



Dave Yost • Auditor of State



ROSS LOCAL SCHOOL DISTRICT  
BUTLER COUNTY

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**ROSS LOCAL SCHOOL DISTRICT  
BUTLER COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2012**

Federal Grantor/ Pass Through Grantor Program Title	Grant Year	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
Non-Cash Assistance (Food Distribution): National School Lunch Program	2012	10.555		\$51,719		\$51,719
Cash Assistance: National School Breakfast Program	2012	10.553	\$23,549		\$23,549	
National School Lunch Program	2012	10.555	294,640		294,640	
Total Child Nutrition Cluster			318,189	51,719	318,189	51,719
Total U.S. Department of Agriculture			318,189	51,719	318,189	51,719
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education - Grants to States	2012	84.027	504,223		506,163	
	2011	84.027	81,992		76,795	
Special Education - Grants to States (Parent Mentoring)	2012	84.027	19,309		19,309	
	2011	84.027	7,451		7,135	
ARRA - Special Education - Grants to States	2011	84.391	201,934		202,788	
Total Special Education Grants to States			814,909		812,190	
Special Education - Preschool Grants	2012	84.173	1,761		1,761	
ARRA - Special Education - Preschool Grants	2011	84.392	13,031		13,031	
Total Special Education - Preschool Grants			14,792		14,792	
Total Special Education Cluster			829,701		826,982	
Title I Grants to Local Educational Agencies	2012	84.010	237,580		241,028	
	2011	84.010	602		3,257	
ARRA - Title I Grants to Local Educational Agencies	2011	84.389	17,755		1,815	
Total Title I Grants to Local Educational Agencies			255,937		246,100	
Education Technology State Grants	2012	84.318	540		666	
Improving Teacher Quality State Grants	2012	84.367	77,023		77,023	
	2011	84.367	5,184		3,784	
Total Improving Teacher Quality State Grants			82,207		80,807	
ARRA - State Fiscal Stabilization Fund (SFSF) - Education	2011	84.394	-		15,458	
Education Jobs	2012	84.410	549,271		587,800	
ARRA - Race to the Top	2012	84.395	39,486		39,486	
	2011	84.395	273		273	
ARRA - Race to the Top - FAMS	2012	84.395	42,541		47,906	
ARRA - Race to the Top - Resident Educator	2012	84.395	1,750		1,750	
Total ARRA - Race to the Top			84,050		89,415	
Total U.S. Department of Education			1,801,706	-	1,847,228	-
<b>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</b>						
<i>Passed Through the State Library of Ohio</i>						
Library Services and Technology Grant	2012	45.310	71,808		74,427	
Total State Library of Ohio			71,808		74,427	
<b>TOTAL FEDERAL ASSISTANCE</b>			<b>\$2,191,703</b>	<b>\$51,719</b>	<b>\$2,239,844</b>	<b>\$51,719</b>

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

**ROSS LOCAL SCHOOLS  
BUTLER COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2012**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The Schedule of Federal Awards Receipts and Expenditures is a summary of the activity of the School District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - FOOD DISTRIBUTION**

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

**NOTE C - CHILD NUTRITION CLUSTER**

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.



# Dave Yost • 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 Road  
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 Ross Local School District, Butler County, Ohio (the District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 17, 2012. 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 intend this report solely for the information and use of management, the audit committee, Board of Education, and 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 "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State

December 17, 2012





# Dave Yost • 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 Road  
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 the Ross Local School District's major federal programs for the year ended June 30, 2012. 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 opine on the District's compliance based on our audit.

Our compliance audit followed 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*. These 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 these 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 these 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, 2012.

### 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.

*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.

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

#### **Federal Awards Receipts and Expenditures Schedule**

We have also audited and issued our unqualified opinion on 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, 2012, and have issued our report thereon dated December 17, 2012. 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.

We intend this report solely for the information and use of the audit committee, 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.



**Dave Yost**  
Auditor of State

December 17, 2012

**ROSS LOCAL SCHOOL DISTRICT  
BUTLER COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2012**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	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 CFDA #84.392: ARRA – Special Education-Preschool Grants  CFDA #84.410: Education Jobs
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	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**

None.

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

Comprehensive  
Annual  
Financial  
Report

For the Fiscal Year Ended  
June 30, 2012

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**COMPREHENSIVE ANNUAL FINANCIAL  
REPORT**

of the

**ROSS LOCAL SCHOOL DISTRICT,**

**BUTLER COUNTY, OHIO**

For the Fiscal Year Ended June 30, 2012

**BOARD OF EDUCATION**

Edward Bosse

David Brown

Glenda Holt

John McCandless

Steve Stitsinger

**SUPERINTENDENT OF SCHOOLS**

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 Fiscal Year Ended June 30, 2012

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# ROSS LOCAL SCHOOL DISTRICT, OHIO

## Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012

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**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2012**

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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

**ELDAE ELEMENTARY**

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

**MORGAN ELEMENTARY**

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

December 17, 2012

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Ross Local School District (School District) for the fiscal year ended June 30, 2012. This report contains financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the School District for the 2011-2012 fiscal year. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the School District's continuing commitment to provide financial information to the citizens of the Ross Local School District.

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

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

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

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

## **ECONOMIC CONDITION**

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

The School District's economy continues to experience challenges with recovery with unemployment above 6.5% and minimal growth in new home construction.

## **THE SCHOOL DISTRICT AND ITS FACILITIES**

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

The School District had 2,908 students enrolled in the two elementary schools, middle school, and high school. In addition to the schools listed, the School District maintained and operated a transportation facility, central office facility and several sport fields.

## **ORGANIZATION OF THE SCHOOL DISTRICT**

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

The Board members, their terms and years on the Board as of June 30, 2012 are:

<u>Board Member</u>	<u>Term</u>
Mr. David Brown	10/19/2006 – 12/31/2015
Mr. Steve Stitsinger	07/18/2006 – 12/31/2015
Mr. Edward Bosse	01/01/1982 – 12/31/2013
Ms. Glenda Holt	01/01/2006 – 12/31/2013
Mr. John McCandless	06/10/2009 – 12/31/2015

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



The Treasurer is the chief financial officer of the School District and is responsible for maintaining all financial records, issuing all payments, maintaining custody of all School District funds and assets, and investing idle funds as specified by Ohio law. 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 School District has 271 full and part-time employees. This number has decreased slightly as the School District works to trim costs through attrition. There is one organization representing the certificated employees. The School District's classified and administrative employees are not currently represented.

The Ross Education Association (REA), an affiliate of the Ohio Education Association (OEA), represents all certificated employees of the School District. On April 28, 2011 (effective June 1, 2011), the REA and the School District entered into a new two-year collective bargaining agreement on language, salary and fringe benefit issues, which expires on August 31, 2013.

## **SERVICES PROVIDED**

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

## **MAJOR INITIATIVES**

### **Academic Performance**

2011-2012 was another banner school year for our School 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 2011-2012:

#### School District Highlights

- Student attendance rate was 95.9%.
- Performance index score for the School District was 106.3.
- Met Adequate Yearly Progress (AYP).
- Value added score for the School District shows that our students made more than one year's worth of progress from the previous year.



### Ross High School Highlights

- ACT scores increased in every test area.
- Highest graduation rate in our history at 97.2%.
- Rated of Excellent for the tenth consecutive year.

### Ross Middle School Highlights

- Rated Excellent.
- Met Adequate Yearly Progress (AYP).
- Sixth grade scores in reading (96.8%) and math (97.7%) were the best among all Butler County school districts.
- Best score ever in seventh grade reading (92.8%). That score and our math score (94.6%) were the highest among all Butler County school districts.
- Achieved historic high scores in eighth grade science (89.6%) and math (96.4%). The math passage rate was first among all Butler County school districts.
- Fifth grade scored historic highs in reading (92.1%) and math (90.3%). They were the best among all Butler County school districts.

### Elda Elementary Highlights

- Rated Excellent with Distinction.
- Performance index score was 103.8 and met AYP.
- Above expected growth on the Value-Added Measure in both reading and math.

### Morgan Elementary Highlights

- Performance Index rating of 110.1 was the highest among all schools in Butler County
- Rated Excellent with Distinction by the State of Ohio for the 2011-2012 school year.
- Met AYP for 2011-2012 school year.

*Cincy* magazine named the Ross Local School District one of the top 15 school districts in an eight-county area. This is the fifth year in a row that we have earned this distinction.

### **Facilities**

Our School District completed the construction process for additions and renovations to Elda Elementary and Ross Middle School during the 2011-2012 fiscal year. This

was accomplished through the Ohio School Facilities Commission's Classroom Facilities Assistance Program. Both buildings qualified for the U.S. Green Building Council's LEED Silver Certification. Conversation and planning began with the OSFC regarding additions and renovations to Morgan Elementary School. The district put a preventative maintenance program in place.

## **FINANCIAL INFORMATION**

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

### **Internal Controls**

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

### **Single Audit Act**

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

As part of the School District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the School District has complied with applicable laws and regulations. The results of the School District's single audit for the fiscal year ended June 30, 2012 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.



## **Budgetary Controls**

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

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

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

## **Long-term Financial Planning**

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

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

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

## **OTHER INFORMATION**

### **GFOA Certificate of Achievement for Excellence in Financial Reporting**

The Government Finance Officers Association of United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ross Local School District for its comprehensive annual financial report for the fiscal year ended June 30, 2011. 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**

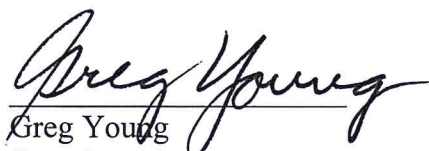
State statutes require an annual audit by independent accountants for the State Auditor's Office. The Auditor of State conducted the School District's 2012 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-133. The accountant's report on the basic financial statements and combining and individual fund statements is included in the financial section of this report.

### **Acknowledgements**

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

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

Sincerely,

  
Greg Young  
Superintendent

  
Christine Cook Poetter  
Treasurer

Ross Local School District  
Appointed Officials  
June 30, 2012

<b><u>Official</u></b>	<b><u>Title</u></b>
Mr. Greg Young	Superintendent
Mrs. Christine Cook Poetter	Treasurer
Mr. Ray Lyttle	Director, Special Ed and Personnel
Mrs. Kathy DiBlasi	Director, Curriculum
Mr. Ronald Mandery	Director, Transportation
Mrs. Deborah Christophel	Director, Food Services

Ross Local School District  
Consultant and Advisors  
As of June 30, 2012

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**Architect**

SHP Leading Design  
82 Williams Avenue  
Hamilton, Ohio 45015

**Bond Counsel**

Bricker & Eckler LLP  
100 South Third Street  
Columbus, OH 43215

**Investment Counselor**

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

**Underwriter**

RBC  
414 Walnut Street, Suite 300  
Cincinnati, Ohio 45202

**Health Insurance – 3<sup>rd</sup> Party Administrator**

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

**Bond Counsel**

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

**Independent Auditor**

Auditor of State of Ohio  
11117 Kenwood Road  
Blue Ash, Ohio 45242

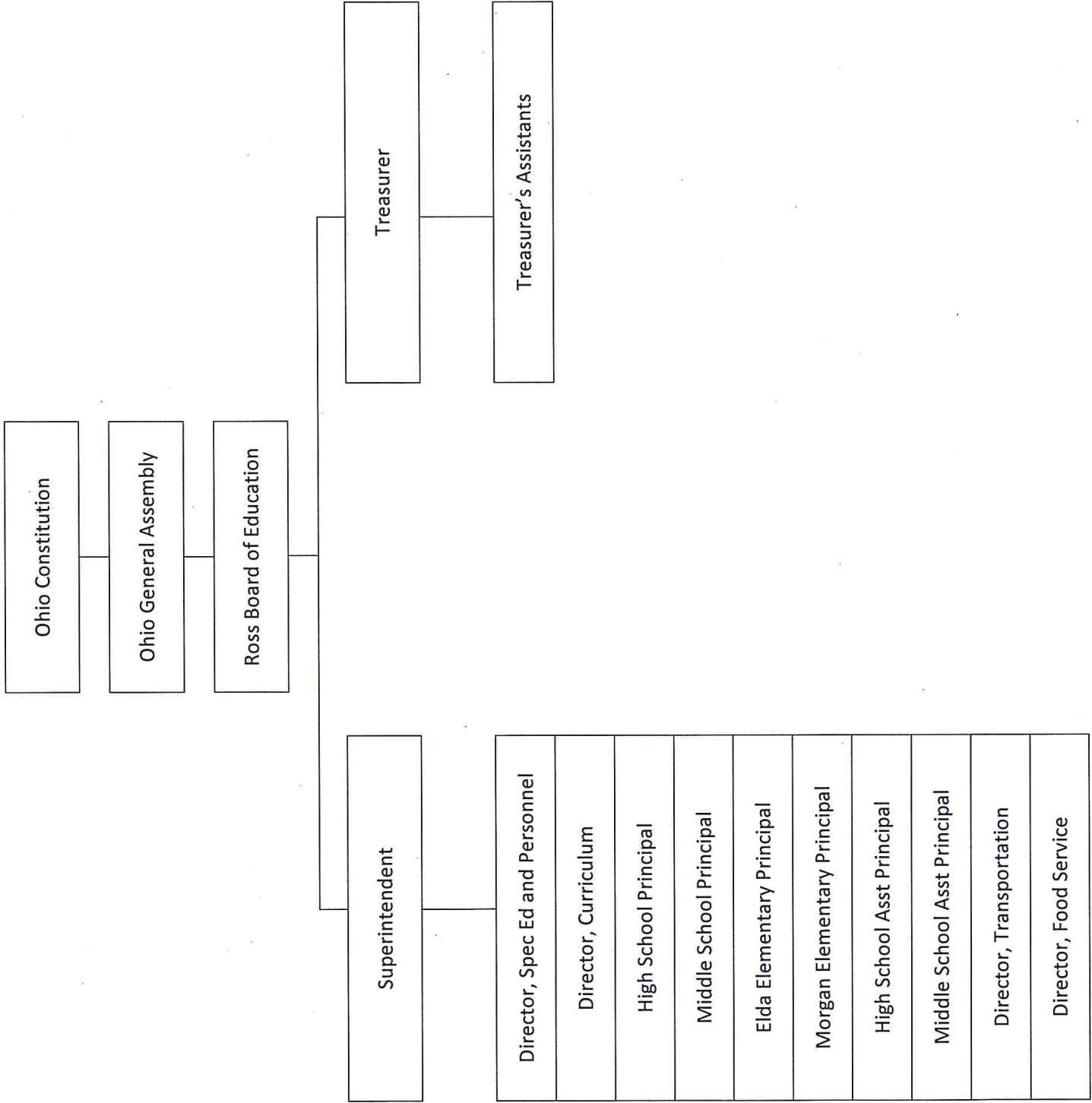
**Legal Counsel**

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

**Official Depositories**

Fifth Third Bank  
4005 Hamilton Cleves Road  
Hamilton, Ohio 45013





# 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, 2011

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



*Linda C. Danison*

President

*Jeffrey R. Emer*

Executive Director



## Financial Section

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Ross Local School District  
Butler County  
3371 Hamilton-Cleves Road  
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, 2012, 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, 2012, 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 17, 2012, 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 is 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.



**Dave Yost**  
Auditor of State

December 17, 2012

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2012**  
**Unaudited**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

This discussion and analysis provides key information from management highlighting the overall financial performance of the Ross Local School District for the year ended June 30, 2012. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the School District's financial statements.

**Financial Highlights**

Major financial highlights for fiscal year 2012 are listed below:

- ✓ The assets of the School District exceeded its liabilities at year-end by \$46.2 million. Of this amount, \$5.7 million may be used to meet the government's ongoing obligations to citizens and creditors.
- ✓ In total, net assets increased by \$2.4 million.
- ✓ The School District had \$26.1 million in expenses related to governmental activities; only \$3.6 million of these expenses were offset by program specific charges for services, grants or contributions. General revenue of \$24.9 million, made up primarily of property and income taxes and State Foundation payments were adequate to provide for these programs.
- ✓ The General Fund balance increased by \$2.0 million from \$3.0 million at June 30, 2011 to \$5.0 million at June 30, 2012.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

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

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

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
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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 School 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 School District's overall financial position at June 30, 2012 and 2011:

	<b>Governmental Activities 2012</b>	<b>Governmental Activities 2011</b>
	<u>2012</u>	<u>2011</u>
Current and other assets	\$ 30,001,653	29,955,409
Capital assets	50,948,887	49,914,123
Total assets	<u>80,950,540</u>	<u>79,869,532</u>
Long-term liabilities	20,305,018	21,416,588
Other liabilities	14,461,991	14,669,000
Total liabilities	<u>34,767,009</u>	<u>36,085,588</u>
Net assets:		
Invested in capital assets, net of debt	32,116,242	29,821,233
Restricted	8,398,780	11,081,744
Unrestricted	5,668,509	2,880,967
Total net assets	<u>\$ 46,183,531</u>	<u>43,783,944</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Management's Discussion and Analysis**  
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The largest portion of the School District's restricted net assets is for the investment in capital assets, less any related debt that is still outstanding that was used to acquire those assets. The School District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The balance of unrestricted net assets of \$5.7 million may be used to meet the government's ongoing obligations to citizens and creditors.

The other large portion of the School District's net assets is capital improvements. The School District was awarded State funds for capital improvements to existing school buildings during fiscal year 2009. These funds are restricted and for use on the close-out of specific improvement projects, with any residual funds likely returned back to the Ohio Facilities Commission.

Total assets increased by approximately \$1,081,000, or 1.4%. The largest increase occurred in taxes receivable due to the addition of the Rockies Express natural gas pipeline to property tax valuations.

Long-term liabilities have decreased as the School District pays its scheduled debt obligations.



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**B. Governmental Activities during fiscal year 2012**

The following table presents a condensed summary of the School District's activities during fiscal year 2012 and fiscal year 2011 and the resulting change in net assets:

	<b>Governmental Activities 2012</b>	<b>Governmental Activities 2011</b>
	<u>2012</u>	<u>2011</u>
<b>Revenues:</b>		
Program revenues:		
Charges for sales and services	\$ 1,623,512	\$ 1,570,536
Operating grants and contributions	1,982,339	2,951,027
Total program revenues	<u>3,605,851</u>	<u>4,521,563</u>
General revenues:		
Property and income taxes	13,100,457	11,652,836
Grants and entitlements	11,438,492	11,657,285
Investment earnings	25,120	26,859
Miscellaneous	289,961	403,797
Total general revenues	<u>24,854,030</u>	<u>23,740,777</u>
<b>Total Revenues</b>	<u>28,459,881</u>	<u>28,262,340</u>
<b>Expenses:</b>		
Instruction	14,793,397	15,226,838
Support Services:		
Pupil	868,746	1,049,738
Instructional staff	1,376,411	1,517,143
Board of education	21,793	20,266
Administration	1,960,499	1,859,702
Fiscal	665,521	746,212
Operation of maintenance and plant	1,954,719	2,119,800
Pupil transportation	1,585,983	1,831,602
Central	7,200	9,100
Non-instructional services	986,794	966,847
Interest on long-term debt	729,462	890,291
Food services	1,109,769	1,024,440
<b>Total expenses</b>	<u>26,060,294</u>	<u>27,261,979</u>
<b>Change in net assets</b>	2,399,587	1,000,361
Beginning net assets	43,783,944	42,783,583
Ending net assets	<u>\$ 46,183,531</u>	<u>\$ 43,783,944</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2012**  
**Unaudited**

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Of the total governmental activities revenues of \$28,459,881, 13% (\$3,605,851) 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, (53%) comes from property tax levies and income taxes and (46%) is from state funding. The School District's operations are reliant upon its property tax levy, income tax and the State's foundation program.

Total revenue increased by approximately \$198,000, or less than 1%. Grant revenue decreased due to one-time stimulus-funded grants being completed during FY2011. However, this decrease was offset by increases in taxes due to the Rockies Express natural gas pipeline. Total expenses decreased by approximately \$1.2 million, or 4%, due to the completion of the aforementioned stimulus-funded grants and staff reductions.

***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 14% of the cost of the general government programs was recouped in program revenues. Instruction costs were \$14,793,397 but program revenue contributed to fund 6% of those costs. Thus, general revenues of \$13,935,631 were used to support the remainder of the instruction costs.

	<b><u>Total Cost of Services</u></b>	<b><u>Program Revenue</u></b>	<b><u>Revenues as a % of Total Costs</u></b>	<b><u>Net Cost of Services</u></b>
Instruction	\$ (14,793,397)	857,766	6%	(13,935,631)
Support Services	(8,440,872)	840,380	10%	(7,600,492)
Non-instructional services	(986,794)	810,911	82%	(175,883)
Food service	(1,109,769)	1,096,794	99%	(12,975)
Interest on long-term debt	<u>(729,462)</u>	<u>-</u>	0%	<u>(729,462)</u>
Total	\$ <u><u>(26,060,294)</u></u>	<u><u>3,605,851</u></u>	<u><u>14%</u></u>	<u><u>(22,454,443)</u></u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2012**  
**Unaudited**

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**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S INDIVIDUAL FUNDS**

**Governmental funds**

The School District has three major governmental funds: the General Fund, Debt Service Fund and the Classroom Facilities Project Fund. Assets of these funds comprise \$27,130,108 (91%) of the total \$29,782,781 governmental funds assets.

**General Fund:** Fund balance at June 30, 2012 was \$4,987,037, including \$4,552,500 of unassigned balance, which represents 22% of expenditures for fiscal year 2012. The primary reason for the increase in fund balance is due to an increase in property taxes and reductions in staff previously discussed.

**Debt Service Fund:** Restricted fund balance at June 30, 2012 was \$2,087,548. Property taxes are collected in order to pay the School District's outstanding bond principal and interest.

**Classroom Facilities Project Fund:** The restricted fund balance at June 30, 2012 was \$4,249,026. The decrease in restricted fund balance is due to monies being spent on capital improvements to existing buildings.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

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

- Property tax revenues were originally estimated at \$7,238,000, but were amended to \$7,963,466 due to receiving more than expected from increased collections.
- Final budgeted expenditures of \$21,254,817 were slightly lower than original primarily due to initial conservative estimates.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets:** At June 30, 2012, the School District had \$50,948,887 invested in a broad range of capital assets, including land, buildings, equipment and vehicles. The total increase in the School District's investment in capital assets for the current fiscal year was \$1,034,764 due primarily to completion of 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, 2012**  
**Unaudited**

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

	<u>Governmental Activities</u>	
	<u>FY2012</u>	<u>FY2011</u>
Land	\$ 1,262,525	1,262,525
Construction in progress	-	17,236,237
Land improvements	2,177,069	2,177,069
Building and improvements	66,361,316	49,504,708
Furniture and equipment	4,601,374	1,777,581
Vehicles	2,549,909	2,529,903
Less: Accumulated depreciation	<u>(26,003,306)</u>	<u>(24,573,900)</u>
	<u>\$ 50,948,887</u>	<u>49,914,123</u>

**Debt**

The School District had \$18,390,000 outstanding on three general obligation bond obligations, including \$6,690,000 in Series 2012 Refunding Bonds that were issued during the fiscal year for partial advance refunding of its Series 2003 School Improvement Bonds.

The School District also had \$662,101 outstanding on three lease-purchase agreements for building and equipment.

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, 2012**  
**Unaudited**

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**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 flat state funding for the next Biennial Budget. The School District receives almost all of its funding from two sources: state funding and local property tax revenues. Property taxes have been increasing. The real estate portion is slightly lower, but the utilities portion is significantly higher due to the Rockies Express natural gas pipeline revenue.

The School 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. While conversion from the traditional income tax to the earned only income tax did decrease the revenue to the School District by \$400,000, having the consistent income source will provide more stability for the School District.

**REQUESTS FOR ADDITIONAL INFORMATION**

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

## ROSS LOCAL SCHOOL DISTRICT, OHIO

Statement of Net Assets

June 30, 2012

	<u>Governmental Activities</u>
<b>Assets:</b>	
Equity in pooled cash and investments	\$ 14,157,087
Cash with fiscal agent	339,849
Receivables:	
Property taxes	13,326,789
Income taxes	1,120,550
Accounts	12,584
Intergovernmental	432,870
Interest	1,472
Supplies inventory	14,554
Restricted cash	324,996
Deferred charges	270,902
Nondepreciable capital assets	1,262,525
Depreciable capital assets, net	<u>49,686,362</u>
<b>Total assets</b>	<u>80,950,540</u>
<b>Liabilities:</b>	
Accounts payable	41,349
Contracts payable	339,849
Accrued wages and benefits	1,963,686
Due to other governments	32,512
Pension obligation payable	435,765
Retirement incentive obligation	97,125
Interest payable	51,559
Unearned revenue	11,500,146
Noncurrent liabilities:	
Due within one year	1,458,042
Due within more than one year	<u>18,846,976</u>
<b>Total liabilities</b>	<u>34,767,009</u>
<b>Net Assets:</b>	
Invested in capital assets, net of related debt	32,116,242
Restricted for:	
Capital projects	5,386,288
Debt service	1,994,685
Classroom facilities maintenance	637,829
Scholarships	104,853
Athletics	146,210
Other Purposes	128,915
Unrestricted	<u>5,668,509</u>
<b>Total net assets</b>	<u>\$ 46,183,531</u>

See accompanying notes to the basic financial statements.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**

Statement of Activities  
 Fiscal Year Ended June 30, 2012

	Expenses	Program Revenues		Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Governmental Activities
<b>Governmental Activities:</b>				
Instruction:				
Regular	\$ 12,225,999	252,257	234,939	\$ (11,738,803)
Special education	1,780,666	-	370,570	(1,410,096)
Other	786,732	-	-	(786,732)
Support services:				
Pupil	868,746	-	-	(868,746)
Instructional staff	1,376,411	-	419,821	(956,590)
Board of Education	21,793	-	-	(21,793)
Administration	1,960,499	-	380,706	(1,579,793)
Fiscal	665,521	-	-	(665,521)
Operation and Maintenance of Plant	1,954,719	-	-	(1,954,719)
Pupil transportation	1,585,983	-	32,653	(1,553,330)
Central	7,200	-	7,200	-
Non-instructional services:				
Extracurricular activities	799,603	651,252	-	(148,351)
Community service	187,191	-	159,659	(27,532)
Food service	1,109,769	720,003	376,791	(12,975)
Interest on long-term debt	729,462	-	-	(729,462)
<b>Total Governmental Activities</b>	<b>\$ 26,060,294</b>	<b>1,623,512</b>	<b>1,982,339</b>	<b>(22,454,443)</b>

**General Revenues:**

Property taxes, levied for general purposes	8,833,635
Property taxes, levied for debt services	1,472,468
Property taxes, levied for permanent improvement	259,814
Income taxes	2,534,540
Grants and entitlements not restricted to specific program	11,438,492
Investment earnings	25,120
Miscellaneous	289,961
<b>Total general revenues</b>	<b>24,854,030</b>
Change in net assets	2,399,587
Net assets beginning of year	43,783,944
Net assets end of year	\$ <u>46,183,531</u>

See accompanying notes to the basic financial statements.

## ROSS LOCAL SCHOOL DISTRICT, OHIO

Balance Sheet

Governmental Funds

June 30, 2012

	General	Debt Service	Classroom Facilities Project	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in pooled cash and investments	\$ 5,653,024	2,046,998	4,247,558	2,209,507	14,157,087
Restricted cash	324,996	-	-	-	324,996
Cash with fiscal agent	-	-	339,849	-	339,849
Receivables:					
Property Taxes	11,524,358	1,529,701	-	272,730	13,326,789
Income Taxes	1,120,550	-	-	-	1,120,550
Accounts	477	-	1,239	10,868	12,584
Intergovernmental	284,327	-	-	148,543	432,870
Interest	1,243	-	229	-	1,472
Interfund receivable	52,030	-	-	-	52,030
Supplies inventory	3,529	-	-	11,025	14,554
<b>Total assets</b>	<u>18,964,534</u>	<u>3,576,699</u>	<u>4,588,875</u>	<u>2,652,673</u>	<u>29,782,781</u>
<b>Liabilities:</b>					
Accounts payable	18,384	-	-	22,965	41,349
Contracts payable retainage	-	-	339,849	-	339,849
Accrued wages and benefits	1,749,618	-	-	214,068	1,963,686
Pension obligation payable	405,596	-	-	30,169	435,765
Retirement incentive obligation	97,125	-	-	-	97,125
Due to other governments	30,140	-	-	2,372	32,512
Interfund payable	-	-	-	52,030	52,030
Deferred revenue	11,676,634	1,489,151	-	265,634	13,431,419
<b>Total liabilities</b>	<u>13,977,497</u>	<u>1,489,151</u>	<u>339,849</u>	<u>587,238</u>	<u>16,393,735</u>
<b>Fund Balances:</b>					
Nonspendable	3,529	-	-	11,025	14,554
Restricted	-	2,087,548	4,249,026	2,108,414	8,444,988
Assigned	431,008	-	-	-	431,008
Unassigned	4,552,500	-	-	(54,004)	4,498,496
<b>Total fund balances</b>	<u>4,987,037</u>	<u>2,087,548</u>	<u>4,249,026</u>	<u>2,065,435</u>	<u>13,389,046</u>
<b>Total liabilities and fund balances</b>	<u>\$ 18,964,534</u>	<u>3,576,699</u>	<u>4,588,875</u>	<u>2,652,673</u>	<u>29,782,781</u>

See accompanying notes to the basic financial statements.



Reconciliation of Total Governmental Fund Balances to  
Net Assets of Governmental Activities  
June 30, 2012

<b>Total Governmental Fund Balances</b>		\$ 13,389,046
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.		270,902
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.		1,931,273
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		50,948,887
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	(852,440)	
Early retirement incentive	(104,126)	
Interest payable	(51,559)	
Bonds payable	(18,634,905)	
Discount on bond issue	15,937	
Premium on bond issue	(861,320)	
Deferred amount on refunding	793,937	
Lease obligations	<u>(662,101)</u>	
Total		<u>(20,356,577)</u>
 Net Assets of Governmental Activities		 \$ <u>46,183,531</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Fiscal Year Ended June 30, 2012

	General	Debt Service	Classroom Facilities Project	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property Taxes	\$ 8,033,196	1,364,083	-	240,847	9,638,126
Income taxes	2,491,787	-	-	168,209	2,659,996
Tuition and fees	152,511	-	-	-	152,511
Interest	20,723	-	4,244	153	25,120
Extracurricular	325,780	-	-	325,472	651,252
Charges for services	99,746	-	-	720,003	819,749
Intergovernmental	11,649,275	195,694	132,341	2,400,895	14,378,205
Other local revenues	131,238	-	17,340	141,383	289,961
<b>Total revenues</b>	<u>22,904,256</u>	<u>1,559,777</u>	<u>153,925</u>	<u>3,996,962</u>	<u>28,614,920</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	10,965,638	-	-	335,560	11,301,198
Special education	1,442,599	-	-	361,444	1,804,043
Other instruction	784,868	-	-	-	784,868
Support services:					
Pupil	893,991	-	-	-	893,991
Instructional staff	838,152	-	-	535,876	1,374,028
Board of Education	21,793	-	-	-	21,793
Administration	1,220,106	17,417	-	722,008	1,959,531
Fiscal	649,197	10,039	-	1,697	660,933
Operation and maintenance of plant	1,732,118	-	-	60,831	1,792,949
Pupil transportation	1,509,789	-	-	43,543	1,553,332
Central	-	-	-	7,200	7,200
Non-instructional services:					
Community service	-	-	-	173,921	173,921
Extracurricular activities	446,626	-	-	304,550	751,176
Food service	-	-	-	1,109,067	1,109,067
Capital outlay	140,571	-	2,221,966	8,895	2,371,432
Debt Service:					
Principal	274,577	800,000	-	-	1,074,577
Interest and fiscal charges	20,619	644,718	-	-	665,337
Bond issuance costs	-	135,190	-	-	135,190
<b>Total expenditures</b>	<u>20,940,644</u>	<u>1,607,364</u>	<u>2,221,966</u>	<u>3,664,592</u>	<u>28,434,566</u>
Excess of revenues over (under) expenditures	<u>1,963,612</u>	<u>(47,587)</u>	<u>(2,068,041)</u>	<u>332,370</u>	<u>180,354</u>
<b>Other financing sources (uses):</b>					
Refunding bonds issued	-	6,690,000	-	-	6,690,000
Premium on refunding bonds issued	-	427,034	-	-	427,034
Payment to bond escrow agent	-	(6,981,844)	-	-	(6,981,844)
<b>Total other financing sources (uses):</b>	<u>-</u>	<u>135,190</u>	<u>-</u>	<u>-</u>	<u>135,190</u>
Net change in fund balance	1,963,612	87,603	(2,068,041)	332,370	315,544
Fund balance, beginning of year	<u>3,023,425</u>	<u>1,999,945</u>	<u>6,317,067</u>	<u>1,733,065</u>	<u>13,073,502</u>
Fund balance, end of year	\$ <u>4,987,037</u>	<u>2,087,548</u>	<u>4,249,026</u>	<u>2,065,435</u>	<u>13,389,046</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, 2012

**Net Change in Fund Balances - Total Governmental Funds** \$ 315,544

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	2,469,999
Depreciation expense	(1,435,235)

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	(43,078)
Premium on sale of bonds	26,454
Deferred amount on refunding	(25,005)
Bond issuance costs	(55,681)

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. 7,764,577

Accretion on capital appreciation bonds is recorded each year as interest in the statement of net assets. (71,639)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 13,239

Some expenses reported in the statement of activities, such as compensated absences and retirement incentives do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 193,866

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (155,039)

Issuance of bonds provides current financial resources to governmental funds. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued:

Issuance of bonds	(6,690,000)
Issuance of premiums	(427,034)
Deferred amount on refunding	383,429
Bond issuance costs	<u>135,190</u>

Change in Net Assets of Governmental Activities \$ 2,399,587

**ROSS LOCAL SCHOOL DISTRICT, OHIO**

Statement of Net Assets

Fiduciary Funds

June 30, 2012

		Private- Purpose Trust	Agency Funds
		<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Equity in pooled cash and investments	\$	<u>1,308</u>	<u>36,625</u>
Total assets		<u><u>1,308</u></u>	<u><u>36,625</u></u>
<b>LIABILITIES</b>			
Due to student groups		<u>-</u>	<u>36,625</u>
Total liabilities		<u>-</u>	<u><u>36,625</u></u>
<b>NET ASSETS</b>			
Held in trust	\$	<u><u>1,308</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, 2012

	<u>Private- Purpose Trust</u>
<b>Deductions:</b>	
Community service	<u>250</u>
	<u>250</u>
 Change in net assets	 (250)
 Net assets, beginning of year	 <u>1,558</u>
Net assets, end of year	\$ <u><u>1,308</u></u>

See accompanying notes to the basic financial statements.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**NOTE 1-DESCRIPTION OF THE SCHOOL DISTRICT**

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

**NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Ross Local School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. Reporting Entity**

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

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

**B. Basis of Presentation**

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

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

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by a program and grants and contributions that are restricted to meeting the operations or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the School District.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets 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 School District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid in financial management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are grouped into the categories governmental and fiduciary.

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

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 School District is obligated in some manner for payment.

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

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The School 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 School District's use. Agency funds, which are used to account for student activities, are custodial in nature (assets equals liabilities) and do not involve measurement of results of operations.

**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 School District is sixty days after fiscal year-end. Under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, income taxes, interest, tuition, student fees and grants.

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

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

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

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

*Deferred Revenue* – Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes measurable as of June 30, 2012 that are intended to finance fiscal year 2013 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.



**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**E. Cash and Investments**

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements. During fiscal year 2012, the School District's investments were limited to U.S. Money Markets and U.S. Agency securities and U.S. Treasuries.

The Governmental Accounting Standards Board Statement No. 31 (GASB 31), "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," requires that investments, with certain exceptions, be recorded at their fair value and that changes in the fair value are reported in the operations statements. The School District recorded investments held at June 30, 2012 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 for the budget stabilization.

**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 School 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 School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

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

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

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**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 School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy.

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

**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 School District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net 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 net assets.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**M. Fund Balance**

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

***Nonspendable*** – The nonspendable fund balance category includes amounts that cannot be spent because they are not in a spendable form, or legally or contractually required to be maintained intact. The “not in a spendable form” criterion includes items that are not expected to be converted to cash.

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

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

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

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

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

**N. 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.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**NOTE 3-DEFICIT FUND BALANCES**

At June 30, 2012, the following funds had a deficit fund balance:

Other Governmental Funds:		
Education Jobs	\$	20,865
IDEA Part B		6,701
Title I		24,156
Improving Teacher Quality		202
Miscellaneous Federal Grants		2,080

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

**NOTE 4-EQUITY IN POOLED CASH AND INVESTMENTS**

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

Active Deposits - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the School District. Such monies must by law be maintained either as cash in the School District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive Deposits - Those monies not required for use within the current two-year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories or as savings or deposit accounts, including, but not limited to, passbook accounts.

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

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

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days from the date of purchase in an amount not to exceed 25 percent of the interim moneys available for investment at any one time; and
8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

**A. Deposits**

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a custodial credit risk policy. At year-end, \$10,004,823 of the School District's bank balance of \$10,594,673 was exposed to custodial credit risk since it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
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**B. Investments**

The School District's investments at June 30, 2012 are as summarized as follows:

	Fair Value	Average Maturity (Years)
Federal Home Loan Bank	\$ 1,531,303	1.03
Federal Home Loan Mortgage Corp.	1,035,552	0.25
U.S. Treasuries	224,716	1.17
Fed. National Mortgage Assoc.	1,736,937	1.31
U.S. Money Market Funds	<u>4,044</u>	n/a
	<u>\$ 4,532,552</u>	

*Credit Risk*

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

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a failure of a counter party, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's investment securities are registered in the name of the School District.

*Interest Rate Risk*

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

*Concentration of Credit Risk*

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

Investments	Percent
Federal Home Loan Bank	33.78%
Federal Home Loan Mortgage Corp.	22.85%
U.S. Treasuries	4.96%
Fed. National Mortgage Assoc.	38.32%

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
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**NOTE 5-PROPERTY TAXES**

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

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

Public utility property taxes are assessed on tangible personal property as well as land and improvements. Real property is assessed at 35 percent of true value and tangible personal property is currently assessed at varying percentages of true value. These taxes attached as a lien against local and inter-exchange telephone companies and are levied January 1 of the current year. Tangible personal property tax on business inventory, manufacturing machinery, and equipment is no longer levied and collected.

The School District receives property taxes from the Butler County Auditor, who periodically advances to the School District its portion of taxes collected. Second-half real property tax payments collected by the County by June 30, 2012 are available to finance fiscal year 2012 operations.

Accrued property taxes receivable represents delinquent taxes outstanding and real property and public utility taxes that became measurable as of June 30, 2012. 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, Debt Service Fund and Other Governmental Funds at June 30, 2012 were \$212,508, \$40,550 and \$7,096, respectively.

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

	<u>2011 Second- Half Collections</u>		<u>2012 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 347,342,920	86.27%	\$ 343,622,540	86.60%
Personal Property	<u>55,286,320</u>	13.73%	<u>53,164,800</u>	13.40%
Total Assessed Value	\$ <u>402,629,240</u>	100.00%	\$ <u>396,787,340</u>	100.00%
Tax rate per \$1,000 of assessed valuation		\$49.73		\$49.73

**NOTE 6-INTERFUND TRANSACTIONS**

On the fund financial statements, the General Fund has receivables of \$52,030 due from Other Governmental Funds to provide operating capital.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
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**NOTE 7-INCOME TAX**

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

**NOTE 8-CAPITAL ASSETS**

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

	Balance 7/1/11	Additions	Disposals	Balance 6/30/12
<b>Nondepreciable Capital Assets</b>				
Land	\$ 1,262,525	\$ -	\$ -	\$ 1,262,525
Construction in progress	<u>17,236,237</u>	<u>2,442,135</u>	<u>(19,678,372)</u>	<u>-</u>
Subtotal	<u>18,498,762</u>	<u>2,442,135</u>	<u>(19,678,372)</u>	<u>1,262,525</u>
<b>Depreciable:</b>				
Land improvements	2,177,069	-	-	2,177,069
Buildings and improvements	49,504,708	16,856,608	-	66,361,316
Furniture and equipment	1,777,581	2,829,622	(5,829)	4,601,374
Vehicles	<u>2,529,903</u>	<u>20,006</u>	<u>-</u>	<u>2,549,909</u>
Subtotal	<u>55,989,261</u>	<u>19,706,236</u>	<u>(5,829)</u>	<u>75,689,668</u>
Totals at cost	<u>74,488,023</u>	<u>22,148,371</u>	<u>(19,684,201)</u>	<u>76,952,193</u>
Less accumulated depreciation:				
Land improvements	1,264,926	91,345	-	1,356,271
Buildings and improvements	20,366,288	1,047,691	-	21,413,979
Furniture and equipment	1,026,259	199,489	(5,829)	1,219,919
Vehicles	<u>1,916,427</u>	<u>96,710</u>	<u>-</u>	<u>2,013,137</u>
Total accumulated depreciation	<u>24,573,900</u>	<u>1,435,235</u>	<u>(5,829)</u>	<u>26,003,306</u>
Capital assets, net	\$ <u>49,914,123</u>	\$ <u>20,713,136</u>	\$ <u>(19,678,372)</u>	\$ <u>50,948,887</u>



**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
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Depreciation expense was charged as follows:

Instruction:	
Regular	\$ 1,109,842
Special education	5,625
Other	1,864
Support services:	
Instructional staff	1,017
Administration	1,338
Operation and maintenance of plant	158,791
Pupil transportation	94,842
Non-instructional services:	
Community service	13,489
Extracurricular activities	48,427
Total depreciation expense	<u>\$ 1,435,235</u>

**NOTE 9-LONG-TERM OBLIGATIONS**

Long-Term Obligations – The changes in the School District’s long-term obligations during fiscal year 2012 were as follows:

	Principal Outstanding 07/01/11	Additions	Reductions	Principal Outstanding 06/30/12	Amounts Due in One Year
<i>Governmental Activities:</i>					
2003 School Improvement Bonds 3.1%-5.0%	\$ 9,920,000	-	(7,445,000)	2,475,000	820,000
Discount on Issue	(59,015)	-	43,078	(15,937)	-
2006 Refunding Bonds					
Current Interest Serial Bonds 4.0%-4.375%	7,440,000	-	(45,000)	7,395,000	45,000
Current Interest Term Bonds 4.0% - 4.25%	1,720,000	-	-	1,720,000	-
Capital Appreciation Bonds	110,000	-	-	110,000	-
Accretion on Capital Appreciation Bonds	173,266	65,791	-	239,057	-
2012 Refunding Bonds					
Current Interest Serial Bonds 2.0%-3.0%	-	6,630,000	-	6,630,000	185,000
Capital Appreciation Bonds	-	60,000	-	60,000	-
Accretion on Capital Appreciation Bonds	-	5,848	-	5,848	-
Deferred Amounts:					
Add: Bond premium	460,740	427,034	(26,454)	861,320	-
Less: Deferred amount on refunding	(435,513)	(383,429)	25,005	(793,937)	-
Capital Lease Obligations	936,678	-	(274,577)	662,101	263,301
STRS Early Retirement Incentive	131,962	69,289	(97,125)	104,126	-
Compensated Absences Liability	<u>1,018,470</u>	<u>78,562</u>	<u>(244,592)</u>	<u>852,440</u>	<u>144,741</u>
Total	<u>\$ 21,416,588</u>	<u>6,953,095</u>	<u>(8,064,665)</u>	<u>20,305,018</u>	<u>1,458,042</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
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The School District issued \$24,900,000 School Improvement Bonds in fiscal year 2003 that was originally scheduled to mature in fiscal year 2025, for the construction of a high school and improvements to the School District's elementary schools. The original issue included current interest serial bonds and capital appreciation bonds. The School District advanced refunded \$16,105,000 of this issuance in fiscal years 2007 and 2012. The remaining current interest serial bonds will be fully matured in 2017. The refunded bonds were not included in the School District's outstanding debt since the School District has satisfied its obligations through the advance refunding. The principal balance of the refunded bonds at June 30, 2012 was \$16,105,000.

The School District issued \$9,415,000 in Series 2006 Refunding Bonds that mature in December 2029, for the partial advance refunding of \$9,415,000 of Series 2003 School Improvement Bonds. The Series 2006 bonds include current interest serial bonds that will mature in December 2028; two issues of current interest term bonds that mature in December 2020 and December 2025; and capital appreciation bonds that will mature in December 2015. The maturity amount of the capital appreciation bonds is \$725,000. For fiscal year 2012, \$65,791 was accreted for a total bond value of \$349,057.

The School District issued \$6,690,000 in Series 2012 Refunding Bonds that mature in December 2024, for the partial advance refunding of \$6,690,000 in Series 2003 School Improvement Bonds. These bonds include serial bonds that will mature in December 2024 and capital appreciation bonds that will mature in December 2019. The maturity amount of the capital appreciation bonds is \$320,000. For fiscal year 2012, \$5,848 was accreted for a total bond value of \$65,848. The advance refunding reduced total debt service payments by \$1,002,724. This resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$950,830.

All general obligation debt is supported by the full faith and credit of the School District. The School Improvement and Refunding Bonds are paid from the Debt Service Fund. The Capital Leases 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 School District's long-term general obligation bonds outstanding at June 30, 2012 are shown in the table below.

Fiscal Year Ending June 30,	Principal Due	Interest Due	Total FY Payments
2013	\$ 1,050,000	602,015	1,652,015
2014	940,000	567,644	1,507,644
2015	50,000	548,963	598,963
2016	145,000	1,162,616	1,307,616
2017	515,000	920,662	1,435,662
2018-2022	4,540,000	3,210,981	7,750,981
2023-2027	7,350,000	1,575,100	8,925,100
2028-2029	<u>3,800,000</u>	<u>169,312</u>	<u>3,969,312</u>
Total	<u>\$ 18,390,000</u>	<u>8,757,293</u>	<u>27,147,293</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
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**NOTE 10-CAPITAL LEASES – LESSEE DISCLOSURE**

During previous fiscal years, the School 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, \$415,169 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 generally accepted accounting principles, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds.

The following is a schedule of the future minimum lease payments for the capital leases, and the present value of the future minimum lease payments at June 30, 2012:

	Year Ending June 30		
	2013	\$	277,331
	2014		205,552
	2015		<u>205,552</u>
Total Future Minimum Lease Payments			688,435
Less: Amount Representing Interest			<u>26,334</u>
Present Value of Future Minimum Lease Payments		\$	<u><u>662,101</u></u>

**NOTE 11-OPERATING LEASE – LESSEE DISCLOSURE**

On August 1, 2011 the School District entered into a two year operating lease agreement with M.B.A. Holdings Company to continue its lease of the bus garage. The future minimum annual rental payments are \$38,216 and is payable monthly at \$3,185. For fiscal year 2012, the School District’s rental costs were \$38,401.

**NOTE 12-OTHER EMPLOYEE BENEFITS**

Accumulated Unpaid Vacation

School District classified employees earn vacation leave at varying rates based upon negotiated agreements and State laws. In the case of death or retirement, an employee (or his estate) is paid for his unused vacation leave. The School District’s total obligation for vacation accrual as of June 30, 2012 was \$161,842.

Accumulated Unpaid Sick Leave

School District employees may accumulate sick leave. Upon retirement, payment is made for 26.5% of the total unused sick leave balance up to a maximum of fifty days for certified and classified employees. The total obligation for sick leave accrual, for the School District as a whole, as of June 30, 2012 was \$690,598.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
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Early Retirement Incentive

During fiscal year 2012, the School District participated in the State Teacher Retirement System Early Retirement Incentive program for certificated staff. During fiscal year 2012, eleven additional teachers were eligible to participate. The School District purchased two years of service credit for eligible certificated employees in fiscal 2012. 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 years 2013 and 2014 totaled \$69,482 and \$34,644, respectively.

**NOTE 13-OASBO WORKERS' COMP PROGRAM**

OASBO GROUP RATING PROGRAM

The School District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the OASBO. The Executive Director of the OASBO, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

**NOTE 14-PENSION PLANS**

SCHOOL EMPLOYEES RETIREMENT SYSTEM

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

Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For the fiscal year ending June 30, 2012, the allocation to pension and death benefits is 12.70%. The remaining 1.30% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's required contributions to SERS for the fiscal years ended June 30, 2012, 2011, and 2010 were approximately \$410,000, \$418,000, and \$412,000 respectively; 90% has been contributed for 2012 and 100% for fiscal years 2011 and 2010.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
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STATE TEACHERS RETIREMENT SYSTEM OF OHIO

The School District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. STRS Ohio issued a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org).

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

**DB Plan Benefits** – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31<sup>st</sup> 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.

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

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

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

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

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

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

Contribution requirements and contributions actually made for the fiscal year ended June 30, 2012, were 10% of covered payroll for members and 14% for employers. The School District’s contributions to STRS Ohio for the fiscal years ended June 30, 2012, 2011, and 2010 were approximately \$1,525,000, \$1,587,000 and \$1,567,000 respectively; 86% has been contributed for 2012 and 100% for fiscal years 2011 and 2010.

**SOCIAL SECURITY SYSTEM**

Effective July 1, 1991, all employees not otherwise covered by SERS or STRS Ohio have an option to choose Social Security or SERS. The School District’s liability is 4.2% of wages paid.

**NOTE 15-POSTEMPLOYMENT BENEFITS**

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

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

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contribution rate, 1% of covered payroll was allocated to post-employment health care for fiscal years ended June 30, 2012, 2011, and 2010. The 14% employer contribution rate is the maximum rate established under Ohio law. The School District's contributions to STRS Ohio allocated to post-employment health care for the fiscal years ended June 30, 2012, 2011 and 2010 were approximately \$109,000, \$113,000 and \$112,000, respectively. 86% has been contributed for 2012 and 100% for fiscal years 2011 and 2010.

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 2012 was \$99.90 for most participants, but could be as high as \$319.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2012, the actuarially required allocation was 0.75%. The School District's contributions for the fiscal years ended June 30, 2012, 2011 and 2010 were approximately \$22,000, \$23,000 and \$22,000, respectively. 90% has been contributed for 2012 and 100% for fiscal years 2011 and 2010.

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, 2012, the health care allocation was 0.55%. 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 2012, 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

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

amount assigned to the Health Care Fund. The School District contributions assigned to health care for the fiscal years ended June 30, 2012, 2011, and 2010 were approximately \$16,000, \$43,000 and \$14,000, respectively. 90% has been contributed for 2012 and 100% for fiscal years 2011 and 2010.

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

**NOTE 16-FUND BALANCES**

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

<u>Fund Balances</u>	<u>General</u>	<u>Debt Service</u>	<u>Classroom Facilities Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><i>Nonspendable</i></b>					
Inventory	\$ 3,529	-	-	11,025	14,554
<b><i>Restricted for</i></b>					
Food service	-	-	-	90,657	90,657
Scholarships	-	-	-	104,853	104,853
Classroom Facilities Maintenance	-	-	-	637,829	637,829
Athletics	-	-	-	146,210	146,210
Auxilliary Services	-	-	-	23,905	23,905
Technology	-	-	-	114	114
Other Purposes	-	-	-	3,214	3,214
Debt Service Payments	-	2,087,548	-	-	2,087,548
Capital Improvements	-	-	4,249,026	1,101,632	5,350,658
<b><i>Total Restricted</i></b>	<u>-</u>	<u>2,087,548</u>	<u>4,249,026</u>	<u>2,108,414</u>	<u>8,444,988</u>
<b><i>Assigned to</i></b>					
Other Purposes	431,008	-	-	-	431,008
<b><i>Unassigned (Deficit)</i></b>	<u>4,552,500</u>	<u>-</u>	<u>-</u>	<u>(54,004)</u>	<u>4,498,496</u>
<b><i>Total Fund Balance</i></b>	<u>\$ 4,987,037</u>	<u>2,087,548</u>	<u>4,249,026</u>	<u>2,065,435</u>	<u>13,389,046</u>



**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**NOTE 17-JOINTLY GOVERNED ORGANIZATIONS**

SOUTHWEST OHIO COMPUTER ASSOCIATION

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

BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS

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

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

**NOTE 18-RISK MANAGEMENT**

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

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

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

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**NOTE 19-CONTINGENCIES**

**A. Litigation**

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

**B. Federal and State Funding**

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

**NOTE 20-STATUTORY RESERVES**

The School District is required by State statute to annually set aside in the general fund an amount based on the statutory formula for the acquisition, maintenance, and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. Effective July 1, 2012, House Bill No. 30 repealed the textbook reserve requirement.

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

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-aside balance as of June 30, 2011, <i>restated</i>	\$ 285,493	-	324,996
Current year set-aside requirement	-	493,393	-
Current year qualifying expenditures	-	(482,358)	
Current year qualifying offsets	-	(406,473)	
H.B. 30 Elimination	<u>(285,493)</u>	<u>-</u>	<u>-</u>
Total	-	(395,438)	324,996
Balance carried forward to FY2013	<u>-</u>	<u>-</u>	<u>324,996</u>
	-	-	
Set-aside reserve balance as of June 30, 2012	<u>\$ -</u>	<u>-</u>	<u>324,996</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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

**NOTE 21-SIGNIFICANT CONTRACTUAL COMMITMENTS**

The School District utilizes encumbrance accounting to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. The School District's outstanding encumbrance amounts at June 30, 2012 were:

General Fund	\$	399,603
Classroom Facilities Project		1,075,057
Other Governmental Funds		<u>324,954</u>
	\$	<u>1,799,614</u>

## Required Supplementary Information

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
Schedule of Revenues, Expenditures and Changes in Fund  
Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>Revenues:</b>				
Property taxes	\$ 7,238,000	7,963,466	7,963,466	-
Income taxes	2,357,000	2,490,741	2,490,741	-
Tuition and fees	170,200	152,511	152,511	-
Interest	15,000	16,875	16,875	-
Intergovernmental	11,492,000	11,488,443	11,488,443	-
Other local revenues	240,300	215,929	215,929	-
<b>Total revenues</b>	<u>21,512,500</u>	<u>22,327,965</u>	<u>22,327,965</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	13,096,969	10,914,832	10,914,832	-
Special education	1,052,401	1,480,860	1,480,860	-
Other instruction	814,733	796,184	796,184	-
Support services:				
Pupil	638,380	923,941	923,941	-
Instructional staff	575,797	825,304	825,304	-
Board of Education	33,737	27,671	27,671	-
Administration	1,444,743	1,249,105	1,249,105	-
Fiscal	734,376	657,500	657,500	-
Operation and maintenance of plant	1,633,979	1,997,594	1,997,594	-
Pupil transportation	1,293,980	1,583,696	1,583,696	-
Non-instructional services:				
Extracurricular activities	374,186	444,015	444,015	-
Capital outlay	202,000	148,563	148,563	-
Debt service	128,000	205,552	205,552	-
<b>Total expenditures</b>	<u>22,023,281</u>	<u>21,254,817</u>	<u>21,254,817</u>	<u>-</u>
Excess of revenues over (under) expenditures	(510,781)	1,073,148	1,073,148	-
<b>Other financing sources (uses):</b>				
Advances in	79,000	77,000	77,000	-
Other financing sources	10,000	70,338	70,338	-
Advances out	(79,000)	(77,000)	(77,000)	-
<b>Total other financing sources (uses):</b>	<u>10,000</u>	<u>70,338</u>	<u>70,338</u>	<u>-</u>
Net change in fund balance	(500,781)	1,143,486	1,143,486	-
Fund balance, beginning of year	3,814,820	3,814,820	3,814,820	
Prior year encumbrances appropriated	582,589	582,589	582,589	
Fund balance, end of year	\$ <u>3,896,628</u>	<u>5,540,895</u>	<u>5,540,895</u>	

See accompanying notes to required supplementary information.

**ROSS LOCAL SCHOOL DISTRICT, OHIO**

Notes to Required Supplementary Information

Fiscal Year Ended June 30, 2012

**NOTE A-BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The 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:

Certain funds accounted for as separate funds internally with legally adopted budgets (budget basis) do not meet the definition of special revenue funds under GASB Statement No. 54 and were reported with the General Fund (GAAP basis).

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 an expenditure when paid (GAAP basis).

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

Change in Fund Balance (GAAP Basis)	1,963,612
Increase/(Decrease)	
Inclusion of Uniform School Supplies Fund	\$ (8,452)
Inclusion of Public School Support Fund	7,955
Due to revenues	(250,766)
Due to expenditures	(257,522)
Due to encumbrances	(381,679)
Due to other financing sources and uses	<u>70,338</u>
Change in fund balance (Budgetary Basis)	\$ <u>1,143,486</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:

#### ***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 School District as provided for in state law. Expenditures are primarily for educational supplies, materials and testing.

#### ***Management Information Systems Fund***

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.

#### ***Data Communications Fund***

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

#### ***Miscellaneous State Grants Fund***

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

#### ***Education Jobs Fund***

To account for federal funds distributed by the State and used to create or save education jobs.

#### ***Race to the Top Fund***

To account for federal funds distributed by the State used to create standards and assessments for students and teachers.



***IDEA Part B Fund***

A fund used to account for federal revenues used to assist school in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children.

***State Fiscal Stabilization Fund***

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 II-D Fund***

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 Fund***

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

***IDEA Preschool Fund***

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

***Improving Teacher Quality Fund***

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 Fund***

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 Fund***

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

**Non-Major Capital Projects Fund**

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

***Permanent Improvement Fund***

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

## **Other General Funds**

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

### ***Uniform School Supplies Fund***

To account for the purchase and sale of school supplies, as adopted by the Board of Education, for resale to students of the School District.

### ***Public School Support Fund***

To account for local revenue sources generated by individual school buildings. Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

## **Major Governmental Funds**

This section contains Budget and Actual statements on a non-GAAP basis of accounting for the Debt Service fund and 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.

### ***Debt Service Fund***

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

### ***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, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Equity in pooled cash and investments	\$ 1,114,971	1,094,536	2,209,507
Receivables:			
Property taxes	-	272,730	272,730
Accounts	10,868	-	10,868
Intergovernmental	148,543	-	148,543
Supplies inventory	11,025	-	11,025
<b>Total assets</b>	<u>1,285,407</u>	<u>1,367,266</u>	<u>2,652,673</u>
<b>Liabilities:</b>			
Accounts payable	22,965	-	22,965
Accrued wages and benefits	214,068	-	214,068
Pension obligation payable	30,169	-	30,169
Due to other governments	2,372	-	2,372
Interfund payable	52,030	-	52,030
Deferred revenue	-	265,634	265,634
<b>Total liabilities</b>	<u>321,604</u>	<u>265,634</u>	<u>587,238</u>
<b>Fund Balances:</b>			
Nonspendable	11,025	-	11,025
Restricted	1,006,782	1,101,632	2,108,414
Unassigned	(54,004)	-	(54,004)
<b>Total fund balances</b>	<u>963,803</u>	<u>1,101,632</u>	<u>2,065,435</u>
<b>Total liabilities and fund balances</b>	<u>\$ 1,285,407</u>	<u>1,367,266</u>	<u>2,652,673</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**

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

Nonmajor Governmental Funds

Fiscal Year Ended June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>			
Property taxes	\$ -	240,847	240,847
Income taxes	168,209		168,209
Interest	153	-	153
Extracurricular	325,472	-	325,472
Charges for services	720,003	-	720,003
Intergovernmental	2,366,648	34,247	2,400,895
Other local revenues	141,383	-	141,383
<b>Total revenues</b>	<u>3,721,868</u>	<u>275,094</u>	<u>3,996,962</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	335,560	-	335,560
Special education	361,444	-	361,444
Support services:			
Instructional staff	535,876	-	535,876
Administration	718,960	3,048	722,008
Fiscal	-	1,697	1,697
Operation and maintenance of plant	60,831	-	60,831
Pupil transportation	43,543	-	43,543
Central	7,200	-	7,200
Non-instructional services:			
Community services	173,921	-	173,921
Extracurricular activities	304,550	-	304,550
Food services	1,109,067	-	1,109,067
Capital outlay	-	8,895	8,895
<b>Total expenditures</b>	<u>3,650,952</u>	<u>13,640</u>	<u>3,664,592</u>
<b>Net change in fund balances</b>	70,916	261,454	332,370
Fund balance, beginning of year	<u>892,887</u>	<u>840,178</u>	<u>1,733,065</u>
Fund balance, end of year	<u>\$ 963,803</u>	<u>1,101,632</u>	<u>2,065,435</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2012

	Other Local Grant	Classroom Facilities Maintenance	Athletic	Auxiliary Service	Management Information Systems	Data Communications	Misc. State Grants	Education Jobs	Race to the Top	IDEA Part B
<b>Assets:</b>										
Equity in pooled cash and investments	\$ 3,214	637,829	157,815	32,530	-	-	-	-	-	-
Receivables:										
Accounts	-	-	1,467	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	38,529	5,366	76,526
Supplies inventory	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>3,214</u>	<u>637,829</u>	<u>159,282</u>	<u>32,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,529</u>	<u>5,366</u>	<u>76,526</u>
<b>Liabilities:</b>										
Accounts payable	-	-	12,252	1,987	-	-	-	-	-	-
Accrued wages and benefits	-	-	820	5,719	-	-	-	20,865	-	69,260
Pension obligation payable	-	-	-	818	-	-	-	-	-	11,330
Due to other governments	-	-	-	101	-	-	-	-	-	697
Interfund payable	-	-	-	-	-	-	-	38,529	5,366	1,940
Deferred revenue	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>13,072</u>	<u>8,625</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,394</u>	<u>5,366</u>	<u>83,227</u>
<b>Fund Balances:</b>										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	3,214	637,829	146,210	23,905	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(20,865)	-	(6,701)
<b>Total fund balances</b>	<u>3,214</u>	<u>637,829</u>	<u>146,210</u>	<u>23,905</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,865)</u>	<u>-</u>	<u>(6,701)</u>
<b>Total liabilities and fund balances</b>	\$ <u>3,214</u>	<u>637,829</u>	<u>159,282</u>	<u>32,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,529</u>	<u>5,366</u>	<u>76,526</u>

(continued)

**ROSS LOCAL SCHOOL DISTRICT, OHIO**

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2012

(Continued)

	State Fiscal Stabilization	Title II-D	Title I	IDEA Preschool	Improving Teacher Quality	Misc. Federal Grants	Special Revenue	Food Service	TOTAL
<b>Assets:</b>									
Equity in pooled cash and investments	\$ -	-	-	-	-	-	109,176	174,407	1,114,971
Receivables:									
Accounts	-	-	-	-	-	-	2,108	7,293	10,868
Intergovernmental	-	240	25,048	-	-	2,834	-	-	148,543
Supplies inventory	-	-	-	-	-	-	-	11,025	11,025
<b>Total assets</b>	<u>-</u>	<u>240</u>	<u>25,048</u>	<u>-</u>	<u>-</u>	<u>2,834</u>	<u>111,284</u>	<u>192,725</u>	<u>1,285,407</u>
<b>Liabilities:</b>									
Accounts payable	-	-	-	-	-	2,295	6,431	-	22,965
Accrued wages and benefits	-	-	39,330	-	-	-	-	78,074	214,068
Pension obligation payable	-	-	5,925	-	-	-	-	12,096	30,169
Due to other governments	-	-	499	-	202	-	-	873	2,372
Interfund payable	-	126	3,450	-	-	2,619	-	-	52,030
Deferred revenue	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>126</u>	<u>49,204</u>	<u>-</u>	<u>202</u>	<u>4,914</u>	<u>6,431</u>	<u>91,043</u>	<u>321,604</u>
<b>Fund Balances:</b>									
Nonspendable	-	-	-	-	-	-	-	11,025	11,025
Restricted	-	114	-	-	-	-	104,853	90,657	1,006,782
Unassigned	-	-	(24,156)	-	(202)	(2,080)	-	-	(54,004)
<b>Total fund balances</b>	<u>-</u>	<u>114</u>	<u>(24,156)</u>	<u>-</u>	<u>(202)</u>	<u>(2,080)</u>	<u>104,853</u>	<u>101,682</u>	<u>963,803</u>
<b>Total liabilities and fund balances</b>	\$ <u>-</u>	<u>240</u>	<u>25,048</u>	<u>-</u>	<u>-</u>	<u>2,834</u>	<u>111,284</u>	<u>192,725</u>	<u>1,285,407</u>

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
Fiscal Year Ended June 30, 2012

	Other Local Grant	Classroom Facilities Maintenance	Athletic	Auxiliary Service	Management Information Systems	Data Communications	Misc. State Grants	Education Jobs	Race to the Top	IDEA Part B
<b>Revenues:</b>										
Income taxes	\$ -	168,209	-	-	-	-	-	-	-	-
Interest	-	-	-	14	-	-	-	-	-	-
Extracurricular	-	-	325,472	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	30,376	-	141,996	-	7,200	-	587,800	89,142	697,200
Other local revenues	28,665	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>28,665</u>	<u>198,585</u>	<u>325,472</u>	<u>142,010</u>	<u>-</u>	<u>7,200</u>	<u>-</u>	<u>587,800</u>	<u>89,142</u>	<u>697,200</u>
<b>Expenditures:</b>										
Current:										
Instruction:										
Regular	18,201	-	-	-	-	-	-	-	88,990	-
Special education	-	-	-	-	-	-	-	-	-	134,088
Support services:										
Instructional staff	-	-	-	-	50	-	-	-	-	454,875
Administration	5,344	-	-	-	-	-	-	608,665	-	104,552
Operation and maintenance of plant	4,765	56,066	-	-	-	-	-	-	-	-
Pupil Transportation	-	-	-	-	-	-	-	-	-	43,543
Central	-	-	-	-	-	7,200	-	-	-	-
Non-instructional services:										
Community services	-	-	-	143,205	-	-	-	-	-	7,643
Extracurricular activities	-	-	295,863	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>28,310</u>	<u>56,066</u>	<u>295,863</u>	<u>143,205</u>	<u>50</u>	<u>7,200</u>	<u>-</u>	<u>608,665</u>	<u>88,990</u>	<u>744,701</u>
Net change in fund balances	355	142,519	29,609	(1,195)	(50)	-	-	(20,865)	152	(47,501)
Fund balance, beginning of year	2,859	495,310	116,601	25,100	50	-	-	-	(152)	40,800
Fund balance, end of year	\$ <u>3,214</u>	<u>637,829</u>	<u>146,210</u>	<u>23,905</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,865)</u>	<u>-</u>	<u>(6,701)</u>

(continued)

**ROSS LOCAL SCHOOL DISTRICT, OHIO**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
Fiscal Year Ended June 30, 2012  
(Continued)

	State Fiscal Stabilization	Title II-D	Title I	IDEA Preschool	Improving Teacher Quality	Misc. Federal Grants	Special Revenue	Food Service	TOTAL
<b>Revenues:</b>									
Income taxes	\$ -	-	-	-	-	-	-	-	168,209
Interest	-	-	-	-	-	-	-	139	153
Extracurricular	-	-	-	-	-	-	-	-	325,472
Charges for services	-	-	-	-	-	-	-	720,003	720,003
Intergovernmental	-	780	262,629	1,761	77,023	93,950	-	376,791	2,366,648
Other local revenues	18,281	-	-	-	-	-	87,291	7,146	141,383
<b>Total revenues</b>	<u>18,281</u>	<u>780</u>	<u>262,629</u>	<u>1,761</u>	<u>77,023</u>	<u>93,950</u>	<u>87,291</u>	<u>1,104,079</u>	<u>3,721,868</u>
<b>Expenditures:</b>									
Current:									
Instruction:									
Regular	-	-	-	-	64,361	74,491	89,517	-	335,560
Special education	-	-	213,994	13,362	-	-	-	-	361,444
Support services:									
Instructional staff	-	666	58,751	-	-	21,534	-	-	535,876
Administration	-	-	-	-	-	-	399	-	718,960
Operation and maintenance of plant	-	-	-	-	-	-	-	-	60,831
Pupil Transportation	-	-	-	-	-	-	-	-	43,543
Central	-	-	-	-	-	-	-	-	7,200
Non-instructional services:									
Community services	-	-	13,073	-	-	-	10,000	-	173,921
Extracurricular activities	-	-	-	-	-	-	8,687	-	304,550
Food services	-	-	-	-	-	-	-	1,109,067	1,109,067
<b>Total expenditures</b>	<u>-</u>	<u>666</u>	<u>285,818</u>	<u>13,362</u>	<u>64,361</u>	<u>96,025</u>	<u>108,603</u>	<u>1,109,067</u>	<u>3,650,952</u>
Net change in fund balances	18,281	114	(23,189)	(11,601)	12,662	(2,075)	(21,312)	(4,988)	70,916
Fund balance, beginning of year	(18,281)	-	(967)	11,601	(12,864)	(5)	126,165	106,670	892,887
Fund balance, end of year	\$ <u>-</u>	<u>114</u>	<u>(24,156)</u>	<u>-</u>	<u>(202)</u>	<u>(2,080)</u>	<u>104,853</u>	<u>101,682</u>	<u>963,803</u>



**ROSS LOCAL SCHOOL DISTRICT, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Other Local Grants Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Other local revenues	\$ 30,050	28,665	(1,385)
Expenditures:			
Current:			
Instruction:			
Regular	22,103	18,201	3,902
Support services:			
Administration	5,800	5,344	456
Operation and maintenance of plant	4,865	4,765	100
Total expenditures	<u>32,768</u>	<u>28,310</u>	<u>4,458</u>
Net change in fund balance	(2,718)	355	3,073
Fund balance, beginning of year	<u>2,859</u>	<u>2,859</u>	
Fund balance, end of year	\$ <u>141</u>	<u>3,214</u>	

**ROSS LOCAL SCHOOL DISTRICT, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Non-GAAP Budgetary Basis)

Classroom Facilities Maintenance Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Income taxes	\$ 168,209	168,209	-
Intergovernmental	<u>30,400</u>	<u>30,377</u>	<u>(23)</u>
Total revenues	<u>198,609</u>	<u>198,586</u>	<u>(23)</u>
Expenditures:			
Current:			
Support services:			
Operation and maintenance of plant	<u>495,000</u>	<u>72,389</u>	<u>422,611</u>
Total expenditures	<u>495,000</u>	<u>72,389</u>	<u>422,611</u>
Net change in fund balance	<u>(296,391)</u>	<u>126,197</u>	<u>422,588</u>
Fund balance, beginning of year	475,310	475,310	
Prior year encumbrances appropriated	<u>20,000</u>	<u>20,000</u>	
Fund balance, end of year	\$ <u>198,919</u>	<u>621,507</u>	

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

## Athletic Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Extracurricular	\$ 329,200	324,005	(5,195)
Expenditures:			
Current:			
Non-instructional services:			
Extracurricular activities	456,371	316,835	139,536
Total expenditures	456,371	316,835	139,536
Excess of revenues over (under) expenditures	(127,171)	7,170	134,341
Other financing sources (uses):			
Other financing sources	1,000	-	(1,000)
Other financing uses	(100)	(100)	-
Total other financing (uses)	900	(100)	(1,000)
Net change in fund balance	(126,271)	7,070	133,341
Fund balance, beginning of year	111,396	111,396	
Prior year encumbrances appropriated	21,070	21,070	
Fund balance, end of year	\$ 6,195	139,536	

**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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Interest	\$ 100	14	(86)
Intergovernmental	<u>141,996</u>	<u>141,996</u>	<u>-</u>
Total revenues	<u>142,096</u>	<u>142,010</u>	<u>(86)</u>
Expenditures:			
Current:			
Non-instructional services:			
Community services	<u>213,397</u>	<u>187,763</u>	<u>25,634</u>
Total expenditures	<u>213,397</u>	<u>187,763</u>	<u>25,634</u>
Net change in fund balance	(71,301)	(45,753)	25,548
Fund balance, beginning of year	6,126	6,126	
Prior year encumbrances appropriated	<u>66,475</u>	<u>66,475</u>	
Fund balance, end of year	\$ <u>1,300</u>	<u>26,848</u>	

**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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Expenditures:			
Current:			
Support services:			
Instructional staff	<u>5,050</u>	<u>50</u>	<u>5,000</u>
Total expenditures	<u>5,050</u>	<u>50</u>	<u>5,000</u>
Net change in fund balance	(50)	(50)	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>50</u>	<u>50</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)

Data Communication Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>9,100</u>	<u>7,200</u>	<u>(1,900)</u>
Expenditures:			
Current:			
Support services:			
Central	<u>8,000</u>	<u>7,200</u>	<u>800</u>
Total expenditures	<u>8,000</u>	<u>7,200</u>	<u>800</u>
Net change in fund balance	<u>1,100</u>	<u>-</u>	<u>(1,100)</u>
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u><u>1,100</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  
Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>200</u>	<u>128</u>	<u>(72)</u>
Expenditures:			
Current:			
Instruction:			
Regular	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	200	128	(72)
Fund balance, beginning of year	(128)	(128)	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u><u>72</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)

Education Jobs Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>587,800</u>	<u>549,271</u>	<u>(38,529)</u>
Expenditures:			
Current:			
Support services:			
Administration	<u>587,800</u>	<u>587,800</u>	<u>-</u>
Total expenditures	<u>587,800</u>	<u>587,800</u>	<u>-</u>
Net change in fund balance	-	(38,529)	(38,529)
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u><u>-</u></u>	<u><u>(38,529)</u></u>	



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

Race To The Top Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>119,385</u>	<u>84,049</u>	<u>(35,336)</u>
Expenditures:			
Current:			
Instruction:			
Regular	<u>113,750</u>	<u>89,542</u>	<u>24,208</u>
Total expenditures	<u>113,750</u>	<u>89,542</u>	<u>24,208</u>
Net change in fund balance	5,635	(5,493)	(11,128)
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u><u>5,635</u></u>	<u><u>(5,493)</u></u>	

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

IDEA Part B Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ 882,028	788,148	(93,880)
Expenditures:			
Current:			
Instruction:			
Special education	157,987	157,316	671
Support services:			
Instructional staff	549,957	482,590	67,367
Administration	110,373	109,747	626
Pupil transportation	26,921	26,867	54
Non-instructional services:			
Community services	17,452	9,226	8,226
Total expenditures	<u>862,690</u>	<u>785,746</u>	<u>76,944</u>
Net change in fund balance	19,338	2,402	(16,936)
Fund balance, beginning of year	(213,501)	(213,501)	
Prior year encumbrances appropriated	<u>209,159</u>	<u>209,159</u>	
Fund balance, end of year	\$ <u>14,996</u>	<u>(1,940)</u>	

**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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ -	-	-
Expenditures:			
Support services:			
Administration	15,458	15,458	-
Total expenditures	<u>15,458</u>	<u>15,458</u>	<u>-</u>
Net change in fund balance	(15,458)	(15,458)	-
Fund balance, beginning of year	15,024	15,024	
Prior year encumbrances appropriated	<u>434</u>	<u>434</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 II-D Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>1,873</u>	<u>540</u>	<u>(1,333)</u>
Expenditures:			
Current:			
Support services:			
Instructional staff	1,742	792	950
Non-instructional services:			
Community services	<u>131</u>	<u>131</u>	<u>-</u>
Total expenditures	<u>1,873</u>	<u>923</u>	<u>950</u>
Net change in fund balance	-	(383)	(383)
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u><u>-</u></u>	<u><u>(383)</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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ 294,171	255,937	(38,234)
Expenditures:			
Current:			
Instruction:			
Special education	216,640	185,400	31,240
Support services:			
Instructional staff	47,627	47,627	-
Non-instructional services:			
Community services	15,631	13,073	2,558
Total expenditures	<u>279,898</u>	<u>246,100</u>	<u>33,798</u>
Net change in fund balance	14,273	9,837	(4,436)
Fund balance, beginning of year	(15,100)	(15,100)	
Prior year encumbrances appropriated	<u>1,815</u>	<u>1,815</u>	
Fund balance, end of year	\$ <u>988</u>	<u>(3,448)</u>	

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

IDEA Preschool Special Revenue Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ 15,051	14,792	(259)
Expenditures:			
Current:			
Instruction:			
Special education	13,642	13,642	-
Support services:			
Instructional staff	1,150	1,150	-
Total expenditures	<u>14,792</u>	<u>14,792</u>	<u>-</u>
Net change in fund balance	259	-	(259)
Fund balance, beginning of year	(13,031)	(13,031)	
Prior year encumbrances appropriated	<u>13,031</u>	<u>13,031</u>	
Fund balance, end of year	\$ <u>259</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  
Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>87,150</u>	<u>82,207</u>	<u>(4,943)</u>
Expenditures:			
Current:			
Instruction:			
Regular	<u>80,867</u>	<u>80,807</u>	<u>60</u>
Total expenditures	<u>80,867</u>	<u>80,807</u>	<u>60</u>
Net change in fund balance	6,283	1,400	(4,883)
Fund balance, beginning of year	(1,400)	(1,400)	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>4,883</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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ <u>106,947</u>	<u>98,567</u>	<u>(8,380)</u>
Expenditures:			
Current:			
Instruction:			
Regular	74,492	74,492	-
Support services:			
Instructional staff	<u>32,140</u>	<u>32,136</u>	<u>4</u>
Total expenditures	<u>106,632</u>	<u>106,628</u>	<u>4</u>
Net change in fund balance	315	(8,061)	(8,376)
Fund balance, beginning of year	(7,115)	(7,115)	
Prior year encumbrances appropriated	<u>6,800</u>	<u>6,800</u>	
Fund balance, end of year	\$ <u>-</u>	<u>(8,376)</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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Other local revenues	\$ 94,725	88,383	(6,342)
Expenditures:			
Current:			
Instruction:			
Regular	163,196	103,585	59,611
Support services:			
Administration	1,463	696	767
Non-instructional services:			
Community services	25,917	10,000	15,917
Extracurricular activities	10,515	8,687	1,828
Total expenditures	<u>201,091</u>	<u>122,968</u>	<u>78,123</u>
Net change in fund balance	(106,366)	(34,585)	71,781
Fund balance, beginning of year, restated	112,206	112,206	
Prior year encumbrances appropriated	<u>14,633</u>	<u>14,633</u>	
Fund balance, end of year	\$ <u>20,473</u>	<u>92,254</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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Interest	\$ 200	139	(61)
Charges for services	732,423	719,856	(12,567)
Intergovernmental	<u>326,177</u>	<u>325,072</u>	<u>(1,105)</u>
Total revenues	<u>1,058,800</u>	<u>1,045,067</u>	<u>(13,733)</u>
Expenditures:			
Current:			
Support services:			
Operation and maintenance of plant	27,368	27,368	-
Non-instructional services:			
Food services	<u>1,116,029</u>	<u>1,115,529</u>	<u>500</u>
Total expenditures	<u>1,143,397</u>	<u>1,142,897</u>	<u>500</u>
Net change in fund balance	(84,597)	(97,830)	(13,233)
Fund balance, beginning of year	48,251	48,251	
Prior year encumbrances appropriated	<u>100,588</u>	<u>100,588</u>	
Fund balance, end of year	\$ <u>64,242</u>	<u>51,009</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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Taxes	\$ 239,033	238,534	(499)
Intergovernmental	<u>46,467</u>	<u>34,247</u>	<u>(12,220)</u>
Total revenues	<u>285,500</u>	<u>272,781</u>	<u>(12,719)</u>
Expenditures:			
Current:			
Support services:			
Administration	5,000	3,048	1,952
Fiscal	4,000	1,697	2,303
Capital outlay	<u>1,146,141</u>	<u>181,350</u>	<u>964,791</u>
Total expenditures	<u>1,155,141</u>	<u>186,095</u>	<u>969,046</u>
Net change in fund balance	(869,641)	86,686	956,327
Fund balance, beginning of year	363,911	363,911	
Prior year encumbrances appropriated	<u>505,730</u>	<u>505,730</u>	
Fund balance, end of year	\$ <u>-</u>	<u>956,327</u>	

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

## Uniform School Supplies Fund (1)

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Other local revenues	\$ <u>106,000</u>	<u>99,746</u>	<u>(6,254)</u>
Expenditures:			
Current:			
Instruction:			
Regular	<u>127,179</u>	<u>96,135</u>	<u>31,044</u>
Total expenditures	<u>127,179</u>	<u>96,135</u>	<u>31,044</u>
Excess of revenues over (under) expenditures	(21,179)	3,611	24,790
Other financing sources (uses):			
Advances in	79,000	77,000	(2,000)
Advances out	<u>(77,000)</u>	<u>(77,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
Net change in fund balance	(19,179)	3,611	22,790
Fund balance, beginning of year	18,874	18,874	
Prior year encumbrances appropriated	<u>4,855</u>	<u>4,855</u>	
Fund balance, end of year	\$ <u>4,550</u>	<u>27,340</u>	

(1) - For GAAP reporting, this fund is combined with the General Fund.

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

Public School Support Fund (1)

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Extracurricular	\$ 241,300	225,779	(15,521)
Expenditures:			
Current:			
Instruction:			
Regular	223,642	181,137	42,505
Support services:			
Instructional staff	52,820	49,860	2,960
Non-instructional services:			
Extracurricular activities	10,916	5,180	5,736
Total expenditures	<u>287,378</u>	<u>236,177</u>	<u>51,201</u>
Net change in fund balance	(46,078)	(10,398)	35,680
Fund balance, beginning of year	56,121	56,121	
Prior year encumbrances appropriated	<u>4,358</u>	<u>4,358</u>	
Fund balance, end of year	\$ <u>14,401</u>	<u>50,081</u>	

(1) - For GAAP reporting, this fund is combined with the General Fund.

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

## Debt Service Fund

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Taxes	\$ 1,353,357	1,350,863	(2,494)
Intergovernmental	<u>429,143</u>	<u>195,694</u>	<u>(233,449)</u>
Total revenues	<u>1,782,500</u>	<u>1,546,557</u>	<u>(235,943)</u>
Expenditures:			
Current:			
Support services:			
Administration	20,000	17,417	2,583
Fiscal	10,039	10,039	-
Debt service	<u>1,538,036</u>	<u>1,444,718</u>	<u>93,318</u>
Total expenditures	<u>1,568,075</u>	<u>1,472,174</u>	<u>95,901</u>
Net change in fund balance	214,425	74,383	(140,042)
Fund balance, beginning of year	<u>1,972,615</u>	<u>1,972,615</u>	
Fund balance, end of year	\$ <u><u>2,187,040</u></u>	<u><u>2,046,998</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

Fiscal Year Ended June 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Interest	\$ 12,000	4,617	(7,383)
Intergovernmental	373,030	102,371	(270,659)
Other local revenues	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total revenues	<u>386,030</u>	<u>106,988</u>	<u>(279,042)</u>
Expenditures:			
Capital outlay	<u>6,783,381</u>	<u>3,844,792</u>	<u>2,938,589</u>
Total expenditures	<u>6,783,381</u>	<u>3,844,792</u>	<u>2,938,589</u>
Excess of revenues over (under) expenditures	(6,397,351)	(3,737,804)	2,659,547
Other financing sources (uses):			
Other financing sources	<u>16,101</u>	<u>16,101</u>	<u>-</u>
Total other financing sources (uses)	<u>16,101</u>	<u>16,101</u>	<u>-</u>
Net change in fund balance	(6,381,250)	(3,721,703)	2,659,547
Fund balance, beginning of year	4,140,823	4,140,823	
Prior year encumbrances appropriated	<u>2,753,381</u>	<u>2,753,381</u>	
Fund balance, end of year	\$ <u>512,954</u>	<u>3,172,501</u>	

## ROSS LOCAL SCHOOL DISTRICT, OHIO

### Statement of Changes in Fiduciary Assets and Liabilities

#### Agency Fund

Fiscal Year Ended June 30, 2012

	Beginning Balance <u>7/1/11</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>6/30/12</u>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 48,711	\$ 59,893	\$ 71,979	\$ 36,625
Total assets	<u>48,711</u>			<u>36,625</u>
<b>Liabilities:</b>				
Due to student groups	<u>48,711</u>	<u>59,893</u>	<u>71,979</u>	<u>36,625</u>
Total liabilities	<u>\$ 48,711</u>			<u>\$ 36,625</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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	<b>79-82</b>
<b>Revenue Capacity</b> 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).	<b>83-87</b>
<b>Debt Capacity</b> 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.	<b>88-91</b>
<b>Economic and Demographic Information</b> 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.	<b>92-93</b>
<b>Operating Information</b> 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.	<b>94-97</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Invested in Capital Assets, Net of Related Debt	\$20,132,618	\$7,528,672	\$11,674,008	\$13,033,241	\$13,233,413	\$ 13,365,318	\$ 13,714,999	\$ 15,648,895	\$ 29,821,233	\$ 32,116,242
Restricted	25,329,942	8,208,981	2,462,019	1,028,253	1,169,953	2,163,316	26,400,093	25,205,756	11,081,744	8,398,780
Unrestricted (Deficit)	(23,404,563)	2,778,623	321,865	1,877,874	2,399,521	1,918,679	2,460,439	1,928,932	2,880,967	5,668,509
<b>Total Net Assets</b>	<b>\$22,057,997</b>	<b>\$18,516,276</b>	<b>\$14,457,892</b>	<b>\$15,939,368</b>	<b>\$16,802,887</b>	<b>\$17,447,313</b>	<b>\$42,575,531</b>	<b>\$42,783,583</b>	<b>\$43,783,944</b>	<b>\$46,183,531</b>

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses</b>										
Regular Instruction	\$9,692,617	\$9,124,245	\$8,836,363	\$8,762,193	\$11,323,356	\$11,085,096	\$ 11,592,916	\$ 12,455,204	\$ 12,554,421	\$ 12,225,999
Special Instruction	1,207,179	1,388,504	1,386,822	1,555,089	1,782,823	1,881,815	2,078,745	1,949,860	1,876,301	1,780,666
Adult/Continuing	668	738	3,987	78,155	1,837	1,173	-	-	-	-
Other	241,184	369,167	251,650	207,342	256,839	222,898	401,083	615,611	796,116	786,732
Pupil Support	686,447	655,851	770,183	823,651	818,693	1,028,579	930,722	1,053,650	1,049,738	868,746
Instructional Staff Support	895,705	848,876	816,001	1,182,254	1,302,590	1,432,129	1,431,265	1,563,829	1,517,143	1,376,411
Board of Education	79,646	121,801	74,268	83,630	14,304	51,828	22,942	22,390	20,266	21,793
Administration	1,623,461	1,600,221	1,653,472	1,795,625	1,756,814	1,922,777	1,906,408	1,979,015	1,859,702	1,960,499
Fiscal	437,782	503,934	496,548	518,893	525,050	668,717	717,195	735,029	746,212	665,521
Operation and Maintenance of Plant	1,082,967	3,941,084	1,721,084	2,134,602	2,628,197	2,828,484	2,428,993	1,920,431	2,119,800	1,954,719
Pupil Transportation	1,580,526	1,600,836	1,506,050	2,021,368	2,192,810	2,097,136	1,988,556	1,892,347	1,831,602	1,585,983
Central	25,554	21,432	17,620	21,697	10,058	33,898	22,946	9,145	9,100	7,200
Operation of Food Services	380,579	674,840	819,760	906,186	927,764	1,013,382	1,033,437	1,069,713	1,024,440	1,109,769
Extracurricular Activities	681,046	823,930	722,467	900,778	1,075,040	904,121	945,408	827,471	802,357	799,603
Community Service	211,974	323,704	185,543	223,040	212,301	192,002	206,985	184,892	164,490	187,191
Interest and Fiscal Charges	155,152	1,185,372	997,146	1,006,783	965,394	928,810	927,424	909,985	890,291	729,462
<i>Total Expenses</i>	<u>18,982,487</u>	<u>23,184,535</u>	<u>20,258,964</u>	<u>22,221,286</u>	<u>25,793,870</u>	<u>26,292,845</u>	<u>26,635,025</u>	<u>27,188,572</u>	<u>27,261,979</u>	<u>26,060,294</u>
<b>Program Revenues</b>										
Charges for Services										
Regular Instruction	\$72,316	\$169,109	\$157,486	\$179,873	\$309,079	\$183,828	\$ 193,468	\$ 192,433	\$ 268,093	\$ 252,257
Adult/Continuing	6,787	14,432	24,689	44,662	-	-	-	-	-	-
Operation of Food Service	563,645	584,106	658,197	735,407	769,131	779,561	775,235	762,161	709,594	720,003
Extracurricular Activities	323,723	340,358	482,901	449,059	455,068	574,182	582,507	674,517	592,849	651,252
Operating Grants and Contributions										
Regular Instruction	210,935	118,459	141,275	130,975	86,065	84,107	95,500	135,902	583,700	234,939
Special Instruction	196,399	144,022	345,522	112,843	97,997	110,298	260,893	498,922	324,514	370,570
Adult/Continuing	27,455	-	-	-	-	-	-	20,387	20,038	-
Pupil Support	292,693	9,651	8,242	8,212	6,542	6,405	55,984	78,234	-	-
Staff Support	27,237	331,528	557,028	699,852	706,481	695,655	481,030	610,235	696,173	419,821
Administration	-	2,585	2,612	-	20,003	7,169	41,709	631,875	823,610	380,706
Operation and maintenance of plant	-	-	-	-	-	-	2,285	300,727	-	-
Pupil transportation	-	-	-	-	-	-	-	-	19,132	32,653
Central	14,000	-	-	12,000	37,088	12,000	12,000	9,145	9,100	7,200
Community Service	-	151,813	148,246	136,352	135,828	152,680	171,439	139,801	146,470	159,659
Operation of Food Service	113,317	114,443	177,614	167,894	216,056	236,914	274,375	342,180	328,290	376,791
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>	<u>2,839,338</u>	<u>2,842,799</u>	<u>2,946,425</u>	<u>4,396,519</u>	<u>4,521,563</u>	<u>3,605,851</u>
Net Expense	(\$17,132,780)	(\$21,204,029)	(\$17,531,212)	(\$19,544,157)	(\$22,954,532)	(\$23,450,046)	\$ (23,688,600)	\$ (22,792,053)	\$ (22,740,416)	\$ (22,454,443)
<b>General Revenues</b>										
Property Taxes Levied for:										
General Purposes	\$5,533,862	\$6,087,781	\$6,031,701	\$6,129,278	\$6,393,115	\$6,457,283	\$ 6,776,876	\$ 6,545,535	\$ 7,486,206	\$ 8,833,635
Debt Service	752,270	1,513,662	1,674,219	1,592,086	1,738,698	1,757,071	1,740,275	1,527,360	1,348,279	1,472,468
Permanent Improvement	-	-	-	-	112,081	214,656	232,892	211,255	224,108	259,814
Income Taxes Levied for										
General Purposes	-	-	-	616,390	2,921,039	2,814,600	2,900,690	2,438,661	2,594,243	2,534,540
Grants and Entitlements not										
Restricted to Specific Programs	9,368,561	9,805,541	10,579,473	12,071,717	12,172,806	12,324,708	12,645,945	11,900,756	11,606,019	11,438,492
Classroom Facilities Assistance Program	-	-	-	-	-	-	24,030,706	896	51,266	-
Investment Earnings	391,607	157,878	257,276	197,853	281,311	277,259	121,136	34,280	26,859	25,120
Miscellaneous	595,628	97,446	186,475	418,309	199,001	248,895	368,298	341,362	403,797	289,961
<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>	<u>23,818,051</u>	<u>24,094,472</u>	<u>48,816,818</u>	<u>23,000,105</u>	<u>23,740,777</u>	<u>24,854,030</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>	<u>\$863,519</u>	<u>\$644,426</u>	<u>\$ 25,128,218</u>	<u>\$ 208,052</u>	<u>\$ 1,000,361</u>	<u>\$ 2,399,587</u>

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Fund</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,065	\$ 3,529
Restricted	-	-	-	-	-	-	-	-	285,493	-
Assigned	-	-	-	-	-	-	-	-	598,604	431,008
Unassigned	-	-	-	-	-	-	-	-	2,136,263	4,552,500
Reserved	735,413	831,368	1,045,944	1,060,106	795,274	1,041,917	875,229	1,154,703	-	-
Unreserved	2,066,171	343,880	444,271	907,321	1,493,602	1,413,686	2,211,236	1,355,457	-	-
<i>Total General Fund</i>	<u>2,801,584</u>	<u>1,175,248</u>	<u>1,490,215</u>	<u>1,967,427</u>	<u>2,288,876</u>	<u>2,455,603</u>	<u>3,086,465</u>	<u>2,510,160</u>	<u>3,023,425</u>	<u>4,987,037</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,231	\$ 11,025
Restricted	-	-	-	-	-	-	-	-	10,045,115	8,444,988
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(32,269)	(54,004)
Reserved	2,411,660	16,790,817	1,902,173	359,031	73,164	98,581	319,724	6,901,997	-	-
Unreserved, Undesignated, Reported in:										
Special Revenue Funds	184,153	117,796	149,684	171,853	199,540	245,360	347,028	509,324	-	-
Debt Service Funds	514,201	495,935	568,262	722,723	975,428	1,199,350	1,714,809	1,970,696	-	-
Capital Projects Funds	21,725,167	(13,322)	70,796	5,439	119,151	347,879	1,552,270	2,154,280	-	-
Total All Other Governmental Funds	<u>24,835,181</u>	<u>17,391,226</u>	<u>2,690,915</u>	<u>1,259,046</u>	<u>1,367,283</u>	<u>1,891,170</u>	<u>3,933,831</u>	<u>11,536,297</u>	<u>10,050,077</u>	<u>8,402,009</u>
<i>Total Governmental Funds</i>	<u>\$27,636,765</u>	<u>\$18,566,474</u>	<u>\$4,181,130</u>	<u>\$3,226,473</u>	<u>\$3,656,159</u>	<u>\$4,346,773</u>	<u>\$7,020,296</u>	<u>\$ 14,046,457</u>	<u>\$ 13,073,502</u>	<u>\$ 13,389,046</u>

Note: The School District adopted the fund balance reporting provisions of GASB No. 54 beginning July 1, 2010.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Revenues</b>										
Income Taxes	\$0	\$0	\$0	\$490,254	\$ 2,589,139	\$ 2,861,441	\$ 2,917,782	\$ 2,375,539	\$ 2,740,228	\$ 2,659,996
Property and Other Local Taxes	6,035,378	7,434,249	7,715,893	7,910,405	8,238,574	8,200,063	8,669,179	8,290,021	8,769,088	9,638,126
Intergovernmental	10,251,797	10,678,042	11,981,021	13,308,769	13,495,938	13,620,674	15,911,324	23,544,169	26,962,568	14,378,205
Interest	391,607	145,602	267,450	199,955	265,026	278,655	128,325	39,631	29,208	25,120
Tuition and Fees	6,787	14,582	24,689	44,662	65,501	47,343	91,898	98,350	168,729	152,511
Extracurricular Activities	0	0	482,901	449,059	455,368	574,482	582,507	674,517	600,212	651,252
Charges for Services	635,961	660,983	815,683	843,410	878,028	889,701	876,546	856,244	808,958	819,749
Miscellaneous	861,822	618,042	189,704	490,180	333,382	305,207	354,711	344,599	446,263	289,961
<b>Total Revenues</b>	<b>18,183,352</b>	<b>19,551,500</b>	<b>21,477,341</b>	<b>23,736,694</b>	<b>26,320,956</b>	<b>26,777,566</b>	<b>29,532,272</b>	<b>36,223,070</b>	<b>40,525,254</b>	<b>28,614,920</b>
<b>Expenditures</b>										
<b>Current:</b>										
<b>Instruction:</b>										
Regular	8,525,675	9,172,667	8,944,567	9,339,630	10,972,805	10,938,234	11,093,744	11,371,731	11,474,365	11,301,198
Special education	1,184,654	1,427,586	1,386,340	1,538,621	1,764,474	1,828,241	2,044,809	2,000,992	1,858,736	1,804,043
Vocational/Other	241,853	369,905	255,637	285,497	258,676	224,071	401,083	613,747	794,252	784,868
<b>Support Services:</b>										
Pupil	602,431	715,688	778,124	821,071	814,796	993,799	923,006	1,070,762	1,054,805	893,991
Instructional Staff	822,481	848,899	817,505	1,175,382	1,293,856	1,420,677	1,426,226	1,561,106	1,520,598	1,374,028
Board of Education	23,077	14,942	14,896	21,658	14,304	27,103	19,757	22,390	20,266	21,793
Administration	1,580,671	1,536,924	1,677,051	1,750,074	1,718,729	1,879,562	1,903,872	1,954,414	1,885,350	1,959,531
Fiscal	426,270	473,391	502,712	511,533	515,893	642,145	701,065	715,941	724,974	660,933
Operation and Maintenance of Plant	1,044,205	1,181,408	1,360,566	1,722,497	1,903,710	1,931,543	1,926,178	1,873,019	1,846,098	1,792,949
Pupil Transportation	1,423,347	1,490,487	1,352,560	1,762,849	1,894,220	1,808,953	1,691,627	2,123,796	1,708,500	1,553,332
Central	14,610	12,000	12,000	12,000	-	32,014	16,462	12,157	9,100	7,200
Operation of Non-Instructional Services	224,832	257,835	253,049	197,473	185,510	147,978	200,297	634,922	597,558	173,921
Operation of Food Services	745,936	691,976	819,760	903,770	926,394	1,007,494	1,029,973	1,069,149	1,030,442	1,109,067
Extracurricular Activities	702,341	870,749	664,400	798,082	905,316	760,067	788,596	335,198	310,984	751,176
Capital Outlay (1)	862,707	8,942,226	15,997,523	2,067,162	931,748	890,594	1,037,976	2,150,955	14,995,249	2,371,432
<b>Debt Service:</b>										
Principal Retirement	24,943,904	692,000	814,000	790,000	836,000	1,005,492	765,929	823,767	1,798,803	1,074,577
Interest and Fiscal Charges	227,689	1,174,108	1,010,546	994,052	954,839	896,377	888,149	862,863	833,406	800,527
<b>Total Expenditures</b>	<b>43,596,683</b>	<b>29,872,791</b>	<b>36,661,236</b>	<b>24,691,351</b>	<b>25,891,270</b>	<b>26,434,344</b>	<b>26,858,749</b>	<b>29,196,909</b>	<b>42,463,486</b>	<b>28,434,566</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(25,413,331)</b>	<b>(10,321,291)</b>	<b>(15,183,895)</b>	<b>(954,657)</b>	<b>429,686</b>	<b>343,222</b>	<b>2,673,523</b>	<b>7,026,161</b>	<b>(1,938,232)</b>	<b>180,354</b>
<b>Other Financing Sources (Uses)</b>										
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Refund of Prior Year Expenditures	-	-	-	-	-	-	-	-	-	-
Refund of Prior Year Receipts	-	-	-	-	-	-	-	-	-	-
General Obligation Bonds Issued	24,537,173	-	-	-	-	-	-	-	-	-
Proceeds from Refunding Bonds Issued	-	-	-	-	9,415,000	-	-	-	-	6,690,000
Proceeds from Premium on Bonds Issued	-	-	-	-	581,988	-	-	-	-	427,034
Payment to Escrow Agent	-	-	-	-	(9,839,167)	-	-	-	-	(6,981,844)
Proceeds from Sale of Notes	24,918,904	-	-	-	-	-	-	-	-	-
Inception of Leases	-	1,251,000	-	-	-	347,392	-	-	965,277	-
Other Uses	-	-	-	-	(157,821)	-	-	-	-	-
Transfers In	6,578	-	-	-	-	-	11,365	-	-	-
Transfers Out	(6,578)	-	-	-	-	-	(11,365)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>49,456,077</b>	<b>1,251,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>347,392</b>	<b>-</b>	<b>-</b>	<b>965,277</b>	<b>135,190</b>
<b>Net Change in Fund Balances</b>	<b>\$24,042,746</b>	<b>(\$9,070,291)</b>	<b>(\$15,183,895)</b>	<b>(\$954,657)</b>	<b>\$429,686</b>	<b>\$690,614</b>	<b>\$2,673,523</b>	<b>\$7,026,161</b>	<b>(\$972,955)</b>	<b>\$315,544</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>										
	143.3%	9.8%	9.7%	8.6%	7.7%	8.0%	6.8%	6.2%	9.5%	7.2%

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

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

Calendar Year	Real Property			Tangible Personal Property		Tangible Personal Property		Total		
	Assessed Value		Estimated Actual Value	Public Utility		General Business		Assessed Value	Estimated Actual Value	Weighted Average Tax Rate
	Residential/Agricultural	Commercial/Industrial/PU		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value			
2002	230,742,590	13,791,740	698,669,514	8,658,870	9,839,625	9,136,105	36,544,420	262,329,305	745,053,559	35.21%
2003	260,116,830	15,547,470	787,612,286	8,984,089	10,209,192	9,592,910	38,371,640	294,241,299	836,193,118	35.19%
2004	248,082,010	14,828,130	751,171,829	9,365,200	10,642,273	8,926,189	35,704,756	281,201,529	797,518,857	35.26%
2005	285,784,110	16,135,620	862,627,800	8,516,760	9,678,136	8,156,222	32,624,888	318,592,712	904,930,824	35.21%
2006	299,750,260	16,326,670	903,076,943	8,596,020	9,768,205	6,044,715	32,238,480	330,717,665	945,083,627	34.99%
2007	306,635,710	16,878,350	924,325,886	7,823,600	8,890,455	4,920,678	26,243,616	336,258,338	959,459,956	35.05%
2008	338,662,470	20,256,840	1,025,483,743	8,071,100	9,171,705	4,919,087	26,253,131	371,909,497	1,060,908,578	35.06%
2009	327,048,680	20,007,460	991,588,971	8,526,190	9,688,852	-	-	355,582,330	1,001,277,823	35.51%
2010	326,692,800	20,650,120	992,408,343	55,286,320	62,825,364	-	-	402,629,240	1,055,233,705	38.16%
2011	323,894,200	19,728,340	981,778,686	53,164,800	60,414,545	-	-	396,787,340	1,042,193,230	38.07%

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 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



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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Unvoted Millage</b>										
Operating	5.36	5.36	5.36	5.36	5.36	5.36	5.36	4.66	4.66	4.66
<b>Voted Millage - by levy</b>										
1976 Operating - continuing										
Residential/Agricultural Real	6.18	5.58	5.56	5.49	4.95	7.35	5.28	5.50	5.51	5.60
Commercial/Industrial and Public Utility Real	7.15	6.37	6.39	6.38	6.04	8.24	5.24	5.40	5.44	5.68
General Business and Public Utility Personal	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52	19.52
1981 Operating - continuing										
Residential/Agricultural Real	3.21	2.90	2.89	2.90	2.57	3.82	2.57	2.68	2.69	2.73
Commercial/Industrial and Public Utility Real	3.71	3.31	3.32	3.31	3.13	4.28	2.72	2.80	2.82	2.94
General Business and Public Utility Personal	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.90
1987 Operating - continuing										
Residential/Agricultural Real	2.34	2.11	2.10	2.08	1.87	2.79	1.82	1.89	1.90	1.93
Commercial/Industrial and Public Utility Real	2.77	2.47	2.47	2.47	2.34	3.19	2.03	2.09	2.10	2.20
General Business and Public Utility Personal	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
1990 Operating - continuing										
Residential/Agricultural Real	2.00	1.81	1.80	1.78	1.60	2.38	1.55	1.61	1.62	1.65
Commercial/Industrial and Public Utility Real	2.48	2.21	2.22	2.21	2.09	2.86	1.82	1.89	1.88	197.00
General Business and Public Utility Personal	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
1995 Operating - continuing										
Residential/Agricultural Real	1.47	1.32	1.32	1.30	1.17	1.74	1.11	1.16	1.16	1.18
Commercial/Industrial and Public Utility Real	1.63	1.45	1.45	1.45	1.37	1.88	1.19	1.22	1.24	1.29
General Business and Public Utility Personal	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
1999 Operating - continuing										
Residential/Agricultural Real	4.00	3.61	3.60	3.55	3.20	0.00	3.00	3.13	3.14	3.19
Commercial/Industrial and Public Utility Real	4.16	3.70	3.71	3.70	3.51	0.00	3.04	3.14	3.16	3.30
General Business and Public Utility Personal	4.75	4.75	4.75	4.75	4.75	0.00	4.75	4.75	4.75	4.75
General Emergency	0.00	0.00	0.00	0.00	0.00	4.75	0.00	0.00	0.00	0.00
2002 Bond Levy (High School)	0.00	6.25	6.25	6.25	6.00	0.00	5.48	4.30	4.00	4.00
<b>Total voted millage by type of property</b>										
Residential/Agricultural Real	19.20	23.58	23.52	23.35	21.36	18.08	26.18	25.65	25.38	25.64
Commercial/Industrial and Public Utility Real	21.90	25.76	25.81	25.77	24.48	20.45	26.88	26.18	26.00	26.73
General Business and Public Utility Personal	40.37	46.62	46.62	46.62	46.37	40.37	51.21	50.03	49.73	49.73
<b>Overlapping Rates by Taxing District</b>										
Township										
Residential/Agricultural Real	6.43	6.11	6.08	6.34	6.00	5.33	6.20	6.31	6.32	6.43
Commercial/Industrial and Public Utility Real	6.50	6.19	6.21	6.48	6.23	5.46	6.02	6.12	6.12	6.30
General Business and Public Utility Personal	6.72	6.72	6.72	6.72	6.72	5.72	6.72	6.72	6.72	6.72
County										
Residential/Agricultural Real	7.01	6.40	7.33	7.94	8.40	6.28	8.55	8.88	8.95	9.08
Commercial/Industrial and Public Utility Real	7.51	7.10	7.88	8.38	9.00	6.75	8.65	8.97	9.21	9.54
General Business and Public Utility Personal	8.75	8.75	8.74	8.74	9.44	8.45	9.75	9.74	9.72	9.72
Vocational School	1.93	1.93	1.93	1.93	1.93	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

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

Calendar Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy (2)
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%
2010	9,339,263	9,011,281	96.49%	248,064	9,259,345	99.14%
2011	11,577,769	10,670,255	92.16%	290,130	10,960,385	94.67%

**Source:** Butler County Auditor

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) Total collections for certain years may exceed 100% of the current tax levy due to the collection of delinquent taxes from prior years. The County does not identify delinquent tax collections by tax year.

**Ross Local School District, Ohio**

*Principal Taxpayers*

*Real Estate Tax*

*2011 and 2003 (1)*

Name of Taxpayer	2011	
	Assessed Value	Percent of Real Property Assessed Value
Tributaries Land Company, LLC	\$1,910,480	0.48%
Tonya S Engel	1,237,250	0.31%
Welch Real Estate Holdings, LLC	901,350	0.23%
Ross Trails Inc	916,730	0.23%
American Aggregates Corp	741,110	0.19%
RPL Investments LLC	634,430	0.16%
Alice M. Finke	633,170	0.16%
Ronald E Watson TR	618,080	0.16%
Skyview Acres LLC	575,980	0.15%
Skyview Storage LLC	490,770	0.12%
<b>Totals</b>	<b>\$8,659,350</b>	<b>2.18%</b>
<b>Total Real Estate Assessed Valuation</b>	<b>\$396,787,340</b>	

Name of Taxpayer	2003	
	Assessed Value	Percent of Real Property Assessed Value
Watson, Ronald	\$1,379,530	0.47%
Broshear Contractors	1,111,080	0.38%
Watson Gravel	1,006,450	0.34%
Texas Eastern	737,920	0.25%
Welch Sand & Gravel	730,840	0.25%
Cornelius, Daniel	637,930	0.22%
Burwinkel, Joseph	539,540	0.18%
<b>Totals</b>	<b>\$6,143,290</b>	<b>2.09%</b>
<b>Total Assessed Valuation</b>	<b>\$294,241,299</b>	

(1) The amounts presented represent the assessed values upon which 2011 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*

*2011 and 2003 (1)*

Name of Taxpayer	2011	
	Assessed Value	Percent of Public Utility Assessed Value
Rockies Express Pipeline	\$43,719,590	82.23%
Butler Rural Electric	3,388,670	6.37%
Duke Energy	4,501,830	8.47%
Texas Eastern Transmission	743,460	1.40%
Dayton Power and Light	518,940	0.98%
Total	<u>\$52,872,490</u>	<u>99.45%</u>
Total Assessed Valuation	<u>\$53,164,800</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>76.40%</u>
Total Public Utility Assessed Valuation	<u>\$8,658,870</u>	

(1) The amounts presented represent the assessed values upon which 2011 and 2004 collections were based. The earliest information available was 2003.

**Source:** Office of the Butler County Auditor

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

Fiscal Year	General Obligation Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
2003	\$ 24,749,341	\$ 169,000	\$ 24,918,341	0.25%	\$ 74.87
2004	24,135,905	1,348,000	25,483,905	0.25%	76.57
2005	23,442,469	1,234,000	24,676,469	0.23%	74.15
2006	22,714,033	1,179,000	23,893,033	0.21%	67.31
2007	22,042,428	1,123,000	23,165,428	0.20%	65.26
2008	21,211,370	1,329,900	22,541,270	0.19%	63.09
2009	20,627,210	1,188,971	21,816,181	0.17%	60.47
2010	20,000,677	1,040,204	21,040,881	0.16%	57.93
2011	19,329,478	936,678	20,266,156	0.22%	55.05
2012	18,686,351	662,101	19,348,452	0.20%	52.29

Sources: Financial statements and Schedule of Demographic and Economic Statistics

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

Fiscal Year	Estimated Actual Value (1)	General Obligation Bonds (2)	Resources Available to Pay Principal (3)	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita (4)
2003	\$ 745,053,559	\$ 24,749,341	\$ 514,201	\$ 24,235,140	3.25%	\$ 72.82
2004	836,193,118	24,135,905	495,935	23,639,970	2.83%	71.03
2005	797,518,857	23,442,469	568,262	22,874,207	2.87%	68.73
2006	904,930,824	22,714,033	722,723	21,991,310	2.43%	61.95
2007	945,083,627	22,042,428	975,428	21,067,000	2.23%	59.34
2008	959,459,956	21,211,370	1,199,350	20,012,020	2.09%	56.01
2009	1,060,908,578	20,627,210	1,714,809	18,912,401	1.78%	52.42
2010	1,001,277,823	20,000,677	1,970,696	18,029,981	1.80%	49.64
2011	1,055,233,705	19,329,478	1,972,615	17,356,863	1.64%	47.15
2012	1,042,193,230	18,686,351	2,046,998	16,639,353	1.60%	44.97

Sources:

- (1) See Schedule of Assessed and Estimated Actual Value of Taxable Property
- (2) See Schedule of Ratios of Outstanding Debt By Type
- (3) Cash balance in the Debt Service Fund for the respective fiscal year
- (4) See Schedule of Demographic and Economic Statistics

**Ross Local School District, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*As of June 30, 2012*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Butler County	\$60,188,581	5.25%	\$3,159,901
Hamilton City	6,187,885	0.18%	11,138
Fairfield Township	5,310,000	0.14%	7,434
Hanover Township	11,300	17.84%	2,016
Butler Technology & Career Center	<u>3,500,000</u>	4.82%	<u>168,700</u>
Subtotal Overlapping Debt	75,197,766		3,349,189
District Direct Debt	<u>18,390,000</u>	100.00%	<u>18,390,000</u>
Total Direct and Overlapping Debt	<u><u>\$93,587,766</u></u>		<u><u>\$21,739,189</u></u>

Source: Ohio Municipal Advisory Council

- (1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government. The valuations used were for the 2011 tax year.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Tax Valuation	\$262,329,305	\$294,241,299	\$281,201,529	\$318,592,712	\$ 330,717,665	\$ 336,258,338	\$ 371,909,497	\$ 355,582,330	\$ 402,629,240	\$ 396,787,340
Debt Limit - 9% of Taxable Valuation (1)	\$23,609,637	\$26,481,717	\$25,308,138	\$28,673,344	\$29,764,590	\$30,263,250	\$33,471,855	\$32,002,410	\$36,236,632	\$35,710,861
Amount of Debt Applicable to Debt Limit General Obligation Bonds Less Amount Available in Debt Service	24,920,000	24,300,000	23,600,000	22,865,000	22,097,868	21,261,397	20,671,554	20,039,878	19,363,266	18,629,057
Amount of Debt Subject to Limit	24,920,000	24,300,000	23,600,000	22,865,000	22,097,868	21,261,397	20,671,554	20,039,878	19,363,266	18,629,057
Legal Debt Margin	(\$1,310,363)	\$2,181,717	\$1,708,138	\$5,808,344	\$7,666,722	\$9,001,853	\$12,800,301	\$11,962,532	\$16,873,366	\$17,081,804
Legal Debt Margin as a Percentage of the Debt Limit	-5.55%	8.24%	6.75%	20.26%	25.76%	29.75%	38.24%	37.38%	46.56%	47.83%
Unvoted Debt Limit - .10% of Taxable Valuation (1)	\$262,329	\$294,241	\$281,202	\$318,593	\$330,718	\$336,258	\$371,909	\$355,582	\$402,629	\$396,787
Amount of Debt Subject to Limit	0	0	0	0	0	0	0	0	0	0
Unvoted Legal Debt Margin	\$262,329	\$294,241	\$281,202	\$318,593	\$330,718	\$336,258	\$371,909	\$355,582	\$402,629	\$396,787
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	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.



**Ross Local School District, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Fiscal Years*

Fiscal Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Unemployment Rate (3)
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%
2011	368,130	9,381,424,920	25,484	9.50%
2012	369,999	9,580,014,108	25,892	7.50%

**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.  
For 2012, 2011, 2010 U.S. Census data was used.  
(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*

Employer	Nature of Business	2011		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	3,400	1	2.00%
Cincinnati Financial Corporation	Financial	2,900	2	1.70%
AK Steel	Steel Manufacturing	2,400	3	1.41%
Butler County	Government	2,000	4	1.18%
Lakota Board of Education	Government	1,688	5	0.99%
General Electric Aviation	Aerospace	1,675	6	0.98%
Mercy Fairfield Hospital	Healthcare	1,200	7	0.71%
Hamilton City Schools	Government	1,114	8	0.65%
Fort Hamilton Hospital	Healthcare	1,036	9	0.61%
Fairfield City Schools	Government	994	10	0.58%
Total		<u>18,407</u>		<u>10.81%</u>
Total Employment within the County		<u>170,100</u>		

Employer	Nature of Business	2002		
		Number of Employees	Rank	Percentage of Total Employment
AK Steel	Steel Manufacturing	4,100	1	2.44%
Miami University	Education	3,600	2	2.14%
Cincinnati Financial Group	Financial	2,500	3	1.49%
Butler County	Government	2,500	4	1.49%
Champion International	Manufacturing	2,292	5	1.36%
Middletown Regional Hospital	Healthcare	1,600	6	0.95%
Cincinnati Insurance Co.	Insurance	1,486	7	0.88%
Ohio Casualty Insurance Co.	Insurance	1,400	8	0.83%
Lakota Local School District	Government	1,300	9	0.77%
Fort Hamilton Hospital	Healthcare	<u>1,200</u>	10	<u>0.71%</u>
Total		<u>21,978</u>		<u>13.06%</u>
Total Employment within the County		<u>168,200</u>		

Source: Butler County. Information only available on a calendar year basis.

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

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Regular Instruction</b>									
Elementary Classroom Teachers	50.00	51.00	51.00	50.00	48.00	53.00	52.50	51.50	41.00
Middle School Classroom Teachers	37.00	37.00	37.00	39.50	39.50	37.50	37.00	36.50	42.50
High School Classroom Teachers	48.00	48.00	50.00	51.00	51.00	42.00	43.00	44.00	43.50
<b>Special Instruction</b>									
Elementary Classroom Teachers	7.00	8.00	9.00	11.00	13.00	5.00	4.00	4.00	4.00
Gifted Education Teachers	1.50	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	6.00	6.00
High School Classroom Teachers	4.00	5.00	5.00	5.25	6.50	8.00	7.00	6.00	6.00
<b>Vocational Instruction</b>									
High School Classroom Teachers	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.50
<b>Pupil Support Services</b>									
Guidance Counselors	6.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00	6.00
Librarians	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Psychologists	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.00	2.50	3.00	3.00	3.00
Nurse	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Administrators</b>									
Elementary	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
High School	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Operation of Plant</b>									
Custodians	12.00	13.00	14.00	14.00	14.00	14.00	12.00	12.00	12.00
Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Pupil Transportation</b>									
Bus Drivers	31.00	32.00	33.00	33.00	30.00	29.00	25.00	24.00	24.00
Bus Aides	0.00	0.00	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	1.50	1.50
<b>Food Service Program</b>									
Elementary Cooks	5.00	6.00	6.00	6.00	5.50	5.50	6.00	6.00	5.50
Middle School Cooks	5.00	6.00	6.00	6.00	5.50	5.50	5.50	5.50	5.50
High School Cooks	7.00	7.00	7.00	7.00	6.50	6.50	6.50	6.50	6.50

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

(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)
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
2011	33,722	72,975	54,741	56,715
2012	33,722	72,975	n/a	n/a

Source: School District records

- (1) Starting teacher with no experience.
- (2) Teacher with a Masters degree and more than 30 year's experience.
- (3) Provided by the State Department of Education. Includes Sample1, Sample 2 and Sample3 City School Districts.
- (4) Provided by the State Department of Education. Fiscal year 2012 was not available.

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

Fiscal Year	General Fund Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2003	\$ 15,809,412	2,627	\$ 6,018	-	160	16.4
2004	17,030,320	2,738	6,220	3.36%	161	17.0
2005	16,383,648	2,882	5,685	-8.60%	165	17.5
2006	18,687,008	2,919	6,402	12.61%	166	17.6
2007	21,259,435	2,922	7,276	13.65%	166	17.6
2008	21,642,823	2,903	7,455	2.47%	168	17.3
2009	23,038,836	2,763	8,338	11.84%	157	17.6
2010	24,086,992	2,847	8,460	1.46%	155	18.4
2011	23,899,565	2,830	8,445	-0.18%	151	18.7
2012	20,010,254	2,773	7,216	-14.55%	144	0.1

Source: School District Records.

**Ross Local School District, Ohio**

*Building Statistics  
Last Ten Fiscal Years*

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>MORGAN ELEMENTARY</b>										
Constructed in 1982										
Total Building Square Footage	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050
Enrollment Grades PK-5	435	451	439	487	488	461	386	394	470	470
Student Capacity	500	500	500	500	500	500	500	500	500	500
Regular Instruction Classrooms	25	24	23	22	21	20	22	22	22	22
Regular Instruction Teachers	25	24	23	22	22	20	22	22	22	22
Special Instruction Classrooms	1	2	3	4	4	6	2	2	2	2
Special Instruction Teachers	2	3	4	5	5	6	2	2	2	2
<b>ELDA ELEMENTARY</b>										
Constructed in 1962										
Total Building Square Footage	42,858	42,858	57,358	57,358	57,358	57,358	57,358	57,358	57,358	57,489
Enrollment Grades K-4	527	550	616	673	663	643	605	597	617	999
Student Capacity	500	500	575	575	575	575	575	575	575	575
Regular Instruction Classrooms	26	26	28	29	28	28	30	25	24	23
Regular Instruction Teachers	26	26	28	29	28	28	31	25	24	23
Special Instruction Classrooms	3	3	3	3	5	5	2	2	2	2
Special Instruction Teachers	4	4	4	4	7	7	3	3	3	2
<b>ROSS MIDDLE SCHOOL (RMS)</b>										
Constructed in 1969										
Total Building Square Footage*	79,363	79,363	79,363	101,279	101,279	101,279	101,279	101,279	101,279	110,738
Enrollment Grades 5-8	730	783	783	815	825	808	818	855	837	905
Student Capacity	800	800	800	750	750	750	750	750	750	875
Regular Instruction Classrooms	37	37	37	37	37	38	39	39	39	39
Regular Instruction Teachers	37	37	37	37	39.5	39.5	39.5	39.5	39.0	42.5
Special Instruction Classrooms	4	4	4	5	5	5	6	6	6	5
Special Instruction Teachers	6	6	6	6	6	8	7	7	7	6
<b>ROSS HIGH SCHOOL (RHS)</b>										
Constructed in 2005										
Total Building Square Footage**	101,279	101,279	101,279	180,080	180,080	180,080	180,080	180,080	180,080	180,080
Enrollment Grades 9-12	852	887	932	971	946	991	954	1,002	931	931
Student Capacity	750	750	750	920	920	920	920	920	920	920
Regular Instruction Classrooms	40	40	40	49	49	49	46	40	40	40
Regular Instruction Teachers	48	48	48	50	51	51	40	45	46	43.5
Special Instruction Classrooms	2	2	2	4	5	5	5	5	5	5
Special Instruction Teachers	4	4	5	5	6.25	6	6	7	6	6

\* RMS moved into its' current building in FY2006

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

Source: School District records.



# Dave Yost • Auditor of State

**ROSS LOCAL SCHOOL DISTRICT**

**BUTLER COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
DECEMBER 31, 2012**