



Mary Taylor, CPA
Auditor of State

ROSS LOCAL SCHOOL DISTRICT
BUTLER COUNTY

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**ROSS LOCAL SCHOOL DISTRICT
BUTLER COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2010**

Federal Grantor/ Pass Through Grantor Program Title	Grant Year	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
Non-Cash Assistance (Food Distribution): National School Lunch Program	2010	10.555		\$80,843		\$80,037
Cash Assistance: National School Breakfast Program	2010	10.553	\$13,586		\$13,586	
National School Lunch Program	2010	10.555	243,088		243,088	
Total Child Nutrition Cluster			256,674	80,843	256,674	80,037
Total U.S. Department of Agriculture			256,674	80,843	256,674	80,037
FEDERAL HIGHWAY ADMINISTRATION						
<i>Passed Through Ohio Department of Transportation:</i>						
LPA Diesel Emissions Reduction Grant	2010	20.205	263,615		263,615	
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education - Grants to States	2010	84.027	536,188		487,245	
	2009	84.027	62,489		70,666	
Special Education - Grants to States (Parent Mentoring)	2010	84.027	17,872		20,739	
	2009	84.027	3,347		3,322	
ARRA - Special Education - Grants to States	2010	84.391	258,565		244,487	
Total Special Education Grants to States			878,461		826,459	
Special Education - Preschool Grants	2010	84.173	1,570		1,570	
Total Special Education - Preschool Grants			1,570		1,570	
Total Special Education Cluster			880,031		828,029	
Title I Grants to Local Educational Agencies	2010	84.010	251,264		248,350	
	2009	84.010			836	
ARRA - Title I Grants to Local Educational Agencies	2010	84.389	50,675		50,631	
Total Title I Grants to Local Educational Agencies			301,939		299,817	
Education Technology State Grants	2010	84.318	1,650		1,650	
Safe and Drug-Free Schools and Communities	2010	84.186	6,416		6,416	
Improving Teacher Quality State Grants	2010	84.367	88,309		88,309	
	2009	84.367			954	
Total Improving Teacher Quality State Grants			88,309		89,263	
ARRA - State Fiscal Stabilization Fund (SFSF) - Education	2010	84.394	691,698		682,075	
Total U.S. Department of Education			1,970,043		1,907,250	
TOTAL FEDERAL ASSISTANCE			\$2,490,332	\$80,843	\$2,427,539	\$80,037

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

**ROSS LOCAL SCHOOL DISTRICT
BUTLER COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
JUNE 30, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Receipts and Expenditures Schedule (the Schedule) reports the Ross Local School District (the District's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Ross Local School District
Butler County
3371 Hamilton-Cleves Rd.
Hamilton, Ohio 45013

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ross Local School District, Butler County, Ohio (the District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 20, 2010. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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

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

Compliance and Other Matters

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

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 20, 2010.

We intend this report solely for the information and use of management, Board of Education, federal awarding agencies and pass-through entities, and others within the District. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

December 20, 2010



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Ross Local School District
Butler County
3371 Hamilton-Cleves Rd.
Hamilton, Ohio 45013

To the Board of Education:

Compliance

We have audited the compliance of Ross Local School District, Butler County, Ohio (the District), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Ross Local School District's major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the 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 included in the Comptroller General of the United States' *Government Auditing Standards*; 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 reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Ross Local School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings lists this instance as Finding 2010-001.

Internal Control over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, we cannot assure we have identified all deficiencies, significant deficiencies, or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings as item 2010-001 a material weakness.

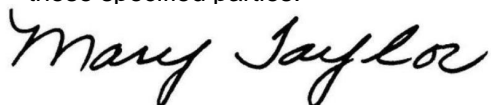
The District's response to the finding we identified is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Ross Local School District (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 20, 2010. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Ross Local School District
Butler County
Independent Accountants' Report on Compliance with Requirements Applicable
To Each Major Federal Program and on Internal Control Over
Compliance in Accordance with OMB Circular A-133
Page 3

We intend this report solely for the information and use of management, Board of Education, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

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

Mary Taylor, CPA
Auditor of State

December 20, 2010

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**ROSS LOCAL SCHOOL DISTRICT
BUTLER COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	Yes
(d)(1)(vii)	Major Programs (list):	CFDA #84.394: ARRA – State Fiscal Stabilization Fund-Education Special Education Cluster: CFDA #84.027: Special Education-Grants to States CFDA #84.391: ARRA – Special Education-Grants to States CFDA #84.173: Special Education-Preschool Grants Child Nutrition Cluster: CFDA #10.553: National School Breakfast Program CFDA #10.555: National School Lunch Program
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Noncompliance/Material Weakness – Federal Awards Receipts and Expenditure Schedule Preparation

FINDING NUMBER 2010-001

CFDA Title and Number	LPA Diesel Emissions Reduction Grant, CFDA #20.205
Federal Award Number / Year	22895 / 2010
Federal Agency	Federal Highway Administration
Pass-Through Agency	Ohio Department of Transportation

Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*, Subpart C, §.300(d), states that the auditee is responsible for preparing the Schedule of Expenditures of Federal Awards (SEFA) in accordance with Section .310.

Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*, Subpart C, §.310(b) states, in part, that at a minimum, the schedule shall:

- (1) List individual federal programs by federal agency;
- (2) For federal awards received as a subrecipient, include the name of the pass-through entity and identifying number assigned by the pass-through entity;
- (3) Provide total federal awards expended for each individual federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available;
- (4) Include notes that describe the significant accounting policies used in preparing the schedule;
- (5) If applicable, identify in the schedule the total amount provided to subrecipients from each federal program; and
- (6) If applicable, include in the schedule or a note to the schedule, the value of the federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end.

Management is responsible for implementing internal control procedures related to drafting the schedule of expenditures of federal awards and related notes that ensure accuracy and completeness and enable management to prevent and detect potential misstatements prior to audit. It is important to note that independent auditors are not part of an entity's internal control structure and should not be relied upon by management to detect misstatements.

Additionally, Appendix VII of the 2009 OMB Compliance Supplement requires State and local governments to identify ARRA Federal expenditures separately from non-ARRA Federal expenditures on the SEFA by CFDA number and inclusion of the prefix "ARRA-" in front of the Program Title name.

**FINDING NUMBER 2010-001
(Continued)**

When documenting the District's procedures related to drafting the SEFA and related notes, we noted an absence of internal control procedures to ensure accuracy and completeness. This lack of internal controls was further evidenced in our testing of the SEFA and related notes, where we noted the following:

The District omitted the LPA Diesel Emissions Reduction Grant revenues and expenditures of \$263,615 from the Schedule of Federal Receipts and Expenditures. [In addition to this program, there was another program that had an immaterial difference we reported in the management letter.

The District posted an adjustment to the Federal Awards Receipts and Expenditures Schedule to correct the above error.

We recommend that the District develop and implement internal control procedures capable of ensuring the accuracy and completeness of the District's SEFA and related notes to prevent errors from occurring in future periods.

Officials' Response:

The district acknowledges the finding. In the future we will more thoroughly review the documentation presented with the grants to insure they are properly included or not included on the federal schedule.

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Ross Local School District
Butler County
3371 Hamilton-Cleves Rd.
Hamilton, Ohio 45013

To the Board of Education:

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

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

1. We noted the Board adopted an anti-harassment policy at its meeting on May 21, 2007.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - (5) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

3. We read the policy, noting it lacked with the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
 - (2) A procedure for documenting any prohibited incident that is reported;
 - (3) A procedure for responding to and investigating any reported incident;
 - (4) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
 - (5) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;

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

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



Mary Taylor, CPA
Auditor of State

December 20, 2010

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

Comprehensive
Annual
Financial
Report

For the Fiscal Year Ended
June 30, 2010

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**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

of the

ROSS LOCAL SCHOOL DISTRICT,

BUTLER COUNTY, OHIO

For the Fiscal Year Ended June 30, 2010

BOARD OF EDUCATION

Edward Bosse

David Brown

Glenda Holt

John McCandless

Steve Stitsinger

SUPERINTENDENT OF SCHOOLS

M. Greg Young

**ISSUED BY
TREASURER'S OFFICE**

Christine Cook Poetter,
Treasurer

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Introductory Section

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ROSS LOCAL SCHOOL DISTRICT, OHIO

Comprehensive Annual Financial Report

For the Year Ended June 30, 2010

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ROSS LOCAL SCHOOL DISTRICT, OHIO

Comprehensive Annual Financial Report

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ROSS LOCAL SCHOOL DISTRICT, OHIO

Comprehensive Annual Financial Report

For the Year Ended June 30, 2010

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Ross Local School District

SUPERINTENDENT (513) 863-1253

TREASURER (513) 863-1250

3371 Hamilton-Cleves Road • Hamilton, OH 45013

ROSS HIGH SCHOOL

3601 Hamilton-Cleves Rd.
Hamilton, Ohio 45013
(513) 863-1252

ROSS MIDDLE SCHOOL

3425 Hamilton-Cleves Rd.
Hamilton, Ohio 45013
(513) 863-1251

ELDAELEMENTARY

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

MORGAN ELEMENTARY

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

December 20, 2010

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, 2010. 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 2009-2010 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.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A. The 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 complement 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 revenue fund. The parochial school served is Queen of Peace. While this organization is similar in operations and services provided, it is a separate and distinct entity whose financial statements are not included in this report.

ECONOMIC CONDITION

The District is located in the 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 minimal 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 2,848 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, 2010 are:

<u>Board Member</u>	<u>Term</u>
Mr. David Brown	10/19/2006 – 12/31/2011
Mr. Steve Stitsinger	07/18/2006 – 12/31/2011
Mr. Edward Bosse	01/01/1982 – 12/31/2013
Ms. Glenda Holt	01/01/2006 – 12/31/2013
Mr. John McCandless	06/10/2009 – 12/31/2011

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

The Treasurer is the chief financial officer of the 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 291 full and part-time employees. This number has decreased slightly as the District works to trim costs through attrition. 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 January 22, 2008 (effective September 1, 2007), 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, 2010.

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. Other services include educational supply service and food service operation.

MAJOR INITIATIVES

Academic Performance

2009-2010 was another banner school year for our District. Student achievement increased as we obtained the state's highest rating of Excellent with Distinction on the state report card. In addition, we earned our highest score yet on the performance index scale as more students performed in the accelerated and advanced ranges on the state's standardized tests. Here are a few academic highlights from 2009-2010:

District Highlights

- Our student attendance rate was 95.9%.
- Our performance index score for the District was 104.4.
- We met Adequate Yearly Progress.
- Our value added score for the District shows that our students made more than one year's worth of progress from the previous year.

Ross High School Highlights

- Ohio Graduation Test results show our 10th grade students improving in reading (93.8) and math (92.9). Three fourths of the students scored at the accelerated or advanced levels in math.
- The high school performance index score was the highest in school history at 105.4.
- Our high school students had a 95.9% attendance rate.

Ross Middle School Highlights

- Ross Middle School was rated Excellent With Distinction by the state of Ohio for the 2009-2010 school year
- RMS met AYP again for the 2009-2010 school year
- RMS attained an overall Value Added rating of “Above” as a building for the 2009-2010 school year
- Our sixth grade scores in reading (98%) and math (99%) were the best among our state similar districts and all Butler County districts.
- We had our best scores ever in seventh grade reading (90%) and math (88%).
- Our eighth grade reading (94%) and math (86%) scores were the best in Butler County.
- The fifth grade scored historic highs in math (89%) and science (94%). These scores were the best among all Butler County districts.
- Ross Middle School students had a 95.8% attendance rate for the 2009-2010 school year

Elda Elementary Highlights

- Elda was rated Excellent with Distinction by the State of Ohio for the 2009 – 2010 school year.
- Elda’s performance index score was 103.9 and met AYP.
- Elda had above expected growth on the Value-Added Measure in both reading and math.
- Elda’s attendance percentage for the 2009 – 2010 school year was 95.8%

Morgan Elementary Highlights

- Morgan students had a 96% attendance rate for the 2009 – 2010 school year.
- Morgan students performed above expected growth in grade 4 math and reading and grade 5 reading and at expected growth in grade 5 math.
- 63.3% of Morgan students performed in the accelerated or advanced range.
- Morgan Elementary was rated Excellent with Distinction by the State of Ohio for the 2009 – 2010 school year.

- Morgan's performance index score was 106.3 which is the highest rating for all elementary schools in Butler County.
- Morgan met AYP for 2009 - 2010 school year.
-

Cincy magazine named the Ross Local School District one of the top 20 districts in an eight-county area. This is the third year in a row that we have earned this distinction.

Our District began the construction process for additions and renovations to Elda Elementary and Ross Middle School. This is being accomplished through the Ohio School Facilities Commission's Classroom Facilities Assistance Program.

FINANCIAL INFORMATION

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

Internal Controls

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

Single Audit Act

As a recipient of federal and state financial assistance, the 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, 2010 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) 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 District amends the appropriations during the last week of the fiscal year. Since little or no financial transactions are completed after this amendment, the budget versus actual variance is typically insignificant. Amendments are properly approved in accordance with Ohio law.

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

Long-term Financial Planning

The District has always maintained that fiscal responsibility is a primary goal. The residents of the District voted on November 4, 2008 to replace the existing four-year traditional income tax expiring on December 31, 2009 with a continuous earned only income tax. Conversion to the earned only income tax reduces the total income tax receipts by an estimated \$400,000 but the continuous aspect of the new version provides a more stable source of revenue. The District was still forecasting a deficit at the end of fiscal year 2011 so it implemented a series of budget cuts totaling \$412,705 which staved off the deficit for an additional year. The District is planning additional budget cuts but realizes a return to the ballot is eminent. The status of state funding for education in Ohio has been protected to a great extent but no new money can be expected in the next biennium.

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, 2009. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Independent Audit

State statutes require an annual audit by independent accountants. The Auditor of the State of Ohio conducted the District's 2010 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 accountants' report on the basic financial statements and combining and individual fund statements is included in the financial section of this report.

Acknowledgements

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

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

Sincerely,



Greg Young
Superintendent



Christine Cook Poetter
Treasurer

Ross Local School District
Appointed Officials
June 30, 2010

Official

Title

Mr. Greg Young

Superintendent

Mrs. Christine Cook Poetter

Treasurer

Mr. Ronald Mandery

Director of Transportation

Ms. Dorothy Schmidt

Coordinator of Food Services

Ross Local School District
Consultant and Advisors
As of June 30, 2010

Architect

SHP Leading Design
82 Williams Avenue
Hamilton, Ohio 45015

Bond Counsel

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

Independent Auditor

Auditor of State of Ohio
88 East Broad Street
Columbus, Ohio 43215

Investment Counselor

Robert W. Baird & Co.
4030 Smith Road, Suite 100
Cincinnati, Ohio 45209

Legal Counsel

Ennis, Roberts, & Fischer
Attorneys at Law
1714 West Galbraith Road
Cincinnati, Ohio 45239

Underwriter

RBC
414 Walnut Street, Suite 300
Cincinnati, Ohio 45202

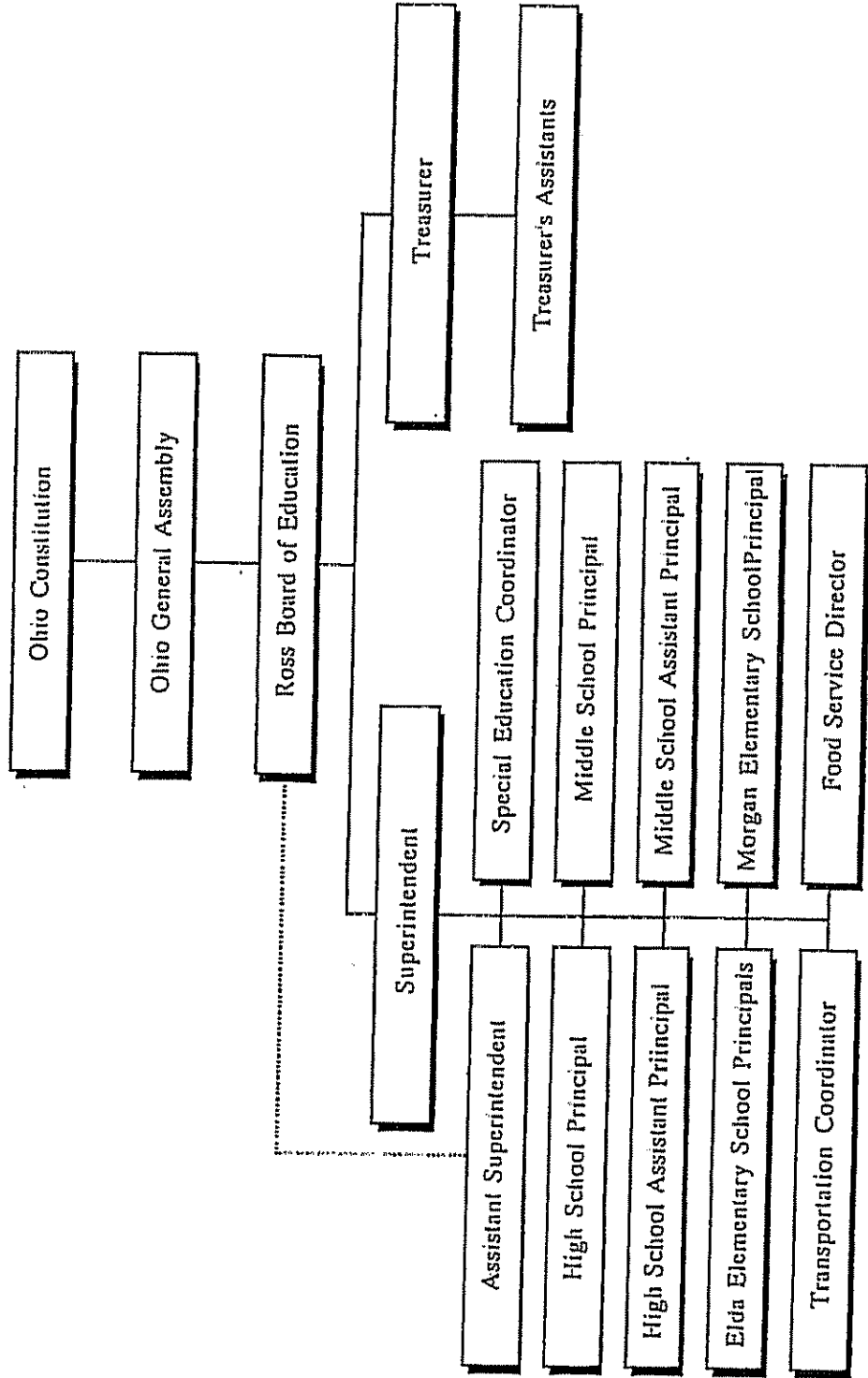
Official Depositories

Fifth Third Bank
4005 Hamilton Cleves Road
Hamilton, Ohio 45013

Health Insurance – 3rd Party Administrator

Allied Benefit Systems
PO Box 909786-60690
Chicago, IL 60690

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, 2009

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.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

Financial Section

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Ross Local School District
Butler County
3371 Hamilton-Cleves Rd.
Hamilton, Ohio 45013

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ross Local School District, Butler County, Ohio (the District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Ross Local School District, Butler County, Ohio, as of June 30, 2010, and the respective changes in financial position 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 December 20, 2010, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Mary Taylor, CPA
Auditor of State

December 20, 2010

ROSS LOCAL SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2010
Unaudited

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 (the District) for the year ended June 30, 2010. 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 District's financial statements.

Financial Highlights

Major financial highlights for fiscal year 2010 are listed below:

- ✓ The assets of the District exceeded its liabilities at year-end by \$42.8 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 \$208,052.
- ✓ The District had \$27.2 million in expenses related to governmental activities; only \$4.4 million of these expenses were offset by program specific charges for services, grants or contributions. General revenue of \$23.0 million, made up primarily of property and income taxes and State Foundation payments were adequate to provide for these programs.
- ✓ The General Fund balance decreased by \$576,305 from \$3.1 million at June 30, 2009 to \$2.5 million at June 30, 2010.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The 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 District's finances in a manner similar to a private-sector business.

The statement of net assets presents information on all of the 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 District is improving or deteriorating.

ROSS LOCAL SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
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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 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 District include instruction, support services, administration, operation and maintenance of plant, and extracurricular activities. The 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 District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the 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 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 District as a whole. Some funds are required to be established by State law. Also, the District may also establish separate funds to show that it is meeting legal requirements for using grants or other money.

ROSS LOCAL SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
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Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

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 District's overall financial position at June 30, 2010 and 2009:

	Governmental Activities 2010	Governmental Activities 2009
	<u>2010</u>	<u>2009</u>
Current and other assets	\$ 42,473,263	44,240,492
Capital assets	36,569,898	35,344,356
Total assets	<u>79,043,161</u>	<u>79,584,848</u>
Long-term liabilities	22,271,749	23,064,593
Other liabilities	13,987,829	13,944,724
Total liabilities	<u>36,259,578</u>	<u>37,009,317</u>
Net assets:		
Invested in capital assets, net of debt	15,648,895	13,714,999
Restricted:		
For capital purposes	22,114,535	23,888,161
For debt service	1,962,130	1,829,903
For other purposes	1,129,091	682,029
Unrestricted	1,928,932	2,460,439
Total net assets	<u>\$ 42,783,583</u>	<u>42,575,531</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO
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Unaudited

The largest portion of the District's net assets reflects its restriction for capital improvements. The District was awarded State funds for capital improvements to existing school buildings during fiscal year 2009 which is when the District recorded all the revenue related to the project. These funds are restricted and for use on these specific projects. As the District requests draw-downs from the State and spends the monies, capital assets will be recorded. Construction in progress of \$2,004,852 was added during the fiscal year to reflect the progress made so far in the project.

The other large piece of net assets is the District's investment in capital assets, less any related debt that is still outstanding that was used to acquire those assets. The 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 \$1,928,932 may be used to meet the government's ongoing obligations to citizens and creditors.

Current assets decreased approximately \$1.8 million due primarily to decreases in intergovernmental receivable of \$9.0 million and in taxes receivables of \$800,000 and an increase in cash and investments of \$8.0 million. The decrease in the intergovernmental receivable was due to the District continuing to receive State funds for the capital improvement projects during the year, thus decreasing the receivable. The decrease in taxes receivable is associated with a continued weak economy and phase out of tangible property taxes. Cash and investments have increased as the District is receiving monies from the State and have not paid out to contractors.

Liabilities have decreased as the District pays its scheduled debt obligations.

ROSS LOCAL SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2010
Unaudited

B. Governmental Activities during fiscal year 2010

The following table presents a condensed summary of the District's activities during fiscal year 2010 and fiscal year 2009 and the resulting change in net assets:

	Governmental Activities 2010	Governmental Activities 2009
	<u>2010</u>	<u>2009</u>
Revenues:		
Program revenues:		
Charges for sales and services	\$ 1,629,111	\$ 1,551,210
Operating grants and contributions	2,767,408	1,395,215
Total program revenues	<u>4,396,519</u>	<u>2,946,425</u>
General revenues:		
Property and income taxes	10,722,811	11,650,733
Grants and entitlements	11,900,756	12,645,945
Classroom facilities assistance program	896	24,030,706
Investment earnings	34,280	121,136
Miscellaneous	341,362	368,298
Total general revenues	<u>23,000,105</u>	<u>48,816,818</u>
Total Revenues	<u>27,396,624</u>	<u>51,763,243</u>
Expenses:		
Instruction	15,020,675	14,072,744
Support Services:		
Pupil	1,053,650	930,722
Instructional staff	1,563,829	1,431,265
Board of education	22,390	22,942
Administration	1,979,015	1,906,408
Fiscal	735,029	717,195
Operation of maintenance and plant	1,920,431	2,428,993
Pupil transportation	1,892,347	1,988,556
Central	9,145	22,946
Non-instructional services	1,012,363	1,152,393
Interest on long-term debt	909,985	927,424
Food services	1,069,713	1,033,437
Total expenses	<u>27,188,572</u>	<u>26,635,025</u>
Change in net assets	208,052	25,128,218
Beginning net assets	42,575,531	17,447,313
Ending net assets	<u>\$ 42,783,583</u>	<u>\$ 42,575,531</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO
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Of the total governmental activities revenues of \$27,396,624, \$4,396,519 (16%) 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, (47%) comes from property tax levies and income taxes and (52%) is from state funding. The District's operations are reliant upon its property tax levy, income tax and the State's foundation program.

The large decrease in revenues is due primarily to the District recognizing the revenue from their State Classroom Facilities Project last fiscal year. Program revenues have increased by about 50% over last year due to additional funding from the American Recovery and Reinvestment Act (ARRA) program. This funding will also be used to subsidize programs in fiscal year 2011. Expenses increased by approximately 2% mainly in the area of Instruction as it relates to the programs subsidized by ARRA monies.

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 16% of the cost of the general government programs was recouped in program revenues. Instruction costs were \$15,020,675 but program revenue contributed to fund 6% of those costs. Thus, general revenues of \$14,173,031 were used to support the remainder of the instruction costs.

		<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	\$	(15,020,675)	847,644	6%	(14,173,031)
Support Services		(9,175,836)	1,630,216	18%	(7,545,620)
Non-instructional services		(1,012,363)	814,318	80%	(198,045)
Food service		(1,069,713)	1,104,341	103%	34,628
Interest on long-term debt		<u>(909,985)</u>	<u>-</u>	0%	<u>(909,985)</u>
Total	\$	<u>(27,188,572)</u>	<u>4,396,519</u>	<u>16%</u>	<u>(22,792,053)</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2010
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FINANCIAL ANALYSIS OF THE DISTRICT'S INDIVIDUAL FUNDS

Governmental funds

The District has two major governmental funds: the General Fund and the Classroom Facilities Project Fund. Assets of these funds comprise \$36,148,762 (86%) of the total \$42,269,837 governmental funds assets.

General Fund: Fund balance at June 30, 2010 was \$2,510,160, including \$1,355,457 of unreserved balance, which represents 6% of expenditures for fiscal year 2010. The primary reason for the decrease in fund balance is due to a decrease in property and income taxes as a result of the economy and a decrease in State funding.

Classroom Facilities Project Fund: The fund balance at June 30, 2010 was \$8,061,689. Encumbrances of \$6,748,670 were outstanding for a total unreserved fund balance of \$1,313,019 at June 30, 2010. The increase in fund balance is due to monies being distributed by the State for capital improvements to existing buildings.

GENERAL FUND BUDGETARY HIGHLIGHTS

The schedule comparing the 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:

- Intergovernmental revenues were originally estimated at \$12,290,000, but were amended to \$11,600,834 due to receiving less than expected from the State foundation monies.
- Final budgeted expenditures of \$21,997,203 were lower than original primarily due to the District being conservative in their spending due to fewer monies received.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. At June 30, 2010, the District had \$36,569,898 invested in a broad range of capital assets, including land, buildings, equipment and vehicles. The total increase in the District's investment in capital assets for the current fiscal year was \$1,225,542 due primarily to additions to construction in progress from the State Classroom Facilities project. See Note 8 to the financial statements for more detail:

ROSS LOCAL SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2010
Unaudited

Capital Assets at Year-End
(Net of Depreciation)

	Governmental
	Activities
Land	\$ 1,262,525
Construction in progress	2,775,611
Land improvements	1,002,136
Building and improvements	30,134,339
Furniture and equipment	668,060
Vehicles	727,227
	<u>\$ 36,569,898</u>

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. A portion of these bonds were advance refunded during fiscal year 2007. Principal of \$635,000 was retired during fiscal year 2010.

The District issued \$9,415,000 in fiscal year 2007 for the partial advance refunding of \$9,415,000 of general obligation bonds issued in 2003. These bonds include current interest serial bonds that will mature in 2028; two issues of current interest term bonds that mature in 2020 and 2025; and capital appreciation bonds that will mature in 2015. Principal of \$40,000 was retired during fiscal year 2010.

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 \$49,000 was made in fiscal 2010, as well as related interest of \$43,560.

In August, 2007 the District entered into a lease agreement of \$115,500 to purchase eight copiers. The agreement is for 60 months, to be paid monthly, with a final maturity in 2012. The principal payment of \$22,564 was made as well as related interest of \$4,232 out of the General Fund.

In August, 2007 the District entered into a lease-purchase agreement of \$231,892 to purchase computers and related equipment. The agreement is for three years, to be paid annually, with a maturity in 2010. The principal payment of \$77,203 was made as well as related interest of \$4,811 out of the General Fund.

See Notes 9 and 10 to the financial statements for more detail.

ROSS LOCAL SCHOOL DISTRICT, OHIO
Management's Discussion and Analysis
Year Ended June 30, 2010
Unaudited

ECONOMIC FACTORS

School funding continues to be a complex and unstable issue for Ohio school districts. Due to the current condition of the state's budget, we are projecting significant state funding cuts for the next Biennial Budget. The district receives almost all of its funding from two sources: state funding and local property tax revenues. With both of these sources of funding being significantly reduced, the District will continue to reduce operational costs.

The District was able to pass a voted income tax levy in November, 2008. The income tax rate of .75% remains the same but it is now a continuing levy. This income source will be consistent and the District will be able to budget accordingly.

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 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, 2010

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and investments	\$ 16,020,228
Cash with fiscal agent	13,685
Receivables:	
Property taxes	11,172,346
Income taxes	1,156,063
Accounts	13,603
Intergovernmental	13,412,738
Interest	2,349
Supplies inventory	6,815
Restricted cash	469,142
Deferred charges	206,294
Nondepreciable capital assets	4,038,136
Depreciable capital assets, net	<u>32,531,762</u>
Total assets	<u>79,043,161</u>
Liabilities:	
Accounts payable	703,720
Contracts payable	13,685
Accrued wages and benefits	2,104,295
Due to other governments	32,684
Pension obligation payable	557,785
Matured compensated absences payable	19,830
Retirement incentive obligation	51,893
Interest payable	66,714
Unearned revenue	10,437,223
Noncurrent liabilities:	
Due within one year	1,860,703
Due within more than one year	<u>20,411,046</u>
Total liabilities	<u>36,259,578</u>
Net Assets:	
Invested in capital assets, net of related debt	15,648,895
Restricted for:	
Capital projects	22,114,535
Debt service	1,962,130
Other Purposes	1,129,091
Unrestricted	<u>1,928,932</u>
Total net assets	<u>\$ 42,783,583</u>

See accompanying notes to the basic financial statements.

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Activities
Fiscal Year Ended June 30, 2010

	Expenses	Program Revenues		Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$ 12,455,204	192,433	135,902	\$ (12,126,869)
Special education	1,949,860	-	498,922	(1,450,938)
Other	615,611	-	20,387	(595,224)
Support services:				
Pupil	1,053,650	-	78,234	(975,416)
Instructional staff	1,563,829	-	610,235	(953,594)
Board of Education	22,390	-	-	(22,390)
Administration	1,979,015	-	631,875	(1,347,140)
Fiscal	735,029	-	-	(735,029)
Operation and Maintenance of Plant	1,920,431	-	-	(1,920,431)
Pupil transportation	1,892,347	-	300,727	(1,591,620)
Central	9,145	-	9,145	-
Non-instructional services:				
Extracurricular activities	827,471	674,517	-	(152,954)
Community service	184,892	-	139,801	(45,091)
Food service	1,069,713	762,161	342,180	34,628
Interest on long-term debt	909,985	-	-	(909,985)
Total Governmental Activities	\$ 27,188,572	1,629,111	2,767,408	(22,792,053)

General Revenues:

Property taxes, levied for general purposes	6,545,535
Property taxes, levied for debt services	1,527,360
Property taxes, levied for permanent improvement	211,255
Income taxes	2,438,661
Grants and entitlements not restricted to specific program	11,900,756
Classroom Facilities Assistance Program	896
Investment earnings	34,280
Miscellaneous	341,362
Total general revenues	23,000,105
Change in net assets	208,052
Net assets beginning of year	42,575,531
Net assets end of year	\$ 42,783,583

See accompanying notes to the basic financial statements.

ROSS LOCAL SCHOOL DISTRICT, OHIO

Balance Sheet
Governmental Funds
June 30, 2010

	General	Classroom Facilities Project	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 3,754,190	8,532,110	3,733,928	16,020,228
Restricted cash	469,142	-	-	469,142
Cash with fiscal agent	-	13,685	-	13,685
Receivables:				
Property Taxes	9,102,599	-	2,069,747	11,172,346
Income Taxes	987,854	-	168,209	1,156,063
Accounts	3,370	-	10,233	13,603
Intergovernmental	-	13,280,376	132,362	13,412,738
Interest	1,744	605	-	2,349
Interfund receivable	2,868	-	-	2,868
Supplies inventory	219	-	6,596	6,815
Total assets	<u>14,321,986</u>	<u>21,826,776</u>	<u>6,121,075</u>	<u>42,269,837</u>
Liabilities:				
Accounts payable	111,243	563,491	28,986	703,720
Contracts payable retainage	-	13,685	-	13,685
Accrued wages and benefits	1,882,833	-	221,462	2,104,295
Pension obligation payable	492,643	-	65,142	557,785
Matured compensated absences payable	19,830	-	-	19,830
Retirement incentive obligation	51,893	-	-	51,893
Due to other governments	29,881	-	2,803	32,684
Interfund payable	-	-	2,868	2,868
Deferred revenue	9,223,503	13,187,911	2,325,206	24,736,620
Total liabilities	<u>11,811,826</u>	<u>13,765,087</u>	<u>2,646,467</u>	<u>28,223,380</u>
Fund Balances:				
Reserved for:				
Encumbrances	522,416	6,748,670	109,657	7,380,743
Budget stabilization	392,800	-	-	392,800
Textbooks	76,342	-	-	76,342
Property taxes	162,926	-	37,074	200,000
Prepays	-	-	-	-
Supplies inventory	219	-	6,596	6,815
Unreserved, reported in:				
General Fund	1,355,457	-	-	1,355,457
Special Revenue Funds	-	-	509,324	509,324
Debt Service Fund	-	-	1,970,696	1,970,696
Capital Projects Funds	-	1,313,019	841,261	2,154,280
Total fund balances	<u>2,510,160</u>	<u>8,061,689</u>	<u>3,474,608</u>	<u>14,046,457</u>
Total liabilities and fund balances	<u>\$ 14,321,986</u>	<u>21,826,776</u>	<u>6,121,075</u>	<u>42,269,837</u>

See accompanying notes to the basic financial statements.

Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
June 30, 2010

Total Governmental Fund Balances \$ 14,046,457

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. 206,294

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds. 14,299,397

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 36,569,898

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	(1,090,527)
Early retirement incentive	(140,341)
Interest payable	(66,714)
Bonds payable	(20,039,878)
Discount on bond issue	65,877
Premium on bond issue	(487,194)
Deferred amount on refunding	460,518
Capital lease obligations	<u>(1,040,204)</u>

Total (22,338,463)

Net Assets of Governmental Activities \$ 42,783,583

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Fiscal Year Ended June 30, 2010

	General	Classroom Facilities Project	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property Taxes	\$ 6,555,287	-	1,734,734	8,290,021
Income taxes	2,207,330	-	168,209	2,375,539
Tuition and fees	98,350	-	-	98,350
Interest	49,827	(10,831)	635	39,631
Extracurricular	73,211	-	601,306	674,517
Charges for services	-	-	856,244	856,244
Intergovernmental	11,600,834	8,969,349	2,973,986	23,544,169
Other local revenues	230,915	-	113,684	344,599
Total revenues	<u>20,815,754</u>	<u>8,958,518</u>	<u>6,448,798</u>	<u>36,223,070</u>
Expenditures:				
Current:				
Instruction:				
Regular	10,874,280	-	497,451	11,371,731
Special education	1,482,966	-	518,026	2,000,992
Other instruction	593,808	-	19,939	613,747
Support services:				
Pupil	998,553	-	72,209	1,070,762
Instructional staff	956,952	-	604,154	1,561,106
Board of Education	22,390	-	-	22,390
Administration	1,279,374	-	675,040	1,954,414
Fiscal	704,285	-	11,656	715,941
Operation and maintenance of plant	1,837,656	-	35,363	1,873,019
Pupil transportation	1,823,639	-	300,157	2,123,796
Central	3,012	-	9,145	12,157
Non-instructional services:				
Community service	467,671	-	167,251	634,922
Extracurricular activities	-	-	335,198	335,198
Food service	-	-	1,069,149	1,069,149
Capital outlay	146,103	2,004,852	-	2,150,955
Debt Service:				
Principal	148,767	-	675,000	823,767
Interest and fiscal charges	52,603	-	810,260	862,863
Total expenditures	<u>21,392,059</u>	<u>2,004,852</u>	<u>5,799,998</u>	<u>29,196,909</u>
Net change in fund balance	(576,305)	6,953,666	648,800	7,026,161
Fund balance, beginning of year	3,086,465	1,108,023	2,825,808	7,020,296
Fund balance, end of year	\$ <u>2,510,160</u>	<u>8,061,689</u>	<u>3,474,608</u>	<u>14,046,457</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
Fiscal Year Ended June 30, 2010

Net Change in Fund Balances - Total Governmental Funds	\$ 7,026,161
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures.	
However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:	
Capital outlay	2,607,378
Depreciation expense	(1,378,599)
Governmental funds report the effect of issuance costs, discounts, premiums and deferrals when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:	
Discount from sale of bonds	(6,862)
Premium on sale of bonds	26,454
Deferred amount on refunding	(25,005)
Bond issuance costs	(14,901)
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.	823,767
Accretion on capital appreciation bonds is recorded each year as interest in the statement of net assets.	(43,324)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	1,615
Some expenses reported in the statement of activities, such as compensated absences and other pension-related liabilities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	17,814
Losses on the sale of capital assets are reported on the statement of activities and not as expenditures in governmental funds.	(3,237)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	<u>(8,823,209)</u>
Change in Net Assets of Governmental Activities	\$ <u><u>208,052</u></u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Net Assets

Fiduciary Funds

June 30, 2010

	Private- Purpose Trust	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Equity in pooled cash and investments	\$ 1,808	41,477
Total assets	<u>1,808</u>	<u>41,477</u>
LIABILITIES		
Due to student groups	<u>-</u>	41,477
Total liabilities	<u>-</u>	<u>41,477</u>
NET ASSETS		
Held in trust	\$ <u>1,808</u>	<u>-</u>

See accompanying notes to the basic financial statements.

ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Changes in Net Assets

Fiduciary Funds

Fiscal Year Ended June 30, 2010

	<u>Private- Purpose Trust</u>
Deductions:	
Community service	<u>250</u>
	<u>250</u>
 Change in net assets	 (250)
 Net assets, beginning of year	 <u>2,058</u>
Net assets, end of year	\$ <u><u>1,808</u></u>

See accompanying notes to the basic financial statements.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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 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 16.

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 effect of interfund activity has been removed from these statements. 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.

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

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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:

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.

Classroom Facilities Project Fund – This fund was created to account for State monies to be received through fiscal year 2011 and used for improvements on existing facilities of the District.

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The District's fiduciary funds consist of a private purpose trust fund and agency funds. The private-purpose trust fund accounts for scholarship programs for students. These assets are not available for the District's use. Agency funds, which are used to account for student activities, are custodial in nature (assets equals liabilities) and do not involve measurement of results of operations.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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, income taxes, interest, tuition, student fees and grants.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

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

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

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property and income taxes, grants, entitlements, and donations. On an accrual basis, revenue from property and income taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used of the fiscal year in which use is first permitted, matching requirements, in which the 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, 2010 that are intended to finance fiscal year 2011 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 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 2010, the District's investments were limited to US Money Markets and US Agency securities.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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, 2010 at fair value.

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

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

F. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish reserves for the budget stabilization and textbook and instructional materials. Corresponding fund balance reserves have 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 and improvements	30 - 50 years
Land improvements	10 - 20 years
Furniture and equipment	5 - 20 years
Vehicles	10 years

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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.

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. Interfund Transactions

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds.

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

M. 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, supplies inventory and budget and textbook reserve set-asides.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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. The reserve for textbooks represents money set-aside for textbooks and instructional materials.

N. Estimates

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

NOTE 3-DEFICIT FUND BALANCES

At June 30, 2010, the following funds had a deficit fund balance:

IDEA	\$ 31,112
State Fiscal Stabilization	33,266
Title I	50,518
Improving Teacher Quality	209

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

NOTE 4-EQUITY IN POOLED CASH AND INVESTMENTS

State statute requires the classification of monies held by the 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 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.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days from the date of purchase in an amount not to exceed 25 percent of the interim moneys available for investment at any one time; and
8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the 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 District's deposits may not be returned to it. The District does not have a custodial credit risk policy. At year-end, \$11,893,380 of the District's bank balance of \$12,157,065 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 District's name.

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(B) INVESTMENTS

The District's investments at June 30, 2010 are as summarized as follows:

	<u>Fair Value</u>	<u>Average Maturity (Years)</u>
Federal Home Loan Bank	\$ 2,475,187	1.04
Federal Home Loan Mortgage Corp.	837,519	1.22
Fed. National Mortgage Assoc.	1,174,444	1.30
U.S. Money Market Funds	<u>9,755</u>	n/a
	<u>\$ 4,496,905</u>	

Credit Risk

It is the District's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings by nationally recognized statistical rating organizations. The District's investments in Federal Agency Securities were rated AAA by Standard & Poor's and Aaa by Moody's. The 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 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 District's investment securities are registered in the name of the District.

Interest Rate Risk

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

Concentration of Credit Risk

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

<u>Investments</u>	<u>Percent</u>
Federal Home Loan Bank	55.04%
Federal Home Loan Mortgage Corp.	18.62%
Fed. National Mortgage Assoc.	26.12%

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

NOTE 5-PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar year 2010 represents collections of calendar year 2009 taxes. Real property taxes received in calendar year 2010 were levied after April 1, 2009, on the assessed value listed as of the prior January 1, 2009, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are 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.

Public utility property tax revenue received in calendar year 2010 represents collections of calendar year 2009 taxes. Public utility real and tangible personal property taxes received in calendar year 2010 became a lien December 31, 2008, were levied after April 1, 2009 and are collected in calendar year 2010 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar year 2010 (other than public utility property tax) represents the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing and equipment, and furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after April 1, 2009, on the value listed as of December 31, 2009. Payments 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. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

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, 2010. 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 Other Governmental Funds at June 30, 2010 were \$162,926 and \$37,074, respectively.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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

	<u>2009 Second- Half Collections</u>		<u>2010 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 358,919,310	96.51%	\$ 347,056,140	97.60%
Personal Property	<u>12,990,187</u>	3.49%	<u>8,526,190</u>	2.40%
Total Assessed Value	\$ <u>371,909,497</u>	100.00%	\$ <u>355,582,330</u>	100.00%
Tax rate per \$1,000 of assessed valuation		\$53.14		\$50.03

NOTE 6-INTERFUND TRANSACTIONS

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. On the fund financial statements, the General Fund has receivables of \$2,868 due from Other Governmental Funds to provide operating capital.

NOTE 7-INCOME TAX

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

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
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NOTE 8-CAPITAL ASSETS

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

	Balance			Balance
	7/1/09	Additions	Disposals	6/30/10
Nondepreciable Capital Assets				
Land	\$ 1,262,525	\$ -	\$ -	\$ 1,262,525
Construction in progress	<u>770,759</u>	<u>2,004,852</u>	<u>-</u>	<u>2,775,611</u>
Subtotal	<u>2,033,284</u>	<u>2,004,852</u>	<u>-</u>	<u>4,038,136</u>
Depreciable:				
Land improvements	2,113,098	55,812	-	2,168,910
Buildings and improvements	49,499,021	5,400	-	49,504,421
Furniture and equipment	1,528,395	86,945	(22,289)	1,593,051
Vehicles	<u>2,466,957</u>	<u>454,369</u>	<u>(277,818)</u>	<u>2,643,508</u>
Subtotal	<u>55,607,471</u>	<u>602,526</u>	<u>(300,107)</u>	<u>55,909,890</u>
Totals at cost	<u>57,640,755</u>	<u>2,607,378</u>	<u>(300,107)</u>	<u>59,948,026</u>
Less accumulated depreciation:				
Land improvements	1,069,042	97,732	-	1,166,774
Buildings and improvements	18,371,725	998,357	-	19,370,082
Furniture and equipment	762,874	181,169	(19,052)	924,991
Vehicles	<u>2,092,758</u>	<u>101,341</u>	<u>(277,818)</u>	<u>1,916,281</u>
Total accumulated depreciation	<u>22,296,399</u>	<u>1,378,599</u>	<u>(296,870)</u>	<u>23,378,128</u>
Capital assets, net	\$ <u>35,344,356</u>	\$ <u>1,228,779</u>	\$ <u>(3,237)</u>	\$ <u>36,569,898</u>

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Depreciation expense was charged as follows:

Instruction:	
Regular	\$ 1,199,520
Special	2,702
Other	1,864
Support services:	
Pupil	1,600
Instructional staff	1,017
School administration	1,338
Operation and maintenance of plant	2,187
Pupil transportation	101,034
Non-instructional services:	
Community service	14,629
Extracurricular activities	52,708
Total depreciation expense	<u>\$ 1,378,599</u>

NOTE 9-LONG-TERM OBLIGATIONS

Long-Term Obligations – The changes in the District’s long-term obligations during fiscal year 2010 were as follows:

	Principal Outstanding 07/01/09	Additions	Reductions	Principal Outstanding 06/30/10	Amounts Due in One Year
<i>Governmental Activities:</i>					
2003 School Improvement Bonds 2.0-4.5%	\$ 11,245,000	\$ -	\$ (635,000)	\$ 10,610,000	\$ 690,000
Discount on Issue	(72,739)	-	6,862	(65,877)	-
2006 Refunding Bonds					
Current Interest Serial Bonds 3.55-4.375%	7,520,000	-	(40,000)	7,480,000	40,000
Current Interest Term Bonds 4.0% - 4.25%	1,720,000	-	-	1,720,000	-
Capital Appreciations Bonds	110,000	-	-	110,000	-
Accretion on Capital Appreciation Bonds	76,554	43,324	-	119,878	-
Deferred Amounts:					
Add: Bond premium	513,648	-	(26,454)	487,194	-
Less: Deferred amount on refunding	(485,523)	-	25,005	(460,518)	-
Capital Lease Obligation	1,188,971	-	(148,767)	1,040,204	1,005,956
STRS Early Retirement Incentive	67,659	140,341	(67,659)	140,341	-
Compensated Absences Liability	1,181,023	61,745	(152,241)	1,090,527	124,747
Total	<u>\$ 23,064,593</u>	<u>\$ 245,410</u>	<u>\$ (1,038,254)</u>	<u>\$ 22,271,749</u>	<u>\$ 1,860,703</u>

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

The District issued \$24,900,000 School Improvement Bonds in fiscal year 2003 that mature in fiscal year 2025, for the construction of a high school and improvements to the District’s elementary schools. The original issue included current interest serial bonds and capital appreciation bonds. In fiscal year 2007, the District advanced refunded \$9,415,000 of this issue. The remaining current interest serial bonds will be fully matured in 2025.

The District issued \$9,415,000 in Refunding Bonds in fiscal year 2007 that mature in fiscal year 2029, for the partial advance refunding of \$9,415,000 of general obligation bonds issued in 2003. These bonds include current interest serial bonds that will mature in 2028; two issues of current interest term bonds that mature in 2020 and 2025; and capital appreciation bonds that will mature in 2015. The maturity amount of the capital appreciation bonds is \$725,000. For fiscal year 2010, \$43,324 was accreted for a total bond value of \$229,878.

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

Principal and interest requirements to retire the District’s long-term general obligation bonds outstanding at June 30, 2010 are shown in the table below. The capital appreciation bonds are included at the full maturity value reported in the principal column.

Fiscal Year Ending June 30,	Principal Due	Interest Due	Total FY Payments
2011	\$ 730,000	800,570	1,530,570
2012	800,000	777,580	1,577,580
2013	865,000	751,243	1,616,243
2014	940,000	721,563	1,661,563
2015	660,000	686,200	1,346,200
2016-2020	2,720,000	4,664,403	7,384,403
2021-2025	6,160,000	2,397,652	8,557,652
2026-2029	7,045,000	794,889	7,839,889
Total	\$ <u>19,920,000</u>	<u>11,594,100</u>	<u>31,514,100</u>

NOTE 10 – CAPITAL LEASES – LESSEE DISCLOSURE

During previous fiscal years, the District entered into lease agreements for the acquisition of equipment and improvements related to the construction of the new high school and for the purchase of computers and copiers. Assets acquired under these leases were \$1,251,000 for equipment, \$231,892 for computers and \$115,500 for copiers. The terms of each agreement provide options to purchase the equipment. These 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. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds.

ROSS LOCAL SCHOOL DISTRICT
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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, 2010:

Year Ending June 30		
2011	\$	1,050,287
2012		26,796
2013		<u>8,932</u>
Total Future Minimum Lease Payments		1,086,015
Less: Amount Representing Interest		<u>45,811</u>
Present Value of Future Minimum Lease Payments	\$	<u>1,040,204</u>

NOTE 11-OPERATING LEASE – LESSEE DISCLOSURE

On August 1, 2009 the District entered into a two year operating lease agreement with M.B.A. Holdings Company to lease the bus garage. The future minimum annual rental payments are \$40,440 and is payable monthly at \$3,370. For fiscal year 2010, the District's rental costs were \$40,440.

NOTE 12-OTHER EMPLOYEE BENEFITS

Accumulated Unpaid Vacation

District classified employees earn vacation leave at varying rates based upon negotiated agreements and State laws. In the case of death or retirement, an employee (or his estate) is paid for his unused vacation leave. The total obligation for vacation accrual, for the District as a whole, as of June 30, 2010 was \$160,692.

Accumulated Unpaid Sick Leave

District employees may accumulate sick leave. Upon retirement, payment is made for 26.5% of the total unused sick leave balance up to a maximum of fifty days for certified and classified employees. The total obligation for sick leave accrual, for the District as a whole, as of June 30, 2010 was \$929,835.

Early Retirement Incentive

During fiscal year 2010, the District participated in the State Teacher Retirement System Early Retirement Incentive program for certificated staff. During fiscal year 2010, fourteen 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 2010. Principal obligations of the purchased credit are based upon individual age, length of service and salary at retirement. Future principal and interest requirements to pay the early retirement incentive debt obligation to the State Teachers Retirement System in fiscal year 2011, 2012 and 2013 totaled \$51,893, \$78,053 and \$62,287 respectively.

NOTE 13-OSBA WORKERS' COMP PROGRAM

OSBA GROUP RATING PROGRAM

The 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.

ROSS LOCAL SCHOOL DISTRICT
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Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 14-DEFINED BENEFIT PENSION PLANS

SCHOOL EMPLOYEES RETIREMENT SYSTEM

The 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 under *Employers/Audit Resources*.

Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For the fiscal year ending June 30, 2010, the allocation to pension and death benefits is 12.78%. The remaining 1.22% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's required contributions to SERS for the fiscal years ended June 30, 2010, 2009, and 2008 were \$411,796, \$415,835, and \$413,127 respectively; 65% has been contributed for 2010 and 100% for fiscal years 2009 and 2008.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

The District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof.

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

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years.

The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits – Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

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

Eligible faculty of Ohio's public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their date of employment to select a retirement plan.

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

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

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

A DB and Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who

ROSS LOCAL SCHOOL DISTRICT
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participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers.

Contribution requirements and contributions actually made for the fiscal year ended June 30, 2010, were 10% of covered payroll for members and 14% for employers. The District's contributions to STRS Ohio for the years ended June 30, 2010, 2009, and 2008 were approximately \$1,567,011, \$1,542,972 and \$1,527,875 respectively; 85% has been contributed for 2010 and 100% for fiscal years 2009 and 2008.

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 15-POSTEMPLOYMENT BENEFITS

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

Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. Pursuant to Chapter 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs in the form of a monthly premium.

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contribution rate, 1% of covered payroll was allocated to post-employment health care for years ended June 30, 2010, 2009, and 2008. The 14% employer contribution rate is the maximum rate established under Ohio law. The District's contributions to STRS Ohio allocated to post-employment health care for the years ended June 30, 2010, 2009 and 2008 were \$112,000, \$110,212 and 109,134, respectively. 85% has been contributed for 2010 and 100% for fiscal years 2009 and 2008.

SERS administers two postemployment benefit plans:

Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2010 was \$96.40 for most participants, but could be as high as \$353.60 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

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The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2010, the actuarially required allocation was .76%. The District's contributions for the years ended June 30, 2010, 2009 and 2008 were \$22,000, \$22,000 and \$20,000, respectively, which equaled the required contributions each year. 65% has been contributed for 2010 and 100% for fiscal years 2009 and 2008.

Health Care Plan

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

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

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. For the year ended June 30, 2010, the health care allocation was .46%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2010, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District contributions assigned to health care for the years ended June 30, 2010, 2009, and 2008 were \$14,000, \$184,408 and \$158,813, respectively. 65% has been contributed for 2010 and 100% for fiscal years 2009 and 2008.

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

NOTE 16-JOINTLY GOVERNED ORGANIZATIONS

SOUTHWEST OHIO COMPUTER ASSOCIATION

The Southwest Ohio Computer Association (SWOCA) is a jointly governed organization among a three county consortium of Ohio school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to the administrative and instructional functions of the member 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.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS

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

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

NOTE 17-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 Health Plan (BHP), a public entity risk pool currently operating as a common risk management and insurance program. BHP is comprised of sixteen other school districts in Butler and Hamilton Counties. CoreSource provides claims review and processing services for BHP. 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 BHP.

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

NOTE 18-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, 2010.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

NOTE 19-STATUTORY RESERVES

The 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, 2009	\$ (15,469)	-	392,800
Current year set-aside requirement	428,672	428,672	-
Current year qualifying expenditures	<u>(336,861)</u>	<u>(603,601)</u>	<u>-</u>
Balance carried forward to FY2011	<u>76,342</u>	<u>-</u>	<u>392,800</u>
		-	
Set-aside reserve balance as of June 30, 2010	<u>\$ 76,342</u>	<u>-</u>	<u>392,800</u>

Since the District’s qualifying disbursements during the year that reduced the set aside amount for textbooks and instructional materials did not zero out, the District will reserve a portion of fund balance for future textbook purchases.

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 reserve is no longer required. However, the District has opted to leave this reserve intact.

NOTE 20 – SIGNIFICANT CONTRACTUAL COMMITMENTS

As of June 30, 2010, the District had entered into various construction contracts for renovations and improvements under which it had a remaining unperformed and unpaid total commitment of approximately \$17,000,000.

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Required Supplementary Information

ROSS LOCAL SCHOOL DISTRICT, OHIOSchedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual (Non-GAAP Budgetary Basis)

General Fund

Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Property taxes	\$ 6,454,000	6,632,611	6,632,611	-
Income taxes	2,975,000	2,690,800	2,690,800	-
Tuition and fees	151,250	98,350	98,350	-
Interest	135,000	52,949	52,949	-
Intergovernmental	12,290,000	11,600,834	11,600,834	-
Other local revenues	235,850	292,012	292,012	-
Total revenues	<u>22,241,100</u>	<u>21,367,556</u>	<u>21,367,556</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	10,903,380	11,106,762	11,106,762	-
Special education	1,586,550	1,498,980	1,498,980	-
Other instruction	654,150	634,875	634,875	-
Support services:				
Pupil	902,520	997,171	997,171	-
Instructional staff	953,473	962,285	962,285	-
Board of Education	40,005	29,963	29,963	-
Administration	1,699,297	1,319,222	1,319,222	-
Fiscal	814,557	710,178	710,178	-
Operation and maintenance of plant	1,977,430	1,986,872	1,986,872	-
Pupil transportation	2,120,004	1,971,330	1,971,330	-
Non-instructional services:				
Extracurricular activities	356,665	465,084	465,084	-
Community service	-	3,012	3,012	-
Capital outlay	96,727	148,109	148,109	-
Repayment of debt	92,560	163,360	163,360	-
Total expenditures	<u>22,197,318</u>	<u>21,997,203</u>	<u>21,997,203</u>	<u>-</u>
Excess of revenues over expenditures	43,782	(629,647)	(629,647)	-
Other financing sources (uses):				
Advances in	85,000	75,025	75,025	-
Refund of prior year expenditures	7,000	7,694	7,694	-
Sale of assets	-	1,050	1,050	-
Advances out	-	(75,000)	(75,000)	-
Total other financing sources (uses):	<u>92,000</u>	<u>8,769</u>	<u>8,769</u>	<u>-</u>
Net change in fund balance	135,782	(620,878)	(620,878)	-
Fund balance, beginning of year	3,969,530	3,969,530	3,969,530	
Prior year encumbrances appropriated	240,062	240,062	240,062	
Fund balance, end of year	\$ <u>4,345,374</u>	<u>3,588,714</u>	<u>3,588,714</u>	

See accompanying notes to required supplemental information.

ROSS LOCAL SCHOOL DISTRICT, OHIO
Notes to Required Supplementary Information
Year Ended June 30, 2010

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)	\$ (576,305)
Increase/(Decrease)	
Due to revenues	551,802
Due to expenditures	28,515
Due to other financing source and uses	8,769
Due to encumbrances	<u>(633,659)</u>
Change in fund balance (Budgetary Basis)	\$ <u>(620,878)</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 Local Grant Fund

This fund accounts for various local grants

Classroom Facilities Maintenance Fund

This fund accounts for a portion of income tax monies to be used on maintenance of existing classroom facilities as mandated by the State.

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.

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.

State Fiscal Stabilization

A fund used to account for monies distributed by the State from the federal government that is being used to stabilize local budgets due to the reduction of school foundation.

Title IID

A fund used to account for monies distributed by the State from the federal government that is being used for improving student academic achievement through the use of technology in schools.

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. No budgetary statement is presented for this fund since no monies were received during the fiscal year.

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.

Improving Teacher Quality

A fund used to account for federal funds designed provide professional development for teachers and increasing the quality of teachers in the classroom.

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 Debt Service Fund**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.

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.

Permanent improvement fund

This fund accounts for the receipt of property tax revenue restricted for use on permanent improvements of the District.

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Major Governmental Fund**Major Governmental Fund**

This section contains Budget and Actual statements on a non-GAAP basis of accounting for the Classroom Facilities Project 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.

Classroom Facilities Project Fund

This fund account for the receipt of state monies restricted for use on the improvement of classroom facilities.

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 921,971	1,970,696	841,261	3,733,928
Receivables:				
Property taxes	-	1,706,759	362,988	2,069,747
Income taxes	168,209	-	-	168,209
Accounts	10,233	-	-	10,233
Intergovernmental	132,362	-	-	132,362
Supplies and inventory	6,596	-	-	6,596
Total assets	<u>1,239,371</u>	<u>3,677,455</u>	<u>1,204,249</u>	<u>6,121,075</u>
Liabilities:				
Accounts payable	28,986	-	-	28,986
Accrued wages and benefits	221,462	-	-	221,462
Pension obligation payable	65,142	-	-	65,142
Due to other governments	2,803	-	-	2,803
Interfund payable	2,868	-	-	2,868
Deferred revenue	292,533	1,676,187	356,486	2,325,206
Total liabilities	<u>613,794</u>	<u>1,676,187</u>	<u>356,486</u>	<u>2,646,467</u>
Fund Balances:				
Reserved for:				
Encumbrances	109,657	-	-	109,657
Supplies inventory	6,596	-	-	6,596
Property taxes	-	30,572	6,502	37,074
Unreserved, reported in:				
Special Revenue Funds	509,324	-	-	509,324
Debt Service Fund	-	1,970,696	-	1,970,696
Capital Projects Fund	-	-	841,261	841,261
Total fund balances	<u>625,577</u>	<u>2,001,268</u>	<u>847,763</u>	<u>3,474,608</u>
Total liabilities and fund balances	\$ <u>1,239,371</u>	<u>3,677,455</u>	<u>1,204,249</u>	<u>6,121,075</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

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

Nonmajor Governmental Funds

Year Ended June 30, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Property and income taxes	\$ 168,209	1,520,317	214,417	1,902,943
Interest	635	-	-	635
Extracurricular	601,306	-	-	601,306
Charges for services	856,244	-	-	856,244
Intergovernmental	2,704,440	235,843	33,703	2,973,986
Other Local Revenues	113,684	-	-	113,684
Total revenues	<u>4,444,518</u>	<u>1,756,160</u>	<u>248,120</u>	<u>6,448,798</u>
Expenditures:				
Current:				
Instruction:				
Regular	497,451	-	-	497,451
Special	518,026	-	-	518,026
Other	19,939	-	-	19,939
Support services:				
Pupil	72,209	-	-	72,209
Instructional staff	604,154	-	-	604,154
Administration	656,597	16,156	2,287	675,040
Fiscal	-	9,683	1,973	11,656
Operation and maintenance of plant	35,363	-	-	35,363
Pupil transportation	300,157	-	-	300,157
Central	9,145	-	-	9,145
Non-instructional services:				
Community services	167,251	-	-	167,251
Extracurricular activities	335,198	-	-	335,198
Food services	1,069,149	-	-	1,069,149
Debt Service:				
Principal retirement	-	675,000	-	675,000
Interest and fiscal charges	-	810,260	-	810,260
Total expenditures	<u>4,284,639</u>	<u>1,511,099</u>	<u>4,260</u>	<u>5,799,998</u>
Net change in fund balances	159,879	245,061	243,860	648,800
Fund balance, beginning of year	465,698	1,756,207	603,903	2,825,808
Fund balance, end of year	\$ <u>625,577</u>	<u>2,001,268</u>	<u>847,763</u>	<u>3,474,608</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2010

	<u>Public School Support</u>	<u>Other Local Grant</u>	<u>Classroom Facilities Maintenance</u>	<u>Athletic</u>
Assets:				
Equity in pooled cash and investments	\$ 39,181	445	349,984	111,870
Receivables:				
Income tax	-	-	168,209	-
Accounts	-	-	-	7,363
Intergovernmental	-	-	-	-
Supplies and inventory	-	-	-	-
Total assets	<u>39,181</u>	<u>445</u>	<u>518,193</u>	<u>119,233</u>
Liabilities:				
Accounts payable	-	-	-	4,697
Accrued wages and benefits	-	-	-	-
Pension obligation payable	-	-	-	-
Due to other governments	-	-	-	-
Interfund payable	-	-	-	-
Deferred revenue	-	-	168,209	-
Total liabilities	<u>-</u>	<u>-</u>	<u>168,209</u>	<u>4,697</u>
Fund Balances:				
Reserved for:				
Encumbrances	4,277	336	-	11,474
Supplies inventory	-	-	-	-
Unreserved-undesignated	34,904	109	349,984	103,062
Total fund balances	<u>39,181</u>	<u>445</u>	<u>349,984</u>	<u>114,536</u>
Total liabilities and fund balances	\$ <u>39,181</u>	<u>445</u>	<u>518,193</u>	<u>119,233</u>

<u>Auxiliary Service</u>	<u>Management Information Systems</u>	<u>Misc. State Grants</u>	<u>Title VI-B</u>	<u>State Fiscal Stabilization</u>
30,760	126	10	68,063	9,623
-	-	-	-	-
-	-	-	-	-
-	-	-	104,258	-
-	-	-	-	-
<u>30,760</u>	<u>126</u>	<u>10</u>	<u>172,321</u>	<u>9,623</u>
3,477	-	-	2,195	-
8,954	-	-	76,974	29,649
1,222	-	-	19,205	12,832
152	-	-	801	408
-	-	-	-	-
-	-	-	104,258	-
<u>13,805</u>	<u>-</u>	<u>-</u>	<u>203,433</u>	<u>42,889</u>
3,387	-	-	11,360	-
-	-	-	-	-
<u>13,568</u>	<u>126</u>	<u>10</u>	<u>(42,472)</u>	<u>(33,266)</u>
<u>16,955</u>	<u>126</u>	<u>10</u>	<u>(31,112)</u>	<u>(33,266)</u>
<u>30,760</u>	<u>126</u>	<u>10</u>	<u>172,321</u>	<u>9,623</u>

(continued)

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2010

(Continued)

	<u>Title IID</u>	<u>Title I</u>	<u>Title VI-B Preschool</u>	<u>Improving Teacher Quality</u>
Assets:				
Equity in pooled cash and investments	\$ -	2,959	-	-
Receivables:				
Income tax	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	677	9,490	10,809	-
Supplies and inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>677</u>	<u>12,449</u>	<u>10,809</u>	<u>-</u>
Liabilities:				
Accounts payable	-	-	-	-
Accrued wages and benefits	-	53,722	-	-
Pension obligation payable	-	234	-	-
Due to other governments	-	431	-	209
Interfund payable	-	-	-	-
Deferred revenue	<u>677</u>	<u>8,580</u>	<u>10,809</u>	<u>-</u>
Total liabilities	<u>677</u>	<u>62,967</u>	<u>10,809</u>	<u>209</u>
Fund Balances:				
Reserved for:				
Encumbrances	-	-	-	-
Supplies inventory	-	-	-	-
Unreserved-undesignated	<u>-</u>	<u>(50,518)</u>	<u>-</u>	<u>(209)</u>
Total fund balances	<u>-</u>	<u>(50,518)</u>	<u>-</u>	<u>(209)</u>
Total liabilities and fund balances	\$ <u>677</u>	<u>12,449</u>	<u>10,809</u>	<u>-</u>

<u>Misc. Federal Grants</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>TOTAL</u>
-	105,227	193,167	10,556	921,971
-	-	-	-	168,209
-	2,870	-	-	10,233
7,128	-	-	-	132,362
-	-	5,233	1,363	6,596
<u>7,128</u>	<u>108,097</u>	<u>198,400</u>	<u>11,919</u>	<u>1,239,371</u>
3,919	-	14,698	-	28,986
-	-	52,163	-	221,462
-	-	31,649	-	65,142
-	-	802	-	2,803
2,868	-	-	-	2,868
-	-	-	-	292,533
<u>6,787</u>	<u>-</u>	<u>99,312</u>	<u>-</u>	<u>613,794</u>
342	24,370	52,955	1,156	109,657
-	-	5,233	1,363	6,596
(1)	83,727	40,900	9,400	509,324
<u>341</u>	<u>108,097</u>	<u>99,088</u>	<u>11,919</u>	<u>625,577</u>
<u>7,128</u>	<u>108,097</u>	<u>198,400</u>	<u>11,919</u>	<u>1,239,371</u>

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures

and Changes in Fund Balances

Nonmajor Special Revenue Funds

Year Ended June 30, 2010

	Public School Support	Other Local Grant	Classroom Facilities Maintenance	Athletic	Auxiliary Service
Revenues:					
Property and income taxes	\$ -	-	168,209	-	-
Interest					
Extracurricular	239,454	-	-	361,852	-
Charges for services	-	-	-	-	-
Intergovernmental	-	-	30,376	-	115,708
Other local revenues	-	20,304	-	-	-
Total revenues	<u>239,454</u>	<u>20,304</u>	<u>198,585</u>	<u>361,852</u>	<u>115,708</u>
Expenditures:					
Current:					
Instruction:					
Regular	185,199	22,910	-	-	-
Special	-	-	-	-	-
Other	-	-	-	-	-
Support services:					
Pupil	-	-	-	-	-
Instructional staff	41,763	-	-	-	-
Administration	-	-	-	-	-
Operation and maintenance of plant	-	-	35,363	-	-
Pupil Transportation	-	-	-	-	-
Central	-	-	-	-	-
Non-instructional services:					
Community services	-	-	-	-	128,964
Extracurricular activities	15,684	-	-	312,172	-
Food services	-	-	-	-	-
Total expenditures	<u>242,646</u>	<u>22,910</u>	<u>35,363</u>	<u>312,172</u>	<u>128,964</u>
Net change in fund balances	(3,192)	(2,606)	163,222	49,680	(13,256)
Fund balance, beginning of year	<u>42,373</u>	<u>3,051</u>	<u>186,762</u>	<u>64,856</u>	<u>30,211</u>
Fund balance, end of year	\$ <u>39,181</u>	<u>445</u>	<u>349,984</u>	<u>114,536</u>	<u>16,955</u>

Management Information Systems	ONENet	SchoolNet Professional Development	Misc. State Grants	Title VI-B	State Fiscal Stabilization
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,000	9,145	-	1,989	815,570	691,698
-	-	-	-	-	-
<u>5,000</u>	<u>9,145</u>	<u>-</u>	<u>1,989</u>	<u>815,570</u>	<u>691,698</u>
-	-	-	2,099	-	49,882
-	-	-	-	104,414	64,109
-	-	-	-	9,935	10,004
-	-	-	-	65,810	-
5,052	-	919	-	526,789	-
-	-	-	1,700	51,768	600,969
-	-	-	-	-	-
-	-	-	-	36,542	-
-	9,145	-	-	-	-
-	-	-	-	22,078	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,052</u>	<u>9,145</u>	<u>919</u>	<u>3,799</u>	<u>817,336</u>	<u>724,964</u>
(52)	-	(919)	(1,810)	(1,766)	(33,266)
<u>178</u>	<u>-</u>	<u>919</u>	<u>1,820</u>	<u>(29,346)</u>	<u>-</u>
<u>126</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>(31,112)</u>	<u>(33,266)</u>

(continued)

ROSS LOCAL SCHOOL DISTRICT, OHIO
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2010
(Continued)

	Title IID	Title I	Title VI	Drug Free Schools	Title VI-B Preschool
Revenues:					
Property and income taxes	\$ -	-	-	-	-
Interest					
Extracurricular	-	-	-	-	-
Charges for services	-	-	-	-	-
Intergovernmental	1,650	302,849	18	6,416	1,570
Other local revenues	-	-	-	-	-
Total revenues	<u>1,650</u>	<u>302,849</u>	<u>18</u>	<u>6,416</u>	<u>1,570</u>
Expenditures:					
Current:					
Instruction:					
Regular	-	-	-	-	-
Special	-	347,942	-	-	1,561
Other	-	-	-	-	-
Support services:					
Pupil	-	-	-	6,399	-
Instructional staff	1,650	-	-	-	-
Administration	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Pupil Transportation	-	-	-	-	-
Central	-	-	-	-	-
Non-instructional services:					
Community services	-	3,509	-	-	-
Extracurricular activities	-	-	-	-	-
Food services	-	-	-	-	-
Total expenditures	<u>1,650</u>	<u>351,451</u>	<u>-</u>	<u>6,399</u>	<u>1,561</u>
Net change in fund balances	-	(48,602)	18	17	9
Fund balance, beginning of year	-	(1,916)	(18)	(17)	(9)
Fund balance, end of year	<u>\$ -</u>	<u>(50,518)</u>	<u>-</u>	<u>-</u>	<u>-</u>

Improving Teacher Quality	Misc. Federal Grants	Special Revenue	Food Service	Uniform School Supplies	TOTAL
-	-	-	-	-	168,209
-	-	-	635	-	635
-	-	-	-	-	601,306
-	-	-	762,161	94,083	856,244
88,309	291,962	-	342,180	-	2,704,440
-	-	93,380	-	-	113,684
<u>88,309</u>	<u>291,962</u>	<u>93,380</u>	<u>1,104,976</u>	<u>94,083</u>	<u>4,444,518</u>
81,490	-	61,269	-	94,602	497,451
-	-	-	-	-	518,026
-	-	-	-	-	19,939
-	-	-	-	-	72,209
-	27,981	-	-	-	604,154
-	-	2,160	-	-	656,597
-	-	-	-	-	35,363
-	263,615	-	-	-	300,157
-	-	-	-	-	9,145
-	-	12,700	-	-	167,251
-	-	7,342	-	-	335,198
-	-	-	1,069,149	-	1,069,149
<u>81,490</u>	<u>291,596</u>	<u>83,471</u>	<u>1,069,149</u>	<u>94,602</u>	<u>4,284,639</u>
6,819	366	9,909	35,827	(519)	159,879
(7,028)	(25)	98,188	63,261	12,438	465,698
<u>(209)</u>	<u>341</u>	<u>108,097</u>	<u>99,088</u>	<u>11,919</u>	<u>625,577</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, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Extracurricular	\$ 242,900	239,454	(3,446)
Expenditures:			
Current:			
Instruction:			
Regular	222,614	189,576	33,038
Support Services:			
Instructional staff	45,303	43,680	1,623
Extracurricular activities	<u>19,982</u>	<u>15,684</u>	<u>4,298</u>
Total expenditures	287,899	248,940	38,959
Excess revenues over (under) expenditures	(44,999)	(9,486)	42,405
Other financing sources (uses):			
Operating transfer - in	<u>7,650</u>	-	<u>7,650</u>
Total Other financing source (uses)	7,650	-	7,650
Net change in fund balance	(37,349)	(9,486)	50,055
Fund balance, beginning of year	38,407	38,407	
Prior year encumbrances appropriated	<u>5,984</u>	<u>5,984</u>	
Fund balance, end of year	\$ <u><u>7,042</u></u>	<u><u>34,905</u></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, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Other local revenues	\$ 35,000	20,304	(14,696)
Expenditures:			
Current:			
Instruction:			
Regular	35,592	23,246	12,346
Total expenditures	35,592	23,246	12,346
Net change in fund balance	(592)	(2,942)	(2,350)
Fund balance, beginning of year	646	646	
Prior year encumbrances appropriated	2,405	2,405	
Fund balance, end of year	\$ <u>2,459</u>	<u>109</u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Classroom Facilities Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Income tax	\$ 168,209	168,209	-
Intergovernmental	<u>31,000</u>	<u>30,376</u>	<u>(624)</u>
Total revenues	<u>199,209</u>	<u>198,585</u>	<u>(624)</u>
Expenditures:			
Current:			
Support services:			
Operation and maintenance of plant	<u>325,000</u>	<u>35,363</u>	<u>289,637</u>
Total expenditures	<u>325,000</u>	<u>35,363</u>	<u>289,637</u>
Net change in fund balance	(125,791)	163,222	289,013
Fund balance, beginning of year	<u>186,762</u>	<u>186,762</u>	
Fund balance, end of year	<u>\$ 60,971</u>	<u>349,984</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, 2010

	Budget	Actual	Variance From Final Budget
Revenues:			
Extracurricular	\$ 354,510	354,489	(21)
Expenditures:			
Current:			
Non-instructional services:			
Extracurricular activities	414,346	335,728	78,618
Total expenditures	414,346	335,728	78,618
Net change in fund balance	(59,836)	18,761	78,597
Fund balance, beginning of year	64,443	64,443	
Prior year encumbrances appropriated	12,495	12,495	
Fund balance, end of year	\$ 17,102	95,699	

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, 2010

	Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 152,000	115,708	(36,292)
Expenditures:			
Current:			
Non-instructional services:			
Community services	210,598	150,411	60,187
Total expenditures	210,598	150,411	60,187
Net change in fund balance	(58,598)	(34,703)	23,895
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	58,598	58,598	
Fund balance, end of year	\$ -	23,895	

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, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ 4,900	-	(4,900)
Expenditures:			
Current:			
Instruction:			
Regular	4,000	-	-
Total expenditures	4,000	-	4,000
Net change in fund balance	900	-	(900)
Fund balance, beginning of year	-	-	
Fund balance, end of year	\$ 900	-	

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, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ 9,000	5,000	(4,000)
Expenditures:			
Current:			
Support services:			
Instructional staff	9,000	5,052	3,948
Total expenditures	9,000	5,052	3,948
Net change in fund balance	-	(52)	(52)
Fund balance, beginning of year	178	178	
Fund balance, end of year	\$ 178	126	

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, 2010

	Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 12,000	9,145	(2,855)
Expenditures:			
Current:			
Support services:			
Central	12,000	9,145	2,855
Total expenditures	12,000	9,145	2,855
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, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>2,970</u>	<u>-</u>	<u>(2,970)</u>
Expenditures:			
Current:			
Support services:			
Instructional staff	<u>2,978</u>	<u>919</u>	<u>2,059</u>
Total expenditures	<u>2,978</u>	<u>919</u>	<u>2,059</u>
Net change in fund balance	(8)	(919)	(911)
Fund balance, beginning of year	<u>919</u>	<u>919</u>	
Fund balance, end of year	<u><u>\$ 911</u></u>	<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)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ 9,200	1,989	(7,211)
Expenditures:			
Current:			
Instruction:			
Regular	2,120	2,099	21
Support services:			
Administration	8,890	1,700	7,190
Total expenditures	<u>11,010</u>	<u>3,799</u>	<u>7,211</u>
Net change in fund balance	(1,810)	(1,810)	-
Fund balance, beginning of year	<u>1,820</u>	<u>1,820</u>	
Fund balance, end of year	<u>\$ 10</u>	<u>10</u>	

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, 2010

	Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 1,285,830	857,241	(428,589)
Expenditures:			
Current:			
Instruction:			
Special	437,979	106,135	331,844
Other	10,102	10,980	(878)
Support services:			
Pupil	43,445	71,670	(28,225)
Instructional staff	597,662	518,396	79,266
School administration	48,308	51,688	(3,380)
Pupil Transportation	53,000	34,332	18,668
Non-instructional services:			
Community services	53,509	21,252	32,257
Capital outlay	50,000	1,500	48,500
Total expenditures	1,294,005	815,953	478,052
Excess of revenues over (under) expenditures	(8,175)	41,288	49,463
Other Financing Sources (Uses):			
Transfer In	-	5,042	5,042
Transfer Out	(5,045)	(5,042)	3
Total other financing sources (uses)	(5,045)	-	5,045
Net change in fund balance	(13,220)	41,288	54,508
Fund balance, beginning of year	3,647	3,647	
Prior year encumbrances appropriated	9,573	9,573	
Fund balance, end of year	\$ -	54,508	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
State Fiscal Stabilization Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ 699,591	691,698	(7,893)
Expenditures:			
Current:			
Instruction:			
Regular	58,977	41,481	17,496
Special	54,160	54,153	7
Other	10,004	10,004	-
Support services:			
School administration	576,450	576,437	13
Total expenditures	<u>699,591</u>	<u>682,075</u>	<u>17,516</u>
Net change in fund balance	-	9,623	9,623
Fund balance, beginning of year	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u><u>-</u></u>	<u><u>9,623</u></u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title II-D Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>2,327</u>	<u>1,650</u>	<u>(677)</u>
Expenditures:			
Current:			
Support services:			
Instructional staff	<u>2,327</u>	<u>1,650</u>	<u>677</u>
Total expenditures	<u>2,327</u>	<u>1,650</u>	<u>677</u>
Net change in fund balance	-	-	0
Fund balance, beginning of year	<u>-</u>	<u>-</u>	
Fund balance, end of year	<u><u>-</u></u>	<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)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>371,595</u>	<u>301,939</u>	<u>(69,656)</u>
Expenditures:			
Current:			
Instruction:			
Special	364,958	295,056	69,902
Non-instructional services:			
Community services	<u>7,473</u>	<u>4,760</u>	<u>2,713</u>
Total expenditures	372,431	299,816	72,615
Net change in fund balance	(836)	2,123	2,959
Fund balance, beginning of year	<u>836</u>	<u>836</u>	
Fund balance, end of year	\$ <u><u>-</u></u>	<u><u>2,959</u></u>	

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, 2010

	Budget	Actual	Variance From Final Budget
Revenues:			
Intergovernmental	\$ 6,416	6,416	-
Expenditures:			
Current:			
Support services:			
Pupil	6,416	6,416	-
Total expenditures	6,416	6,416	-
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 Preschool Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ 23,189	1,570	(21,619)
Expenditures:			
Current:			
Instruction:			
Special	<u>23,189</u>	<u>1,570</u>	<u>21,619</u>
Total expenditures	23,189	1,570	21,619
Net change in fund balance	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	
Fund balance, end of year	<u><u>-</u></u>	<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)
Improving Teacher Quality Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>88,309</u>	<u>88,309</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Regular	<u>89,263</u>	<u>89,263</u>	<u>-</u>
Total expenditures	<u>89,263</u>	<u>89,263</u>	<u>-</u>
Net change in fund balance	(954)	(954)	-
Fund balance, beginning of year	<u>954</u>	<u>954</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)
Miscellaneous Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	Budget	Actual	Variance From Final Budget
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Revenues:			
Intergovernmental	\$ 37,490	21,219	(16,271)
Expenditures:			
Current:			
Support services:			
Instructional staff	34,239	28,322	5,917
Total expenditures	34,239	28,322	5,917
Excess of revenues over (under) expenditures	3,251	(7,103)	(10,354)
Other Financing Sources (Uses):			
Advance-out	(25)	(25)	-
Total other financing sources (uses)	(25)	(25)	-
Net change in fund balance	3,226	(7,128)	(10,354)
Fund balance, beginning of year	(3,323)	(3,323)	
Prior Year Encumbrances Appropriated	3,323	3,323	
Fund balance, end of year	\$ <u>3,226</u>	<u>(7,128)</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, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Other local revenue	\$ 99,345	90,510	(8,835)
Expenditures:			
Current:			
Instruction:			
Regular	178,323	108,964	69,359
Total expenditures	178,323	108,964	69,359
Net change in fund balance	(78,978)	(18,454)	60,524
Fund balance, beginning of year	77,442	77,442	
Prior Year Encumbrances Appropriated	21,871	21,871	
Fund balance, end of year	\$ <u>20,335</u>	<u>80,859</u>	

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, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Charges for services	\$ 1,025,025	1,024,939	(86)
Expenditures:			
Current:			
Food services	1,090,108	1,044,746	45,362
Total expenditures	1,090,108	1,044,746	45,362
Net change in fund balance	(65,083)	(19,807)	45,276
Fund balance, beginning of year	124,203	124,203	
Prior Year Encumbrances Appropriated	21,118	21,118	
Fund balance, end of year	\$ 80,238	125,514	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Uniform School Supplies Special Revenue Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance From Final Budget</u>
Revenues:			
Total revenues	\$ 179,900	169,083	(10,817)
Expenditures:			
Current:			
Instruction:			
Regular	190,214	170,901	19,313
Total expenditures	190,214	170,901	19,313
Excess of revenues over (under) expenditures	(10,314)	(1,818)	8,496
Other Financing Sources (Uses):			
Advances in	-	75,000	(75,000)
Advances out	-	(75,000)	75,000
Total other financing sources (uses)	-	-	-
Net change in fund balance	(10,314)	(1,818)	8,496
Fund balance, beginning of year	10,724	10,724	
Prior Year Encumbrances	494	494	
Fund balance, end of year	\$ 904	9,400	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Debt Service Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
Revenues:			
Taxes	\$ 1,532,000	1,531,143	(857)
Intergovernmental	<u>231,755</u>	<u>235,842</u>	<u>4,087</u>
Total revenues	<u>1,763,755</u>	<u>1,766,985</u>	<u>3,230</u>
Expenditures:			
Current:			
Support services:			
Administration	18,300	16,156	2,144
Fiscal	9,700	9,682	18
Debt service	<u>1,485,260</u>	<u>1,485,260</u>	<u>-</u>
Total expenditures	<u>1,513,260</u>	<u>1,511,098</u>	<u>2,162</u>
Net change in fund balance	<u>250,495</u>	<u>255,887</u>	<u>1,068</u>
Fund balance, beginning of year	<u>1,714,809</u>	<u>1,714,809</u>	
Fund balance end of year	\$ <u><u>1,965,304</u></u>	<u><u>1,970,696</u></u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	Variance With <u>Budget</u>
Revenues:			
Taxes	\$ 221,150	219,337	(1,813)
Intergovernmental	<u>271,350</u>	<u>187,085</u>	<u>(84,265)</u>
Total revenues	<u>492,500</u>	<u>406,422</u>	<u>(86,078)</u>
Expenditures:			
Current:			
Instruction:			
Administration	191,000	2,287	188,713
Fiscal	<u>3,000</u>	<u>1,973</u>	<u>1,027</u>
Total expenditures	<u>194,000</u>	<u>4,260</u>	<u>189,740</u>
Excess of revenues over expenditures	298,500	402,162	103,662
Other financing sources (uses):			
Refund of prior year expenditures	<u>(154,000)</u>	<u>(153,382)</u>	<u>618</u>
Total other financing sources (uses):	<u>(154,000)</u>	<u>(153,382)</u>	<u>618</u>
Net change in fund balance	144,500	248,780	104,280
Fund balance, beginning of year	<u>592,481</u>	<u>592,481</u>	
Fund balance, end of year	\$ <u><u>736,981</u></u>	<u><u>841,261</u></u>	

Ross Local School District, Ohio
Schedule of Revenues, Expenditures and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Classroom Facilities Project Capital Projects Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
Revenues:			
Interest	\$ 7,525	7,517	(8)
Intergovernmental	<u>10,727,482</u>	<u>9,029,649</u>	<u>(1,697,833)</u>
Total revenues	<u>10,735,007</u>	<u>9,037,166</u>	<u>(1,697,841)</u>
Expenditures:			
Capital outlay			
Architecture and engineering	934,685	933,670	1,015
Building acquisition and construction	<u>8,186,259</u>	<u>8,102,861</u>	<u>83,398</u>
Total expenditures	<u>9,120,944</u>	<u>9,036,531</u>	<u>84,413</u>
Net change in fund balance	1,614,063	635	(1,782,254)
Fund balance, beginning of year	937,625	937,625	
Prior year encumbrances appropriated	<u>370,943</u>	<u>370,943</u>	
Fund balance, end of year	\$ <u><u>2,922,631</u></u>	<u><u>1,309,203</u></u>	

ROSS LOCAL SCHOOL DISTRICT, OHIO

Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Fund

Year Ended June 30, 2010

	Beginning Balance <u>7/1/2009</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>6/30/2010</u>
Assets:				
Equity in pooled cash and investments	\$ 44,351	\$ 67,754	\$ 70,628	\$ 41,477
Total assets	<u>44,351</u>			<u>41,477</u>
Liabilities:				
Due to student groups	<u>44,351</u>	<u>67,754</u>	<u>70,628</u>	<u>41,477</u>
Total liabilities	<u>\$ 44,351</u>			<u>\$ 41,477</u>

Statistical Section

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Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	82-89
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source(s), the property tax (and the income tax).	90-96
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	97-101
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	102-103
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	104-107

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

Ross Local School District, Ohio
Net Assets by Component
Last Eight Fiscal Years (1)
(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	0	0	0	761,937
Other Purposes	1,303,152	2,465,935	630,479	0
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>

(1) Information on an accrual basis is available for the last seven years only.
The District implemented GASB Statement 34 in 2003.

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$13,233,413	\$ 13,365,318	\$ 13,714,999	\$ 15,648,895
123,598	362,187	23,888,161	22,114,535
976,969	1,305,606	1,829,903	1,962,130
69,386	495,523	682,029	1,129,091
<u>2,399,521</u>	<u>1,918,679</u>	<u>2,460,439</u>	<u>1,928,932</u>
<u>\$16,802,887</u>	<u>\$17,447,313</u>	<u>\$42,575,531</u>	<u>\$42,783,583</u>

Ross Local School District, Ohio
Changes in Net Assets of Governmental Activities
Last Eight Fiscal Years (1)
(accrual basis of accounting)

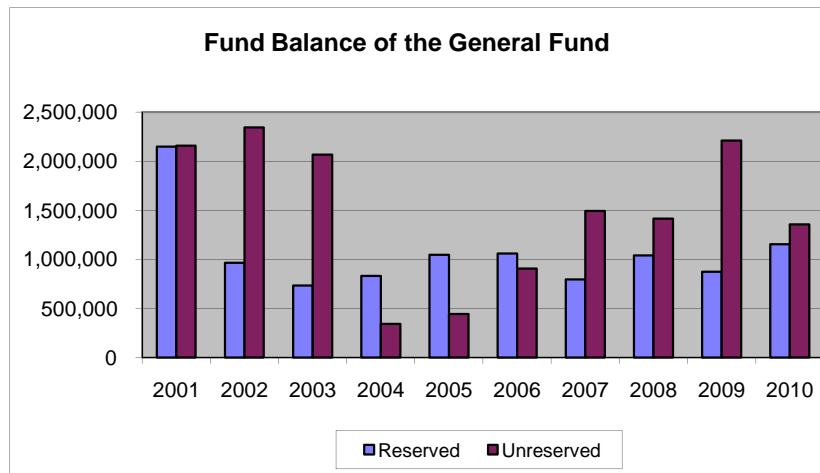
	2003	2004	2005	2006
Expenses				
Regular Instruction	\$9,692,617	\$9,124,245	\$8,836,363	\$8,762,193
Special Instruction	1,207,179	1,388,504	1,386,822	1,555,089
Adult/Continuing	668	738	3,987	78,155
Other	241,184	369,167	251,650	207,342
Pupil Support	686,447	655,851	770,183	823,651
Instructional Staff 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	-	2,585	2,612	-
Operation and maintenance of plant	-	-	-	-
Central	14,000	-	-	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	-
<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	(\$17,132,780)	(\$21,204,029)	(\$17,531,212)	(\$19,544,157)
General Revenues				
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
Permanent Improvement	-	-	-	-
Income Taxes Levied for				
General Purposes	-	-	-	616,390
Grants and Entitlements not				
Restricted to Specific Programs	9,368,561	9,805,541	10,579,473	12,071,717
Classroom Facilities Assistance Program	-	-	-	-
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>

(1) Information on an accrual basis is available for the last seven years only. The District implemented GASB Statement 34 in 2003.

2007	2008	2009	2010
\$11,323,356	\$11,085,096	\$ 11,592,916	\$ 12,455,204
1,782,823	1,881,815	2,078,745	1,949,860
1,837	1,173	-	-
256,839	222,898	401,083	615,611
818,693	1,028,579	930,722	1,053,650
1,302,590	1,432,129	1,431,265	1,563,829
14,304	51,828	22,942	22,390
1,756,814	1,922,777	1,906,408	1,979,015
525,050	668,717	717,195	735,029
2,628,197	2,828,484	2,428,993	1,920,431
2,192,810	2,097,136	1,988,556	1,892,347
10,058	33,898	22,946	9,145
927,764	1,013,382	1,033,437	1,069,713
1,075,040	904,121	945,408	827,471
212,301	192,002	206,985	184,892
965,394	928,810	927,424	909,985
<u>25,793,870</u>	<u>26,292,845</u>	<u>26,635,025</u>	<u>27,188,572</u>
\$309,079	\$183,828	\$ 193,468	\$ 192,433
-	-	-	-
769,131	779,561	775,235	762,161
455,068	574,182	582,507	674,517
86,065	84,107	95,500	135,902
97,997	110,298	260,893	498,922
-	-	-	20,387
6,542	6,405	55,984	78,234
706,481	695,655	481,030	610,235
20,003	7,169	41,709	631,875
-	-	2,285	300,727
37,088	12,000	12,000	9,145
135,828	152,680	171,439	139,801
216,056	236,914	274,375	342,180
-	-	-	-
<u>2,839,338</u>	<u>2,842,799</u>	<u>2,946,425</u>	<u>4,396,519</u>
<u>(\$22,954,532)</u>	<u>(\$23,450,046)</u>	<u>\$ (23,688,600)</u>	<u>\$ (22,792,053)</u>
\$6,393,115	\$6,457,283	\$ 6,776,876	\$ 6,545,535
1,738,698	1,757,071	1,740,275	1,527,360
112,081	214,656	232,892	211,255
2,921,039	2,814,600	2,900,690	2,438,661
12,172,806	12,324,708	12,645,945	11,900,756
-	-	24,030,706	896
281,311	277,259	121,136	34,280
199,001	248,895	368,298	341,362
<u>23,818,051</u>	<u>24,094,472</u>	<u>48,816,818</u>	<u>23,000,105</u>
<u>\$863,519</u>	<u>\$644,426</u>	<u>\$ 25,128,218</u>	<u>\$ 208,052</u>

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

	2001	2002	2003	2004	2005
General Fund					
Reserved	\$2,149,715	\$964,189	\$735,413	\$831,368	\$1,045,944
Unreserved	2,159,325	2,342,749	2,066,171	343,880	444,271
Total General Fund	4,309,040	3,306,938	2,801,584	1,175,248	1,490,215
All Other Governmental Funds					
Reserved	99,754	40,255	2,411,660	16,790,817	1,902,173
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	125,655	125,775	184,153	117,796	149,684
Debt Service Funds	0	0	514,201	495,935	568,262
Capital Projects Funds	0	0	21,725,167	(13,322)	70,796
Total All Other Governmental Funds	225,409	166,030	24,835,181	17,391,226	2,690,915
Total Governmental Funds	\$4,534,449	\$3,472,968	\$27,636,765	\$18,566,474	\$4,181,130



2006	2007	2008	2009	2010
\$1,060,106	\$795,274	\$1,041,917	\$875,229	\$ 1,154,703
907,321	1,493,602	1,413,686	2,211,236	1,355,457
1,967,427	2,288,876	2,455,603	3,086,465	2,510,160
359,031	73,164	98,581	319,724	6,901,997
171,853	199,540	245,360	347,028	509,324
722,723	975,428	1,199,350	1,714,809	1,970,696
5,439	119,151	347,879	1,552,270	2,154,280
1,259,046	1,367,283	1,891,170	3,933,831	11,536,297
\$3,226,473	\$3,656,159	\$4,346,773	\$7,020,296	\$ 14,046,457

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

	2001	2002	2003	2004	2005
Revenues					
Income Taxes	\$0	\$0	\$0	\$0	\$0
Property and Other Local Taxes	6,037,633	4,944,394	6,035,378	7,434,249	7,715,893
Intergovernmental	9,011,143	9,660,729	10,251,797	10,678,042	11,981,021
Interest	303,562	121,901	391,607	145,602	267,450
Tuition and Fees	10,964	15,240	6,787	14,582	24,689
Extracurricular Activities	0	0	0	0	482,901
Charges for Services	0	0	635,961	660,983	815,683
Miscellaneous	446,045	346,548	861,822	618,042	189,704
<i>Total Revenues</i>	<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>
Expenditures					
Current:					
Instruction:					
Regular	7,561,229	8,119,670	8,525,675	9,172,667	8,944,567
Special	1,012,529	1,100,745	1,184,654	1,427,586	1,386,340
Vocational/Other	217,725	215,863	241,853	369,905	255,637
Support Services:					
Pupil	530,581	615,220	602,431	715,688	778,124
Instructional Staff	649,209	808,468	822,481	848,899	817,505
Board of Education	20,504	17,966	23,077	14,942	14,896
Administration	1,329,262	1,702,474	1,580,671	1,536,924	1,677,051
Fiscal	360,862	398,545	426,270	473,391	502,712
Operation and Maintenance of Plant	932,418	1,023,005	1,044,205	1,181,408	1,360,566
Pupil Transportation	1,148,335	1,273,387	1,423,347	1,490,487	1,352,560
Central	0	0	14,610	12,000	12,000
Operation of Non-Instructional Services	140,302	199,323	224,832	257,835	253,049
Operation of Food Services	0	0	745,936	691,976	819,760
Extracurricular Activities	518,834	507,055	702,341	870,749	664,400
Capital Outlay (1)	510,637	169,603	862,707	8,942,226	15,997,523
Debt Service:					
Principal Retirement	45,000	40,000	24,943,904	692,000	814,000
Interest and Fiscal Charges	5,471	3,315	227,689	1,174,108	1,010,546
<i>Total Expenditures</i>	<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>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>826,449</u>	<u>(1,105,827)</u>	<u>(25,413,331)</u>	<u>(10,321,291)</u>	<u>(15,183,895)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	3,415	280	-	-	-
Refund of Prior Year Expenditures	44,711	47,000	-	-	-
Refund of Prior Year Receipts	-	-	-	-	-
General Obligation Bonds Issued	-	-	24,537,173	-	-
Proceeds from Refunding Bonds Issued	-	-	-	-	-
Proceeds from Premium on Bonds Issued	-	-	-	-	-
Payment to Escrow Agent	-	-	-	-	-
Proceeds from Sale of Notes	-	-	24,918,904	-	-
Inception of Capital Lease	-	-	-	1,251,000	-
Other Uses	-	-	-	-	-
Transfers In	5,093	3,503	6,578	-	-
Transfers Out	(5,093)	(3,503)	(6,578)	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>48,126</u>	<u>47,280</u>	<u>49,456,077</u>	<u>1,251,000</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	<u>\$874,575</u>	<u>(\$1,058,547)</u>	<u>\$24,042,746</u>	<u>(\$9,070,291)</u>	<u>(\$15,183,895)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.3%	0.3%	143.3%	9.8%	9.7%

(1) Capital outlay reflects what the District codes as capital outlay and not what is only capitalized.

2006	2007	2008	2009	2010
\$490,254	\$ 2,589,139	\$ 2,861,441	\$ 2,917,782	\$ 2,375,539
7,910,405	8,238,574	8,200,063	8,669,179	8,290,021
13,308,769	13,495,938	13,620,674	15,911,324	23,544,169
199,955	265,026	278,655	128,325	39,631
44,662	65,501	47,343	91,898	98,350
449,059	455,368	574,482	582,507	674,517
843,410	878,028	889,701	876,546	856,244
490,180	333,382	305,207	354,711	344,599
23,736,694	26,320,956	26,777,566	29,532,272	36,223,070
9,339,630	10,972,805	10,938,234	11,093,744	11,371,731
1,538,621	1,764,474	1,828,241	2,044,809	2,000,992
285,497	258,676	224,071	401,083	613,747
821,071	814,796	993,799	923,006	1,070,762
1,175,382	1,293,856	1,420,677	1,426,226	1,561,106
21,658	14,304	27,103	19,757	22,390
1,750,074	1,718,729	1,879,562	1,903,872	1,954,414
511,533	515,893	642,145	701,065	715,941
1,722,497	1,903,710	1,931,543	1,926,178	1,873,019
1,762,849	1,894,220	1,808,953	1,691,627	2,123,796
12,000	-	32,014	16,462	12,157
197,473	185,510	147,978	200,297	634,922
903,770	926,394	1,007,494	1,029,973	1,069,149
798,082	905,316	760,067	788,596	335,198
2,067,162	931,748	890,594	1,037,976	2,150,955
790,000	836,000	1,005,492	765,929	823,767
994,052	954,839	896,377	888,149	862,863
24,691,351	25,891,270	26,434,344	26,858,749	29,196,909
(954,657)	429,686	343,222	2,673,523	7,026,161
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	9,415,000	-	-	-
-	581,988	-	-	-
-	(9,839,167)	-	-	-
-	-	-	-	-
-	-	347,392	-	-
-	(157,821)	-	-	-
-	-	-	11,365	-
-	-	-	(11,365)	-
-	-	347,392	-	-
(954,657)	\$429,686	\$690,614	\$2,673,523	\$7,026,161

8.6% 7.7% 8.0% 6.8% 6.2%

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
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
2007	299,750,260	16,326,670	903,076,943	8,596,020	9,768,205
2008	306,635,710	16,878,350	924,325,886	7,823,600	8,890,455
2009	338,662,470	20,256,840	1,025,483,743	8,071,100	9,171,705
2010	327,048,680	20,007,460	991,588,971	8,526,190	9,688,852

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	Weighted Average Tax Rate
\$ 8,738,086	\$ 34,952,344	\$ 232,430,356	\$ 653,397,420	35.57%
9,238,487	36,953,948	235,066,867	667,088,877	35.24%
9,136,105	36,544,420	262,329,305	745,053,559	35.21%
9,592,910	38,371,640	294,241,299	836,193,118	35.19%
8,926,189	35,704,756	281,201,529	797,518,857	35.26%
8,156,222	32,624,888	318,592,712	904,930,824	35.21%
6,044,715	32,238,480	330,717,665	945,083,627	34.99%
4,920,678	26,243,616	336,258,338	959,459,956	35.05%
4,919,087	26,253,131	371,909,497	1,060,908,578	35.06%
-	-	355,582,330	1,001,277,823	35.51%

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

	2000	2001	2002	2003	2004
Unvoted Millage					
Operating	5.36	5.36	5.36	5.36	5.36
Voted Millage - by levy					
1976 Operating - continuing					
Residential/Agricultural Real	6.25	6.20	6.18	5.58	5.56
Commercial/Industrial and Public Utility Real	7.14	7.13	7.15	6.37	6.39
General Business and Public Utility Personal	19.52	19.52	19.52	19.52	19.52
1981 Operating - continuing					
Residential/Agricultural Real	3.25	3.22	3.21	2.90	2.89
Commercial/Industrial and Public Utility Real	3.71	3.70	3.71	3.31	3.32
General Business and Public Utility Personal	6.90	6.90	6.90	6.90	6.90
1987 Operating - continuing					
Residential/Agricultural Real	2.37	2.35	2.34	2.11	2.10
Commercial/Industrial and Public Utility Real	2.77	2.76	2.77	2.47	2.47
General Business and Public Utility Personal	3.90	3.90	3.90	3.90	3.90
1990 Operating - continuing					
Residential/Agricultural Real	2.03	2.01	2.00	1.81	1.80
Commercial/Industrial and Public Utility Real	2.48	2.47	2.48	2.21	2.22
General Business and Public Utility Personal	3.30	3.30	3.30	3.30	3.30
1995 Operating - continuing					
Residential/Agricultural Real	1.48	1.47	1.47	1.32	1.32
Commercial/Industrial and Public Utility Real	1.62	1.62	1.63	1.45	1.45
General Business and Public Utility Personal	2.00	2.00	2.00	2.00	2.00
1999 Operating - continuing					
Residential/Agricultural Real	4.04	4.01	4.00	3.61	3.60
Commercial/Industrial and Public Utility Real	4.15	4.14	4.16	3.70	3.71
General Business and Public Utility Personal	4.75	4.75	4.75	4.75	4.75
General Emergency	0.00	0.00	0.00	0.00	0.00
2002 Bond Levy (High School)	0.00	0.00	0.00	6.25	6.25
Total voted millage by type of property					
Residential/Agricultural Real	19.42	19.26	19.20	23.58	23.52
Commercial/Industrial and Public Utility Real	21.87	21.82	21.90	25.76	25.81
General Business and Public Utility Personal	40.37	40.37	40.37	46.62	46.62
Overlapping Rates by Taxing District					
Township					
Residential/Agricultural Real	4.92	4.89	6.43	6.11	6.08
Commercial/Industrial and Public Utility Real	5.06	5.06	6.50	6.19	6.21
General Business and Public Utility Personal	5.72	5.72	6.72	6.72	6.72
County					
Residential/Agricultural Real	5.84	6.63	7.01	6.40	7.33
Commercial/Industrial and Public Utility Real	6.36	7.12	7.51	7.10	7.88
General Business and Public Utility Personal	8.45	8.45	8.75	8.75	8.74
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

2005	2006	2007	2008	2009
5.36	5.36	5.36	5.36	4.66
5.49	4.95	7.35	5.28	5.50
6.38	6.04	8.24	5.24	5.40
19.52	19.52	19.52	19.52	19.52
2.90	2.57	3.82	2.57	2.68
3.31	3.13	4.28	2.72	2.80
6.90	6.90	6.90	6.90	6.90
2.08	1.87	2.79	1.82	1.89
2.47	2.34	3.19	2.03	2.09
3.90	3.90	3.90	3.90	3.90
1.78	1.60	2.38	1.55	1.61
2.21	2.09	2.86	1.82	1.23
3.30	3.30	3.30	3.30	2.00
1.30	1.17	1.74	1.11	3.13
1.45	1.37	1.88	1.19	3.14
2.00	2.00	2.00	2.00	4.75
3.55	3.20	0.00	3.00	3.13
3.70	3.51	0.00	3.04	3.14
4.75	4.75	0.00	4.75	4.75
0.00	0.00	4.75	0.00	0.00
6.25	6.00	0.00	5.48	4.30
23.35	21.36	18.08	26.18	25.65
25.77	24.48	20.45	26.88	26.18
46.62	46.37	40.37	51.21	50.03
6.34	6.00	5.33	6.20	6.31
6.48	6.23	5.46	6.02	6.12
6.72	6.72	5.72	6.72	6.72
7.94	8.40	6.28	8.55	8.88
8.38	9.00	6.75	8.65	8.97
8.74	9.44	8.45	9.75	9.74
1.93	1.93	1.93	1.93	1.93

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

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy (3)
2000	\$ 5,978,841	\$ 5,593,400	93.55%	\$ 112,471	\$ 5,705,871	95.43%
2001	5,994,187	5,629,321	93.91%	166,376	5,795,697	96.69%
2002	5,768,382	5,722,821	99.21%	155,314	5,878,135	101.90%
2003	6,262,051	6,195,706	98.94%	125,756	6,321,462	100.95%
2004	7,928,997	7,511,048	94.73%	307,057	7,818,105	98.60%
2005	8,519,603	8,084,647	94.89%	360,419	8,445,066	99.13%
2006	8,263,259	7,870,754	95.25%	285,468	8,156,222	98.70%
2007	9,249,118	8,690,381	93.96%	339,034	9,029,415	97.62%
2008	9,282,983	8,720,409	93.94%	436,319	9,156,728	98.64%
2009	9,825,245	9,488,255	96.57%	303,778	9,792,033	99.66%

Source: Butler County Auditor

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2009 information cannot be presented because all collections have not been made by June 30, 2009.
- (3) Total collections for certain years may exceed 100% of the current tax levy due to the collection of delinquent taxes from prior years. The County does not identify delinquent tax collections by tax year.

Ross Local School District, Ohio

Principal Taxpayers

Real Estate Tax

2008 and 2003 (1)

Name of Taxpayer	2009	
	Assessed Value	Percent of Real Property Assessed Value
Tributaries Land Company	\$2,094,670	0.59%
Tonya Engel	1,236,570	0.35%
Ross Trails	755,760	0.21%
American Aggregates Corp.	720,820	0.20%
Alice M. Finke	656,750	0.18%
Welch Real Estate Holdings, LLC	611,620	0.17%
Skyview Acres LLC	573,790	0.16%
Skyview Storage	551,090	0.16%
Welch Holdings, Inc	516,560	0.15%
Ronald Watson	450,940	0.13%
Totals	<u>\$8,168,570</u>	<u>2.30%</u>
Total Assessed Valuation	<u>\$355,528,330</u>	

Name of Taxpayer	2003	
	Assessed Value	Percent of Real Property Assessed Value
Watson, Ronald	\$1,379,530	0.56%
Broshear Contractors	1,111,080	0.45%
Watson Gravel	1,006,450	0.41%
Texas Eastern	737,920	0.30%
Welch Sand & Gravel	730,840	0.30%
Cornelius, Daniel	637,930	0.26%
Burwinkel, Joseph	539,540	0.22%
Totals	<u>\$6,143,290</u>	<u>2.51%</u>
Total Assessed Valuation	<u>\$244,534,330</u>	

(1) The amounts presented represent the assessed values upon which 2010 and 2004 collections were based. The earliest data available was 2003.

Source: Office of the Butler County Auditor.

Ross Local School District, Ohio

Principal Taxpayers

Public Utilities Tax

2009 and 2003 (1)

Name of Taxpayer	2009	
	Assessed Value	Percent of Public Utility Assessed Value
Duke Energy	\$3,549,410	41.63%
Butler Rural Electric	3,087,370	36.21%
Texas Eastern Transmission	796,930	9.35%
Dayton Power and Light	495,560	5.81%
Total	<u>\$7,929,270</u>	<u>93.00%</u>
Total Assessed Valuation	<u>\$8,526,190</u>	

Name of Taxpayer	2003	
	Assessed Value	Percent of Public Utility Assessed Value
Cincinnati Gas & Electric	\$2,755,640	31.82%
Cincinnati Bell Inc.	2,137,380	24.68%
Butler Rural Electric	<u>1,723,320</u>	<u>19.90%</u>
Total	<u>\$6,616,340</u>	<u>76.41%</u>
Total Assessed Valuation	<u>\$8,658,870</u>	

(1) The amounts presented represent the assessed values upon which 2010 and 2004 collections were based. The earliest information available was 2003.

Source: Office of the Butler County Auditor

Ross Local School District, Ohio
Ratio of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Capital Leases	Percentage of Personal Income	Per Capita	Debt to Estimated Actual Value of Taxable Property
2001	\$ 85,000	\$ -	33.99%	0.26	0.01%
2002	45,000	-	65.08%	0.14	0.01%
2003	24,920,000	169,000	0.12%	75.39	3.34%
2004	24,300,000	1,348,000	0.12%	77.07	2.91%
2005	23,600,000	1,234,000	0.13%	74.62	2.96%
2006	22,865,000	1,179,000	0.13%	67.73	2.53%
2007	22,700,000	1,123,000	0.14%	67.11	2.40%
2008	21,835,000	1,329,900	0.15%	64.84	2.28%
2009	21,210,000	1,188,971	0.16%	62.09	2.00%
2010	20,535,000	1,040,204	0.16%	59.41	2.05%

Ross Local School District, Ohio
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2010*

	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	\$57,022,131	5.01%	\$2,856,809
Payable from Other Sources:			
Butler County Special Assessment Bonds	11,658,332	5.01%	584,082
Butler County Sales Tax Bonds	22,909,924	5.01%	1,147,787
Butler County Capital Leases	<u>2,704,140</u>	5.01%	<u>135,477</u>
Total Overlapping Debt	94,294,527	5.01%	4,724,156
Direct Debt	<u>20,535,000</u>	100.00%	<u>21,220,000</u>
Total Direct and Overlapping Debt	<u>\$114,829,527</u>		<u>\$25,944,156</u>

Source: Butler County Comprehensive Annual Financial Report

- (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 2010 collection year.

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

	2001	2002	2003	2004
Tax Valuation	<u>\$232,430,356</u>	<u>\$235,066,897</u>	<u>\$262,329,305</u>	<u>\$294,241,299</u>
Debt Limit - 9% of Taxable Valuation (1)	<u>\$20,918,732</u>	<u>\$21,156,021</u>	<u>\$23,609,637</u>	<u>\$26,481,717</u>
Amount of Debt Applicable to Debt Limit				
General Obligation Bonds	85,000	45,000	24,920,000	24,300,000
Less Amount Available in Debt Service	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Amount of Debt Subject to Limit	<u>85,000</u>	<u>45,000</u>	<u>24,920,000</u>	<u>24,300,000</u>
Legal Debt Margin	<u>\$20,833,732</u>	<u>\$21,111,021</u>	<u>(\$1,310,363)</u>	<u>\$2,181,717</u>
Legal Debt Margin as a Percentage of the Debt Limit	99.59%	99.79%	-5.55%	8.24%
Unvoted Debt Limit - .10% of Taxable Valuation (1)	\$232,430	\$235,067	\$262,329	\$294,241
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$232,430</u>	<u>\$235,067</u>	<u>\$262,329</u>	<u>\$294,241</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.

2005	2006	2007	2008	2009	2010
\$281,201,529	\$318,592,712	\$ 330,717,665	\$ 336,258,338	\$ 371,909,497	\$ 355,582,330
\$25,308,138	\$28,673,344	\$29,764,590	\$30,263,250	\$33,471,855	\$32,002,410
23,600,000	22,865,000	22,097,868	21,261,397	20,671,554	20,039,878
23,600,000	22,865,000	22,097,868	21,261,397	20,671,554	20,039,878
\$1,708,138	\$5,808,344	\$7,666,722	\$9,001,853	\$12,800,301	\$11,962,532
6.75%	20.26%	25.76%	29.75%	38.24%	37.38%
\$281,202	\$318,593	\$330,718	\$336,258	\$371,909	\$355,582
0	0	0	0	0	0
\$281,202	\$318,593	\$330,718	\$336,258	\$371,909	\$355,582
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	Per Capita Personal Income (2)	Unemployment Rate (3)
2001	332,807	\$ 9,614,128,616	\$ 28,888	3.30%
2002	332,807	9,746,585,802	29,286	4.40%
2003	332,807	9,988,869,298	30,014	4.40%
2004	332,807	10,221,501,391	30,713	3.80%
2005	332,807	10,537,335,234	31,662	4.90%
2006	354,992	11,464,466,640	32,295	4.40%
2007	354,992	11,693,791,472	32,941	5.00%
2008	357,276	12,004,473,600	33,600	8.50%
2009	360,765	12,581,318,610	34,874	9.50%
2010	363,184	12,918,818,064	35,571	9.10%

Sources: 1) United States Census Bureau. Provided by County only
2) US Dept. of Commerce, Bureau of Economic Analysis.
Information was available through 2005.
Estimated increase of 2% for 2006 and 2010.
3) Ohio Dept. of Job and Family Services. Butler County Unemployment rate

Ross Local School District, Ohio

Principal Employers

Current Year and Nine Years Ago

		2009		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	4,250	1	2.36%
Butler County	Government	4,184	2	2.32%
AK Steel	Steel Manufacturing	3,100	3	1.72%
Cincinnati Financial Group	Financial	2,900	4	1.61%
Lakota Board of Educaiton	Government	1,969	5	1.09%
Middletown Regional Health	Health Care	1,800	6	1.00%
BEA Systems	Health Care	1,726	7	0.96%
GE Aviation	Manufacturing	1,400	8	0.78%
Ohio Casualty Insurance Co.	Insurance	1,340	9	0.74%
Ft. Hamilton Memorial Hospital	Health Care	1,250	10	0.69%
Total		<u>23,919</u>		<u>13.28%</u>
Total Employment within the County		<u>180,100</u>		
		2000		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
AK Steel	Steel Manufacturing	4,500	1	2.49%
Miami University	Education	3,600	2	1.99%
Butler County	Government	2,500	3	1.38%
Cincinnati Financial Group	Financial	1,800	4	1.00%
Lakota Board of Educaiton	Education	1,600	5	0.88%
The Cincinnati Insurance Co.	Insurance	1,400	6	0.77%
Ohio Casualty Insurance Co.	Insurance	1,400	7	0.77%
Middletown Regional Hospital	Health Care	1,369	8	0.76%
Ft. Hamilton Memorial Hospital	Health Care	1,100	9	0.61%
Hamilton City School District	Education	<u>1,100</u>	10	<u>0.61%</u>
Total		<u>20,369</u>		<u>11.26%</u>
Total Employment within the County		<u>180,900</u>		

Source: Butler County

Ross Local School District, Ohio
School District Employees by Function/Program
Last Seven Fiscal Years (1)

Function/Program	2004	2005	2006	2007	2008	2009	2010
Regular Instruction							
Elementary Classroom Teachers	50.00	51.00	51.00	50.00	48.00	53.00	52.50
Middle School Classroom Teachers	37.00	37.00	37.00	39.50	39.50	37.50	37.00
High School Classroom Teachers	48.00	48.00	50.00	51.00	51.00	42.00	43.00
Special Instruction							
Elementary Classroom Teachers	7.00	8.00	9.00	11.00	13.00	5.00	4.00
Gifted Education Teachers	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Middle School Classroom Teachers	6.00	6.00	6.00	6.00	7.00	7.00	6.00
High School Classroom Teachers	4.00	5.00	5.00	5.25	6.50	8.00	7.00
Vocational Instruction							
High School Classroom Teachers	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Pupil Support Services							
Guidance Counselors	6.00	6.00	6.00	6.00	6.00	7.00	7.00
Librarians	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Psychologists	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.00	2.50	3.00
Nurse	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrators							
Elementary	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	2.00	2.00	2.00	2.00
High School	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Operation of Plant							
Custodians	12.00	13.00	14.00	14.00	14.00	14.00	12.00
Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Transportation							
Bus Drivers	31.00	32.00	33.00	33.00	30.00	29.00	25.00
Bus Aides	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Van Drivers	0.00	1.00	1.00	1.00	1.00	1.00	1.50
Food Service Program							
Elementary Cooks	5.00	6.00	6.00	6.00	5.50	5.50	6.00
Middle School Cooks	5.00	6.00	6.00	6.00	5.50	5.50	5.50
High School Cooks	7.00	7.00	7.00	7.00	6.50	6.50	6.50

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

(1) Information prior to 2004 is not available.

Source: School district records

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

Fiscal Year	Minimum Salary (1)	Maximum Salary (2)	Average Salary Comparable Districts (3)	Statewide Average Salary (4)
2001	\$ 25,244	\$ 54,628	\$ 40,743	\$ 42,995
2002	26,380	57,086	41,992	43,755
2003	27,435	59,369	43,137	45,645
2004	28,532	61,743	45,045	47,659
2005	28,532	61,743	46,963	49,438
2006	29,531	63,905	47,449	50,772
2007	30,860	66,781	48,835	53,536
2008	31,817	68,851	50,225	53,410
2009	32,772	70,918	51,191	54,656
2010	33,722	72,975	54,092	55,958

: School District records

- (1) Starting teacher with no experience.
- (2) Teacher with a Masters degree and more than 30 year's experience.
- (3) Provided by the State Department of Education. Includes Sample1, Sample 2 and Sample3 City School Districts.
- (4) Provided by the State Department of Education.

Ross Local School District, Ohio

Operating Statistics

Last Eight Fiscal Years (1)

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
2007	21,259,435	2,922	7,276	13.65%	166	17.6
2008	21,642,823	2,903	7,455	2.47%	168	17.3
2009	23,038,836	2,763	8,338	11.84%	157	17.6
2010	24,086,992	2,847	8,460	1.46%	155	18.4

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

Information prior to 2003 was not available.

Ross Local School District, Ohio

Building Statistics

Last Nine Fiscal Years (1)

	2002	2003	2004	2005	2006	2007	2008	2009	2010
MORGAN ELEMENTARY									
Constructed in 1982									
Total Building Square Footage	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050
Enrollment Grades PK-5	442	435	451	439	487	488	461	386	394
Student Capacity	500	500	500	500	500	500	500	500	500
Regular Instruction Classrooms	25	25	24	23	22	21	20	22	22
Regular Instruction Teachers	25	25	24	23	22	22	20	22	22
Special Instruction Classrooms	1	1	2	3	4	4	6	2	2
Special Instruction Teachers	2	2	3	4	5	5	6	2	2
ELDA ELEMENTARY									
Constructed in 1962									
Total Building Square Footage	42,858	42,858	42,858	57,358	57,358	57,358	57,358	57,358	57,358
Enrollment Grades K-4	516	527	550	616	673	663	643	605	597
Student Capacity	500	500	500	575	575	575	575	575	575
Regular Instruction Classrooms	26	26	26	28	29	28	28	30	25
Regular Instruction Teachers	26	26	26	28	29	28	28	31	25
Special Instruction Classrooms	3	3	3	3	3	5	5	2	2
Special Instruction Teachers	4	4	4	4	4	7	7	3	3
ROSS MIDDLE SCHOOL									
Constructed in 1969									
Total Building Square Footage*	79,363	79,363	79,363	79,363	101,279	101,279	101,279	101,279	101,279
Enrollment Grades 5-8	737	730	783	783	815	825	808	818	855
Student Capacity	800	800	800	800	750	750	750	750	750
Regular Instruction Classrooms	37	37	37	37	37	37	38	39	39
Regular Instruction Teachers	37	37	37	37	37	39.5	39.5	39.5	39.5
Special Instruction Classrooms	4	4	4	4	5	5	5	6	6
Special Instruction Teachers	5	6	6	6	6	6	8	7	7
ROSS HIGH SCHOOL									
Constructed in 2005									
Total Building Square Footage**	101,279	101,279	101,279	101,279	180,080	180,080	180,080	180,080	180,080
Enrollment Grades 9-12	817	852	887	932	971	946	991	954	1,002
Student Capacity	750	750	750	750	920	920	920	920	920
Regular Instruction Classrooms	40	40	40	40	49	49	49	46	40
Regular Instruction Teachers	48	48	48	48	50	51	51	40	45
Special Instruction Classrooms	2	2	2	2	4	5	5	5	5
Special Instruction Teachers	3	4	4	5	5	6.25	6	6	7

* RMS moved into its' current building in FY2006

**RHS moved into its' current building in FY2006

Source: School District records.

(1) Information prior to 2003 was not available.

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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
JANUARY 4, 2011**