHOOL (513) 863-1251
3425 Hamilton-Cleves Road, Hamilton, OH 45013
ELDA ELEMENTARY (513) 738-1972
3980 Hamilton-Cleves Road, Hamilton, OH 45013
MORGAN ELEMENTARY (513) 738-1986
3427 Chapel Road, Hamilton, OH 45013

November 30, 2006

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 (District) for the fiscal year ended June 30, 2006. 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 District for the 2005-2006 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 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 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 District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

This report has been divided into three sections:

The Introductory Section includes this transmittal letter, the table of contents, a list of principal officials, and the District's organizational chart.

The Financial Section includes the Independent Auditor's Report with an unqualified opinion of our auditors, the basic financial statements, notes to the financial statements, and the combining and individual fund financial statements and schedules.

The Statistical Section includes selective financial and demographic information, generally presented on a multi-year basis for comparative purposes.

GAAP also require 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 District's MD&A follows the report of the independent auditors.

The 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 compliment the students' curricular program.

In addition to these general activities, the District acts as the fiscal agent for state funds distributed to a non-public parochial school located within the District boundaries. Therefore, this fiduciary responsibility is included in the reporting entity as a special fund revenue. 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 District is located in Miami Valley of Southwest Ohio. The District is midway between Dayton and Cincinnati in rapidly growing Butler County. The area served by the District is primarily an agricultural area. Many of our residents commute to the Cincinnati area each day.

In general, the economy of the District continues to hold steady with moderate growth in new home construction.

THE 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 District has an area of 76 square miles and is primarily a residential and farming community.

The District had 2,618 students enrolled in the two elementary schools, middle school, and high school. In addition to the schools listed, the District maintained and operated a transportation facility, central office facility and several sport fields.

ORGANIZATION OF THE 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 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, 2006 are:

<u>Board Member</u>	<u>Term</u>
Mr. Richard Emery	01/01/2004 – 12/31/2007
Mr. Edward Bosse	01/01/1983 – 12/31/2009
Mr. Glenda Holt	01/01/2006 – 12/31/2009
Mr. Darrell Ramsey	01/01/2004 – 09/21/2006
Ms. Marcia Lang Canter	01/13/1994 – 06/22/2006

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Mr. M. Todd Yohey was appointed Superintendent on July 1, 2004. Mr. Yohey has a BS in Education from the Wright State University and a MA in Educational Leadership from the University of Dayton.

The Treasurer is the chief financial officer of the District and is responsible for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio law. Mrs. Christine Cook Poetter was appointed Treasurer on January 8, 2007. Mrs. Poetter has a BS in Systems Analysis from Miami University.

EMPLOYEE RELATIONS

The District has 279 full and part-time employees. This number has increased slightly over the past few years as various programs and services have been expanded to meet the changing needs of students and community. There is one organization representing the certificated employees. The 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 District. On September 1, 2004, the REA and the District entered into a new three-year collective bargaining agreement on language, salary and fringe benefit issues, which expires on August 31, 2007.

SERVICES PROVIDED

The 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

75th Anniversary of District

The 2006-2007 school year marks the 75th anniversary for the Ross Local School District. The district was established in 1931, combining village schools from Ross (Venice), Shandon, and Millville. The district and community is celebrating three-quarters of a century of quality educational experiences for local students.

Operating Levy

The Ross Local School District passed a four-year limited income tax in May 2005. The ¾ % levy is set to expire in 2009. The district will need to decide in the next twelve to eighteen months how best to replace the income tax revenue when it expires. Those options include asking taxpayers to continue the ¾ % income tax, increasing the income tax, or replacing the income tax with property tax millage.

Academic Performance

The Ross Local School District has earned an “excellent” rating from the Ohio Department of Education four of the last six years and was rated effective the other two years. In addition, the district met the performance indicators for Adequate Yearly Progress (AYP) for the first time in 2006. The district’s student test scores, attendance, and graduation rates have exceeded state standards. The implementation of new state academic content standards has required the district to realign its curriculum and begin the task of adopting new courses of study.

Award of Distinction

Ross High School was named a State Superintendent’s School of Distinction. In recognizing Ross High School, State Superintendent Dr. Susan Tave Zelman congratulated staff, students, and community for “exceeding the rigorous selection criteria of having at least 75% of all students, including students with disabilities, pass the 2005-2006 Ohio Graduation Tests in reading and math.” Less than 30 high schools in Ohio earned this honor for 2005-2006.

Fiscal Health

The Ross Local School District earned a Moody’s Bond rating of A1 in 2006.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund and account group 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 general fund, special revenue funds, debt service fund, capital project funds, and for full accrual basis of accounting for all other funds.

Internal Controls

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the 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.

During fiscal year 2006, an appraisal firm was hired to reappraise all assets of the District. Net assets of the district were restated to reflect the reappraisal. See Note 3 of the Notes to the Financial Statements.

Single Audit Act

As a recipient of federal and state financial assistance, the 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 District.

As part of the 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 District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2005 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

The 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 without the approval of the Board) is established by function of expenditure within an individual fund. The 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 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.

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, 2005. 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 Achievements Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Independent Audit

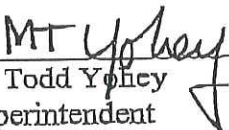
State statutes require an annual audit by independent accountants for the State Auditor's Office. Clark, Schaefer, Hackett & Co. conducted the District's 2006 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-1333. The auditor'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,


M. Todd Yancy
Superintendent


Christine Cook Poetter
Treasurer

Ross Local School District
Appointed Officials
June 30, 2006

Official

Title

Mr. M. Todd Yohey

Superintendent

Mrs. Christine Cook Poetter

Treasurer

Mr. Greg Young

Assistant Superintendent

Mr. Ronald Mandery

Director of Transportation

Ms. Dorothy Schmidt

Coordinator of Food Services

Ross Local School District
Consultant and Advisors
As of June 30, 2006

Architect

Steed Hammond Paul
82 Williams Avenue
Hamilton, Ohio 45015

Independent Auditor

Clark, Schaefer, Hackett, & Co.
160 North Briel Boulevard
Middletown, Ohio 45042

Legal Council

Ennis, Roberts, & Fischer
Attorneys at Law
121 West Ninth Street
Cincinnati, Ohio 45202

Official Depositories

Fifth Third Bank
4005 Hamilton Cleves Road
Hamilton, Ohio 45013

Bond Council

Peck, Shaffer, & Williams
425 Walnut Street
Cincinnati, Ohio 45202

Investment Counselor

Seasongood & Mayer
414 Walnut Street
Cincinnati, Ohio 45202

Underwriter

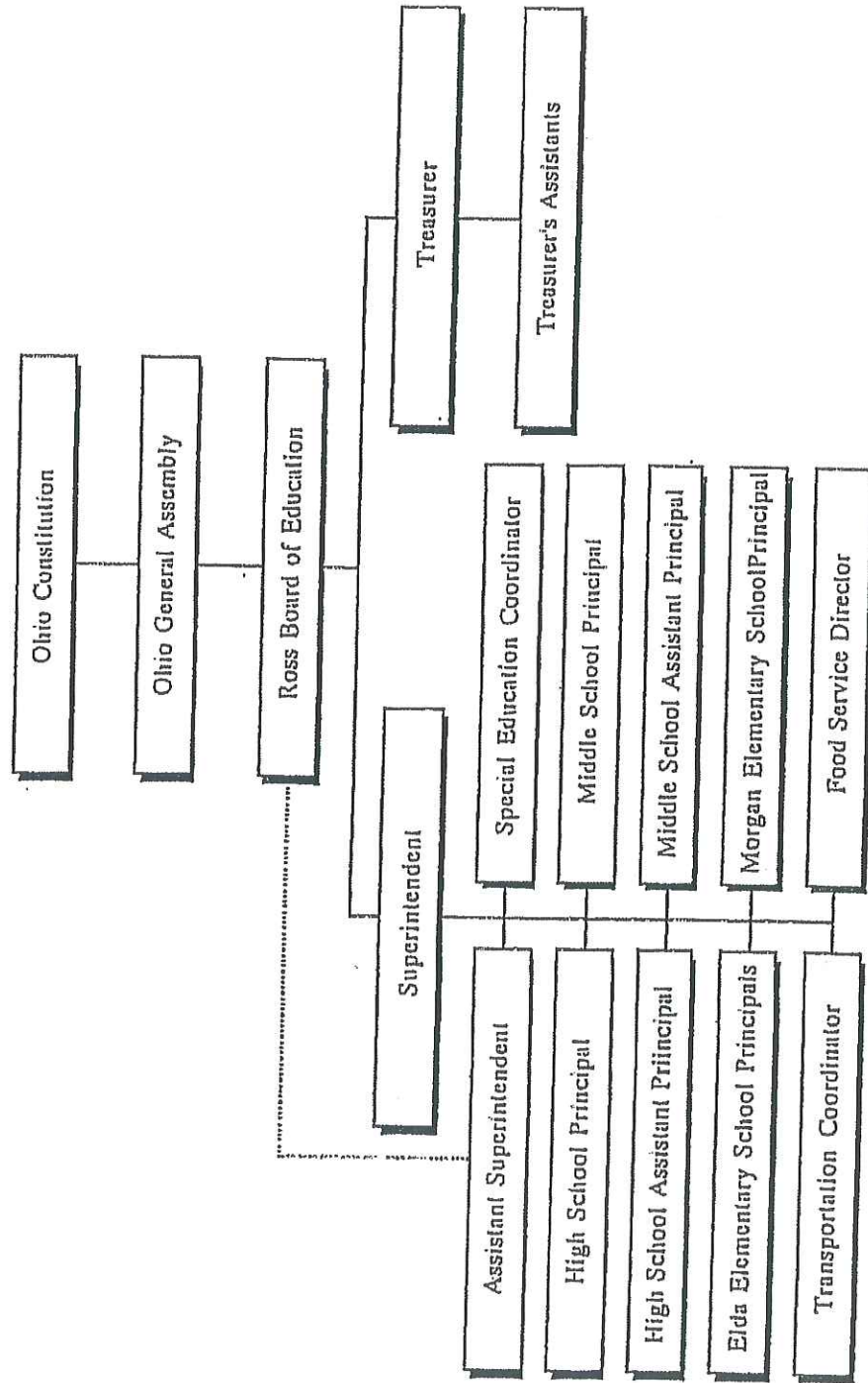
Seasongood & Mayer
414 Walnut Street
Cincinnati, Ohio 45202

First National Bank of SW Ohio
High and Third Streets
Hamilton, Ohio 45011

Health Insurance – 3rd Party Administrator

J F Molloy
PO Box 68947
Indianapolis, Indiana 46268

Ross Local School District Organization Chart



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, 2005

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



Carla E. Fudge

President

Jeffrey R. Emmer

Executive Director

Financial Section

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Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Ross Local School District

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, as of and for the year ended June 30, 2006, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As disclosed in Note 3 to the basic financial statements, the District has restated fund balances and net assets at June 30, 2005 due to errors and omissions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Ross Local School District, as of June 30, 2006, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2007, on our consideration of Ross Local School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and the budgetary comparison information on pages 3 through 9 and 39 through 40, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 statistical tables 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Clark, Schaefer, Hackett & Co.

Middletown, Ohio
March 20, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

This discussion and analysis provides key information from management highlighting the overall financial performance of the Ross Local School District for the year ended June 30, 2006. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the School District's financial statements.

Financial Highlights

Major financial highlights for fiscal year 2006 are listed below:

- ✓ The assets of the School District exceeded its liabilities at year-end by \$15.9 million. Of this amount, \$1.9 million may be used to meet the government's ongoing obligations to citizens and creditors.
- ✓ In total, net assets increased by \$1.5.
- ✓ The School District had \$22.2 million in expenses related to governmental activities; only \$2.7 million of these expenses were offset by program specific charges for services, grants or contributions. General revenue of \$21.0 million, made up primarily of property taxes and State Foundation payments, were adequate to provide for these programs.
- ✓ The General Fund balance increased by \$0.5 million from \$1.5 million at June 30, 2005 to \$2.0 million at June 30, 2006.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances in a manner similar to a private-sector business.

The statement of net assets presents information on all of the School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

ROSS SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2006
Unaudited

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the School District include instruction, support services, administration, operation and maintenance of plant, and extracurricular activities. The School District has no business-type activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for government activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between government funds and governmental activities.

The School District accounts for its activities using many individual funds. The most significant funds are reported in separate columns in the governmental fund financial statements. These statements provide detailed information about the individual major funds – unlike the government-wide financial statements, which report on the School District as a whole. Some funds are required to be established by State law. Also, the School District may also establish separate funds to show that it is meeting legal requirements for using grants or other money.

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 School District's own programs.

ROSS SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2006
Unaudited

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 also contains required supplementary information concerning the budget for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

A. Net assets at year-end

The following table presents a condensed summary of the School District's overall financial position at June 30, 2006:

	Governmental Activities 2006	Governmental Activities 2005 Restated
Current and other assets	\$ 15,103,898	14,999,774
Capital assets	37,077,241	35,274,008
Total assets	<u>52,181,139</u>	<u>50,273,782</u>
Noncurrent liabilities	23,936,755	25,555,955
Other liabilities	12,305,016	10,259,935
Total liabilities	<u>36,241,771</u>	<u>35,815,890</u>
Net assets:		
Invested in capital assets, net of debt	13,033,241	11,674,008
Restricted:		
For capital purposes	266,316	1,831,540
For debt service	761,937	630,479
Unrestricted	1,877,874	321,865
Total net assets	<u>\$ 15,939,368</u>	<u>14,457,892</u>

The largest portion of the School District's net assets reflects its investment in capital assets, less any related debt to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The balance of unrestricted net assets of \$1,877,874 may be used to meet the government's ongoing obligations to citizens and creditors.

ROSS SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2006
Unaudited

B. Governmental Activities during fiscal year 2006

The following table presents a condensed summary of the School District's activities during fiscal year 2006 and the resulting change in net assets:

	Governmental Activities 2006	Governmental Activities 2005
Revenues:		
Program revenues:		
Charges for sales and services	\$ 1,409,001	1,323,273
Operating grants and contributions	1,268,128	1,380,539
Capital grants and contributions	-	23,940
Total program revenues	<u>2,677,129</u>	<u>2,727,752</u>
General revenues:		
Property and Income Taxes	8,337,754	7,705,920
Grants and entitlements	12,071,717	10,579,473
Investment earnings	197,853	257,276
Miscellaneous	418,309	186,475
Total general revenues	<u>21,025,633</u>	<u>18,729,144</u>
Total Revenues	<u>23,702,762</u>	<u>21,456,896</u>
Expenses:		
Instruction	10,602,779	10,478,822
Support Services:		
Pupil	823,651	770,183
Instructional Staff	1,182,254	816,001
Board of Education	83,630	74,268
Administration	1,795,625	1,653,472
Fiscal	518,893	496,548
Operation of maintenance and plant	2,134,602	1,721,084
Pupil transportation	2,021,368	1,506,050
Central	21,697	17,620
Non-instructional services	1,123,818	908,010
Interest on long-term debt	1,006,783	997,146
Food services	906,186	819,760
Total expenses	<u>22,221,286</u>	<u>20,258,964</u>
Change in net assets	<u>\$ 1,481,476</u>	<u>1,197,932</u>

ROSS SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2006
Unaudited

Of the total governmental activities revenues of \$23,702,762, \$2,677,129(11%) is from program revenue. This means that the government relies on general revenues to fund the majority of the cost of services provided to the citizens. Of those general revenues, 40% (\$8,337,754) comes from property tax levies and 57% (\$12,071,717) is from state funding. The School District's operations are reliant upon its property tax levy and the state's foundation program.

Governmental Activities

The following table presents the total cost of each of the government's primary services, and the comparative net cost after deducting the revenues generated by each function. Approximately \$2,677,129 of the cost of the general government programs was recouped in program revenues. Instruction costs were \$10,602,779 but program revenue contributed to fund 4% of those costs. Thus, general revenues of \$10,134,426 were used to support of remainder of the instruction costs.

The School District's governmental activities net assets increased by \$1,481,476. This increase was the result of additions to capital assets related to the new high school and building renovations.

	<u>Total Cost of Services</u>	<u>Program Revenue</u>	<u>Revenues as a % of Total Costs</u>	<u>Net Cost of Services</u>
Instruction	\$ 10,602,779	468,353	4%	10,134,426
Support Services	8,581,720	720,064	8%	7,861,656
Non-instructional services	1,123,818	585,411	52%	538,407
Food service	906,186	903,301	100%	2,885
Interest on long-term debt	<u>1,006,783</u>	-	<u>0%</u>	<u>1,006,783</u>
 Total	 \$ <u>22,221,286</u>	 <u>2,677,129</u>	 <u>12%</u>	 <u>19,544,157</u>

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S INDIVIDUAL FUNDS

Governmental funds

The School District has three major governmental funds: the General Fund, the Debt Service Fund and a Capital Projects Fund. Assets of these funds comprise \$14,448,426 (97%) of the total \$14,933,903 governmental funds assets.

General Fund: Fund balance at June 30, 2006 was \$1,967,427, including \$907,321 of unreserved balance, which represents 11% of expenditures for fiscal year 2006. The primary reasons for the increase in fund balance were increases in intergovernmental revenue and a decrease in non-instructional service expenditures.

ROSS SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2006
Unaudited

Debt Service Fund: The fund balance at June 30, 2006 was \$761,937, which will be used for future principal and interest payments on long-term debt. Current year change in fund balance was \$149,598. The cause of the increase relates to the decrease in interest payments related to the school improvement bonds.

Capital Projects Fund: The net change in fund balance for fiscal 2006 was (\$1,575,763) and relates to the completion of the new high school and additions to Morgan Elementary, Elda Elementary and the Junior High schools.

GENERAL FUND BUDGETARY HIGHLIGHTS

The schedule comparing the School District's original and final budgets and actual results are included in the required supplementary information. Significant differences between the original and final are as follows:

- Final budgeted revenues were higher than original due to increases in State Homestead and Rollback and State Foundation payments. The school district saw an increase in State Homestead revenues due to more property being eligible for the program. While interest rates are low, the district was able to invest wisely and earn more than projected.
- Final budgeted expenditures were higher than original primarily due to increases in instructional expenses.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. At June 30, 2006, the School District had \$43,842,425 invested in a broad range of capital assets, including land, buildings, equipment and vehicles. The total increase in the School District's investment in capital assets for the current fiscal year was \$750,068. See Note 8 to the financial statements for more detail.

**Capital Assets at Year-End
(Net of Depreciation)**

		<u>Governmental Activities</u>
Land	\$	1,262,525
Land improvements		1,195,097
Building and improvements		40,045,229
Furniture and equipment		869,762
Vehicles		469,812
		<u>43,842,425</u>

ROSS SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2006
Unaudited

Debt

In March 2003, the Board issued bonds in the amount of \$24,900,000 to build a new high school and additions to Elda Elementary. These bonds were issued after the passage of a voted tax issue to repay the debt for the next 26 years for the improvements. In fiscal 2006, a principal payment of \$735,000 and related interest of \$941,698 were paid.

The District entered into a lease agreement in June 2004 in the amount of \$1,251,000. The lease relates to additional improvements and equipment for the new high school. The principal payment of \$43,000 was made in fiscal 2006, as well as related interest of \$51,866.

See Note 9 to the financial statements.

ECONOMIC FACTORS

A challenge facing the School District is the future of state funds. On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including a change in the school districts that are used as the basis for determining the base cost support amount and fully funding parity aid no later than the beginning of fiscal year 2004. The State of Ohio asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001. The Court granted the request for reconsideration, but also ordered the parties to participate in a settlement conference with a court appointed mediator.

The mediator issued his final report indicating that the conference was unable to produce a settlement so the case was reconsidered by the Court. On December 11, 2002, the Court found the state's school funding system unconstitutional but declined to retain jurisdiction of the matter meaning the decision included no timeline for compliance or accountability for lack of compliance. The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

REQUESTS FOR ADDITIONAL INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's office at the Ross Local School District, 3371 Hamilton Cleves Road, Hamilton, Ohio 45013.

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Net Assets

June 30, 2006

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and investments	\$ 4,411,378
Receivables:	
Property taxes	9,436,990
Income taxes	504,544
Accounts	76,702
Intergovernmental	71,984
Interest	30,531
Supplies inventory	8,335
Prepays	639
Restricted cash	392,800
Deferred charges	169,995
Nondepreciable capital assets	1,262,525
Depreciable capital assets, net	<u>35,814,716</u>
Total assets	<u>52,181,139</u>
Liabilities:	
Accounts payable	69,525
Contracts payable	14,007
Accrued wages and benefits	1,751,876
Due to other governments	8,459
Pension obligation payable	439,925
Interest payable	77,862
Unearned Revenue	9,042,703
Noncurrent liabilities:	
Due within one year	900,659
Due within more than one year	<u>23,936,755</u>
Total liabilities	<u>36,241,771</u>
Net Assets:	
Invested in capital assets, net of related debt	13,033,241
Restricted for:	
Capital projects	266,316
Debt Service	761,937
Unrestricted	<u>1,877,874</u>
Total net assets	<u>\$ 15,939,368</u>

See accompanying notes to the basic financial statements.

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Activities
Year Ended June 30, 2006

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	
Governmental Activities:				
Instruction:				
Regular	\$ 8,762,193	179,873	130,975	\$ (8,451,345)
Special education	1,555,089	-	112,843	(1,442,246)
Adult/continuing	78,155	44,662	-	(33,493)
Other	207,342	-	-	(207,342)
Support services:				
Pupil	823,651	-	8,212	(815,439)
Instructional staff	1,182,254	-	699,852	(482,402)
Board of Education	83,630	-	-	(83,630)
Administration	1,795,625	-	-	(1,795,625)
Fiscal	518,893	-	-	(518,893)
Operation and maintenance of plant	2,134,602	-	-	(2,134,602)
Pupil transportation	2,021,368	-	-	(2,021,368)
Central	21,697	-	12,000	(9,697)
Non-instructional services:				
Extracurricular activities	900,778	449,059	-	(451,719)
Community service	223,040	-	136,352	(86,688)
Food service	906,186	735,407	167,894	(2,885)
Interest on long-term debt	1,006,783	-	-	(1,006,783)
Total Governmental Activities	<u>22,221,286</u>	<u>1,409,001</u>	<u>1,268,128</u>	<u>(19,544,157)</u>

General Revenues:

Property taxes, levied for general purposes	6,129,278
Property taxes, levied for debt services	1,592,086
Income taxes	616,390
Grants and entitlements not restricted to specific programs	12,071,717
Investment earnings	197,853
Miscellaneous	418,309
Total general revenues	<u>21,025,633</u>
Change in net assets	1,481,476
Net assets beginning of year, restated	<u>14,457,892</u>
Net assets end of year	\$ <u>15,939,368</u>

See accompanying notes to the basic financial statements.

ROSS LOCAL SCHOOL DISTRICT, OHIO

Balance Sheet

Governmental Funds

June 30, 2006

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 3,013,649	722,723	268,681	406,325	4,411,378
Restricted cash	392,800	-	-	-	392,800
Receivables:					
Property Taxes	7,732,331	1,704,659	-	-	9,436,990
Income Taxes	504,544	-	-	-	504,544
Intergovernmental	-	-	-	71,984	71,984
Accounts	76,702	-	-	-	76,702
Interest	29,408	-	1,103	20	30,531
Prepays	639	-	-	-	639
Supplies inventory	1,187	-	-	7,148	8,335
Total assets	<u>11,751,260</u>	<u>2,427,382</u>	<u>269,784</u>	<u>485,477</u>	<u>14,933,903</u>
Liabilities:					
Accounts payable	52,276	-	-	17,249	69,525
Contracts payable	-	-	14,007	-	14,007
Accrued wages and benefits	1,606,279	-	-	145,597	1,751,876
Pension obligation payable	393,153	-	-	46,772	439,925
Compensated absences payable	1,859	-	-	-	1,859
Due to other governments	7,939	-	-	520	8,459
Deferred revenue	7,722,327	1,665,445	-	34,007	9,421,779
Total liabilities	<u>9,783,833</u>	<u>1,665,445</u>	<u>14,007</u>	<u>244,145</u>	<u>11,707,430</u>
Fund Balances:					
Reserved for:					
Encumbrances	529,340	-	250,338	62,331	842,009
Budget stabilization	392,800	-	-	-	392,800
Property taxes	136,140	39,214	-	-	175,354
Prepays	639	-	-	-	639
Supplies inventory	1,187	-	-	7,148	8,335
Unreserved, reported in:					
General Fund	907,321	-	-	-	907,321
Special Revenue Funds	-	-	-	171,853	171,853
Debt Service Fund	-	722,723	-	-	722,723
Capital Projects Funds	-	-	5,439	-	5,439
Total fund balances	<u>1,967,427</u>	<u>761,937</u>	<u>255,777</u>	<u>241,332</u>	<u>3,226,473</u>
Total liabilities and fund balances	<u>\$ 11,751,260</u>	<u>2,427,382</u>	<u>269,784</u>	<u>485,477</u>	<u>14,933,903</u>

See accompanying notes to the basic financial statements.

Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
June 30, 2006

Total Governmental Fund Balances		\$ 3,226,473
Amounts reported for governmental activities in the statement of net assets are different because:		
Deferred charges in governmental activities are not financial resources and therefore are not reported in the funds.		169,995
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.		379,076
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		37,077,241
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(860,454)	
Early retirement incentive	(82,068)	
Interest payable	(77,862)	
Bonds payable	(22,865,000)	
Discount on bond issue	150,967	
Lease-purchase agreements	<u>(1,179,000)</u>	
Total		<u>(24,913,417)</u>
Net Assets of Governmental Activities		\$ <u>15,939,368</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2006

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 6,271,643	1,638,763	-	-	7,910,405
Income Taxes	490,254	-	-	-	490,254
Tuition and fees	44,662	-	-	-	44,662
Interest	167,250	-	31,076	1,629	199,955
Extracurricular	-	-	-	449,059	449,059
Charges for services	-	-	-	843,410	843,410
Intergovernmental	11,861,528	204,589	-	1,242,652	13,308,769
Other local revenues	<u>328,883</u>	<u>-</u>	<u>76,000</u>	<u>85,296</u>	<u>490,179</u>
Total revenues	<u>19,164,220</u>	<u>1,843,352</u>	<u>107,076</u>	<u>2,622,046</u>	<u>23,736,694</u>
Expenditures:					
Current:					
Instruction:					
Regular	8,901,873	-	85,253	352,504	9,339,630
Special education	1,330,895	-	-	207,726	1,538,621
Other instruction	285,497	-	-	-	285,497
Support services:					
Pupil	698,347	-	-	122,724	821,071
Instructional staff	768,336	-	-	407,046	1,175,382
Board of Education	21,658	-	-	-	21,658
Administration	1,692,064	10,075	-	47,935	1,750,074
Fiscal	504,552	6,981	-	-	511,533
Operation and maintenance of plant	1,720,297	-	-	2,200	1,722,497
Pupil transportation	1,739,610	-	-	23,239	1,762,849
Central	-	-	-	12,000	12,000
Non-instructional services:					
Extracurricular activities	446,949	-	-	351,133	798,082
Community service	-	-	-	197,473	197,473
Food service	-	-	-	903,770	903,770
Capital outlay	469,576	-	1,597,586	-	2,067,162
Debt Service:					
Principal	55,000	735,000	-	-	790,000
Interest and fiscal charges	<u>52,354</u>	<u>941,698</u>	<u>-</u>	<u>-</u>	<u>994,052</u>
Total expenditures	<u>18,687,008</u>	<u>1,693,754</u>	<u>1,682,839</u>	<u>2,627,750</u>	<u>24,691,351</u>
Excess of revenues under expenditures	<u>477,212</u>	<u>149,598</u>	<u>(1,575,763)</u>	<u>(5,704)</u>	<u>(954,657)</u>
Net change in fund balance	477,212	149,598	(1,575,763)	(5,704)	(954,657)
Fund balance, beginning of year	<u>1,490,215</u>	<u>612,339</u>	<u>1,831,540</u>	<u>247,036</u>	<u>4,181,130</u>
Fund balance, end of year	\$ <u>1,967,427</u>	<u>761,937</u>	<u>255,777</u>	<u>241,332</u>	<u>3,226,473</u>

See accompanying notes to the basic financial statements.

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2006

Net Change in Fund Balances - Total Governmental Funds	\$	(954,657)
<p>Amounts reported for governmental activities in the statement of activities are different because</p> <p>Governmental funds report capital outlays as expenditures. Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		
Capital outlay		3,064,975
Depreciation expense		(1,261,742)
<p>Amortization of bond issuance costs is an other financing use in the governmental funds. However, the deferred costs are an asset on the statement of net assets and are amortized over the life of the bonds.</p>		
		(7,391)
<p>The underwriter's discount from the sale of bonds is an other financing use in the statement of net assets</p>		
		(6,564)
<p>Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.</p>		
		790,000
<p>In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.</p>		
		1,225
<p>Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
		(110,438)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds</p>		
		<u>(33,932)</u>
Change in Net Assets of Governmental Activities	\$	<u>1,481,476</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Net Assets

Fiduciary Funds

June 30, 2006

		Private- Purpose Trust	Agency Funds
		<u> </u>	<u> </u>
ASSETS			
Equity in pooled cash and investments	\$	<u>2,038</u>	<u>53,835</u>
Total assets		<u><u>2,038</u></u>	<u><u>53,835</u></u>
LIABILITIES			
Due to student groups		<u>-</u>	<u>53,835</u>
Total liabilities		<u>-</u>	<u>53,835</u>
NET ASSETS			
Held in trust	\$	<u><u>2,038</u></u>	<u><u>-</u></u>

See accompanying notes to the basic financial statements.

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Changes in Net Assets

Fiduciary Funds

Year Ended June 30, 2006

	<u>Private- Purpose Trust</u>
Additions:	
Interest	\$ <u>13</u>
Total additions	<u>13</u>
Deductions:	
Community service	<u>-</u>
	<u>-</u>
Change in net assets	13
Net assets, beginning of year	<u>2,025</u>
Net assets, end of year	\$ <u><u>2,038</u></u>

See accompanying notes to the basic financial statements.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

NOTE 1-DESCRIPTION OF THE DISTRICT

The Ross Local School District (the "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 District, has the authority to acquire, maintain and dispose of school property; develop and adopt school programs; and establish, organize and operate schools.

NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

A. 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 District. Potential component units were reviewed for possible inclusion in the financial statements. Component units are legally separate organizations for which the District would be financially accountable. The District would be financially accountable for an organization if the District appointed a voting majority of the organization's governing board and (1) the District was able to significantly influence the programs or services performed or provided by the organization; or (2) the District was legally entitled to or can otherwise access the organization's resources; the District was legally obligated or had otherwise assumed the responsibility to finance the deficits of or provided financial support to, the organization; or the District was obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the 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 District participates in two jointly governed organizations. These jointly governed organizations are described in Note 14.

B. Basis of Presentation

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

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function of the 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 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 District.

Fund Financial Statements – Fund financial statements report detailed information about the 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 and current liabilities 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.

C. Fund Accounting

The 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 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 District are grouped into the categories governmental and fiduciary.

Governmental Funds

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

The following are the District's major governmental funds:

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

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

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related costs.

Capital Projects Fund - This fund is used to account for the financial resources to be used for the acquisition or construction of major capital assets or facilities, as required by Chapter 5705 of the Ohio Revised Code.

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The District only has agency fiduciary funds. Agency funds are purely custodial (assets equals liabilities) and thus do not involve measurement of results of operations. The District's agency fund accounts for student activities.

D. 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 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, 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.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

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

Deferred Revenue – Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes measurable as of June 30, 2006 that are intended to finance fiscal year 2007 operations have been recorded as deferred revenue. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

E. Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the 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 2006, the District's investments were limited to US Treasury notes, US Agency securities and the State Treasury Assets Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2006.

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 District recorded investments held at June 30, 2006 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 5.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

F. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish reserves for the budget stabilization reserve. A corresponding fund balance reserve has also been established.

G. 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.

H. 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 District defines capital assets as those with an individual cost of more than \$5,000 and an estimated 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 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:

Buildings	30 - 50 years
Land improvements	10 - 20 years
Furniture and equipment	5 - 20 years
Vehicles	10 years

I. 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 District will compensate the employees for the benefits through paid time off or some other means. The 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 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 District's termination policy.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

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.

J. 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.

K. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

L. Fund Balance Reserves

The District records reservations for portions of fund equity that are legally segregated for specific use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balances indicate that portion of fund equity that is available for appropriation in future periods. Fund equity reserves are established for encumbrances, property taxes, prepaids, supplies inventory and budget reserve set-asides. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statutes. The reserve for budget stabilization represents money set-aside to protect against cyclical changes in revenues and expenditures.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

M. 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-PRIOR PERIOD ADJUSTMENT

A prior period adjustment was necessary to restate the District's capital assets at 6/30/05. A threshold adjustment was made when the District eliminated all assets under \$5,000 from their capital asset inventory. An adjustment was also necessary for depreciation on buildings that had been omitted from the depreciation calculation for the past several years. The District hired an appraisal company to value all capital assets as of June 30, 2006. The following is the effect on net assets of governmental activities.

Governmental activities net assets - June 30, 2005	\$ 22,276,241
Threshold adjustment	(1,445,073)
Depreciation adjustment	<u>(6,373,276)</u>
Governmental activities net assets - June 30, 2005, restated	<u>\$ 14,457,892</u>

NOTE 4-DEFICIT FUND BALANCES

At June 30, 2006, the following funds had a deficit fund balance:

Title I	\$33,358
Title VI-B	\$6,990
Title VI	\$1,997
Class Reduction	
Grant	\$2,976
Food Service	\$29,801

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.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

NOTE 5-EQUITY IN POOLED CASH AND CASH EQUIVALENTS

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

Active Deposits - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in 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.

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;

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

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 banker's 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 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":

(A) 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, \$1,427,758 the School District's bank balance of \$1,527,758 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.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

(B) INVESTMENTS

The School District's investments at June 30, 2006 are as summarized as follows:

	Fair Value	Average Maturity (Years)
Federal Home Loan Mortgage Corp.	\$ 428,839	0.01
Federal Home Loan Bank	1,166,880	0.23
Fed. National Mortgage Assoc.	404,430	0.19
U.S. Money Market Funds	1,521,976	n/a
	\$ 3,522,125	

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 Securities were rated AAA by Standard & Poor's and Aaa by Moody's. The School District's investments in the U.S. Money Market Funds were rated AAA by Standard & Poor's.

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.

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.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

Concentration of Credit Risk

The District's investment policy does not place any limit on investments in any single issuer. Five percent or more of the City's investments are in the following:

<u>Investments</u>	<u>Percent</u>
Federal Home Loan Mortgage Corp.	12.18%
Federal Home Loan Bank	33.13%
Fed. National Mortgage Assoc.	11.48%
U.S. Money Market Funds	43.21%

NOTE 6-PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. The District receives property taxes from Butler County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2006, are available to finance fiscal year 2006 operations. The amount available for advance can vary based on the date the tax bills are sent.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2006. 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 revenue for that portion not intended to finance current year operations. The amounts available as advances in the General Fund and Debt Service Fund at June 30, 2006 were \$136,140 and \$39,214, respectively.

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

	<u>2005 Second- Half Collections</u>		<u>2006 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 262,910,140	93.50%	\$ 301,919,730	94.77%
Personal Property	<u>18,291,389</u>	6.50%	<u>16,672,982</u>	5.23%
Total Assessed Value	\$ <u>281,201,529</u>	100.00%	\$ <u>318,592,712</u>	100.00%
Tax rate per \$1,000 of assessed valuation	\$51.98		\$53.66	

NOTE 7-INCOME TAX

The School District levies a voted tax of .75 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 2006, and will run until 2009. 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.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

NOTE 8-CAPITAL ASSETS

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

	Restated Balance 07/01/05	Transfers/ Additions	Disposals	Balance 06/30/06
Nondepreciable Capital Assets				
Land	\$ 1,262,525	-	-	1,262,525
Construction in progress	23,193,609	(23,193,609)	-	-
Subtotal	<u>24,456,134</u>	<u>(23,193,609)</u>	<u>-</u>	<u>1,262,525</u>
Depreciable:				
Land improvements	1,233,910	740,128	-	1,974,038
Buildings and improvements	24,021,191	24,697,731	-	48,718,922
Furniture and equipment	601,754	675,475	-	1,277,229
Vehicles	2,148,218	145,250	(50,120)	2,243,348
Subtotal	<u>28,005,073</u>	<u>26,258,584</u>	<u>(50,120)</u>	<u>54,213,537</u>
Totals at cost	<u>52,461,207</u>	<u>3,064,975</u>	<u>(50,120)</u>	<u>55,476,062</u>
Less accumulated depreciation:				
Land improvements	689,708	89,233	-	778,941
Buildings and improvements	14,475,956	960,343	-	15,436,299
Furniture and equipment	333,188	74,278	-	407,466
Vehicles	1,688,347	137,888	(50,120)	1,776,115
Total accumulated depreciation	<u>17,187,199</u>	<u>1,261,742</u>	<u>(50,120)</u>	<u>18,398,821</u>
Capital assets, net	<u>\$ 35,274,008</u>	<u>1,803,233</u>	<u>-</u>	<u>37,077,241</u>

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

Depreciation expense was charged as follows:

Instruction:	
Regular	\$ 329,953
Special	15,163
Support services:	
Pupil	1,065
Instructional staff	2,956
School administration	25,529
Fiscal	5,663
Operation and maintenance of plant	402,649
Pupil transportation	281,213
Central	9,697
Community service	24,152
Extracurricular activities	<u>163,705</u>
Total depreciation expense	<u>\$ 1,261,745</u>

NOTE 9-LONG-TERM OBLIGATIONS

Long-Term Obligations – The changes in the District’s long-term obligations during fiscal year 2006 were as follows:

	Principal Outstanding 07/01/05	Additions	Reductions	Principal Outstanding 06/30/06	Amounts Due in One Year
<i>Governmental Activities:</i>					
School Improvement Bonds	\$ 23,600,000	-	(735,000)	22,865,000	780,000
Discount on Issue	(157,531)	-	6,564	(150,967)	
Bus and Copier Lease	24,000	-	(12,000)	12,000	12,000
Equipment Lease	1,210,000	-	(43,000)	1,167,000	43,000
STRS Early Retirement Incentive	42,779	-	-	82,068	63,800
		39,289			
Compensated Absences Liability	836,707	860,454	(836,707)	862,313	1,859
Total	<u>\$ 25,555,955</u>	<u>899,743</u>	<u>(1,620,143)</u>	<u>24,837,414</u>	<u>900,659</u>

The school improvement bonds consist of \$22,105,000 Current Interest Serial Bonds dated March 15, 2003 and \$760,000 Capital Appreciation Bonds dated March 19, 2003. The Current Interest Serial Bonds pay interest from 1.5% to 5.0% and mature from fiscal years 2004 through 2016 and from fiscal years 2019 through 2025 and 2029. The Capital Appreciation Bonds pay interest at 5.0% and mature in fiscal years 2017 through 2018.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

A summary of the District's future annual service requirements to maturity for these bonds is as follows:

Fiscal Year Ending June 30,	Principal Due	Interest Due	Total FY Payments
2007	\$ 780,000	457,300	1,237,300
2008	840,000	552,125	1,392,125
2009	585,000	509,880	1,094,880
2010	635,000	578,480	1,213,480
2011	690,000	560,700	1,250,700
2012-2016	3,755,000	676,725	4,431,725
2017-2021	3,510,000	701,100	4,211,100
2022-2026	5,035,000	579,360	5,614,360
2027-2029	7,035,000	8,090,250	15,125,250
Total	\$ <u>22,865,000</u>	<u>12,705,920</u>	<u>35,570,920</u>

During fiscal year 2003, the District entered into a lease agreement for the acquisition of buses and copiers. During fiscal year 2004, the District entered into a lease agreement for acquisition of equipment and improvements related to the construction of the new high school. Both leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Therefore, these lease agreements have been recorded at the present value of the future minimum lease payments as of the date of inception.

Compensated absences are generally liquidated from the fund from which the employee is paid.

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, 2006:

Year Ending <u>June 30</u>	
2007	\$ 105,794
2008	92,447
2009	92,545
2010	92,560
2011	<u>1,023,490</u>
Total Future Minimum Lease Payments	1,406,836
Less: Amount Representing Interest	<u>227,836</u>
Present Value of Future Minimum Lease Payments	\$ <u>1,179,000</u>

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

NOTE 10-EARLY RETIREMENT INCENTIVE PROGRAM

During fiscal year 2006, the District participated in the State Teacher Retirement System Early Retirement Incentive program for certificated staff. During fiscal year 2006, seven teachers were eligible to participate, but none were eligible to retire. The District purchased two years of service credit for eligible certificated employees in fiscal 2006. 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 2006, 2007 and 2008 totaled \$22,766, \$41,034 and \$18,268 respectively.

NOTE 11-OSBA WORKERS' COMP PROGRAM

OSBA GROUP RATING PROGRAM

The School District participates in the Ohio School Boards Association 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 Ohio School Boards Association. The Executive Director of the OSBA, 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 12-DEFINED BENEFIT 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 may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746, by calling (800) 878-5853 or by visiting the SERS website at www.ohsers.org.

Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2006, 10.58 percent of annual covered salary was the portion used to fund pension obligations. 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 District's required contributions to SERS for the fiscal years ended June 30, 2006, 2005, and 2004 were \$364,383, \$303,914 and \$367,999 respectively; 50% has been contributed for 2006 and 100% for fiscal years 2005 and 2004.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost sharing multiple employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtain by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, by calling (614) 227-4090 or by visiting the STRS Ohio web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance, based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.55% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DB and the DC Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund defined benefit payment at a reduced level from the regular DB Plan. 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. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who become disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the 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.

Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2005, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's contributions to STRS Ohio for the years ended June 30, 2006, 2005, and 2004 were \$1,298,331, \$1,370,965, and \$1,133,458 respectively; 81% has been contributed for 2006 and 100% for fiscal years 2005 and 2004.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

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 District's liability is 6.2% of wages paid.

NOTE 13—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 partial reimbursement of monthly 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.

All STRS Ohio retirees who participated in the DB or Combined Plans and their dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For the year ended June 30, 2006, the STRS Ohio Board allocated employer contributions equal to 1.00% of covered payroll to the Health Care Stabilization Fund. For the School District, this amount was approximately \$93,000 during fiscal year 2006.

STRS Ohio pays health care benefits from the Health Care Stabilization Fund. The balance in the fund was \$3.500 billion at June 30, 2006. For the year ended June 30, 2006, net health care costs paid by STRS were \$285.7 million and STRS had 119,184 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, disability, and survivor benefit recipients. All retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility, and retirement status.

After the allocation of basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2006, employer contributions to fund health care benefits were 3.42 percent of covered payroll, compared to 3.42% of covered payroll for fiscal year 2005. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2006, the minimum pay has been established at \$35,800. However, the surcharge is capped at two percent of each employer's SERS salaries. For the District, the amount contributed to fund health care benefits, including the surcharge, was approximately \$26,000 during the 2006 fiscal year.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

The surcharge rate added to the unallocated portion of the 14% employer contribution rate provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care for the year ended June 30, 2006 were \$158.8 million. At June 30, 2006, SERS' net assets available for payment of health care benefits was \$295.6 million. SERS has approximately 59,492 participants currently receiving health care benefits.

NOTE 14-JOINTLY GOVERNED ORGANIZATION

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 districts. Each member 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 district is limited to its representation on the Board.

BUTLER COUNTY TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS

The Butler County Technology and Career Development Schools (BCTCDS), 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. BCTCDS 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. The School District has no ongoing financial interest in nor responsibility for BCTCDS. To obtain financial information, write to BCTCDS, at 3603 Hamilton-Middletown, Hamilton, Ohio 45011.

NOTE 15-RISK MANAGEMENT

The 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 District contracted with commercial insurance carriers for property and general liability insurance and boiler and machinery insurance.

The District has elected to provide employee medical and dental benefits through Butler County Health Insurance Plan (BCHP), a public entity risk pool currently operating as a common risk management and insurance program. BCHP is comprised of ten other school districts in Butler County. CoreSource provides claims review and processing services for BCHP. The 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 BCHP.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

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 16-CONTINGENCIES

A. LITIGATION

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

B. FEDERAL AND STATE GRANTS

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2006.

NOTE 17-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 purchase of textbooks and other instructional materials and an equal amount for the acquisition 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 textbooks and capital acquisition. Disclosure of this information is required by State statute.

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-aside balance as of June 30, 2005	\$ (199,897)	-	392,800
Current year set-aside requirement	372,317	372,317	-
Less qualifying disbursements	<u>(460,082)</u>	<u>(2,661,557)</u>	<u>-</u>
Set-aside balance as of June 30, 2006	<u>\$ (287,662)</u>	<u>(2,289,240)</u>	<u>392,800</u>

Since the School District had offsets and qualifying disbursements during the year that reduced the set aside amount for textbooks and instructional materials to below zero, these extra amounts could be used to reduce the set aside requirements of future years.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2006

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

NOTE 18-CHANGES IN ACCOUNTING POLICIES

For fiscal year 2006, the School District has implemented GASB Statement No. 44 *Economic Condition Reporting: The Statistical Section* and GASB Statement No. 46 *Net Assets Restricted by Enabling Legislation*. GASB Statement No. 44 establishes and modifies requirements related to the supplementary information presented in the statistical section. GASB Statement No. 46 clarifies how legal enforceability should be applied for determining restricted net assets. The implementation of this new statement had no effect on the School District's financial statements for fiscal year 2006.

Required Supplementary Information

ROSS LOCAL SCHOOL DISTRICT

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
Year Ended June 30, 2006

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes	6,000,000	6,547,007	6,547,007	-
Tuition and fees	21,000	45,012	45,012	-
Interest	70,000	103,736	103,736	-
Intergovernmental	10,232,000	11,861,528	11,861,528	-
Other local revenues	91,000	149,536	149,536	-
Total revenues	<u>16,414,000</u>	<u>18,706,819</u>	<u>18,706,819</u>	-
Expenditures:				
Current:				
Instruction:				
Regular	6,307,425	8,960,011	8,960,011	-
Special education	1,057,243	1,310,559	1,310,559	-
Other instruction	419,423	288,366	288,366	-
Support services:				
Pupil	479,243	687,257	687,257	-
Instructional staff	490,648	762,427	762,427	-
Board of Education	42,522	28,349	28,349	-
Administration	1,352,768	1,782,794	1,782,794	-
Fiscal	361,692	521,974	521,974	-
Operation and maintenance of plant	1,310,874	1,960,568	1,960,568	-
Pupil transportation	1,369,262	1,740,153	1,740,153	-
Extracurricular activities	274,178	376,972	376,972	-
Capital outlay	535,573	665,311	665,311	-
Repayment of debt	166,000	107,354	107,354	-
Total expenditures	<u>14,166,851</u>	<u>19,192,095</u>	<u>19,192,095</u>	-
Excess of revenues over expenditures	2,247,149	(485,276)	(485,276)	-
Other financing sources (uses):				
Advances in	90,000	212,647	212,647	-
Refund of prior year expenditures	12,000	44,583	44,583	-
Advances out	(40,000)	(154,000)	(154,000)	-
Total other financing sources (uses):	<u>62,000</u>	<u>103,230</u>	<u>103,230</u>	-
Net change in fund balance	2,309,149	(382,046)	(382,046)	-
Fund balance, beginning of year	2,666,734	2,666,734	2,666,734	
Prior year encumbrances appropriated	527,344	527,344	527,344	
Fund balance, end of year	<u>5,503,227</u>	<u>2,812,032</u>	<u>2,812,032</u>	

See accompanying notes to required supplemental information.

ROSS LOCAL SCHOOL DISTRICT, OHIO
Notes to Required Supplementary Information
June 30, 2006

NOTE A-BUDGETARY BASIS OF ACCOUNTING

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

Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP Basis).

Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP basis).

Encumbrances are treated as expenditures for all funds (budgetary basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).

The following summarizes the adjustments necessary to reconcile the GAAP statements and the budgetary basis schedule.

Change in Fund Balance (GAAP Basis)	\$	395,144
Increase/(Decrease)		
Due to revenues		(457,401)
Due to expenditures		158,304
Due to other financing uses		103,230
Due to encumbrances		<u>(581,323)</u>
Change in fund balance (Budgetary Basis)	\$	<u>(382,046)</u>

Supplemental Section:
Combining Statements and
Individual Fund Schedules

Non-Major Governmental Funds

Non-Major Special Revenue Funds

Special Revenue Funds are established to account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's Special Revenue Funds follows:

Public School Support Fund

A fund provided to account for specific local revenue sources, other than taxes or expendable trust, (i.e. profits from vending machines, sales of pictures, etc.). Expenditures from this fund include field trips, assemblies, materials, supplies and equipment for use in the classroom.

Other Grant Fund

This fund accounts for various local grants

Athletic Fund

A fund provided to account for those student activity programs that have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, drill team, flag corps, drama club, and other similar types of activities.

Auxiliary Service Fund

A fund provided to account for state funds that provide services and materials to pupils attending non-public schools within the boundaries of the District as provided for in state law. Expenditures are primarily for educational supplies, materials and testing.

Entry Year Teaching Program

A fund provided to account for receipts and expenditures necessary for providing assistance to school districts for the development of local education of staff members.

Management Information Systems

A fund provided for purchase of computer hardware and software or other cost associated with the implementation of the requirements of the management information system.

ONENet

A fund provided to account for money appropriated for Ohio Education Computer Network Connections.

School Net Professional Development

A fund provided to account for a limited number of professional development grants.

Ohio Reads Grant

A fund used to account for specific state revenue required to be expended for the implementation of a volunteer tutoring program to improve students reading skills.

Summer School Subsidy

A fund used to account for student intervention services satisfying criteria defined in section 3313.608 of the Ohio Revised Code.

Miscellaneous State Grants

A fund used to account for various monies received from state agencies that are not classified elsewhere.

Title VI-B

A fund used to account for federal revenues used to assist with the training of teachers, supervisors, administrators, clinicians, or other specialists providing educational services to the handicapped.

Title I

A fund provided for financial assistance to state and local educational agencies to meet the special needs of educationally deprived children.

Title VI

A fund to consolidate various programs into a single authorization of grants for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

Drug Free School Grant

A fund provided to assist in drug abuse prevention, early intervention, rehabilitation referral, education in elementary school and secondary schools, and support components for reducing abuse of alcohol and other drugs.

Title VI-B Preschool

The Preschool Grant Program addresses the improvement and expansion of services for handicapped children ages three through five years.

Class Size Reduction Grant

A fund used to account federal funds designed to reduce class size.

Miscellaneous Federal Grants

A fund used to account for various federal monies that are not classified elsewhere.

Special Revenue Fund

This fund accounts for various local grants and contributions.

Food Service

A fund used to account for all revenues and expenses related to the provision of food services for the District.

Uniform School Supplies

A rotary fund provided to account for all revenues and expenses related to the provision of goods and services to the general public by vocational classes of the District.

Non-Major Capital Projects Fund

Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects.

IVDL Grant Fund

This fund accounts for state grants for capital assets.

Major Governmental Funds

Major Governmental Funds

This section contains Budget and Actual statements on a non-GAAP basis of accounting for the Debt Service Fund and Capital Projects Fund. Combining statements are not required as all pertinent information is portrayed on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

Debt Service Fund

This fund is used for the accumulation of resources and payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment.

Capital Projects Fund

A fund provided to account for all transactions related to the acquisition, construction or improvements to the District's facilities (as authorized by Chapter 5705 of the Ohio revised Code).

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2006

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects IVDL Grant Fund	Total Nonmajor Governmental Funds
Assets:			
Cash and equity in pooled cash and investments	\$ 406,325	-	406,325
Net receivables:			
Interest	20	-	20
Intergovernmental	71,984	-	71,984
Supplies and inventory	7,148	-	7,148
Total assets	<u>485,477</u>	<u>-</u>	<u>485,477</u>
Liabilities:			
Accounts payable	17,249	-	17,249
Accrued wages and benefits	145,597	-	145,597
Due to other governments	520	-	520
Deferred revenue	34,007	-	34,007
Pension obligation payable	46,772	-	46,772
Total liabilities	<u>244,145</u>	<u>-</u>	<u>244,145</u>
Fund Balances:			
Reserved for:			
Encumbrances	62,331	-	62,331
Supplies inventory	7,148	-	7,148
Unreserved, reported in:			
Special Revenue Funds	171,853	-	171,853
Total fund balances	<u>241,332</u>	<u>-</u>	<u>241,332</u>
Total liabilities and fund balances	\$ <u>485,477</u>	<u>-</u>	<u>485,477</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2006

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects IVDL Grant Fund	Total Nonmajor Governmental Funds
Revenues:			
Extracurricular	\$ 449,059	-	449,059
Charges for services	843,410	-	843,410
Interest	1,629	-	1,629
Intergovernmental	1,242,652	-	1,242,652
Other Local Revenues	85,296	-	85,296
Total revenues	<u>2,622,046</u>	<u>-</u>	<u>2,622,046</u>
Expenditures:			
Current:			
Instruction:			
Regular	351,609	895	352,504
Special	207,726	-	207,726
Support services:			
Pupil	122,724	-	122,724
Instructional staff	407,046	-	407,046
School administration	47,935	-	47,935
Operation and maintenance	2,200	-	2,200
Pupil transportation	23,239	-	23,239
Central	12,000	-	12,000
Non-instructional services:			
Community services	197,473	-	197,473
Extracurricular activities	351,133	-	351,133
Food services	903,770	-	903,770
Total expenditures	<u>2,626,855</u>	<u>895</u>	<u>2,627,750</u>
Net change in fund balances	(4,809)	(895)	(5,704)
Fund balance, beginning of year	246,141	895	247,036
Fund balance, end of year	\$ <u>241,332</u>	<u>-</u>	<u>241,332</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2006

	<u>Public School Support</u>	<u>Other Local Grant</u>	<u>Athletic</u>	<u>Auxiliary Service</u>
Assets:				
Equity in pooled cash and investments	\$ 40,328	9,018	93,144	28,297
Net receivables:				
Interest	-	-	-	-
Intergovernmental	-	-	-	-
Supplies and inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>40,328</u>	<u>9,018</u>	<u>93,144</u>	<u>28,297</u>
Liabilities:				
Accounts payable	4,624	3,000	-	1,946
Accrued wages and benefits	-	-	-	10,870
Due to other governments	-	-	-	72
Deferred Revenue	-	-	-	-
Pension obligation payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,279</u>
Total liabilities	<u>4,624</u>	<u>3,000</u>	<u>-</u>	<u>16,167</u>
Fund Balances:				
Fund Balances				
Reserved for:				
Encumbrances	4,626	0	20,222	3,254
Supplies inventory	-	-	-	-
Unreserved-undesignated	<u>31,078</u>	<u>6,018</u>	<u>72,922</u>	<u>8,876</u>
Total fund balances	<u>35,704</u>	<u>6,018</u>	<u>93,144</u>	<u>12,130</u>
Total liabilities and fund balances	\$ <u>40,328</u>	<u>9,018</u>	<u>93,144</u>	<u>28,297</u>

<u>Entry Year</u> <u>Teaching</u> <u>Program</u>	<u>Management</u> <u>Information</u> <u>Systems</u>	<u>ONENet</u>	<u>SchoolNet</u> <u>Professional</u> <u>Development</u>	<u>Ohio</u> <u>Reads</u> <u>Grant</u>	<u>Summer</u> <u>School</u> <u>Subsidy</u>	<u>Misc.</u> <u>State</u> <u>Grants</u>
-	13,210	-	526	2,000	-	120
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>13,210</u>	-	<u>526</u>	<u>2,000</u>	-	<u>120</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	0	-
-	<u>684</u>	-	-	-	-	-
-	<u>684</u>	-	-	-	-	-
-	181	-	50	0	0	-
-	-	-	-	-	-	-
-	<u>12,345</u>	-	<u>476</u>	<u>2,000</u>	-	<u>120</u>
-	<u>12,526</u>	-	<u>526</u>	<u>2,000</u>	-	<u>120</u>
-	<u>13,210</u>	-	<u>526</u>	<u>2,000</u>	-	<u>120</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2006

	<u>Title VI-B</u>	<u>Title I</u>	<u>Title VI</u>	<u>Title VI-B Preschool</u>
Assets:				
Equity in pooled cash and investments	\$ 46,125	2	387	-
Net receivables:				
Interest	-	-	-	-
Intergovernmental	41,641	-	-	1,582
Supplies and inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>87,766</u>	<u>2</u>	<u>387</u>	<u>1,582</u>
Liabilities:				
Accounts payable	4,211	-	-	-
Accrued wages and benefits	46,929	33,360	2,384	-
Due to other governments	166	-	-	-
Deferred Revenue	29,854	-	-	-
Pension obligation payable	<u>13,596</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>94,756</u>	<u>33,360</u>	<u>2,384</u>	<u>-</u>
Fund Balances:				
Fund Balances				
Reserved for:				
Encumbrances	535	-	-	-
Supplies inventory	-	-	-	-
Unreserved-undesignated	<u>(7,525)</u>	<u>(33,358)</u>	<u>(1,997)</u>	<u>1,582</u>
Total fund balances	<u>(6,990)</u>	<u>(33,358)</u>	<u>(1,997)</u>	<u>1,582</u>
Total liabilities and fund balances \$	<u>87,766</u>	<u>2</u>	<u>387</u>	<u>1,582</u>

<u>Class Size Reduction Grant</u>	<u>Misc. Federal Grants</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u><i>TOTAL</i></u>
6,606	23,431	92,877	14,726	35,528	406,325
-	-	20	-	-	20
8,853	-	-	19,908	-	71,984
<u>-</u>	<u>-</u>	<u>-</u>	<u>5,026</u>	<u>2,122</u>	<u>7,148</u>
<u>15,459</u>	<u>23,431</u>	<u>92,897</u>	<u>39,660</u>	<u>37,650</u>	<u>485,477</u>
2,642	-	-	-	826	17,249
10,251	-	-	41,803	-	145,597
51	-	-	231	-	520
4,153	-	-	-	-	34,007
<u>1,338</u>	<u>-</u>	<u>448</u>	<u>27,427</u>	<u>-</u>	<u>46,772</u>
<u>18,435</u>	<u>-</u>	<u>448</u>	<u>69,461</u>	<u>826</u>	<u>244,145</u>
-	20,790	5,611	5,467	1,595	62,331
-	-	-	5,026	2,122	7,148
<u>(2,976)</u>	<u>2,641</u>	<u>86,838</u>	<u>(40,294)</u>	<u>33,107</u>	<u>171,853</u>
<u>(2,976)</u>	<u>23,431</u>	<u>92,449</u>	<u>(29,801)</u>	<u>36,824</u>	<u>241,332</u>
<u>15,459</u>	<u>23,431</u>	<u>92,897</u>	<u>39,660</u>	<u>37,650</u>	<u>485,477</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Nonmajor Special Revenue Funds
Year Ended June 30, 2006

	Public School Support	Other Local Grant	Athletic	Auxiliary Service
Revenues:				
Extracurricular activities	\$ 96,372	-	352,687	-
Charges for services	-	-	-	-
Interest	-	-	-	859
Intergovernmental	-	-	-	136,352
Other local revenues	-	34,082	-	-
Total revenues	<u>96,372</u>	<u>34,082</u>	<u>352,687</u>	<u>137,211</u>
Expenditures:				
Current:				
Instruction:				
Regular	111,386	25,258	-	-
Special	-	15	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff	-	3,301	-	-
School administration	-	-	-	-
Operation and Maintenance	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Community services	-	-	-	148,674
Extracurricular activities	-	-	351,133	-
Food services	-	-	-	-
Total expenditures	<u>111,386</u>	<u>28,574</u>	<u>351,133</u>	<u>148,674</u>
Net change in fund balances	(15,014)	5,508	1,554	(11,463)
Fund balance, beginning of year	<u>50,718</u>	<u>510</u>	<u>91,590</u>	<u>23,593</u>
Fund balance, end of year	<u>\$ 35,704</u>	<u>6,018</u>	<u>93,144</u>	<u>12,130</u>

<u>Entry Year Teaching Program</u>	<u>Management Information Systems</u>	<u>ONENet</u>	<u>SchoolNet Professional Development</u>	<u>Ohio Reads Grant</u>	<u>Summer School Subsidy</u>	<u>Misc. State Grants</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,600	9,042	12,000	3,925	4,000	45,518	-
-	-	-	-	-	-	-
<u>5,600</u>	<u>9,042</u>	<u>12,000</u>	<u>3,925</u>	<u>4,000</u>	<u>45,518</u>	<u>-</u>
5,600	-	-	-	3,866	5,171	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,673	-	4,308	-	1,420	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	12,000	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>5,600</u>	<u>1,673</u>	<u>12,000</u>	<u>4,308</u>	<u>3,866</u>	<u>6,591</u>	<u>-</u>
-	7,369	-	(383)	134	38,927	-
-	5,157	-	909	1,866	(38,927)	120
<u>-</u>	<u>12,526</u>	<u>-</u>	<u>526</u>	<u>2,000</u>	<u>-</u>	<u>120</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Nonmajor Special Revenue Funds
Year Ended June 30, 2003

	Title VIB	Title I	Title VI	Drug Free Schools
Revenues:				
Extracurricular activities	\$ -	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Intergovernmental	564,889	109,168	8,038	8,212
Miscellaneous	-	-	-	-
Total revenues	<u>564,889</u>	<u>109,168</u>	<u>8,038</u>	<u>8,212</u>
Expenditures:				
Current:				
Instruction:				
Regular	89	-	-	-
Special	63,742	141,620	-	-
Support services:				
Pupil	114,512	-	-	8,212
Instructional staff	316,233	-	9,611	-
School administration	47,935	-	-	-
Operation and Maintenance	-	-	-	-
Pupil Transportation	23,239	-	-	-
Central	-	-	-	-
Community services	31,192	(211)	424	-
Extracurricular activities	-	-	-	-
Food services	-	-	-	-
Total expenditures	<u>596,942</u>	<u>141,409</u>	<u>10,035</u>	<u>8,212</u>
Net change in fund balances	(32,053)	(32,241)	(1,997)	-
Fund balance, beginning of year	25,063	(1,117)	-	-
Fund balance, end of year	<u>\$ (6,990)</u>	<u>(33,358)</u>	<u>(1,997)</u>	<u>-</u>

<u>Title VI-B Preschool</u>	<u>Class Size Reduction Grant</u>	<u>Misc. Federal Grants</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u><i>TOTAL</i></u>
-	-	-	-	-	-	449,059
-	-	-	-	735,407	108,003	843,410
-	-	-	227	543	-	1,629
4,031	79,791	84,192	-	167,894	-	1,242,652
-	-	-	51,214	-	-	85,296
<u>4,031</u>	<u>79,791</u>	<u>84,192</u>	<u>51,441</u>	<u>903,844</u>	<u>108,003</u>	<u>2,622,046</u>
-	76,193	2,699	16,271	-	105,076	351,609
2,349	-	-	-	-	-	207,726
-	-	-	-	-	-	122,724
800	6,854	60,855	1,991	-	-	407,046
-	-	-	-	-	-	47,935
-	-	-	2,200	-	-	2,200
-	-	-	0	-	-	23,239
-	-	-	-	-	-	12,000
-	-	194	17,200	-	-	197,473
-	-	-	-	-	-	351,133
-	-	-	-	903,770	-	903,770
<u>3,149</u>	<u>83,047</u>	<u>63,748</u>	<u>37,662</u>	<u>903,770</u>	<u>105,076</u>	<u>2,626,855</u>
882	(3,256)	20,444	13,779	74	2,927	(4,809)
<u>700</u>	<u>280</u>	<u>2,987</u>	<u>78,670</u>	<u>(29,875)</u>	<u>33,897</u>	<u>246,141</u>
<u>1,582</u>	<u>(2,976)</u>	<u>23,431</u>	<u>92,449</u>	<u>(29,801)</u>	<u>36,824</u>	<u>241,332</u>

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Public School Support Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Total revenues	\$ 96,372	96,372	-
Expenditures:			
Current:			
Instruction:			
Regular	115,795	115,795	-
Total expenditures	<u>115,795</u>	<u>115,795</u>	-
Net change in fund balance	(19,423)	(19,423)	-
Fund balance, beginning of year	43,872	43,872	
Prior year encumbrances appropriated	<u>7,256</u>	<u>7,256</u>	
Fund balance, end of year	<u>\$ 31,705</u>	<u>31,705</u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Other Local Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	Variance From Final <u>Budget</u>
Revenues:			
Total revenues	\$ 34,082	34,082	-
Expenditures:			
Current:			
Instruction:			
Regular	25,413	25,413	-
Support Services			
Instructional Staff	3,301	3,301	
Total expenditures	<u>28,714</u>	<u>28,714</u>	-
Net change in fund balance	5,368	5,368	-
Fund balance, beginning of year	512	512	
Prior year encumbrances appropriated	139	139	
Fund balance, end of year	<u>\$ 6,019</u>	<u>6,019</u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Athletic Fund Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Total revenues	\$ 352,743	352,743	-
Expenditures:			
Extracurricular activities	372,797	372,797	-
Total expenditures	<u>372,797</u>	<u>372,797</u>	-
Net change in fund balance	(20,054)	(20,054)	-
Fund balance, beginning of year	67,412	67,412	
Prior year encumbrances appropriated	25,564	25,564	
Fund balance, end of year	<u>\$ 72,922</u>	<u>72,922</u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Auxiliary Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 137,212	137,212	-
Expenditures:			
Community services	170,009	170,009	-
Total expenditures	170,009	170,009	-
Net change in fund balance	(32,797)	(32,797)	-
Fund balance, beginning of year	17,047	17,047	
Prior year encumbrances appropriated	38,846	38,846	
Fund balance, end of year	\$ <u>23,096</u>	<u>23,096</u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Entry Year Teaching Program Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Total revenues	\$ 5,600	5,600	-
Expenditures:			
Current:			
Instruction:			
Regular	5,600	5,600	-
Total expenditures	5,600	5,600	-
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	
Fund balance, end of year	\$ -	-	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Management Information Systems Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 9,042	9,042	-
Expenditures:			
Current:			
Support services:			
Instructional staff	1,180	1,180	-
Total expenditures	1,180	1,180	-
Net change in fund balance	7,862	7,862	-
Fund balance, beginning of year	5,109	5,109	
Prior Year Encumbrances Appropriated	47	47	
Fund balance, end of year	\$ 13,018	13,018	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
ONENet Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 12,000	12,000	-
Expenditures:			
Current:			
Support services:			
Central	12,000	12,000	-
Total expenditures	12,000	12,000	-
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	
Fund balance, end of year	\$ -	-	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
School Net Professional Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Total revenues	\$ 3,925	3,925	-
Expenditures:			
Current:			
Support services:			
Instructional staff	4,358	4,358	-
Total expenditures	<u>4,358</u>	<u>4,358</u>	-
Net change in fund balance	(433)	(433)	-
Fund balance, beginning of year	-	-	
Prior Year Encumbrances Appropriated	909	909	
Fund balance, end of year	<u>\$ 476</u>	<u>476</u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Ohio Reads Volunteer Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 4,000	4,000	-
Expenditures:			
Current:			
Instruction:			
Regular	4,196	4,196	-
Total expenditures	4,196	4,196	-
Net change in fund balance	(196)	(196)	-
Fund balance, beginning of year	-	-	
Prior Year Encumbrances Appropriated	2,196	2,196	
Fund balance, end of year	\$ 2,000	2,000	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Summer School Subsidy Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 45,518	45,518	-
Expenditures:			
Current:			
Instruction:			
Regular	7,304	7,304	-
Supporting Services:			
Insturctional Staff	3,820	3,820	-
Total expenditures	11,124	11,124	-
Excess of revenues over expenditures	34,394	34,394	-
Other Financing Sources (Uses):			
Advances-Out	(45,493)	(45,493)	-
Total other financing sources (uses)	(45,493)	(45,493)	-
Net change in fund balance	(11,099)	(11,099)	
Fund balance, beginning of year	-	-	
Prior Year Encumbrances Appropriated	11,099	11,099	
Fund balance, end of year	\$ -	-	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ -	-	-
Expenditures:			
Current:			
Support services:			
School administration	-	-	-
Total expenditures	-	-	-
Net change in fund balance	-	-	-
Fund balance, beginning of year	119	119	
Fund balance, end of year	\$ 119	119	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 617,629	617,629	-
Expenditures:			
Current:			
Instruction:			
Special	120,018	120,018	-
Support services:			
Pupil	117,325	117,325	-
Instructional staff	289,959	289,959	-
School administration	48,336	48,336	-
Pupil Transportation	23,239	23,239	-
Community services	26,335	26,335	-
Total expenditures	625,212	625,212	-
Excess of revenues over expenditures	(7,583)	(7,583)	-
Other Financing Sources (Uses):			
Advances Out	(6,481)	(6,481)	-
Total other financing sources (uses)	(6,481)	(6,481)	-
Net change in fund balance	(14,064)	(14,064)	
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	55,443	55,443	
Fund balance, end of year	\$ 41,379	41,379	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 109,168	109,168	-
Expenditures:			
Current:			
Instruction:			
Special	108,260	108,260	-
Community services	1,459	1,459	-
Total expenditures	109,719	109,719	-
Net change in fund balance	(551)	(551)	
Fund balance, beginning of year	551	551	
Fund balance, end of year	\$ -	-	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 8,038	8,038	-
Expenditures:			
Current:			
Support services:			
Instructional staff	7,420	7,420	-
Community services	231	231	-
Total expenditures	7,651	7,651	-
Net change in fund balance	387	387	-
Fund balance, beginning of year	-	-	
Fund balance, end of year	\$ 387	387	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Drug Free School Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Total revenues	\$ 8,212	8,212	-
Expenditures:			
Current:			
Support services:			
Pupil	8,212	8,212	-
Total expenditures	8,212	8,212	-
Net change in fund balance	-	-	-
Fund balance, beginning of year	-	-	
Fund balance, end of year	\$ -	-	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 3,149	3,149	-
Expenditures:			
Current:			
Instruction:			
Special	2,349	2,349	-
Support services:			
Instructional staff	800	800	-
Total expenditures	3,149	3,149	-
Excess of revenues over expenditures	-	-	-
Other Financing Sources:			
Advances Out	(300)	(300)	-
Net change in fund balance	(300)	(300)	
Fund balance, beginning of year	-	-	
Prior Year Encumbrances Appropriated	300	300	
Fund balance, end of year	\$ -	-	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Class Size Reduction Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 92,375	92,375	-
Expenditures:			
Current:			
Instruction:			
Regular	78,113	78,113	-
Support services:			
Instructional staff	4,212	4,212	-
Total expenditures	82,325	82,325	-
Excess of revenues over expenditures	10,050	10,050	-
Other Financing Sources			
Advances - Out	(3,444)	(3,444)	-
Net change in fund balance	6,606	6,606	
Fund balance, beginning of year	-	-	
Fund balance, end of year	\$ 6,606	6,606	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Total revenues	\$ 87,141	87,141	-
Expenditures:			
Current:			
Instruction:			
Regular	4,585	4,585	-
Support services:			
Instructional staff	82,921	82,921	-
Community services	454	454	-
Total expenditures	<u>87,960</u>	<u>87,960</u>	<u>-</u>
Excess of revenues over expenditures	(819)	(819)	-
Other Financing Sources (Uses):			
Advances Out	<u>(2,928)</u>	<u>(2,928)</u>	-
Total other financing sources (uses)	<u>(2,928)</u>	<u>(2,928)</u>	<u>-</u>
Net change in fund balance	(3,747)	(3,747)	
Fund balance, beginning of year	-	-	
Prior Year Encumbrances Appropriated	<u>3,747</u>	<u>3,747</u>	
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 51,451	51,451	-
Expenditures:			
Current:			
Instruction:			
Regular	21,066	21,066	-
Support			
Instructional staff	2,490	2,490	-
Pupil Transportation	2,200	2,200	-
Community services	17,200	17,200	-
Total expenditures	42,956	42,956	-
Net change in fund balance	8,495	8,495	-
Fund balance, beginning of year	79,629	79,629	
Prior Year Encumbrances Appropriated	1,257	1,257	
Fund balance, end of year	\$ 89,381	89,381	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Food Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 848,000	848,000	-
Expenditures:			
Current:			
Food services	873,957	873,957	-
Total expenditures	873,957	873,957	-
Deficiency of revenues under expenditures	(25,957)	(25,957)	-
Other Financing Sources (Uses):			
Advances in	105,000	105,000	-
Advances out	(105,000)	(105,000)	-
Total other financing sources (uses)	-	-	-
Fund balance, beginning of year	28,571	28,571	
Prior Year Encumbrances Appropriated	6,645	6,645	
Fund balance, end of year	\$ 9,259	9,259	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Uniform School Supply Special Revenue Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ 108,098	108,098	-
Expenditures:			
Current:			
Supplies and materials	106,160	106,160	-
Total expenditures	106,160	106,160	-
Excess of revenues over expenditures	1,938	1,938	-
Other Financing Sources (Uses):			
Advances in	49,000	49,000	-
Advances out	(49,000)	(49,000)	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	1,938	1,938	
Fund balance, beginning of year	29,925	29,925	
Prior Year Encumbrances	1,288	1,288	
Fund balance, end of year	\$ 33,151	33,151	

ROSS LOCAL SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual (Non-GAAP Budgetary Basis)

Debt Service Fund

Year Ended June 30, 2006

	Budget	Actual	Variance With Budget
Revenues:			
Taxes	\$ 1,662,706	1,662,706	-
Intergovernmental	204,588	204,588	-
Total revenues	<u>1,867,294</u>	<u>1,867,294</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			-
Administration	10,934	10,934	-
Fiscal	6,981	6,981	-
Repayment of debt	1,676,697	1,676,697	-
Total expenditures	<u>1,694,612</u>	<u>1,694,612</u>	<u>-</u>
Net change in fund balance	<u>172,682</u>	<u>172,682</u>	<u>-</u>
Fund balance, beginning of year	<u>550,041</u>	<u>550,041</u>	
Fund balance end of year	\$ <u><u>722,723</u></u>	<u><u>722,723</u></u>	

ROSS LOCAL SCHOOL DISTRICT, OHIO

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual (Non-GAAP Budgetary Basis)

Capital Projects Fund

Year Ended June 30, 2006

	Budget	Actual	Variance With Budget
Revenues:			
Interest	\$ 29,112	29,112	-
Other local revenues	76,000	76,000	-
Total revenues	<u>105,112</u>	<u>105,112</u>	-
Expenditures:			
Current:			
Instruction:			
Regular	85,252	85,252	-
Community service	-	-	-
Capital outlay			
Site improvement	33,587	33,587	-
Architecture and engineering	258,191	258,191	-
Building acquisition and construction	2,332,665	2,332,665	-
Repayment of debt	-	-	-
Total expenditures	<u>2,709,695</u>	<u>2,709,695</u>	-
Excess of revenues over expenditures	(2,604,583)	(2,604,583)	-
Other financing sources (uses):			
Refund of prior year expenditures	62,029	62,029	-
Total other financing sources (uses):	<u>62,029</u>	<u>62,029</u>	-
Net change in fund balance	(2,542,554)	(2,542,554)	-
Fund balance, beginning of year	67,320	67,320	
Prior year encumbrances appropriated	2,475,234	2,475,234	
Fund balance, end of year	\$ <u>-</u>	<u>-</u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
IVDL Grant Capital Projects Fund
For the Fiscal Year Ended June 30, 2006

	Budget	Actual	Variance From Final Budget
Revenues:			
Total revenues	\$ -	-	-
Expenditures:			
Current:			
Instruction:			
Regular	951	951	-
Total expenditures	951	951	-
Net change in fund balance	(951)	(951)	-
Fund balance, beginning of year	-	-	
Prior Year Encumbrances Appropriated	951	951	
Fund balance, end of year	\$ -	-	

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Fund

June 30, 2006

		Beginning Balance <u>7/1/2005</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>6/30/2006</u>
Assets:					
Equity in pooled cash and investments	\$	<u>51,620</u>	<u>145,050</u>	<u>142,835</u>	<u>53,835</u>
Total assets		<u>51,620</u>			<u>53,835</u>
Liabilities:					
Due to student groups		<u>51,620</u>	<u>145,050</u>	<u>142,835</u>	<u>53,835</u>
Total liabilities	\$	<u>51,620</u>			<u>53,835</u>

Statistical Section

Ross Local School District, Ohio
Net Assets by Component
Last Four Fiscal Years
(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Invested in Capital Assets, Net of Related Debt	\$20,132,618	\$7,528,672	\$11,674,008	\$13,033,241
Restricted for:				
Capital Projects	24,026,790	5,743,046	1,831,540	266,316
Debt Service Set Asides				
Other Purposes	1,303,152	2,465,935	630,479	761,937
Unrestricted (Deficit)	<u>(23,404,563)</u>	<u>2,778,623</u>	<u>321,865</u>	<u>1,877,874</u>
Total Net Assets	<u><u>\$22,057,997</u></u>	<u><u>\$18,516,276</u></u>	<u><u>\$14,457,892</u></u>	<u><u>\$15,939,368</u></u>

Ross Local School District, Ohio
Changes in Net Assets of Governmental Activities
Last Four Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006
Expenses				
Regular Instruction	\$9,692,617	\$9,124,245	\$8,836,363	\$8,762,193
Special Instruction	1,207,179	1,388,504	1,386,822	1,555,089
Adult/Continuing	668	738	3,987	78,155
Other	241,184	369,167	251,650	207,342
Pupil Support	686,447	655,851	770,183	823,651
Instructional Staff Support	895,705	848,876	816,001	1,182,254
Board of Education	79,646	121,801	74,268	83,630
Administration	1,623,461	1,600,221	1,653,472	1,795,625
Fiscal	437,782	503,934	496,548	518,893
Operation and Maintenance of Plant	1,082,967	3,941,084	1,721,084	2,134,602
Pupil Transportation	1,580,526	1,600,836	1,506,050	2,021,368
Central	25,554	21,432	17,620	21,697
Operation of Food Services	380,579	674,840	819,760	906,186
Extracurricular Activities	681,046	823,930	722,467	900,778
Community Service	211,974	323,704	185,543	223,040
Interest and Fiscal Charges	155,152	1,185,372	997,146	1,006,783
<i>Total Expenses</i>	<u>18,982,487</u>	<u>23,184,535</u>	<u>20,258,964</u>	<u>22,221,286</u>
Program Revenues				
Charges for Services				
Regular Instruction	\$72,316	\$169,109	\$157,486	\$179,873
Adult/Continuing	6,787	14,432	24,689	44,662
Operation of Food Service	563,645	584,106	658,197	735,407
Extracurricular Activities	323,723	340,358	482,901	449,059
Operating Grants and Contributions				
Regular Instruction	210,935	118,459	141,275	130,975
Special Instruction	196,399	144,022	345,522	112,843
Adult/Continuing	27,455			
Pupil Support	292,693	9,651	8,242	8,212
Staff Support	27,237	331,528	557,028	699,852
Administration	0	2,585	2,612	0
Central	14,000	0	0	12,000
Community Service		151,813	148,246	136,352
Operation of Food Service	113,317	114,443	177,614	167,894
Capital Grants and Contributions				
Regular Instruction	1,200		23,940	0
<i>Total Program Revenues</i>	<u>1,849,707</u>	<u>1,980,506</u>	<u>2,727,752</u>	<u>2,677,129</u>
Net Expense	<u>(\$17,132,780)</u>	<u>(\$21,204,029)</u>	<u>(\$17,531,212)</u>	<u>(\$19,544,157)</u>

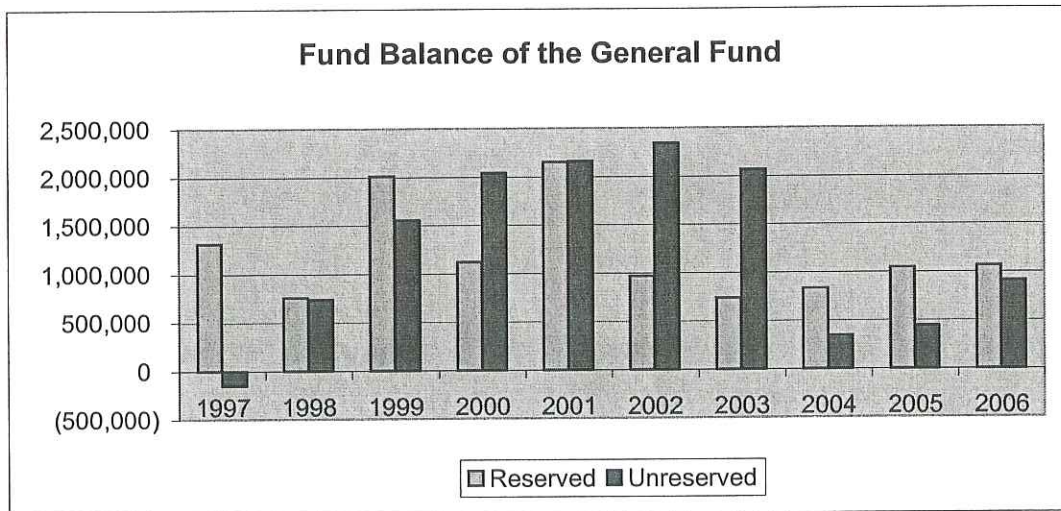
(continued)

Ross Local School District, Ohio
Changes in Net Assets of Governmental Activities (continued)
Last Four Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006
<i>General Revenues</i>				
Property Taxes Levied for:				
General Purposes	\$5,533,862	\$6,087,781	\$6,031,701	\$6,129,278
Debt Service	752,270	1,513,662	1,674,219	1,592,086
Income Taxes Levied for				
General Purposes	0	0	0	616,390
Grants and Entitlements not				
Restricted to Specific Programs	9,368,561	9,805,541	10,579,473	12,071,717
Investment Earnings	391,607	157,878	257,276	197,853
Miscellaneous	595,628	97,446	186,475	418,309
<i>Total General Revenues</i>	<u>16,641,928</u>	<u>17,662,308</u>	<u>18,729,144</u>	<u>21,025,633</u>
<i>Change in Net Assets</i>	<u>(\$490,852)</u>	<u>(\$3,541,721)</u>	<u>\$1,197,932</u>	<u>\$1,481,476</u>

Ross Local School District, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
Ross Local School District

	1997	1998	1999	2000
General Fund				
Reserved	\$1,313,621	\$756,606	\$2,009,384	\$1,118,636
Unreserved	(151,273)	736,553	1,554,390	2,042,124
<i>Total General Fund</i>	<u>1,162,348</u>	<u>1,493,159</u>	<u>3,563,774</u>	<u>3,160,760</u>
All Other Governmental Funds				
Reserved	109,242	42,570	31,125	61,894
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	76,083	139,376	154,801	424,711
Debt Service Funds	0	0	0	0
Capital Projects Funds	1,845	2,241	29,105	54,585
Total All Other Governmental Funds	<u>187,170</u>	<u>184,187</u>	<u>215,031</u>	<u>541,190</u>
Total Governmental Funds	<u><u>\$1,349,518</u></u>	<u><u>\$1,677,346</u></u>	<u><u>\$3,778,805</u></u>	<u><u>\$3,701,950</u></u>



2001	2002	2003	2004	2005	2006
\$2,149,715	\$964,189	\$735,413	\$831,368	\$1,045,944	\$1,060,106
2,159,325	2,342,749	2,066,171	343,880	444,271	907,321
4,309,040	3,306,938	2,801,584	1,175,248	1,490,215	1,967,427
99,754	40,255	2,411,660	16,790,817	1,902,173	359,031
125,655	125,775	184,153	117,796	149,684	171,853
0	0	514,201	495,935	568,262	722,723
0	0	21,725,167	(13,322)	70,796	5,439
225,409	166,030	24,835,181	17,391,226	2,690,915	1,259,046
<u>\$4,534,449</u>	<u>\$3,472,968</u>	<u>\$27,636,765</u>	<u>\$18,566,474</u>	<u>\$4,181,130</u>	<u>\$3,226,473</u>

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

	1997	1998	1999	2000
Revenues				
Income Taxes	\$0	\$0	\$0	\$0
Property and Other Local Taxes	4,860,193	5,179,978	6,342,423	4,497,388
Intergovernmental	7,419,316	7,955,941	8,589,378	8,766,434
Interest	156,908	180,665	193,477	262,620
Tuition and Fees	7,501	12,018	5,961	17,029
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Miscellaneous	318,683	283,722	372,768	558,349
<i>Total Revenues</i>	<u>12,762,601</u>	<u>13,612,324</u>	<u>15,504,007</u>	<u>14,101,820</u>
Expenditures				
Current:				
Instruction:				
Regular	6,246,558	6,918,302	7,082,950	7,208,134
Special	835,528	894,386	853,178	955,993
Vocational/Other	60,229	92,026	176,403	194,296
Support Services:				
Pupil	436,541	477,690	480,032	542,971
Instructional Staff	449,222	509,662	557,377	623,128
Board of Education	20,562	27,750	15,232	16,161
Administration	1,167,251	1,224,524	1,196,186	1,301,671
Fiscal	329,396	332,031	346,482	344,509
Operation and Maintenance of Plant	866,427	896,700	883,962	922,694
Pupil Transportation	1,014,330	1,074,441	1,096,225	1,277,144
Central	0	0	0	0
Operation of Non-Instructional Services	111,369	127,975	139,651	140,888
Operation of Food Services	0	0	0	0
Extracurricular Activities	327,219	353,174	415,515	388,307
Capital Outlay	458,961	382,289	269,752	95,405
Debt Service:				
Principal Retirement	0	45,000	50,000	113,243
Interest and Fiscal Charges	13,678	12,541	10,143	14,954
<i>Total Expenditures</i>	<u>12,337,271</u>	<u>13,368,491</u>	<u>13,573,088</u>	<u>14,139,498</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>425,330</u>	<u>243,833</u>	<u>1,930,919</u>	<u>(37,678)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	3,427	4,098	2,721	135
Refund of Prior Year Expenditures	10,429	93,040	2,762	61,946
Refund of Prior Year Receipts	(9,010)	(10,847)	0	0
General Obligation Bonds Issued	0	0	0	0
Proceeds from Sale of Notes	0	0	0	0
Inception of Capital Lease	0	0	140,000	(140,000)
Other Uses	0	0	(10,627)	0
Transfers In	15,911	10,625	126,307	108,599
Transfers Out	(16,232)	(14,569)	(126,307)	(110,160)
<i>Total Other Financing Sources (Uses)</i>	<u>4,525</u>	<u>82,347</u>	<u>134,856</u>	<u>(79,480)</u>
<i>Net Change in Fund Balances</i>	<u>\$429,855</u>	<u>\$326,180</u>	<u>\$2,065,775</u>	<u>(\$117,158)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.1%	0.4%	0.5%	0.9%

2001	2002	2003	2004	2005	2006
\$0	\$0	\$0	\$0	\$0	490,254
6,037,633	4,944,394	6,035,378	7,434,249	7,715,893	7,910,405
9,011,143	9,660,729	10,251,797	10,678,042	11,981,021	13,308,769
303,562	121,901	391,607	145,602	267,450	199,955
10,964	15,240	6,787	14,582	24,689	44,662
0	0	0	0	482,901	449,059
0	0	635,961	660,983	815,683	843,410
446,045	346,548	861,822	618,042	189,704	490,180
<u>15,809,347</u>	<u>15,088,812</u>	<u>18,183,352</u>	<u>19,551,500</u>	<u>21,477,341</u>	<u>23,736,694</u>
7,561,229	8,119,670	8,525,675	9,172,667	8,944,567	9,339,630
1,012,529	1,100,745	1,184,654	1,427,586	1,386,340	1,538,621
217,725	215,863	241,853	369,905	255,637	285,497
530,581	615,220	602,431	715,688	778,124	821,071
649,209	808,468	822,481	848,899	817,505	1,175,382
20,504	17,966	23,077	14,942	14,896	21,658
1,329,262	1,702,474	1,580,671	1,536,924	1,677,051	1,750,074
360,862	398,545	426,270	473,391	502,712	511,533
932,418	1,023,005	1,044,205	1,181,408	1,360,566	1,722,497
1,148,335	1,273,387	1,423,347	1,490,487	1,352,560	1,762,849
0	0	14,610	12,000	12,000	12,000
140,302	199,323	224,832	257,835	253,049	197,473
0	0	745,936	691,976	819,760	903,770
518,834	507,055	702,341	870,749	664,400	798,082
510,637	169,603	862,707	8,942,226	15,997,523	2,067,162
45,000	40,000	24,943,904	692,000	814,000	790,000
5,471	3,315	227,689	1,174,108	1,010,546	994,052
<u>14,982,898</u>	<u>16,194,639</u>	<u>43,596,683</u>	<u>29,872,791</u>	<u>36,661,236</u>	<u>24,691,351</u>
<u>826,449</u>	<u>(1,105,827)</u>	<u>(25,413,331)</u>	<u>(10,321,291)</u>	<u>(15,183,895)</u>	<u>(954,657)</u>
3,415	280	0	0	0	0
44,711	47,000	0	0	0	0
0	0	0	0	0	0
0	0	24,537,173	0	0	0
0	0	24,918,904	0	0	0
0	0	0	1,251,000	0	0
0	0	0	0	0	0
5,093	3,503	6,578	0	0	0
<u>(5,093)</u>	<u>(3,503)</u>	<u>(6,578)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>48,126</u>	<u>47,280</u>	<u>49,456,077</u>	<u>1,251,000</u>	<u>0</u>	<u>0</u>
<u>\$874,575</u>	<u>(\$1,058,547)</u>	<u>\$24,042,746</u>	<u>(\$9,070,291)</u>	<u>(\$15,183,895)</u>	<u>(\$954,657)</u>
0.3%	0.3%	143.3%	9.8%	9.7%	8.6%

Ross Local School District, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
1997	\$157,484,690	\$9,413,030	\$476,850,629	\$13,271,050	\$15,080,739
1998	159,962,420	9,561,130	484,353,000	12,679,920	14,409,000
1999	164,061,450	9,806,130	496,764,514	12,694,070	14,425,080
2000	196,097,610	11,720,970	593,767,371	12,960,720	14,728,091
2001	199,738,380	11,938,580	604,791,314	12,015,310	13,653,761
2002	204,817,500	12,242,170	620,170,486	8,768,710	9,964,443
2003	230,742,590	13,791,740	698,669,514	8,658,870	9,839,625
2004	260,116,830	15,547,470	787,612,286	8,984,089	10,209,192
2005	248,082,010	14,828,130	751,171,829	9,365,200	10,642,273
2006	285,784,110	16,135,620	862,627,800	8,516,760	9,678,136

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

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

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

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

Tangible Personal Property				
General Business		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio
\$6,414,341	\$25,657,364	\$186,583,111	\$517,588,731	36.05%
6,927,607	50,719,680	189,131,077	549,481,680	34.42%
7,569,992	50,776,280	194,131,642	561,965,874	34.55%
7,835,089	51,842,880	228,614,389	660,338,342	34.62%
8,738,086	48,061,240	232,430,356	666,506,316	34.87%
9,238,487	35,074,840	235,066,867	665,209,769	35.34%
9,136,105	34,635,480	262,329,305	743,144,619	35.30%
9,592,910	35,936,356	294,241,299	833,757,834	35.29%
8,926,189	37,460,800	281,201,529	799,274,901	35.18%
8,156,222	34,067,040	318,592,712	906,372,976	35.15%

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

	1997	1998	1999	2000	2001
Unvoted Millage					
Operating	5.36	5.36	5.36	5.36	5.36
Voted Millage - by levy					
1976 Operating - continuing					
Residential/Agricultural Real	7.36	7.35	7.35	6.25	6.20
Commercial/Industrial and Public Utility Real	8.21	8.24	8.18	7.14	7.13
General Business and Public Utility Personal	19.52	19.52	19.52	19.52	19.52
1981 Operating - continuing					
Residential/Agricultural Real	3.83	3.82	3.82	3.25	3.22
Commercial/Industrial and Public Utility Real	4.26	4.28	4.24	3.71	3.70
General Business and Public Utility Personal	6.90	6.90	6.90	6.90	6.90
1987 Operating - continuing					
Residential/Agricultural Real	2.79	2.79	2.78	2.37	2.35
Commercial/Industrial and Public Utility Real	3.18	3.19	3.16	2.77	2.76
General Business and Public Utility Personal	3.90	3.90	3.90	3.90	3.90
1990 Operating - continuing					
Residential/Agricultural Real	2.39	2.38	2.38	2.03	2.01
Commercial/Industrial and Public Utility Real	2.85	2.86	2.84	2.48	2.47
General Business and Public Utility Personal	3.30	3.30	3.30	3.30	3.30
1995 Operating - continuing					
Residential/Agricultural Real	1.74	1.74	1.74	1.48	1.47
Commercial/Industrial and Public Utility Real	1.87	1.88	1.86	1.62	1.62
General Business and Public Utility Personal	2.00	2.00	2.00	2.00	2.00
1999 Operating - continuing					
Residential/Agricultural Real	0.00	0.00	0.00	4.04	4.01
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	4.15	4.14
General Business and Public Utility Personal	0.00	0.00	0.00	4.75	4.75
General Emergency	4.75	4.75	4.75	0.00	0.00
2002 Bond Levy (High School)	0.00	0.00	0.00	0.00	0.00
Total voted millage by type of property					
Residential/Agricultural Real	18.11	18.08	18.07	19.42	19.26
Commercial/Industrial and Public Utility Real	20.37	20.45	20.28	21.87	21.82
General Business and Public Utility Personal	40.37	40.37	40.37	40.37	40.37
Overlapping Rates by Taxing District					
Township					
Residential/Agricultural Real	5.33	5.33	5.32	4.92	4.89
Commercial/Industrial and Public Utility Real	5.45	5.46	5.43	5.06	5.06
General Business and Public Utility Personal	5.72	5.72	5.72	5.72	5.72
County					
Residential/Agricultural Real	6.28	6.28	6.26	5.84	6.63
Commercial/Industrial and Public Utility Real	6.67	6.75	6.74	6.36	7.12
General Business and Public Utility Personal	8.44	8.45	8.44	8.45	8.45
Vocational School	1.93	1.93	1.93	1.93	1.93

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.

Source: Butler County Auditor

2002	2003	2004	2005	2006
5.36	5.36	5.36	5.36	5.36
6.18	5.58	5.56	5.49	4.95
7.15	6.37	6.39	6.38	6.04
19.52	19.52	19.52	19.52	19.52
3.21	2.90	2.89	2.90	2.57
3.71	3.31	3.32	3.31	3.13
6.90	6.90	6.90	6.90	6.90
2.34	2.11	2.10	2.08	1.87
2.77	2.47	2.47	2.47	2.34
3.90	3.90	3.90	3.90	3.90
2.00	1.81	1.80	1.78	1.60
2.48	2.21	2.22	2.21	2.09
3.30	3.30	3.30	3.30	3.30
1.47	1.32	1.32	1.30	1.17
1.63	1.45	1.45	1.45	1.37
2.00	2.00	2.00	2.00	2.00
4.00	3.61	3.60	3.55	3.20
4.16	3.70	3.71	3.70	3.51
4.75	4.75	4.75	4.75	4.75
0.00	0.00	0.00	0.00	0.00
0.00	6.25	6.25	6.25	6.00
19.20	23.58	23.52	23.35	21.36
21.90	25.76	25.81	25.77	24.48
40.37	46.62	46.62	46.62	46.37
6.43	6.11	6.08	6.34	6.00
6.50	6.19	6.21	6.48	6.23
6.72	6.72	6.72	6.72	6.72
7.01	6.40	7.33	7.94	8.40
7.51	7.10	7.88	8.38	9.00
8.75	8.75	8.74	8.74	9.44
1.93	1.93	1.93	1.93	1.93

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

<u>Collection Year (2)</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections (3)</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
1996	\$5,358,931	\$5,205,129	97.13%	\$166,919	\$5,372,048	100.24%
1997	5,384,738	5,242,795	97.36	139,579	5,382,374	99.96
1998	5,505,565	5,401,165	98.10	167,019	5,568,184	101.14
1999	5,978,841	5,593,400	93.55	112,471	5,705,871	95.43
2000	5,994,187	5,629,321	93.91	166,376	5,795,697	96.69
2001	5,768,382	5,722,821	99.21	155,314	5,878,135	101.90
2002	6,262,051	6,195,706	98.94	125,756	6,321,462	100.95
2003	7,928,997	7,511,048	94.73	307,057	7,818,105	98.60
2004	8,519,603	8,084,647	94.89	360,419	8,445,066	99.13
2005	8,263,259	7,870,754	95.25	285,468	8,156,222	98.70

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2006 information cannot be presented because all collections have not been made by June 30, 2006.
- (3) The County does not identify delinquent tax collections by tax year.

Ross Local School District, Ohio

Principal Taxpayers

Real Estate Tax

2005 and 1996 (1)

Name of Taxpayer	2005	
	Assessed Value	Percent of Real Property Assessed Value
Ross Estates LLC	\$717,070	0.24%
Mae Real Estate LLC	633,260	0.21
American Aggregates Corp.	606,930	0.20
Ross Trails Inc.	590,450	0.20
Fink, Alice M.	550,260	0.18
Skyview Storage LLC	471,620	0.16
Blackstone Development LLC	414,820	0.14
Watson, Ronald E.	394,550	0.13
Skyview Acres LLC	361,480	0.12
Transgesser, Vernon R.	358,630	0.12
Totals	<u>\$5,099,070</u>	<u>1.70%</u>
Total Assessed Valuation	<u>\$318,592,712</u>	

Name of Taxpayer	1996	
	Assessed Value	Percent of Real Property Assessed Value
Watson, Ronald	\$728,690	0.39%
Finke, Alice	464,320	0.25%
American Aggregates Corp	454,530	0.24%
Emmert, Andrew	449,960	0.24%
Welsh, Dean	309,890	0.17%
Wilkerson, Thomas	282,070	0.15%
Welsh, Dean	271,880	0.15%
Tragesser, Vernon	234,090	0.13%
Welch Sand & Gravel	233,480	0.13%
Bowling, Cheryl	220,120	0.12%
Totals	<u>\$3,649,030</u>	<u>1.96%</u>
Total Assessed Valuation	<u>\$186,538,111</u>	

(1) The amounts presented represent the assessed values upon which 2006 and 1997 collections were based.

Source: Office of the Butler County Auditor

Ross Local School District, Ohio
Principal Taxpayers
Tangible Personal Property Tax
2005 and 1996 (1)

Name of Taxpayer	2005	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Broshear Contractors Inc.	\$672,670	7.90%
Tragessor Ford Inc.	446,860	5.25
Kelly's Crafts	310,200	3.64
Burkhart, Stephen	263,890	3.10
Welch Holdings Inc.	240,580	2.82
Century Cablevision Holdings LLC	208,390	2.45
Hamilton CVS Inc	148,790	1.74
Center Motors Inc.	123,070	1.45
Wolterman Brothers Construction Inc.	108,456	1.27
Finke Foods Inc.	90,620	1.06
Total	\$2,613,526	30.68%
Total Assessed Valuation	\$318,592,712	

Name of Taxpayer	1996	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
Broshear Contractors Inc.	\$670,410	5.05%
MI-Bryn Inc	204,680	1.54
Keycorp Leasing LTD	192,990	1.45
Martin Marietta Corp	165,820	1.25
Coaxial Communications	164,630	1.24
Burkhart, Stephen	115,660	0.87
Gaston Bowling Inc.	112,180	0.85
General Electric Capital	111,100	0.84
Finke Foods Inc.	87,440	0.66
Moraine Materials Co.	72,160	0.54
Total	\$1,897,070	14.29%
Total Assessed Valuation	\$186,583,111	

(1) The amounts presented represent the assessed values upon which 2006 and 1997 collections were based.

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

Ross Local School District, Ohio

Principal Taxpayers

Public Utilities Tax

2005 and 1996 (1)

Name of Taxpayer	2005	
	Assessed Value	Percent of Public Utility Assessed Value
Cincinnati Gas & Electric	\$1,826,840	18.88%
Butler Rural Electric	898,940	9.29
Cincinnati Bell Telephone Company	715,240	7.39
Dayton Power and Light	434,630	4.49
Total	\$3,875,650	40.00%
 Total Assessed Valuation	 \$318,592,712	

Name of Taxpayer	1996	
	Assessed Value	Percent of Public Utility Assessed Value
Cincinnati Gas & Electric	\$4,175,340	27.69%
Cincinnati Bell Inc.	1,323,250	8.77
Dayton Power and Light	915,230	6.07
Butler Rural Electric	427,250	2.83
Total	\$6,841,070	45.36%
 Total Assessed Valuation	 \$186,583,111	

(1) The amounts presented represent the assessed values upon which 2006 and 1997 collections were based.

Source: Office of the Butler County Auditor

Ross Local School District, Ohio
Ratio of Outstanding Debt By Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases		
1997	\$270,000	\$0	0.11%	\$19.99
1998	225,000	0	0.00	16.65
1999	175,000	140,000	0.12	23.32
2000	130,000	71,757	0.08	14.50
2001	85,000	0	0.03	6.11
2002	45,000	0	0.02	3.23
2003	24,920,000	169,000	7.80	1,724.33
2004	24,300,000	1,348,000	7.50	1,762.75
2005	23,600,000	1,234,000	N/A	1,706.80
2006	22,865,000	1,179,000	N/A	1,652.51

Ross Local School District, Ohio
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2006*

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Overlapping Debt:			
Payable from Property Taxes			
Butler County General Obligation Bonds	\$48,248,574	5.01%	\$2,417,254
Payable from Other Sources:			
Butler County Special Assessment Bonds	10,510,000		526,551
Butler County Sales Tax Bonds	28,265,000		1,416,077
Butler County Capital Leases	<u>2,810,544</u>		<u>140,808</u>
Total Overlapping Debt	89,834,118	5.01%	4,500,689
Direct Debt	<u>22,865,000</u>	100.00%	<u>22,865,000</u>
Total Direct and Overlapping Debt	<u>\$112,699,118</u>		<u>\$27,365,689</u>

Source: Office of the Auditor, Sample County, Ohio

(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. The valuations used were for the 2006 collection year.

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

	1997	1998	1999	2000
Tax Valuation	<u>\$186,583,111</u>	<u>\$189,131,077</u>	<u>\$194,131,642</u>	<u>\$228,614,389</u>
Debt Limit - 9% of Taxable Valuation (1)	<u>\$16,792,480</u>	<u>\$17,021,797</u>	<u>\$17,471,848</u>	<u>\$20,575,295</u>
Amount of Debt Applicable to Debt Limit				
General Obligation Bonds	0	225,000	175,000	130,000
Less Amount Available in Debt Service				
Amount of Debt Subject to Limit	<u>0</u>	<u>225,000</u>	<u>175,000</u>	<u>130,000</u>
Legal Debt Margin	<u>\$16,792,480</u>	<u>\$16,796,797</u>	<u>\$17,296,848</u>	<u>\$20,445,295</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	98.68%	99.00%	99.37%
Unvoted Debt Limit - .10% of Taxable Valuation (1)	\$186,583	\$189,131	\$194,132	\$228,614
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$186,583</u>	<u>\$189,131</u>	<u>\$194,132</u>	<u>\$228,614</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

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.

2001	2002	2003	2004	2005	2006
<u>\$232,430,356</u>	<u>\$235,066,897</u>	<u>\$262,329,305</u>	<u>\$294,241,299</u>	<u>\$281,201,529</u>	<u>\$318,592,712</u>
<u>\$20,918,732</u>	<u>\$21,156,021</u>	<u>\$23,609,637</u>	<u>\$26,481,717</u>	<u>\$25,308,138</u>	<u>\$28,673,344</u>
85,000	45,000	24,920,000	24,300,000	23,600,000 0	22,865,000
85,000	45,000	24,920,000	24,300,000	23,600,000	22,865,000
<u>\$20,833,732</u>	<u>\$21,111,021</u>	<u>(\$1,310,363)</u>	<u>\$2,181,717</u>	<u>\$1,708,138</u>	<u>\$5,808,344</u>
99.59%	99.79%	-5.55%	8.24%	6.75%	20.26%
\$232,430	\$235,067	\$262,329	\$294,241	\$281,202	\$318,593
0	0	0	0	0	0
<u>\$232,430</u>	<u>\$235,067</u>	<u>\$262,329</u>	<u>\$294,241</u>	<u>\$281,202</u>	<u>\$318,593</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Ross Local School District, Ohio
Demographic and Economic Statistics

Last Ten Years

Year	Population (1)	Personal Income (2) (in thousands)	Per Capita Personal Income	Unemployment Rate (3)
1997	13,510	\$235,191,642	\$17,409	3.50%
1998	13,510	265,173,694	19,628	3.30%
1999	13,510	\$268,975,788	19,909	3.20%
2000	13,919	267,285,615	19,203	3.00%
2001	13,919	287,138,896	20,629	3.30%
2002	13,919	279,296,399	20,066	4.40%
2003	14,550	321,875,995	22,122	4.40%
2004	14,550	343,409,584	23,602	3.80%
2005	14,550	NA	0	4.90%
2006	14,550	NA	0	4.40%

Sources: 1) Ohio Department of Commerce, Bureau of Census
 2) Ohio Department of Taxation
 3) Butler County Economic Development, Ohio Labor Market Information
 Estimates, Ohio Bureau of Employment Services, through October 2006

Ross Local School District, Ohio

Principal Employers(1)

Current Year and Nine Years Ago

Employer	Nature of Business	2006		1997	
		Number of Employees	Rank	Number of Employees	Rank
Miami University	Government	4,250	1	3,500	2
AK Steel	Manufacturing	3,100	2	4,250	1
Cincinnati Insurance	Insurance	2,600	3	1,992	4
Butler County Government	Government	2,000	4	2,000	3
Ft. Hamilton Hospital	Health Care	2,000	5	1,400	7
Middletown Regional Health	Health Care	1,800	6	1,400	8
Mercy Regional Hospital	Health Care	1,600	7	1,400	7
Lakota Board of Education	Government	1,600	8	1,480	6
Ohio Casualty Insurance Co.	Insurance	1,340	9	1,500	5
Hamilton City Board of Education	Government	1,150	10	1,100	9
Total		<u>21,440</u>		<u>20,022</u>	

Source: Butler County

(1) Total employments within the School District is not available

Ross Local School District, Ohio
School District Employees by Function/Program
Last Three Fiscal Years

Function/Program	2004	2005	2006
Regular Instruction			
Elementary Classroom Teachers	50.00	51.00	51.00
Middle School Classroom Teachers	37.00	37.00	37.00
High School Classroom Teachers	48.00	48.00	50.00
Special Instruction			
Elementary Classroom Teachers	7.00	8.00	9.00
Gifted Education Teachers	1.50	1.50	1.50
Middle School Classroom Teachers	6.00	6.00	6.00
High School Classroom Teachers	4.00	5.00	5.00
Vocational Instruction			
High School Classroom Teachers	1.00	1.00	1.00
Pupil Support Services			
Guidance Counselors	6.00	6.00	6.00
Librarians	2.00	2.00	2.00
Psychologists	0.00	0.00	0.00
Speech and Language Pathologists	2.00	2.00	2.00
Nurse	1.00	1.00	1.00
Administrators			
Elementary	2.00	2.00	2.00
Middle School	2.00	2.00	2.00
High School	2.00	2.00	2.00
Operation of Plant			
Custodians	12.00	13.00	14.00
Maintenance	0.00	0.00	0.00
Pupil Transportation			
Bus Drivers	31.00	32.00	33.00
Bus Aides	0.00	0.00	0.00
Van Drivers	0.00	1.00	1.00
Food Service Program			
Elementary Cooks	5.00	6.00	6.00
Middle School Cooks	5.00	6.00	6.00
High School Cooks	7.00	7.00	7.00

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

Information prior to 2004 is not available.

Source: School district records

Ross Local School District, Ohio
Operating Statistics
Last Four Fiscal Years

Fiscal Year	General Fund Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2003	\$15,809,412	2,627	\$6,018		160	16.4
2004	17,030,320	2,738	6,220	3.36%	161	17.0
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

Source: School District Records. Expense information is not available prior to 2003.

Ross Local School District, Ohio

Building Statistics

Last Five Fiscal Years

	2002	2003	2004	2005	2005
MORGAN ELEMENTARY					
Constructed in 1982					
Total Building Square Footage	47,050	47,050	47,050	47,050	47,050
Enrollment Grades PK-5	442	435	451	439	487
Student Capacity	500	500	500	500	500
Regular Instruction Classrooms	25	25	24	23	22
Regular Instruction Teachers	25	25	24	23	22
Special Instruction Classrooms	1	1	2	3	4
Special Instruction Teachers	2	2	3	4	5
ELDA ELEMENTARY					
Constructed in 1962					
Total Building Square Footage	42,858	42,858	42,858	57,358	57,358
Enrollment Grades K-4	516	527	550	616	673
Student Capacity	500	500	500	575	575
Regular Instruction Classrooms	26	26	26	28	29
Regular Instruction Teachers	26	26	26	28	29
Special Instruction Classrooms	3	3	3	3	3
Special Instruction Teachers	4	4	4	4	4
ROSS MIDDLE SCHOOL					
Constructed in 1969					
Total Building Square Footage*	79,363	79,363	79,363	79,363	101,279
Enrollment Grades 5-8	737	730	783	783	815
Student Capacity	800	800	800	800	750
Regular Instruction Classrooms	37	37	37	37	37
Regular Instruction Teachers	37	37	37	37	37
Special Instruction Classrooms	4	4	4	4	5
Special Instruction Teachers	5	6	6	6	6
ROSS HIGH SCHOOL					
Constructed in 2005					
Total Building Square Footage**	101,279	101,279	101,279	101,279	180,080
Enrollment Grades 9-12	817	852	887	932	971
Student Capacity	750	750	750	750	920
Regular Instruction Classrooms	40	40	40	40	49
Regular Instruction Teachers	48	48	48	48	50
Special Instruction Classrooms	2	2	2	2	4
Special Instruction Teachers	3	4	4	5	5

* RMS moved into its' current building in FY2006

**RHS moved into its' current building in FY2006



Mary Taylor, CPA
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
AUGUST 28, 2007**