

Perry Local School District

4201 13th St. SW
Massillon, Ohio 44646

***Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2012***



Massillon, Ohio



Dave Yost • Auditor of State

Board of Education
Perry Local School District
4201 13th Street SW
Massillon, Ohio 44646

We have reviewed the *Independent Accountants' Report* of the Perry Local School District, Stark County, prepared by Julian & Grube, Inc., for the audit period July 1, 2011 through June 30, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

April 4, 2013

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INTRODUCTORY SECTION

Be Bright,



Turn off

the Light

We Save

Energy

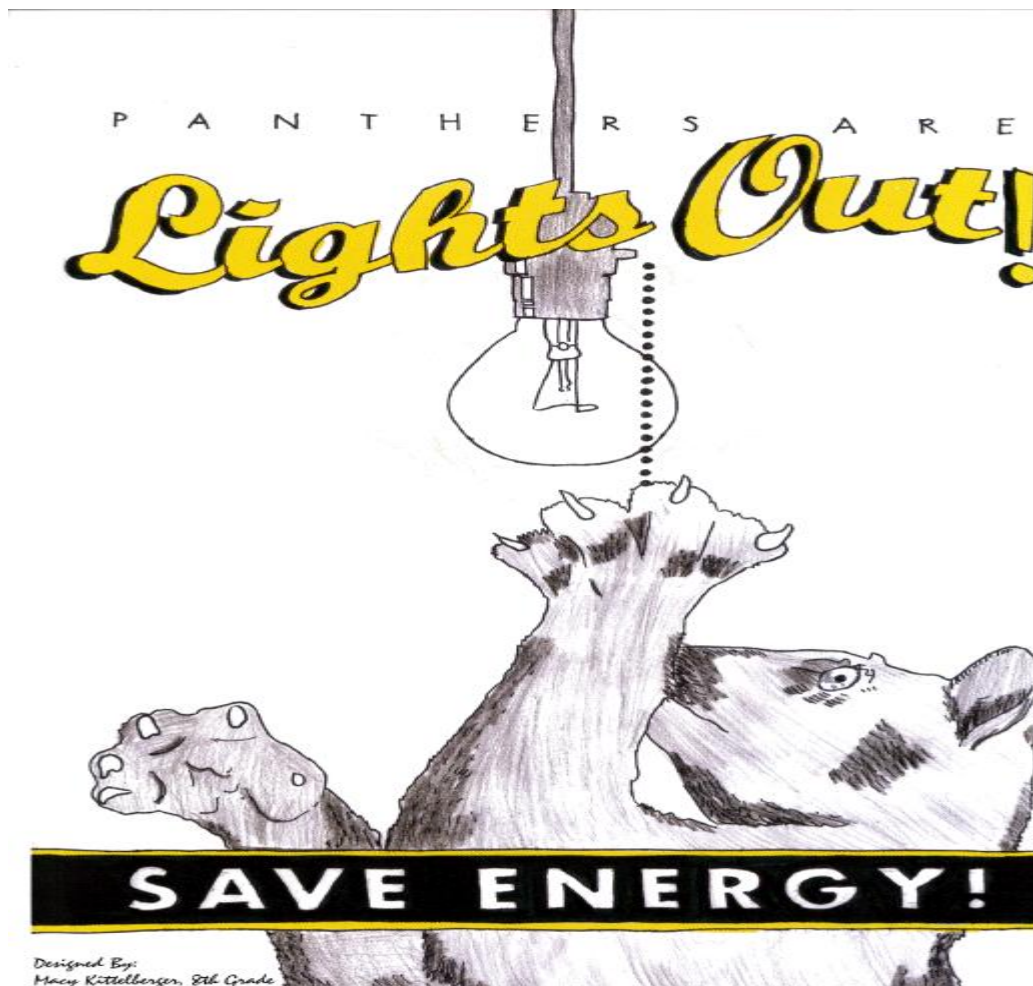
Designed By:
Landon Kelly, 1st Grade
Watson Grade School

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Perry Local School District

Massillon, Ohio 44646

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2012



*Issued by: Treasurer's Office
Sheryl Shaw Stewart, Treasurer*

Perry Local School District
Table of Contents

I. Introductory Section

Title Page	ii
Table of Contents	iii
Transmittal Letter	vi
Principal Officials	xi
Organizational Chart	xii

II. Financial Section

Independent Accountant’s Report	1
Management’s Discussion and Analysis	3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	12
State of Activities	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	14
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget(Non-GAAP) and Actual – General Fund	18
Statement of Fiduciary Net Assets – Fiduciary Funds.....	19
Notes to the Financial Statements	21

Perry Local School District
Table of Contents(continued)

Combining Statements and Individual Fund Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions	46
Combining Balance Sheet – Nonmajor Governmental Funds.....	48
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	49
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	50
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	52

Combining Statements – Agency Fund

Fund Descriptions	54
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	55

Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in
Fund Balance – Budget(Non-GAAP) and Actual:

Major Funds:

General Fund.....	57
Permanent Improvement Fund	61

Nonmajor Funds

Food Service Fund	62
Scholarship Fund	63
Local Grants Fund.....	64
District Managed Student Activities Fund	65
Auxiliary Service Fund	67
Onenet Fund.....	68
Education Jobs Fund	69
Title VI-B Fund.....	70
Title I Fund	71
Title II-D Fund	72
Federal Preschool Fund.....	73
Improving Teacher Quality	74
Uniform School Supplies Fund.....	75
Special Curriculum Services Fund.....	76
Special Summer Programs Services Fund.....	77
Public School Support Fund	78

Perry Local School District
Table of Content (continued)

III. Statistical Section

Net Assets by Component – Last Ten Years	80
Expenses, Program Revenues and Net(Expense)/Revenue– Last Ten Years	82
General Revenues and Total Change in Net Assets	86
Fund Balances, Governmental Funds – Last Ten Years.....	88
Governmental Funds Revenues – Last Ten Years.....	90
Governmental Fund Expenditures and Debt Service Ratio – Last Ten Years.....	92
Other Financing Sources(Uses) and Net Change in Fund Balance – Last Ten Years	94
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years.....	96
Property Tax Rates – Last Ten Years	98
Property Tax Levies and Collections – Last Ten Years.....	99
Principal Property Taxpayers – 2012 and 2003.....	100
Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	101
Computation of Legal Debt Margin – Last Ten Years	102
Ratio of Outstanding Debt by Type	104
Demographic and Economic Statistics – Last Ten Years	105
Principal Employers – Previous Year and Nine Years Ago	106
School District Employees by Function/Program – Last Nine Years	107
Building Statistics – Last Ten Years	108
Operating Statistics – Last Ten Years	110



Perry Local Schools

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Assistant Superintendent
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Dir. of Business Operations
and Classified Personnel
(330) 477-8121 ext. 114

Sheryl Shaw Stewart
Treasurer
(330) 477-8121 ext. 115

Rebekah Silla
Director of Pupil Services
(330) 477-8121 ext. 123

Brian Paisley
Director of Technology
(330) 477-8121 ext. 124

February 26, 2013

Board of Education Members and Residents
of Perry Local School District

We are pleased to submit Perry Local School District's first Comprehensive Annual Financial Report (CAFR). This report was prepared by the Treasurer's office, and contains basic financial statements, supplemental statements and statistical information to provide complete and full disclosure of all material financial aspects of the School District for fiscal year 2012. This CAFR includes an opinion from Dave Yost, Auditor of State of Ohio, and conforms to generally accepted accounting principles applicable to governmental entities as set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District and its managements team. This report will provide the taxpayers of Perry Local School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section, which contains the Title Page, the Table of Contents, Letter of Transmittal, List of Principal Officials and an Organization Chart of the School District.
2. The Financial Section, which begins with the Independent Accountants' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the School District's financial position and operating results, and the Combining Statement for nonmajor funds and other schedules which provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section presents selected economic and financial information, presented on a multi-year basis.

The School District

The School District is a proud district with a rich history dating back to 1853 when the Perry Township Board of Education was formed. During this era, the one room school came into existence. Throughout the district there were eleven one room schools until 1925 when the Richville one room school building was divided into several rooms to hold high school level classes. Reedurban and Genoa soon followed.

During the mid-1950's the Ohio legislature passed a new school law with two provisions that drastically affected the Township. All school districts that did not have a high school building would have to build one or lose their state funding. The new law also required that the enrollment of the new high school must be 240 students or more. Perry Township saw its greatest growth in school buildings due to this law. Whipple, Perry High, Watson and Lohr were all constructed. During the 1960's Edison Junior High was built.

Over the past sixty years enrollment has increased tremendously, the current enrollment is approximately 5,000 students. The School district is primarily located in Stark County in northeastern Ohio, approximately five miles from the City of Canton and the School District's territory overlaps the City of Massillon and the Township of Perry.

The School District, one of over 600 public school districts in the State and 18 other school district in Stark County, provides education to approximately 5,000 students in grades kindergarten through twelfth grade. The School District's facilities include five elementary buildings, one middle school, one junior high school, and one high school. The School District offers a comprehensive and advanced curriculum and a wide selection of extracurricular activities at all levels.

Reporting Entity

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Perry Local School District (the primary government) and its potential component units.

The primary government consists of all funds, departments, agencies, boards, commissions and authorities that are not legally separate from the School District. For the Perry Local School District this includes general operations, food service, and related student activities. There are no component units.

Major Initiatives

Shared Vision for the Future

Superintendent Dr. John Richard and the Board of Education are moving forward to complete the priority areas identified in the School District's strategic plan. The vision for the School District is to deliver quality education that meets the changing needs of all learners.

The School District acquired the "excellent" school rating tenth year in a row and just recently acquire the excellent rating with "distinction, the highest category according to the Learner Performance Accountability Standards (S.B. 55), by encompassing a wide range of innovative education improvement initiatives. The designation of excellence with Distinction was awarded due to the above expected growth the School District has made since last school year on the value-added measures for reading and mathematics. These initiatives are closely aligned with the four cornerstones of the BEST Schools education improvement agenda. By achieving the goals set forth in the four cornerstones and striving to meets the objectives set forth in the strategic plan, the School District will improve the quality of education for every student in the School District.

Perry Local Schools is doing its part to conserve, save energy and to save money! The school District has formed a committee with the purpose of finding ways to cut back, conserve and ultimately save energy costs. Recently the energy conservation committee conducted a poster contest among our students to promote conservation. Throughout this report the contest winners posters have been displayed. The winners were recognized at a regularly scheduled board meeting and their posters are displayed throughout the district buildings.

Curriculum and Instructional Focus

The School District's mission is to emphasize excellence in learning and provide opportunities for every child so as to realize his or her potential in a safe environment. The School District encourages every student to be a responsible, productive citizen and lifelong learner.

Perry School District strives to attain 100% of Perry High School seniors graduating to pursue a career or be college ready. To attain such a goal Perry School District works very hard to make sure every student is prepared for post-graduation opportunities by enrolling in programs that offer licensure, certifications or college credits to successfully enter the workforce or college. The School District offers students the opportunity to earn college credit courses at Perry High School. Our teachers implement rigorous and relevant standards-based curriculum and expect our students to grow a year or beyond.

Perry Schools feels that student achievement will increase through implementation of research based assessment practices. The School district will utilize formative assessments to check for understanding, implement quarterly common assessments, analyze common assessment date and provide enrichment and intervention services to ensure one year of growth.

In order for students to achieve, the School District realizes the importance of high quality instructional practices. The School District utilizes differentiation strategies routinely in the classroom, focuses on high yielding instructional strategies, works diligently to increase the level of student engagement in learning and increases opportunities for focused staff collaboration.

In addition to school year intervention programs, the School District offers summer remediation classes for those students during summer months whose test scores reflect failing proficiency scores. Grades 9 through 12 also have the opportunity to attend a summer proficiency remediation class if they have not passed one or more of the targeted proficiency disciplines.

Economic Conditions and Outlook

The majority of the School District is located in the Canton-Massillon metropolitan area, which consists of Carroll and Stark counties.

The school district economy benefits from the strong retail, manufacturing and warehousing bases of the County and surrounding areas. The County is located in the northeastern quadrant of the State, twenty miles from Akron and fifty three miles from Cleveland. The area's well established transportation network, with travel by rail, air, water and land, provides access to markets near and far. The area is also home to Akron-Canton Regional Airport, and state-of-the-art, twenty-eight acre Northeast Ohio Intermodal Terminal, and Foreign Trade Zone No. 181.

The area is a prominent participant in regional development initiatives. Stark County is a member of the Northeast Ohio Trade and Economic Consortium and has a partnership in ClevelandPlus initiative; a regional effort to promote residential and commercial growth in Northeast Ohio

The national economic downturn of the past couple years has not left the County unscathed. Unemployment levels have reached an all-time high and due to Stark County Auditor's Office reappraisal value in both real and commercial property have dropped significantly. Both these factors will translate into less funding from both local and state sources.

Financial Condition

Annually the School District must compile and submit a five year projection of operational revenues and expenditures according to Ohio Department of Education's rules to the Ohio Department of Education ("Department"). Pursuant to such rules, the Department reviews the School District's five year projection to determine if the School District has projected a deficit year end cash balance during the first three years of the five year projection period. If the Department determines that further analysis is needed, the Department must forward the projection to the State Auditor, who will determine if the School District must be formally notified of a pending projected cash deficit. The School District must take steps to eliminate any deficit cash balance in the current year and a plan on how to avoid projected deficit cash balances.

Unfortunately for Perry School District, the School District has experienced deficit spending for fiscal years 2011 and 2012. Fortunately the School District has a large cash reserve and does not anticipate liquidation of the cash reserve until fiscal year 2016. Currently the management team and Board are analyzing staffing and educational programs offered and determining spending cuts to balance the budget. Also, the Board is considering asking the local taxpayers for their support by approving an operating levy so the School District can continue to offer the same level of excellence as in the past.

Independent Audit

State statutes require the School District to be subjected to an annual examination by the Auditor of State. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Julian & Grube Inc., has rendered an opinion on the School District's financial statements as of and for the year ended June 30, 2012. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financing reporting for all governments in Ohio. The School District adopted that system effective with its annual financial report for the 1981 fiscal year.

Acknowledgments

The publication of this report significantly increases the accountability of the School District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office and various administrators and employees of the School District. Assistance by the County Auditor's office staff and other outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to the Julian & Grube, Inc. for their assistance in planning, designing and reviewing this financial report.

Respectfully,



Ms. Sheryl Shaw Stewart
Treasurer

Perry Local School District Principal Officials

Board of Education

- ❖ Mr. Jim Casey.....President
- ❖ Mrs. Marlene Capuano..... Vice President
- ❖ Mr. Bob Schnabel..... Member
- ❖ Mr. Jon Deitz..... Member
- ❖ Mrs. Betsy Elum..... Member

Treasurer/CFO

Ms. Sheryl Shaw Stewart

Assistant Treasurer

Mrs. Linda Baker

Administration

- Dr. John Richard..... Superintendent
- Mr. Marty Bowe.....Assistant Superintendent
- Mr. Tom Ryan. Director of Business Operations
- Ms. Debbie Poland..... Director of Federal Programs and Curriculum
- Mrs. Rebekah Silla..... Director of Pupil Services

RESIDENTS OF THE DISTRICT

BOARD OF EDUCATION

Treasurer

Financial Department

Superintendent

City/County Personnel assigned to PLSD

Assistant to the Superintendent

High School Principals and Assistant Principals

Athletic Director

Middle/Intermediate School Principals and Assistant Principals

Elementary Principals

Director of Business Operations

Supervisor, Buildings and Grounds

Supervisor Transportation

Supervisor Food Services

Director of Curriculum

Curriculum Coordinator

Director of Information Technology

Network Manager

EMIS Coordinator

Director of Continuous Improvement

Director of Pupil Services

Nurses

Psychologists and Supervisors

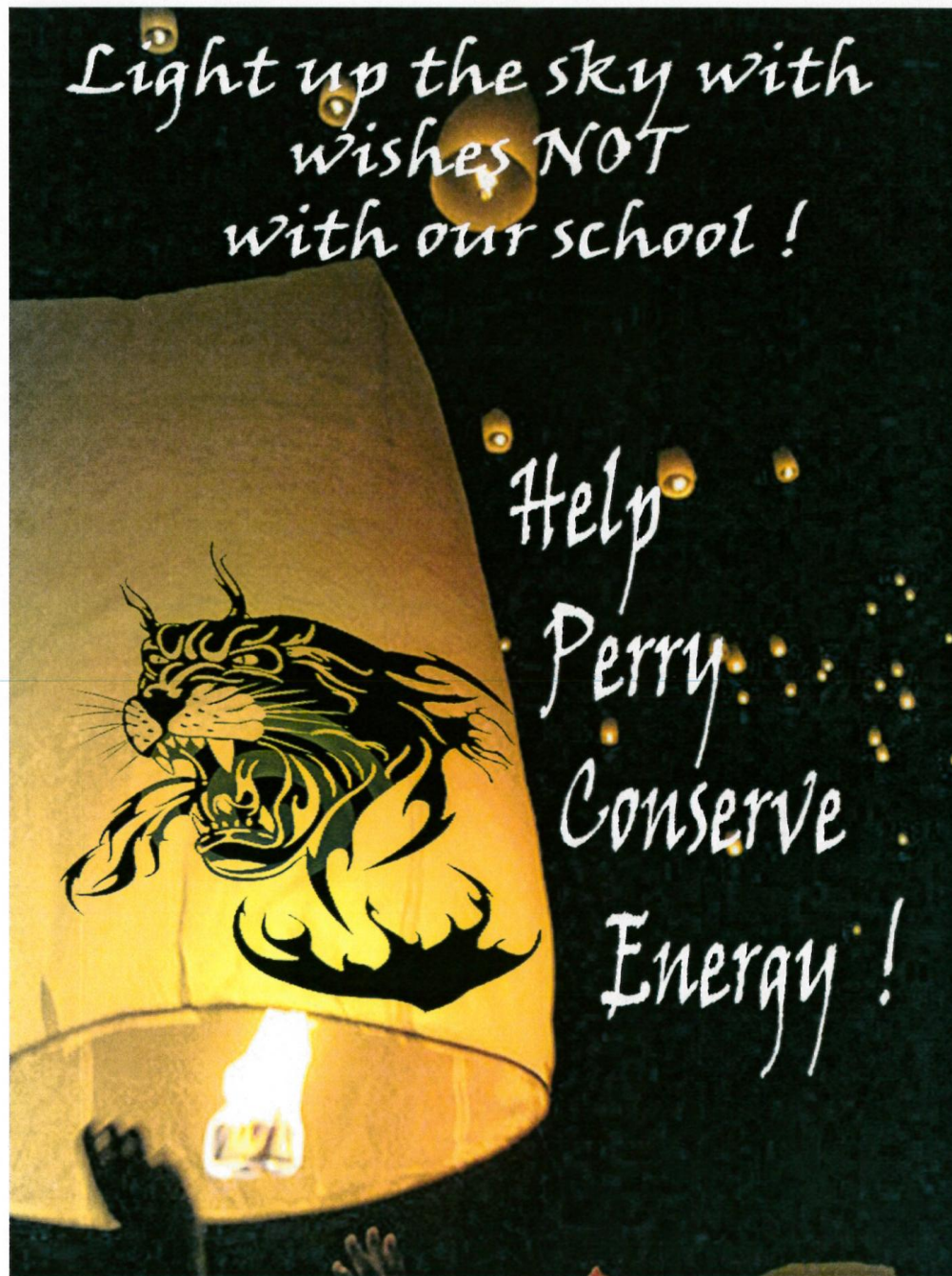
Preschool



ORGANIZATIONAL CHART PERRY LOCAL SCHOOLS

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FINANCIAL SECTION



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Julian & Grube, Inc.
Serving Ohio Local Governments

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Independent Accountants' Report

Perry Local School District
Stark County
4201 13th Street S.W.
Massillon, Ohio 44646

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 the Perry Local School District, Stark County, Ohio, as of and for the fiscal year ended June 30, 2012, which collectively comprise the Perry Local School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Perry Local School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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 the 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 the Perry Local School District, Stark County, Ohio, as of June 30, 2012, and the respective changes in financial position, thereof and the budgetary comparison for the General fund for the fiscal 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 February 26, 2013, on our consideration of the Perry Local School 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.

Independent Accountants' Report
Perry Local School District

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis* 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 Perry Local School 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 provides 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.



Julian & Grube, Inc.
February 26, 2013

Perry Local School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012

The management's discussion and analysis of Perry Local School District's (the "School District") financial performance provides an overall review of the School District's financial activities for fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2012 are as follows:

- ◆ In total, net assets of governmental activities decreased \$651,630.
- ◆ Revenues for governmental activities totaled \$44,310,548 in 2012. Of this total, \$37,533,322, or approximately 85 percent consisted of general revenues while program revenues accounted for the balance of \$6,777,226, or approximately 15 percent.
- ◆ The School District had \$44,962,178 in expenses related to governmental activities; only \$6,777,226 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes and school foundation) of \$37,533,322 were not adequate to provide for these programs.
- ◆ Program expenses totaled \$44,962,178. Instructional expenses made up \$25,736,292 or 58 percent of this total while support services accounted for \$15,789,148 or 35 percent. Other expenses, \$3,436,738 rounded out the remaining 7 percent.

Using this Annual Financial Report

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

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

Perry Local School District
Management's Discussion and Analysis (Continued)
For the Fiscal Year Ended June 30, 2012

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains a large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2012?"

The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting basis used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the School District's *net assets and changes in those assets*. This change in net assets is important because it tells the reader that, for the School District as a whole, the *financial position* of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, required educational programs, and other factors.

In the Statement of Net Assets and the Statement of Activities, all of the School District's activities are classified as governmental. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities as well as food services.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The financial statements of the School District's major funds begins on page 14. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and the permanent improvement capital projects fund.

Governmental Funds

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

Perry Local School District
Management's Discussion and Analysis (Continued)
For the Fiscal Year Ended June 30, 2012

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net assets for 2012 compared to 2011:

Table 1
Net Assets
Governmental Activities

	<i>2012</i>	<i>2011</i>
<i>Assets</i>		
Current and Other Assets	\$43,098,475	\$51,310,329
Capital Assets, Net	32,540,995	27,561,219
<i>Total Assets</i>	75,639,470	78,871,548
<i>Liabilities</i>		
Current and Other Liabilities	22,231,676	24,530,325
Long-term Liabilities	9,175,906	9,457,751
<i>Total Liabilities</i>	31,407,582	33,988,076
<i>Net Assets</i>		
Invested in Capital Assets, Net of Debt	27,354,872	22,035,097
Restricted	755,770	4,140,224
Unrestricted	16,121,246	18,708,197
<i>Total Net Assets</i>	\$44,231,888	\$44,883,518

Total assets decreased by \$3,232,078. An increase of \$4,979,776 in total capital assets reflects major improvements made to the high school as well as House Bill 264 renovations made throughout the district. The anticipated completion date for both the projects is December 31, 2012. Current and other assets decreased \$8,211,854; cash and cash equivalents decreased by \$6,923,401. Total liabilities decreased by \$2,580,494. Current and Other Liabilities decreased by \$2,298,649; due to the completion of the construction project, contracts payable declined significantly. Long-term liabilities decreased \$281,845, the net decrease can mainly be attributed to principal payments made on the bonded debt.

Perry Local School District
Management's Discussion and Analysis (Continued)
For the Fiscal Year Ended June 30, 2012

Table 2 shows the changes in net assets for fiscal year 2012 and 2011. This table presents two fiscal years in side-by-side comparisons in successive reporting years. This will enable the reader to draw further conclusion about the School District's financial status and possibly project future problems.

Table 2
Change in Net Assets
Governmental Activities

	<u>2012</u>	<u>2011</u>
Revenues		
Program Revenues		
Charges for Services	\$3,644,525	\$3,823,279
Operating Grants	3,132,701	6,430,981
Total Program Revenues	<u>6,777,226</u>	<u>10,254,260</u>
General Revenues		
Property Taxes	17,165,837	20,548,562
Grants and Entitlements	19,677,658	19,484,543
Other	689,827	486,985
Total General Revenues	<u>37,533,322</u>	<u>40,520,090</u>
Total Revenues	<u>44,310,548</u>	<u>50,774,350</u>
Program Expenses		
Instruction:		
Regular	19,689,218	19,118,124
Special	3,972,651	4,033,255
Vocational	1,918,986	2,206,807
Adult/Continuing	9,216	79,980
Student Intervention Services	146,221	236,904
Support Services:		
Pupils	2,982,877	3,182,773
Instructional Staff	1,986,830	1,969,140
Board of Education	146,958	119,047
Administration	2,953,982	3,059,170
Fiscal	780,596	724,085
Business	239,562	206,125
Operation and Maintenance of Plant	3,864,868	5,645,914
Pupil Transportation	2,252,043	2,304,579
Central	581,432	442,753
Operation of Non-Instructional Services	2,163,285	2,192,175
Extracurricular Activities	1,259,971	1,352,905
Interest and Fiscal Charges	13,482	128,790
Total Program Expenses	<u>44,962,178</u>	<u>47,002,526</u>
Change in Net Assets	(651,630)	3,771,824
Net Assets Beginning of Year	<u>44,883,518</u>	<u>41,111,694</u>
Net Assets End of Year	<u>44,231,888</u>	<u>44,883,518</u>

Perry Local School District
Management's Discussion and Analysis (Continued)
For the Fiscal Year Ended June 30, 2012

The vast majority of revenues supporting governmental activities are the general revenues. General revenues totaled \$37,533,322 which is approximately 85 percent of total revenue. One of the more significant portions of general revenues are property taxes which makes up approximately 39 percent of total revenue. Grants and entitlements not restricted to specific programs consisting of State foundation, homestead and rollback and personal property hold harmless tax exemption consists of approximately 44 percent of total revenue. Other general revenue, accounts for approximately 2 percent of total revenue. The remaining amount of revenue received was in the form of program revenues, which equaled \$6,777,226 or 15 percent of total revenue.

Governmental Activities

The School District has carefully planned its financial existence by forecasting its revenues and expenses over the next five years. The School District's revenue growth is mostly dependent upon property tax increases and new construction. Although the School District relies heavily upon local property taxes to support its' operations, the School District does actively solicit and receive additional grant and entitlement funds to help offset some operating costs.

Instruction expenses comprises 58 percent of governmental program expenses. Supporting services for pupils, staff and business operations expenses encompassed an additional 35 percent of governmental program expenses. The remaining 7 percent of program expenses is used for other obligations of the School District such as non-instructional services, extracurricular activities and interest and fiscal charges.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements. Comparisons of 2012 to 2011 have been made in Table 3.

Perry Local School District
Management's Discussion and Analysis (Continued)
For the Fiscal Year Ended June 30, 2012

Table 3
Total and Net Cost of Program Services
Governmental Activities

The dependence upon tax revenues for governmental activities is apparent. The community, as a whole, is the primary support for Perry Local School District students. Program revenues only account for 15 percent of all governmental expenses. Program revenues include charges for services, grants and contributions that are program specific.

	Total Cost of Services 2012	Net Cost of Services 2012	Total Cost of Services 2011	Net Cost of Services 2011
<i>Program Expenses</i>				
Instruction:				
Regular	\$19,689,218	\$17,465,225	\$19,118,124	\$16,626,914
Special	3,972,651	2,782,949	4,033,255	2,068,317
Vocational	1,918,986	1,916,314	2,206,807	1,991,732
Adult/Continuing	9,216	9,216	79,980	68,737
Student Intervention Services	146,221	146,221	236,904	190,872
Support Services:				
Pupils	2,982,877	2,723,559	3,182,773	2,312,512
Instructional Staff	1,986,830	1,233,174	1,969,140	1,079,624
Board of Education	146,958	146,958	119,047	119,047
Administration	2,953,982	2,922,075	3,059,170	2,075,788
Fiscal	780,596	780,596	724,085	724,085
Business	239,562	239,562	206,125	148,586
Operation and Maintenance of Plant	3,864,868	3,848,489	5,645,914	5,609,525
Pupil Transportation	2,252,043	2,252,043	2,304,579	2,304,579
Central	581,432	567,032	442,753	437,753
Operation of Non-Instructional Services	2,163,285	380,192	2,192,175	(130,776)
Extracurricular Activities	1,259,971	757,865	1,352,905	992,181
Interest and Fiscal Charges	13,482	13,482	128,790	128,790
Total	\$44,962,178	\$38,184,952	\$47,002,526	\$36,748,266

The School District's Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues, including other financing sources of \$44,047,995 and expenditures of \$50,223,797. The general fund balance decreased by \$2,700,682; this can be attributed to significant funding cuts from the State. The permanent improvement fund decreased \$3,479,384 due to spending on the construction projects.

Perry Local School District
Management's Discussion and Analysis (Continued)
For the Fiscal Year Ended June 30, 2012

General Fund Budgeting Highlights

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

During the course of fiscal year 2012, the School District had no amendments to the general fund budgeted revenues or expenditures. For the general fund, the original and final budget basis revenue including other financing sources was \$38,694,882. The actual budget basis revenue including other financing sources was \$39,457,890 representing a \$763,008 increase from the final budget estimate. The actual revenues collected were very comparative to the budgeted amounts. The School District's general fund unencumbered cash balance at the end of the fiscal year was \$21,989,553. The final budget expenditures of \$43,331,777 were \$1,632,789 more than the actual expenditures of \$41,698,988.

For the other non-significant budget amendments, the School District uses a site-based style of budgeting and had in place systems that are designed to tightly control site budgets but provide flexibility for site management. Building principles are given a per pupil allocation for textbooks, instructional materials and equipment. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

Capital Assets

At the end of fiscal year 2012, the School District had \$32,540,995 invested in land, land improvements, buildings and improvements, furniture and equipment and vehicles. Table 4 shows fiscal year 2012 balances compared with 2011.

Table 4
Capital Assets at June 30
Governmental Activities

	2012	2011
Land	\$1,366,878	\$1,366,878
Construction in Progress	0	5,847,129
Land Improvements	1,061,263	976,478
Buildings and Improvements	27,430,963	16,995,327
Furniture and Equipment	1,452,347	973,538
Vehicles	1,229,544	1,401,871
Total	\$32,540,995	\$27,561,221

All capital assets are reported net of depreciation. The \$4,979,774 increase in capital assets was attributable to the high school renovation project and HB 264 energy conservation project. See note 10 to the basic financial statements for more detail on the capital assets of the School District.

Perry Local School District
Management's Discussion and Analysis (Continued)
For the Fiscal Year Ended June 30, 2012

Debt

At June 30, 2012 the School District had \$5,185,000 bonded debt outstanding, \$325,000 due within one year. Table 5 summarizes the debt outstanding of the School District.

Table 5
Outstanding Debt at June 30, 2012
Governmental Activities

	<i>Balance</i>			<i>Balance</i>	<i>Amount Due</i>
	<i>6/30/11</i>	<i>Additions</i>	<i>Deductions</i>	<i>6/30/12</i>	<i>In One Year</i>
<i>2011 HB 264 Qualified School Construction Bonds:</i>					
\$5,399,390 5.65% Serial/Term Bonds	\$5,185,000	\$0	\$0	\$5,185,000	\$325,000
\$214,390 65.50% Capital Appreciation Bonds	214,390	0	(214,390)	0	0
Accretion on Capital Appreciation Bonds	125,610	0	(125,610)	0	0
<i>Total General Obligation Bonds</i>	<u>\$5,525,000</u>	<u>\$0</u>	<u>(\$340,000)</u>	<u>\$5,185,000</u>	<u>\$325,000</u>

On February 8, 2011, the School District issued \$5,525,000 in general obligation qualified school construction bonds("QSCB") to finance a HB 264 project. The bonds were issued for a fifteen year period with a final maturity at December 1, 2025. The bond issue consists of serial, term and capital appreciation bonds. Accretion in the amount of \$125,610 was added and represents the total accretion of discounted interest for the capital appreciation bonds. At maturity, June 30, 2012, the final amount of the capital appreciation bonds was \$340,000. The principal and interest requirements will be recorded in the general fund.

The School District's overall debt margin is \$45,896,402 and the unvoted debt margin is \$567,571. For more information refer to Note 15 to the basic financial statements.

Current Issues

The Perry Local School District continues to receive strong support from the residents of the School District. As the preceding information shows, the School District relies heavily on its local property taxpayers. The last operating levy passed by the residents of the district was in November, 2008; a renewal of an emergency levy. The Board of Education anticipates the renewal levy will generate sufficient revenues for a period of 5 years and anticipates an additional tax request in the next 5 year period.

Real estate and personal property tax collections have shown little increases. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a levy will not increase solely as a result of inflation due to Ohio House Bill 920 (passed in 1976). As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Perry Local School District
Management's Discussion and Analysis (Continued)
For the Fiscal Year Ended June 30, 2012

Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 39 percent of revenues for governmental activities for the Perry Local School District during fiscal year 2012.

The School District has also been affected by increased delinquency rates and changes in the personal property tax structure (utility deregulation) and commercial business/property uncertainties. Management has diligently planned expenses so that the last levy has stretched for the years it was planned. This has been made increasingly difficult with mandates in gifted education, rising utility costs, increased special education services required for our students, and significant increases in health insurance and property/liability/fleet insurance.

Perry Local School District suffered from drastic *State revenue cuts* during fiscal years 2012 and it will have a significant negative impact on the future operations of the school district. The School District collected approximately \$2,000,000 *less* from the State and Federal government during fiscal year 2012. Due to the drastic cuts from the State the School District is forecasted to spend the District's cash surplus by fiscal year 2017. The School District will have to incur major program cuts or levy additional tax dollar to maintain financial stability.

All scenarios require management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

In addition, the School District's systems of budgeting and internal controls are well regarded. All of the School District's financial abilities will be needed to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Sheryl Shaw Stewart, Treasurer of Perry Local School District, 4201 13th St. S.W., Massillon, OH 44646 or sherri.stewart@perrylocal.org.

Perry Local School District

Statement of Net Assets

June 30, 2012

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Investments	\$23,598,022
Inventory Held for Resale	56,146
Materials and Supplies Inventory	84,625
Accrued Interest Receivable	18,611
Accounts Receivable	9,722
Intergovernmental Receivable	513,822
Taxes Receivable	18,817,527
Land	1,366,878
Depreciable Capital Assets, net	31,174,117
Total Assets	<u>75,639,470</u>
Liabilities	
Accounts Payable	199,019
Accrued Wages and Benefits	3,901,139
Contracts Payable	167,202
Intergovernmental Payable	1,056,299
Accrued Interest Payable	1,123
Matured Compensated Absences Payable	312,746
Deferred Revenue	16,594,148
Long-Term Liabilities:	
Due Within One Year	475,560
Due in More Than One Year	8,700,346
Total Liabilities	<u>31,407,582</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	27,354,872
Restricted for Capital Outlay	36,231
Restricted for Other Purposes	719,539
Unrestricted	16,121,246
Total Net Assets	<u>\$44,231,888</u>

See Accompanying Notes to the Basic Financial Statements

Perry Local School District

Statement of Activities

For the Fiscal Year Ended June 30, 2012

	<u>Program Revenues</u>			
	<u>Charges for</u>	<u>Operating Grants</u>		<u>Net (Expenses)</u>
<u>Expenses</u>	<u>Services and</u>	<u>and Contributions</u>	<u>Revenue and</u>	<u>Changes in Net</u>
	<u>Sales</u>		<u>Assets</u>	
Governmental Activities				
Instruction:				
Regular	\$19,689,218	\$1,909,022	\$314,971	(\$17,465,225)
Special	3,972,651	310,771	878,931	(2,782,949)
Vocational	1,918,986	0	2,672	(1,916,314)
Adult/Continuing	9,216	0	0	(9,216)
Student Intervention Services	146,221	0	0	(146,221)
Support Services:				
Pupils	2,982,877	9,532	249,786	(2,723,559)
Instructional Staff	1,986,830	5,800	747,856	(1,233,174)
Board of Education	146,958	0	0	(146,958)
Administration	2,953,982	0	31,907	(2,922,075)
Fiscal	780,596	0	0	(780,596)
Business	239,562	0	0	(239,562)
Operation and Maintenance of Plant	3,864,868	16,379	0	(3,848,489)
Pupil Transportation	2,252,043	0	0	(2,252,043)
Central	581,432	0	14,400	(567,032)
Operation of Non-Instructional Services	2,163,285	890,915	892,178	(380,192)
Extracurricular Activities	1,259,971	502,106	0	(757,865)
Interest and Fiscal Charges	13,482	0	0	(13,482)
Totals	<u>\$44,962,178</u>	<u>\$3,644,525</u>	<u>\$3,132,701</u>	<u>(38,184,952)</u>

General Revenues

Property Taxes Levied for:

General Purposes	16,454,229
Capital Outlay	711,608
Grants and Entitlements not Restricted to Specific Programs	19,677,658
Investment Earnings	254,326
Miscellaneous	435,501

Total General Revenues 37,533,322

Change in Net Assets (651,630)

Net Assets Beginning of Year 44,883,518

Net Assets End of Year \$44,231,888

See Accompanying Notes to the Basic Financial Statements

Perry Local School District

*Balance Sheet
Governmental Funds
June 30, 2012*

	<i>General Fund</i>	<i>Permanent Improvement Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
Assets				
Current Assets:				
Equity in Pooled Cash and Investments	\$22,428,994	\$109,467	\$1,059,561	\$23,598,022
Inventory Held for Resale	0	0	56,146	56,146
Materials and Supplies Inventory	82,476	0	2,149	84,625
Accrued Interest Receivable	18,611	0	0	18,611
Accounts Receivable	9,722	0	0	9,722
Interfund Receivable	32,925	0	0	32,925
Intergovernmental Receivable	263,053	0	250,769	513,822
Taxes Receivable	18,030,133	787,394	0	18,817,527
<i>Total Assets</i>	<u>\$40,865,914</u>	<u>\$896,861</u>	<u>\$1,368,625</u>	<u>\$43,131,400</u>
Liabilities				
Current Liabilities:				
Accounts Payable	\$177,776	\$0	\$21,243	\$199,019
Accrued Wages and Benefits	3,531,192	0	369,947	3,901,139
Interfund Payable	0	0	32,925	32,925
Contracts Payable	0	167,202	0	167,202
Intergovernmental Payable	950,286	0	106,013	1,056,299
Matured Compensated Absences Payable	298,167	0	14,579	312,746
Deferred Revenue	17,002,654	730,756	85,844	17,819,254
<i>Total Liabilities</i>	<u>21,960,075</u>	<u>897,958</u>	<u>630,551</u>	<u>23,488,584</u>
Fund Balances				
Nonspendable	82,476	0	58,295	140,771
Restricted	0	0	709,159	709,159
Assigned	2,498,777	0	80,476	2,579,253
Unassigned	16,324,586	(1,097)	(109,856)	16,213,633
<i>Total Fund Balances</i>	<u>18,905,839</u>	<u>(1,097)</u>	<u>738,074</u>	<u>19,642,816</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$40,865,914</u>	<u>\$896,861</u>	<u>\$1,368,625</u>	<u>\$43,131,400</u>

See Accompanying Notes to the Basic Financial Statements

Perry Local School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2012*

<i>Total Governmental Fund Balances</i>		\$19,642,816
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		32,540,995
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	896,009	
Intergovernmental Receivables	329,097	
<i>Total</i>	1,225,106	1,225,106
In the Statement of Activities, interest is accrued on outstanding bonds and notes, whereas in governmental funds, an interest expenditure is reported when due.		(1,123)
Long-term liabilities, including bonds, compensated absences payable and bond accretion, are not due and payable in the current period:		
Energy Conservation Bonds	(5,185,000)	
Compensated Absences	(3,990,906)	
<i>Total</i>	(9,175,906)	(9,175,906)
 <i>Net Assets of Governmental Activities</i>		\$44,231,888

See Accompanying Notes to the Basic Financial Statements

Perry Local School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<i>General Fund</i>	<i>Permanent Improvement Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
Revenues				
Property Taxes	\$16,324,605	\$705,510	\$0	\$17,030,115
Intergovernmental	19,068,012	206,722	3,361,291	22,636,025
Interest	254,326	0	0	254,326
Tuition and Fees	2,178,806	0	0	2,178,806
Extracurricular Activities	252,165	0	254,479	506,644
Customer Sales and Services	14,945	0	884,104	899,049
Miscellaneous	307,493	129,441	106,096	543,030
Total Revenues	38,400,352	1,041,673	4,605,970	44,047,995
Expenditures				
Current:				
Instruction:				
Regular	18,942,468	0	339,504	19,281,972
Special	3,049,054	0	886,653	3,935,707
Vocational	1,934,088	0	2,500	1,936,588
Adult/Continuing	9,216	0	0	9,216
Student Intervention Services	164,442	0	0	164,442
Support Services:				
Pupils	2,655,469	0	239,293	2,894,762
Instructional Staff	1,126,321	0	764,601	1,890,922
Board of Education	146,958	0	0	146,958
Administration	2,774,083	0	31,608	2,805,691
Fiscal	751,078	13,801	0	764,879
Business	203,648	0	0	203,648
Operation and Maintenance of Plant	4,380,536	0	0	4,380,536
Pupil Transportation	2,041,031	0	0	2,041,031
Central	694,168	0	28,673	722,841
Operation of Non-Instructional Services	243,069	0	2,021,990	2,265,059
Extracurricular Activities	976,330	0	260,690	1,237,020
Capital Outlay	655,594	4,507,256	26,194	5,189,044
Debt Service:				
Principal	214,390	0	0	214,390
Interest and Fiscal Charges	139,091	0	0	139,091
Total Expenditures	41,101,034	4,521,057	4,601,706	50,223,797
Net Change in Fund Balances	(2,700,682)	(3,479,384)	4,264	(6,175,802)
Fund Balances Beginning of Year	21,606,521	3,478,287	733,810	25,818,618
Fund Balances(Deficit) End of Year	\$18,905,839	(\$1,097)	\$738,074	\$19,642,816

See Accompanying Notes to the Basic Financial Statements

Perry Local School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2012*

Net Change in Fund Balances - Total Governmental Funds (\$6,175,802)

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

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

Capital Outlay	5,960,318	
Depreciation	(980,544)	
<i>Total</i>		4,979,774

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

Intergovernmental Receivables	126,831	
Delinquent Property Taxes	135,722	
<i>Total</i>		262,553

In the statement of activities, debt issuances, accretion of interest and interest are recorded as liabilities,
whereas in governmental funds, these revenues and expenditures are reported as received and paid
when due.

Principal Retirement on Energy Conservation]	214,390	
Accretion of Capital Appreciation Bonds	125,610	
<i>Total</i>		340,000

Some expenses reported in the statement of activities, such as compensated absences,
and early retirement incentive pay-offs do not require the use of current financial resources and
therefore are not reported as expenditures in the governmental funds.

Compensated Absences	(58,155)	
		(58,155)

Changes in Net Assets of Governmental Activities (\$651,630)

See Accompanying Notes to the Basic Financial Statements

Perry Local School District
*Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget(Non-GAAP) and Actual
General Fund*
For the Fiscal Year Ended June 30, 2012

	<i>Budgeted Amounts</i>		<i>Actual</i>	<i>Variance with</i>
	<i>Original</i>	<i>Final</i>		<i>Final Budget</i>
				<i>Positive (Negative)</i>
Revenues				
Property Taxes	\$17,944,700	\$17,944,700	\$17,589,722	(\$354,978)
Intergovernmental	18,145,782	18,145,782	19,065,007	919,225
Interest	133,000	133,000	282,403	149,403
Tuition and Fees	2,189,200	2,189,200	2,265,283	76,083
Extracurricular Activities	36,000	36,000	33,360	(2,640)
Miscellaneous	246,200	246,200	222,115	(24,085)
Total Revenues	38,694,882	38,694,882	39,457,890	763,008
Expenditures				
Current:				
Instruction:				
Regular	19,239,324	19,239,324	18,841,755	397,569
Special	3,520,085	3,520,085	3,116,776	403,309
Vocational	2,177,030	2,177,030	2,112,086	64,944
Student Intervention Services	182,882	182,882	182,882	0
Support Services:				
Pupils	3,033,144	3,033,144	2,802,803	230,341
Instructional Staff	1,300,573	1,300,573	1,225,150	75,423
Board of Education	166,571	166,571	141,777	24,794
Administration	2,968,593	2,968,593	2,903,311	65,282
Fiscal	848,164	848,164	804,826	43,338
Business	199,833	199,833	193,196	6,637
Operation and Maintenance of Plant	4,572,961	4,572,961	4,453,553	119,408
Pupil Transportation	2,341,810	2,341,810	2,209,648	132,162
Central	761,536	761,536	700,072	61,464
Operation of Non-Instructional Services	37,129	37,129	35,031	2,098
Extracurricular Activities	946,081	946,081	946,081	0
Capital Outlay	676,560	676,560	676,560	0
Debt Service:				
Interest and Fiscal Charges	359,501	359,501	353,481	6,020
Total Expenditures	43,331,777	43,331,777	41,698,988	1,632,789
Net Change in Fund Balance	(4,636,895)	(4,636,895)	(2,241,098)	2,395,797
Fund Balance Beginning of Year	22,744,417	22,744,417	22,744,417	0
Prior Year Encumbrances Appropriated	1,486,234	1,486,234	1,486,234	0
Fund Balance End of Year	\$19,593,756	\$19,593,756	\$21,989,553	\$2,395,797

See Accompanying Notes to the Basic Financial Statements

Perry Local School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	<u>Agency</u>
<i>Assets</i>	
Equity in Pooled Cash and Cash Equivalents	<u>\$84,051</u>
 <i>Total Assets</i>	 <u><u>\$84,051</u></u>
 <i>Liabilities</i>	
Current Liabilities:	
Due to Students	<u>\$84,051</u>
 <i>Total Liabilities</i>	 <u><u>\$84,051</u></u>

See Accompanying Notes to the Basic Financial Statements

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Perry Local School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 1 – Description of School District and Reporting Entity

The Perry Local School District (the “School District”) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a school district as defined by Section 3311.02 of the Ohio Revised Code. The School District operates under an elected Board of Education, consisting of five members, and is responsible for providing public education to residents of the School District. Average daily membership on, or as of October 1, 2011, was 4,836. The School District employs 344 certificated and 249 non-certificated employees.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, agencies and offices that are not legally separate from the School District. For the Perry Local School District, this includes general operations, food service and student related activities of the School District.

Components are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to, or can otherwise access, the organization’s resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provides financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. The School District does not have any component units.

Included with the reporting entity, within the School District’s boundaries, St. Joan of Arc Elementary and Central Catholic High School are operated as non-public schools. Current legislation provides funding to these non-public schools. These monies are received and disbursed through the auxiliary special revenue fund on behalf of the non-public schools by the Treasurer of Perry Local School District, as directed by the non-public schools. These transactions are reported as a governmental activity of the School District.

The School District participates in one jointly governed organization and two public entity risk pools. These organizations are the Stark Portage Area Computer Consortium (SPARCC), Stark County Schools Council of Governments Health Benefits Program, and CompManagement Workers’ Compensation Group Rating Program. They are presented in Notes 16 and 17.

Note 2 - Summary of Significant Accounting Policies

The School District’s financial statements have been prepared in conformity with accounting principles generally accepted (GAAP) in the United States as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities unless those pronouncements conflict with or contradict GASB pronouncements. The FASB has codified its standards and the standards issued prior to November 30, 1989 are included in the codification. The more significant of the School District’s accounting policies are described below.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

Fund Financial Statements During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses 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 The general fund accounts 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.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

Permanent Improvement Fund The permanent improvement capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of major capital facilities.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

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

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenditures) in total net assets.

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and statements for the fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions Revenue 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. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of the fiscal year end.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 8). Revenue from grants and entitlements 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 or the fiscal year when use is first permitted; matching requirements, in which School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenditures/Expenses On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

E. Budgetary Process

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. Budgetary modifications at this level require a resolution of the Board of Education. Although the legal level of control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures. The Treasurer has been given the authority to allocate Board appropriations to the function and object levels within each fund.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

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

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

F. Cash and Investments

To improve cash management, all 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 records. Interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During fiscal year 2012, investments were limited to STAROhio, federal agencies, money markets, repurchase agreements, commercial paper, municipal bonds and certificates of deposit.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2012.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2012 amounted to \$254,326, which includes \$3,414 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as "equity in pooled cash and investments". Investments with an original maturity of more than three months that are not purchased from the pool are presented on the basic financial statements as "investments".

G. Inventory

Inventories are presented at the lower of cost or market on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food. The donated commodities are presented at their entitlement values.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

H. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. 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.

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	20-75 Years
Buildings and Improvements	20-75 Years
Furniture and Equipment	5-30 Years
Vehicles	12-15 Years

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements.

On the governmental fund statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employee will be paid.

J. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources that are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds that are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Capital leases are recognized as a liability on the fund financial statements when due. H.B. 264 bonded debt payments will be paid from the general fund.

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 improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At June 30, 2012, none of the School District's net assets were restricted by enabling legislation. Net assets restricted for other purposes include instructional activities and grants.

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

L. Fund Balance

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

Nonspendable The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not to be converted to cash. It also includes the long-term amount of loans receivable.

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

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 District Board of Education; the highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund balance have been specifically committed for use in satisfying those contractual requirements.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 2 - Summary of Significant Accounting Policies (continued)

Assigned Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor 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 policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

M. Interfund Activity

Transfers between governmental funds are eliminated on the government-wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated. Receivables and payables resulting from short-term interfund loans are classified as interfund receivables/payables on the fund financial statements.

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

N. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2012.

O. Estimates

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

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 3 – Change in Accounting Principle

For fiscal year 2012, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No.64, “Derivative Instruments: Application of Hedge Accounting Termination” and GASB Statement No. 57,”OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans.” GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty’s credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans. The implementation of these statements did not result in any change in the School District’s financial statements.

Note 4 – Fund Balances

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

Fund Balances	General	Permanent Improvement	Nonmajor Governmental Funds	Total
<i>Nonspendable</i>				
Inventory	\$82,476	\$0	\$58,295	\$140,771
<i>Restricted for</i>				
Food Service	0	0	447,880	447,880
Student Activities	0	0	190,213	190,213
Auxiliary Funds	0	0	71,066	71,066
<i>Total Restricted</i>	0	0	709,159	709,159
<i>Assigned to</i>				
Other Purposes	361,222	0	80,476	441,698
Appropriations	2,137,555	0	0	2,137,555
<i>Total Assigned</i>	2,498,777	0	80,476	2,579,253
<i>Unassigned</i>	16,324,586	(1,097)	(109,856)	16,213,633
<i>Total Fund Balances</i>	\$18,905,839	(\$1,097)	\$738,074	\$19,642,816

Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted (GAAP) in the United States, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual, is presented on the budgetary basis for the general fund. The major differences between the budget basis and GAAP basis are:

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 5 - Budgetary Basis of Accounting (continued)

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Advances in and advances out are non-operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Some funds are included in the general fund(GAAP basis), but have separate locally adopted budgets(budget basis)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement on a fund type basis for the general fund.

	<i>General</i>
<i>GAAP Basis</i>	(\$2,700,682)
Net Adjustment for Revenue Accruals	1,422,786
Net Adjustment for Expenditure Accruals	(781,999)
Funds Budgeted due to Local Adoption	(24,329)
Adjustment for Encumbrances	(156,874)
<i>Budget Basis</i>	(\$2,241,098)

Note 6 – Deficit Fund Balances

The following funds had deficit fund balances/net assets at June 30, 2012:

<i>Special Revenue Funds:</i>	
Title VI-B	\$71,608
Title I	31,398
Improving Teacher Quality	6,850
<i>Permanent Improvement Fund</i>	1,097

The deficit in the funds resulted from adjustments from accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, rather than when accruals occur.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 7 - Deposits and Investments

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 7 - Deposits and Investments (continued)

8. Under limited circumstances, corporate debt interests rated in either of the two highest 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.

According to State law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by FDIC, or may pledge a pool of government securities valued at least 105 percent of the total value of uninsured public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the School District's name. During 2012, the School District and public depositories complied with the provisions of these statutes.

Deposits with Financial Institutions

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as collateral against all of the uninsured public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the School District.

At fiscal year-end, the School District had \$535 cash on hand. The carrying amount of the School District's deposits was \$7,812,109. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures," as of June 30, 2012, \$2,250,110 of the School District's bank balance of \$7,909,806 was exposed to custodial risk as discussed above, while \$5,659,696 was covered by Federal Deposit Insurance Corporation

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 7 - Deposits and Investments (continued)

Investments

As of June 30, 2012, the School District had the following investment and maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturity</u>			
		<u>6 Months or Less</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>
STAROhio	\$5,871	\$5,871	\$0	\$0	\$0
Money Market	549,695	549,695	0	0	0
Repurchase Agreement	3,661,412	3,661,412	0	0	0
Federal National Mortgage	4,006,740	500,410	0	0	3,506,330
Federal Home Loan Mortgage Corp	1,001,580	0	0	0	1,001,580
Federal Home Loan Bank	4,034,293	653,280	1,080,396	2,300,617	0
Ohio Municipal Bonds	1,087,580	0	0	1,087,580	0
Federal Farm Credit	525,142	525,142	0	0	0
Commercial Paper	997,116	997,116	0	0	0
<i>Total</i>	<u>\$15,869,429</u>	<u>\$6,892,926</u>	<u>\$1,080,396</u>	<u>\$3,388,197</u>	<u>\$4,507,910</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the School District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk Standard & Poor's has assigned STAR Ohio and the money market an AAA rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. Federal Home Loan Bank, Federal Home Loan Mortgage Corp, Federal National Mortgage, Ohio Municipal Bonds, Federal Farm Credit and the securities that underlie the repurchase agreements investments were rated Aaa by Standards & Poor's. Its investment in Commercial paper is rated A-1 or A-1+ by Moody's. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the District's \$3,661,412 investment in repurchase agreements, the entire balance is collateralized by underlying securities that are held by the investment's counterparty, not in the name of the District. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of securities subject to a repurchase agreement by 2%. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 7 - Deposits and Investments (continued)

Concentration of Credit Risk. The School District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage to total of each investment type held by the School District at June 30, 2012:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent Total</u>
STAROhio	\$5,871	0.04%
Money Market	549,695	3.46%
Repurchase Agreement	3,661,412	23.07%
Federal National Mortgage	4,006,740	25.25%
Federal Home Loan Mortgage Corp	1,001,580	6.31%
Federal Home Loan Bank	4,034,293	25.42%
Ohio Municipal Bonds	1,087,580	6.85%
Federal Farm Credit	525,142	3.31%
Commercial Paper	997,116	6.28%
<i>Total</i>	<u>\$15,869,429</u>	<u>100.00%</u>

Note 8 - Property Taxes

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

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2012 represents collections of calendar 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed value listed as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State Law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2012 represents collections of calendar year 2011 taxes. Public utility real and tangible taxes received in calendar year 2012 became a lien December 31, 2010, were levied after April 1, 2011 and are collected in 2012 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenues received during calendar 2012 (other than public utility property) represent the collection of calendar year 2012 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2010 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2012 were levied after October 1, 2011, on the value as of December 31, 2011. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 8 - Property Taxes (continued)

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the School District due to the phasing out of the tax. In calendar years 2006-2010, the School District will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The School District receives property taxes from Stark County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2012, are available to finance fiscal year 2012 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2012 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed personal property tax and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2011 was \$2,535,849 in the general fund and \$113,038 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2012 was \$1,270,732 in the general fund and \$56,638 in the permanent improvement capital projects fund.

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

The assessed values upon which the fiscal year 2012 taxes were collected are:

	<i>2012 First Half Collections</i>		<i>2011 Second Half Collections</i>	
	<i>Amount</i>	<i>Percent</i>	<i>Amount</i>	<i>Percent</i>
Agricultural/Residential and Other Real Estate	\$401,049,720	70.66%	\$445,572,110	74.82%
Commercial Industrial	138,768,140	24.45	126,571,690	21.25
Public Utility Personal	27,753,270	4.89	23,394,600	3.93
	<u>\$567,571,130</u>	<u>100.00%</u>	<u>\$595,538,400</u>	<u>100.00%</u>
Tax Rate per \$1,000 of assessed valuation	\$48.40		\$48.40	

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 9 - Receivables

Receivables at June 30, 2012, consisted of taxes, accounts (rent, student fees and tuition), accrued interest and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of the State programs, and the current fiscal year guarantee of Federal funds.

<i>Governmental Activities</i>	<i>Amounts</i>
Excess Cost/Tuition	\$243,253
E-Rate and Medicaid	19,800
Education Jobs	23,349
Title VI-B	123,942
Title I	72,906
Title II-A	30,572
<i>Total Intergovernmental Receivables</i>	<i>\$513,822</i>

Note10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	<i>Balance</i>				<i>Balance</i>
	<i>July 1, 2011</i>	<i>Additions</i>	<i>Deletions</i>	<i>Transfers</i>	<i>June 30, 2012</i>
<i>Non Depreciable Fixed Assets</i>					
Land	\$1,366,878	\$0	\$0	\$0	\$1,366,878
Construction In Progress	5,847,129	5,434,960	0	(11,282,089)	0
<i>Total Non Depreciable Fixed Assets</i>	<i>7,214,007</i>	<i>5,434,960</i>	<i>0</i>	<i>(11,282,089)</i>	<i>1,366,878</i>
<i>Capital Assets being Depreciated</i>					
Land Improvements	1,485,805	182,942	(13,350)	(13,758)	1,641,639
Buildings and Improvements	30,113,038	29,187	(883,650)	11,282,089	40,540,664
Furniture and Equipment	1,690,463	570,772	(25,350)	13,758	2,249,643
Vehicles	3,442,730	62,585	(90,000)	0	3,415,315
<i>Total Capital Assets being Depreciated</i>	<i>36,732,036</i>	<i>845,486</i>	<i>(1,012,350)</i>	<i>11,282,089</i>	<i>47,847,261</i>
	43,946,043	6,280,446	(1,012,350)	0	49,214,139
<i>Less Accumulated Depreciation</i>					
Land Improvements	(509,327)	(76,414)	5,365	0	(580,376)
Buildings and Improvements	(13,117,711)	(571,907)	579,917	0	(13,109,701)
Furniture and Equipment	(716,925)	(102,589)	22,218	0	(797,296)
Vehicles	(2,040,859)	(229,634)	84,722	0	(2,185,771)
<i>Total Accumulated Depreciation</i>	<i>(16,384,822)</i>	<i>(980,544)</i>	<i>692,222</i>	<i>0</i>	<i>(16,673,144)</i>
<i>Total Capital Assets Being Depreciated</i>	<i>20,347,214</i>	<i>(135,058)</i>	<i>1,704,572</i>	<i>0</i>	<i>31,174,117</i>
<i>Governmental Activities Capital Assets, Net</i>	<i>\$27,561,221</i>	<i>\$5,299,902</i>	<i>(\$320,128)</i>	<i>\$0</i>	<i>\$32,540,995</i>

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note10 - Capital Assets (continued)

*Depreciation expense was charged to governmental functions as follows:

	Depreciation Expense
Regular Instruction	\$280,668
Special Instruction	\$57,823
Vocational Instruction	\$18,546
SS - Pupils	\$47,000
SS - Staff	\$77,097
SS -Administration	\$38,549
SS -Fiscal Services	\$6,975
SS -Maintenance	\$88,333
SS -Transportation	\$254,230
SS-Central	\$13,362
Community Service	\$79,188
Extracurricular	\$18,773
Total Depreciation Expense	\$980,544

Note 11 - Risk Management

A. General Insurance

The School District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The School District has a comprehensive property and casualty policy with a deductible of \$5,000 and \$1,000 per incident on property and equipment, respectfully, with a 100 percent blanket, all risk policy for property coverage. The School District's vehicle insurance policy limit is \$1,000,000 single occurrence limited liability. All board members, administrators, and employees are covered under a school district liability policy. Additionally, the School District carries a \$5,000,000 blanket umbrella policy. The limits of this coverage are \$2,000,000 per occurrence and \$5,000,000 in aggregate, with no deductible. Settlements have not exceeded coverage in any of the last three fiscal years. There has not been a significant reduction in coverage from the prior year. The Treasurer is covered under a surety bond in the amount of \$50,000.

B. Workers' Compensation

The School District participates in the CompManagement Workers Compensation Group Rating Plan ("the Plan"), an insurance purchasing pool (Note 17). The intent of the Plan is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the group. The worker's compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the group. Each participant pays its worker's compensation premium to the State Bureau of Workers' Compensation based on the rate for the group rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the group. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the group. Participation in the Plan is limited to school districts that can meet the Plan selection criteria. The firm of CompManagement provides administrative, cost control and actuarial services to the group.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 11 - Risk Management (continued)

C. Employee Health Benefits

The School District participates in the Stark County Schools Council of Governments Health Benefits Program (“the Council”), a shared risk pool (Note 17) to provide employee medical/surgical benefits. The Council is a risk sharing pool created pursuant to State statute for the purpose of carrying out a cooperative program for the provision and administration of health care benefits. The Assembly is the legislative decision-making body of the Council. The Assembly is comprised of the superintendents or executive officers of the members, who have been appointed by the respective governing body of each member.

The intent of the insurance pool is to achieve a reduced, stable and competitive rate for the School District by grouping with other members of the Health Benefits Program. The experience of all participating districts is calculated as one and a common premium rate is applied to all member districts.

Rates are set through an annual calculation process. The School District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating districts. The employees share the cost of the monthly premium with the Board. For fiscal year 2012 the School District’s and the employee’s premiums were \$1,140 and \$170 for family coverage and \$469 and \$70 for single coverage per employee per month, respectively. Dental insurance is also provided by the School District to qualified employees through the Stark County Schools Council of Governments. For fiscal year 2011 the School District’s and the employee’s premiums were \$1,111 and \$137 for family coverage and \$457 and \$56 for single coverage per employee per month, respectively.

Claims are paid for all participants regardless of claims flow. Upon termination, all School District claims would be paid without regard to the School District’s account balance. The Stark County Schools Council of Government Board of Directors has the right to return monies to an existing school district subsequent to the settlement of all expenses and claims.

Note 12 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation, sick leave benefits and early retirement incentive are derived from negotiated agreements and State laws. Classified employees earn 5 - 25 days of vacation per year, depending upon length of service and hours worked. Teachers do not earn vacation time. Administrators employed to work 260 days per year can earn 15 - 25 days of vacation annually. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment.

Teachers, administrators, and classified employees earn sick leave at the rate of 1-1/4 days per month. Sick leave may be accumulated to a maximum of 340 days. Upon retirement, employees receive payment for 30 percent of the total sick leave accumulation, not to exceed 78 days in fiscal year 2012.

B. Life Insurance

The School District provided life insurance and accidental death and dismemberment insurance to all employees through the Stark County Schools Council of Governments Health Benefits Program. Coverage ranges from \$10,000 to \$65,000 depending on the daily hours worked by the employee.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 13 - Defined Benefit Pension Plans

A. School Employees Retirement System

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2012, the allocation to pension and death benefits was 12.7 percent. The remaining 1.3 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2012, 2011, and 2010 were \$773,049, \$724,552, and \$926,566, respectively. For fiscal year 2012, 48.70 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

B. State Teachers Retirement System

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DB Plan and the DC 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. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50. Benefits are established by Ohio Revised Code Chapter 3307.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 13 - Defined Benefit Pension Plans (continued)

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. For the fiscal year ended June 30, 2012, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

The School District's required contributions to STRS Ohio for the DB Plan and for the defined benefit portion of the Combined Plan were \$2,758,074 for the fiscal year ended June 30, 2012, \$2,867,983 for the fiscal year ended June 30, 2011, and \$2,897,392 for the fiscal year ended June 30, 2010. For fiscal year 2012, 84.41 percent has been contributed for the DB plan and the Combined Plan, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

Contributions made to STRS Ohio for the DC Plan and for fiscal year 2012 were \$5,879 made by the School District and \$4,200 made by the plan members. In addition, member contributions of \$4,887 were made for fiscal year 2011 for the defined contribution portion of the Combined Plan.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2012, no Board of Education members have elected Social Security. The Board's liability is 6.2 percent of wages.

Note 14 - Postemployment Benefits

A. School Employees Retirement System

Plan Description – The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 14 - Postemployment Benefits (continued)

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2012, .55 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount of \$35,800; for fiscal year 2012, this amount was \$91,199.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$33,479, \$87,732, and \$121,869, respectively. For fiscal year 2012, 48.7 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2012, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010, were \$45,653, \$46,627, and \$50,299, respectively. For fiscal year 2012, 48.70 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

B. State Teachers Retirement System

Plan Description – The School District participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2012, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$212,160, \$220,614, and \$222,876, and respectively. For fiscal year 2012, 84.41 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 15 - Long - Term Obligations

Changes in the School District's long-term obligations during fiscal year 2012 were as follows:

	<i>Balance</i>			<i>Balance</i>		<i>Amounts</i>
	<i>6/30/11</i>	<i>Additions</i>	<i>Deductions</i>	<i>6/30/12</i>	<i>In One Year</i>	<i>Due</i>
<i>Compensated Absences</i>	<u>\$3,932,751</u>	<u>\$231,260</u>	<u>(\$173,105)</u>	<u>\$3,990,906</u>		<u>\$150,560</u>
<i>2011 HB 264 Qualified School Construction Bonds:</i>						
\$5,399,390 5.65% Serial/Term Bonds	5,185,000	0	0	5,185,000		325,000
\$214,390 65.50% Capital Appreciation Bonds	214,390	0	(214,390)	0		0
Accretion on Capital Appreciation Bonds	125,610	0	(125,610)	0		0
<i>Total General Obligation Bonds</i>	<u>5,525,000</u>	<u>0</u>	<u>(340,000)</u>	<u>5,185,000</u>		<u>325,000</u>
<i>Total Governmental Activities Long-Term Liabilities</i>	<u>\$9,457,751</u>	<u>231,260</u>	<u>(\$513,105)</u>	<u>\$9,175,906</u>		<u>\$475,560</u>

On February 8, 2011, the School District issued \$5,525,000 in general obligation qualified school construction bonds("QSCB") to finance a HB 264 project. The bonds were issued for a fifteen year period with a final maturity at December 1, 2025. The bond issue consists of serial, term and capital appreciation bonds. Accretion in the amount of \$125,610 was added and represents the total accretion of discounted interest for the capital appreciation bonds. At maturity, June 30, 2012, the final amount of the capital appreciation bonds was \$340,000. The principal and interest requirements will be recorded in the general fund. The School District's overall debt margin is \$45,896,402 and the unvoted debt margin is \$567,571.

The following is a summary of the School District's future annual principal and interest requirements to retire the general obligation bonds:

<i>Fiscal Year</i>	<i>Serial and Term Bonds</i>	
	<i>Principal</i>	<i>Interest</i>
<i>Ending June 30,</i>		
2013	\$325,000	\$292,952
2014	330,000	292,952
2015	335,000	292,952
2016	345,000	292,952
2017	350,000	292,952
2018-2022	1,870,000	1,464,760
2023-2026	1,630,000	1,025,334
<i>Total</i>	<u>\$5,185,000</u>	<u>\$3,954,854</u>

The principal and interest requirements will be recorded in the general fund. Annually the School District must pay the entire interest amount and then submits a form for the return of credit payments to issuers of qualified bond from the Internal Revenue Service. Annually the School District will be reimbursed \$279,471; the net annual interest cost of the bonds to the School District is \$13,481. Over the term of the bonded debt repayment schedule, the School District will be reimbursed \$4,140,074 of the total \$4,339,766 interest costs.

Compensated absences will be primarily paid from the general, food service and auxiliary funds.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 16 - Jointly Governed Organization

The Stark Portage Area Computer Consortium (SPARCC) is a jointly governed organization among 31 school districts, the Stark County Educational Service Center and the Portage County Educational Service Center and the Portage County Education Service Center. The purpose of the organization is to apply modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The legislative and advisory body is the assembly which is comprised of the superintendents of the participating schools. The degree of control exercised by any participating district is limited to its representation on the assembly, which appoints the five-member executive board. The executive board exercises total control over the operation of SPARCC including budgeting, appropriating, contracting and designating management. The executive board consists of five superintendents. All revenues are generated from State funding and an annual fee charged to participating districts. The School District paid \$196,036 to SPARCC during the fiscal year 2012. The Stark County Educational Service Center is the fiscal agent of SPARCC. Financial information can be obtained by writing to the Stark County Educational Service Center, 2100 38th Street NW, Canton, OH 44709-2300.

Note 17 - Public Entity Risk Pools

A. Risk Sharing Pool

The Stark County Schools Council of Governments Health Benefits Program is a shared risk pool. The Council is governed by an assembly which consists of one representative from each participant (usually the superintendent or designee). The assembly elects officers for two-year terms to serve as the Board of Directors. The assembly exercises control over the operation of the consortium. All consortium revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. Financial information can be obtained by writing to the Stark County Educational Service Center, 2100 38th Street NW, Canton, OH 44709.

B. Insurance Purchasing Pool

The School District participates in the CompManagement Workers' Compensation Group Rating Program, an insurance purchasing pool. The Group's business and affairs are conducted by the CompManagement Corporation. Each year the participating districts pay an enrollment fee to the Group to cover the costs of administering the program.

Note 18 – Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the School District at June 30, 2012.

Perry Local School District
Notes to the Basic Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2012

Note 18 – Contingencies(continued)

B. Litigation

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

Note 19 - Interfund Activity

Interfund balances at June 30, 2012, consist of interfund payables in the amount of \$23,349 for the education jobs special revenue fund and \$9,576 for the Improving Teacher Quality special revenue fund. Both amounts were due to the general fund and presented as an interfund receivable in the amount of \$32,925 on the balance sheet. The interfund payables are advances for grant monies that were not received by fiscal year end and were for support to programs and projects in the special revenues funds. Advances will be repaid within one year.

Note 20 - Set-Asides

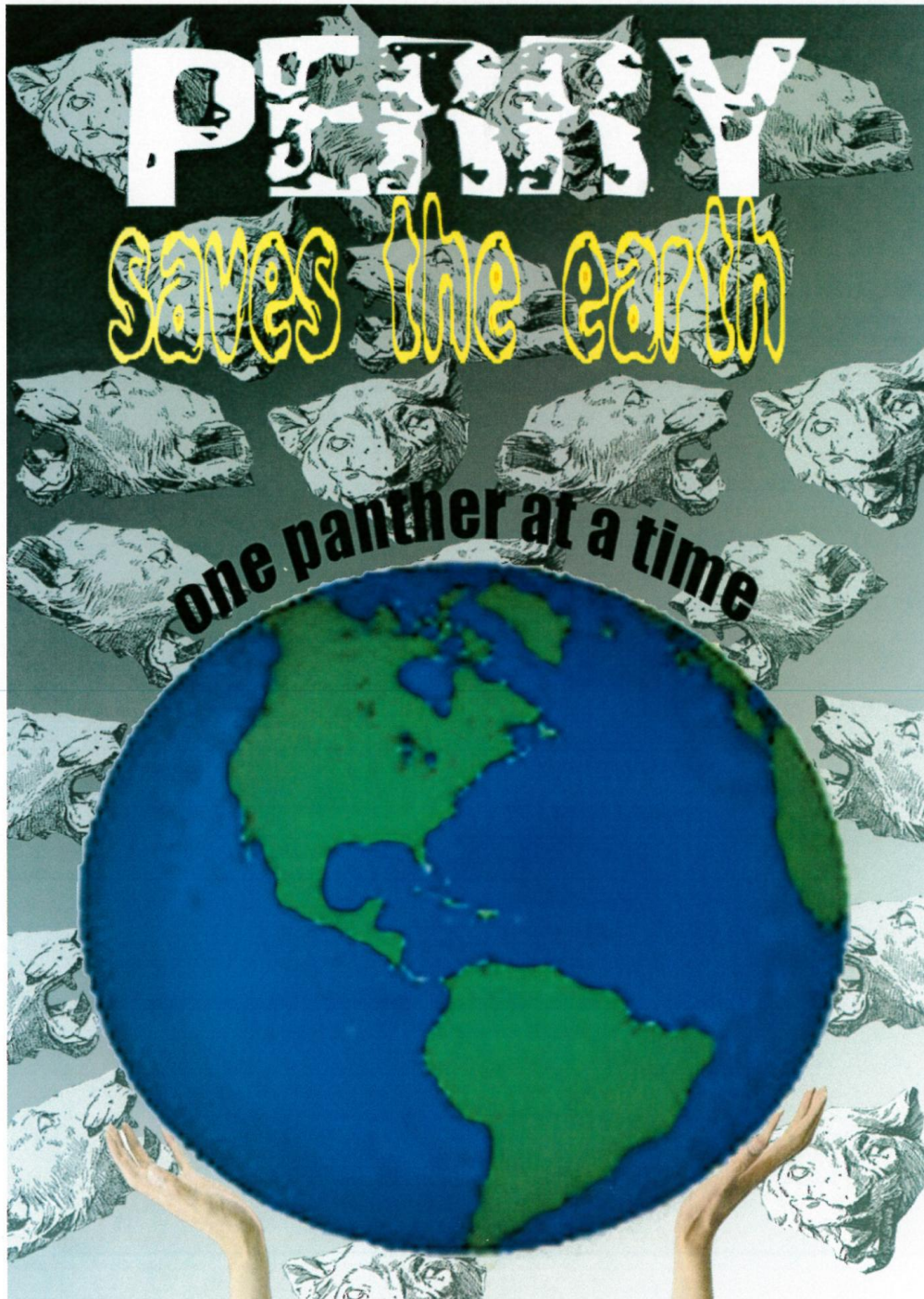
The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements.

The following cash basis information describes the set aside amount for capital acquisition. Disclosure of this information is required by State Statute.

	<i>Capital Acquisition</i>
<i>Set-Aside Reserve Balance as of June 30, 2011</i>	\$0
Current Year Set-Aside Requirement	818,607
Qualifying Disbursements	(6,700,907)
<i>Total</i>	(\$5,882,300)
<i>Set-Aside Balance Carried Forward to Future Years</i>	\$0
<i>Set-Aside Reserve Balance as of June 30, 2012</i>	\$0

Although the School District had qualifying disbursements during the fiscal year that reduced the capital acquisition set-side amounts below zero, these extra amounts will not be used to reduce the set-aside requirements of future years. The negative amounts will not be presented as being carried forward to the next fiscal year.

**COMBINING STATEMENTS AND INDIVIDUAL
FUND SCHEDULES**



Perry Local School District

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Following is a description of the School District's nonmajor special revenue funds:

Food Service Fund This fund accounts for and reports charges for services and operating grants restricted to the food service operations of the School district.

Scholarship Fund This fund accounts for and reports various restricted donations received for students collegian educational programs.

Local Grants Fund This fund accounts for and reports various restricted grants received to promote community involvement and to support activities between the school and the community.

District Managed Student Activities Fund This fund accounts for and reports restricted gate receipts and revenues from athletic and student extracurricular events and costs(except supplemental coaching contracts) of the School District's athletic and extracurricular programs.

Auxiliary Services Fund This fund accounts for and reports restricted State grant monies which provide services and materials to pupils attending non-public schools within the School District.

Onenet Fund This fund accounts for and reports restricted State grant monies used to provide internet connection to school buildings.

Education Jobs Fund This fund accounts for and reports restricted Federal grant monies used to create jobs.

Title VI-B Fund This fund accounts for the and reports restricted Federal grant monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative patterns, and provisions of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Title I Fund This fund accounts for and reports restricted Federal grant monies used to assist the School District in meeting the special needs of educationally deprived children.

Title II-D Fund This fund accounts for and reports restricted Federal grant monies used to assist the School District in meeting the technology needs.

Federal Preschool Fund This fund accounts for and reports Federal grant revenues used for instructional and student support services used in special needs preschools programs.

Improving Teacher Quality Fund This fund accounts for and reports Federal grant revenues used for staff support services to improve the quality of teaching or the reduction of classroom size.

Perry Local School District

Other General Funds

With the implementation of GASB Statement No. 54, certain funds that 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.

Fund Description

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

Special Curriculum Services Fund To account for the revenues collected from student related projects to purchase item for career based programs.

Special Summer Programs Services Fund To account for charges for services for program offered to student during the summer months.

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

Perry Local School District

*Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012*

	<i>Nonmajor Special Revenue Funds</i>
<i>Assets</i>	
Current Assets:	
Equity in Pooled Cash and Investments	\$1,059,561
Inventory Held for Resale	56,146
Materials and Supplies Inventory	2,149
Intergovernmental Receivable	250,769
<i>Total Assets</i>	<u><u>\$1,368,625</u></u>
<i>Liabilities</i>	
Current Liabilities:	
Accounts Payable	\$21,243
Accrued Wages and Benefits	369,947
Interfund Payable	32,925
Intergovernmental Payable	106,013
Matured Compensated Absences Payable	14,579
Deferred Revenue	85,844
<i>Total Liabilities</i>	<u>630,551</u>
<i>Fund Balances</i>	
Nonspendable	58,295
Restricted	709,159
Assigned	80,476
Unassigned	(109,856)
<i>Total Fund Balances</i>	<u>738,074</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$1,368,625</u></u>

Perry Local School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2012*

	<i>Nonmajor Special Revenue Funds</i>
<i>Revenues</i>	
Intergovernmental	\$3,361,291
Extracurricular Activities	254,479
Customer Sales and Services	884,104
Miscellaneous	106,096
	4,605,970
<i>Total Revenues</i>	4,605,970
<i>Expenditures</i>	
Current:	
Instruction:	
Regular	339,504
Special	886,653
Vocational	2,500
Support Services:	
Pupils	239,293
Instructional Staff	764,601
Administration	31,608
Central	28,673
Operation of Non-Instructional Services	2,021,990
Extracurricular Activities	260,690
Capital Outlay	26,194
	4,601,706
<i>Total Expenditures</i>	4,601,706
<i>Net Change in Fund Balances</i>	4,264
<i>Fund Balances Beginning of Year</i>	733,810
<i>Fund Balances End of Year</i>	\$738,074

Perry Local School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	<u><i>Food Services</i></u>	<u><i>Scholarship</i></u>	<u><i>Local Grants</i></u>	<u><i>District Managed Student Activities</i></u>
<i>Assets</i>				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$615,082	\$80,476	\$5,144	\$193,957
Inventory Held for Resale	56,146	0	0	0
Materials and Supplies Inventory	2,149	0	0	0
Intergovernmental Receivable	0	0	0	0
<i>Total Assets</i>	<u><u>\$673,377</u></u>	<u><u>\$80,476</u></u>	<u><u>\$5,144</u></u>	<u><u>\$193,957</u></u>
<i>Liabilities</i>				
<i>Current Liabilities:</i>				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	108,596	0	0	5,369
Interfund Payable	0	0	0	0
Intergovernmental Payable	44,027	0	0	3,519
Matured Compensated Absences Payable	14,579	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u><u>167,202</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>8,888</u></u>
<i>Fund Balances</i>				
Nonspendable	58,295	0	0	0
Restricted	447,880	0	5,144	185,069
Assigned	0	80,476	0	0
Unassigned	0	0	0	0
<i>Total Fund Balances</i>	<u><u>506,175</u></u>	<u><u>80,476</u></u>	<u><u>5,144</u></u>	<u><u>185,069</u></u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$673,377</u></u>	<u><u>\$80,476</u></u>	<u><u>\$5,144</u></u>	<u><u>\$193,957</u></u>

<i>Auxiliary Services</i>	<i>Education Job</i>	<i>Title VI-B</i>	<i>Title I</i>	<i>Improving Teacher Quality</i>	<i>Total Nonmajor Special Revenue Funds</i>
\$140,423	\$0	\$8,422	\$16,057	\$0	\$1,059,561
0	0	0	0	0	56,146
0	0	0	0	0	2,149
0	23,349	123,942	72,906	30,572	250,769
<u>\$140,423</u>	<u>\$23,349</u>	<u>\$132,364</u>	<u>\$88,963</u>	<u>\$30,572</u>	<u>\$1,368,625</u>
\$21,243	\$0	\$0	\$0	\$0	\$21,243
40,480	0	124,348	75,044	16,110	369,947
0	23,349	0	0	9,576	32,925
7,634	0	35,682	12,411	2,740	106,013
0	0	0	0	0	14,579
0	0	43,942	32,906	8,996	85,844
<u>69,357</u>	<u>23,349</u>	<u>203,972</u>	<u>120,361</u>	<u>37,422</u>	<u>630,551</u>
0	0	0	0	0	58,295
71,066	0	0	0	0	709,159
0	0	0	0	0	80,476
0	0	(71,608)	(31,398)	(6,850)	(109,856)
<u>71,066</u>	<u>0</u>	<u>(71,608)</u>	<u>(31,398)</u>	<u>(6,850)</u>	<u>738,074</u>
<u>\$140,423</u>	<u>\$23,349</u>	<u>\$132,364</u>	<u>\$88,963</u>	<u>\$30,572</u>	<u>\$1,368,625</u>

Perry Local School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances*
Nonmajor Governmental Funds Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<u>Food Service</u>	<u>Scholarship</u>	<u>Local Grants</u>	<u>District Managed Student Activities</u>
Revenues				
Intergovernmental	\$1,213,078	\$0	\$1,100	\$0
Extracurricular Activities	0	4,538	0	249,941
Customer Sales and Services	884,104	0	0	0
Miscellaneous	0	90,763	0	9,532
Total Revenues	<u>2,097,182</u>	<u>95,301</u>	<u>1,100</u>	<u>259,473</u>
Expenditures				
Current:				
Instruction:				
Regular	0	55,344	425	0
Special	0	1,297	0	0
Vocational	0	2,500	0	0
Support Services:				
Pupils	0	0	0	19,152
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Central	0	11,798	0	0
Operation of Non-Instructional Services	1,849,378	11,525	63,960	0
Extracurricular Activities	0	0	0	260,690
Capital Outlay	0	0	0	26,194
Total Expenditures	<u>1,849,378</u>	<u>82,464</u>	<u>64,385</u>	<u>306,036</u>
Net Change in Fund Balances	247,804	12,837	(63,285)	(46,563)
Fund Balances(Deficit) Beginning of Year	<u>258,371</u>	<u>67,639</u>	<u>68,429</u>	<u>231,632</u>
Fund Balances(Deficit) End of Year	<u><u>\$506,175</u></u>	<u><u>\$80,476</u></u>	<u><u>\$5,144</u></u>	<u><u>\$185,069</u></u>

<i>Auxiliary</i>	<i>Onenet</i>	<i>Education Jobs</i>	<i>Title VI-B</i>	<i>Title I</i>	<i>Federal Preschool</i>	<i>Improving Teacher Quality</i>	<i>Total Nonmajor Special Funds</i>
\$476,994	\$14,400	\$23,349	\$949,475	\$522,000	\$24,224	\$136,671	\$3,361,291
0	0	0	0	0	0	0	254,479
0	0	0	0	0	0	0	884,104
5,801	0	0	0	0	0	0	106,096
<u>482,795</u>	<u>14,400</u>	<u>23,349</u>	<u>949,475</u>	<u>522,000</u>	<u>24,224</u>	<u>136,671</u>	<u>4,605,970</u>
153,001	0	23,348	0	0	0	107,386	339,504
126,643	0	0	302,413	456,300	0	0	886,653
0	0	0	0	0	0	0	2,500
217,454	0	0	2,687	0	0	0	239,293
175	0	0	640,519	69,848	24,224	29,835	764,601
0	0	1	0	31,607	0	0	31,608
0	16,875	0	0	0	0	0	28,673
0	0	0	75,472	15,753	0	5,902	2,021,990
0	0	0	0	0	0	0	260,690
0	0	0	0	0	0	0	26,194
<u>497,273</u>	<u>16,875</u>	<u>23,349</u>	<u>1,021,091</u>	<u>573,508</u>	<u>24,224</u>	<u>143,123</u>	<u>4,601,706</u>
(14,478)	(2,475)	0	(71,616)	(51,508)	0	(6,452)	4,264
85,544	2,475	0	8	20,110	0	(398)	733,810
<u>\$71,066</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$71,608)</u>	<u>(\$31,398)</u>	<u>\$0</u>	<u>(\$6,850)</u>	<u>738,074</u>

Perry Local School District

Fiduciary Funds

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

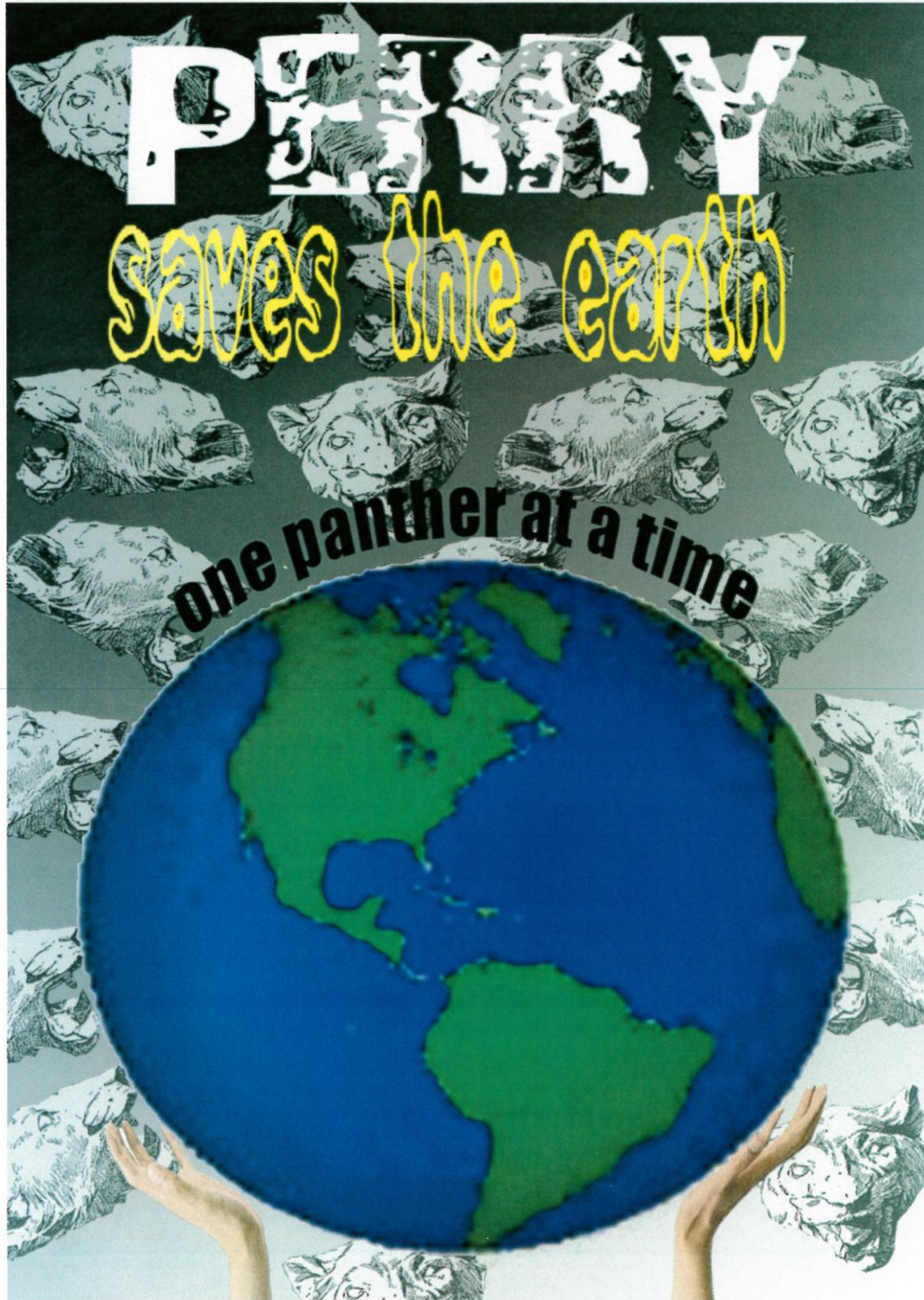
Agency Funds

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

Perry Local School District
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Fiscal Year Ended June 30, 2012

	<i>Student Activities</i>			
	<i>Beginning Balance</i>	<i>Addition</i>	<i>Deductions</i>	<i>Ending Balance</i>
Student Activities				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$82,893	\$92,637	\$91,479	\$84,051
<i>Total Assets</i>	\$82,893	\$92,637	\$91,479	\$84,051
<i>Liabilities</i>				
Due to Students	\$82,893	\$92,637	\$91,479	\$84,051
<i>Total Liabilities</i>	\$82,893	\$92,637	\$91,479	\$84,051

**INDIVIDUAL FUND SCHEDULES OF REVENUES,
EXPENDITURES AND CHANGES IN FUND
BALABNCES – BUDGET(Non-GAAP) AND ACTUAL**



Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>			<i>Variance with</i>
	<i>Original</i>	<i>Final</i>	<i>Actual</i>	<i>Final Budget</i> <i>Positive</i> <i>(Negative)</i>
Revenues				
Property and Other Local Taxes	\$17,944,700	\$17,944,700	\$17,589,722	(\$354,978)
Intergovernmental	18,145,782	18,145,782	19,065,007	919,225
Interest	133,000	133,000	282,403	149,403
Tuition and Fees	2,189,200	2,189,200	2,265,283	76,083
Rent	15,000	15,000	12,418	(2,582)
Extracurricular Activities	36,000	36,000	33,360	(2,640)
Gifts and Donations	10,000	10,000	0	(10,000)
Miscellaneous	221,200	221,200	209,697	(11,503)
<i>Total Revenues</i>	<u>38,694,882</u>	<u>38,694,882</u>	<u>39,457,890</u>	<u>763,008</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Salaries	12,784,330	12,784,330	12,679,362	104,968
Fringe Benefits	4,389,706	4,389,706	4,225,628	164,078
Purchased Services	1,159,665	1,159,665	1,116,738	42,927
Materials and Supplies	763,982	763,982	702,705	61,277
Capital Outlay	141,641	141,641	117,322	24,319
<i>Total Regular</i>	<u>19,239,324</u>	<u>19,239,324</u>	<u>18,841,755</u>	<u>397,569</u>
<i>Special:</i>				
Salaries	2,407,739	2,407,739	2,223,495	184,244
Fringe Benefits	696,714	696,714	621,779	74,935
Purchased Services	373,468	373,468	241,441	132,027
Materials and Supplies	36,664	36,664	27,407	9,257
Capital Outlay	5,500	5,500	2,654	2,846
<i>Total Special</i>	<u>3,520,085</u>	<u>3,520,085</u>	<u>3,116,776</u>	<u>403,309</u>
<i>Vocational:</i>				
Salaries	1,340,025	1,340,025	1,326,005	14,020
Fringe Benefits	547,850	547,850	520,491	27,359
Purchased Services	88,714	88,714	79,934	8,780
Materials and Supplies	134,993	134,993	124,817	10,176
Other	9,775	9,775	5,166	4,609
Capital Outlay	55,673	55,673	55,673	0
<i>Total Vocational</i>	<u>2,177,030</u>	<u>2,177,030</u>	<u>2,112,086</u>	<u>64,944</u>
<i>Student Intervention Services:</i>				
Salaries	152,199	152,199	152,199	0
Fringe Benefits	29,744	29,744	29,744	0
Materials and Supplies	939	939	939	0
<i>Total Student Intervention Services</i>	<u>182,882</u>	<u>182,882</u>	<u>182,882</u>	<u>0</u>
<i>Total Instruction</i>	<u>25,119,321</u>	<u>25,119,321</u>	<u>24,253,499</u>	<u>865,822</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund(continued)
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
<i>Support Services:</i>				
<i>Pupils:</i>				
Salaries	\$2,056,284	\$2,056,284	\$1,902,276	\$154,008
Fringe Benefits	640,991	640,991	604,237	36,754
Purchased Services	305,955	305,955	274,801	31,154
Materials and Supplies	29,914	29,914	21,489	8,425
<i>Total Pupils</i>	<u>3,033,144</u>	<u>3,033,144</u>	<u>2,802,803</u>	<u>230,341</u>
<i>Instructional Staff:</i>				
Salaries	766,844	766,844	722,298	44,546
Fringe Benefits	343,045	343,045	319,320	23,725
Purchased Services	122,727	122,727	119,430	3,297
Materials and Supplies	67,957	67,957	64,102	3,855
<i>Total Instructional Staff</i>	<u>1,300,573</u>	<u>1,300,573</u>	<u>1,225,150</u>	<u>75,423</u>
<i>Board of Education:</i>				
Salaries	8,125	8,125	8,125	0
Fringe Benefits	1,386	1,438	1,438	0
Purchased Services	138,310	138,258	116,086	22,172
Materials and Supplies	2,650	2,650	417	2,233
Other	16,100	16,100	15,711	389
<i>Total Board of Education</i>	<u>166,571</u>	<u>166,571</u>	<u>141,777</u>	<u>24,794</u>
<i>Administration:</i>				
Salaries	1,950,030	1,963,485	1,963,485	0
Fringe Benefits	732,475	732,475	681,356	51,119
Purchased Services	108,876	95,421	91,373	4,048
Materials and Supplies	24,062	24,062	20,249	3,813
Other	153,150	153,150	146,848	6,302
<i>Total Administration</i>	<u>2,968,593</u>	<u>2,968,593</u>	<u>2,903,311</u>	<u>65,282</u>
<i>Fiscal:</i>				
Salaries	269,472	269,472	254,526	14,946
Fringe Benefits	148,592	148,592	144,201	4,391
Purchased Services	15,500	15,500	8,393	7,107
Materials and Supplies	3,000	3,000	1,971	1,029
Other	411,600	411,600	395,735	15,865
<i>Total Fiscal</i>	<u>848,164</u>	<u>848,164</u>	<u>804,826</u>	<u>43,338</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund(continued)
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
<i>Business:</i>				
Salaries	\$148,020	\$148,020	\$147,693	\$327
Fringe Benefits	49,813	49,813	44,421	5,392
Purchased Services	500	500	102	398
Materials and Supplies	250	250	20	230
Other	1,250	1,250	960	290
<i>Total Business</i>	<u>199,833</u>	<u>199,833</u>	<u>193,196</u>	<u>6,637</u>
<i>Operation and Maintenance of Plant</i>				
Salaries	1,512,197	1,567,059	1,567,059	0
Fringe Benefits	800,132	800,132	759,594	40,538
Purchased Services	2,021,582	1,966,720	1,945,873	20,847
Materials and Supplies	199,000	199,000	163,739	35,261
Capital Outlay	40,050	40,050	17,288	22,762
<i>Total Operation and Maintenance of Plant</i>	<u>4,572,961</u>	<u>4,572,961</u>	<u>4,453,553</u>	<u>119,408</u>
<i>Pupil Transportation:</i>				
Salaries	1,305,488	1,305,488	1,213,564	91,924
Fringe Benefits	502,867	502,867	470,021	32,846
Purchased Services	68,030	67,668	61,171	6,497
Materials and Supplies	385,650	386,012	386,012	0
Capital Outlay	79,775	79,775	78,880	895
<i>Total Pupil Transportation</i>	<u>2,341,810</u>	<u>2,341,810</u>	<u>2,209,648</u>	<u>132,162</u>
<i>Central:</i>				
Salaries	222,338	222,338	218,162	4,176
Fringe Benefits	93,773	93,773	74,411	19,362
Purchased Services	110,111	110,111	89,876	20,235
Materials and Supplies	144,225	144,225	132,678	11,547
Capital Outlay	191,089	191,089	184,945	6,144
<i>Total Central</i>	<u>761,536</u>	<u>761,536</u>	<u>700,072</u>	<u>61,464</u>
<i>Total Support Services</i>	<u>16,193,185</u>	<u>16,193,185</u>	<u>15,434,336</u>	<u>758,849</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Food Service Operations:</i>				
Capital Outlay	37,129	37,129	35,031	2,098
<i>Total Operation of Non-Instructional Services</i>	<u>37,129</u>	<u>37,129</u>	<u>35,031</u>	<u>2,098</u>

(continued)

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund(continued)
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
<i>Extracurricular Activities:</i>				
<i>Academic Oriented Activities:</i>				
Salaries	\$79,865	\$79,865	\$79,865	\$0
Purchased Services	35,063	35,063	35,063	0
Materials and Supplies	32,647	32,647	32,647	0
<i>Total Academic Oriented Activities</i>	<u>147,575</u>	<u>147,575</u>	<u>147,575</u>	<u>0</u>
<i>Occupation Oriented Activities:</i>				
Salaries	11,746	11,746	11,746	0
Fringe Benefits	1,494	1,494	1,494	0
<i>Total Occupation Oriented Activities</i>	<u>13,240</u>	<u>13,240</u>	<u>13,240</u>	<u>0</u>
<i>Sport Oriented Activities:</i>				
Salaries	580,474	580,474	580,474	0
Fringe Benefits	132,245	132,245	132,245	0
Purchased Services	34,490	34,490	34,490	0
Capital Outlay	19,800	19,800	19,800	0
<i>Total Sport Oriented Activities</i>	<u>767,009</u>	<u>767,009</u>	<u>767,009</u>	<u>0</u>
<i>School and Public Service Co-Curricular Activities:</i>				
Salaries	18,257	18,257	18,257	0
<i>Total School and Public Service</i>				
<i>Co-Curricular Activities</i>	<u>18,257</u>	<u>18,257</u>	<u>18,257</u>	<u>0</u>
<i>Total Extracurricular Activities:</i>	<u>946,081</u>	<u>946,081</u>	<u>946,081</u>	<u>0</u>
<i>Capital Outlay:</i>				
<i>Building Improvement Services:</i>				
Capital Outlay	676,560	676,560	676,560	0
<i>Total Capital Outlay</i>	<u>676,560</u>	<u>676,560</u>	<u>676,560</u>	<u>0</u>
<i>Debt Service:</i>				
Principal Retirement	214,391	214,391	214,390	1
Interest and Fiscal Charges	145,110	145,110	139,091	6,019
<i>Total - Debt Service</i>	<u>359,501</u>	<u>359,501</u>	<u>353,481</u>	<u>6,020</u>
<i>Total Expenditures</i>	<u>43,331,777</u>	<u>43,331,777</u>	<u>41,698,988</u>	<u>1,632,789</u>
<i>Net Change in Fund Balances</i>	(4,636,895)	(4,636,895)	(2,241,098)	2,395,797
<i>Fund Balance Beginning of Year</i>	22,744,417	22,744,417	22,744,417	0
<i>Prior Year Encumbrances Appropriated</i>	1,486,234	1,486,234	1,486,234	0
<i>Fund Balance End of Year</i>	<u>\$19,593,756</u>	<u>\$19,593,756</u>	<u>\$21,989,553</u>	<u>\$2,395,797</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>(Negative)</i>
Revenues				
Property and Other Local Taxes	\$774,308	\$774,308	\$761,910	(\$12,398)
Intergovernmental	201,385	201,385	206,722	5,337
Miscellaneous	114,042	114,042	129,441	15,399
<i>Total Revenues</i>	<u>1,089,735</u>	<u>1,089,735</u>	<u>1,098,073</u>	<u>8,338</u>
Expenditures				
<i>Current:</i>				
<i>Support Services:</i>				
<i>Fiscal:</i>				
Other	15,132	15,132	13,801	1,331
<i>Total Support Services</i>	<u>15,132</u>	<u>15,132</u>	<u>13,801</u>	<u>1,331</u>
<i>Capital Outlay:</i>				
<i>Building Improvement Services:</i>				
Purchased Services	70,079	70,079	70,079	0
Capital Outlay	6,176,011	6,176,011	6,029,451	146,560
<i>Total Capital Outlay</i>	<u>6,246,090</u>	<u>6,246,090</u>	<u>6,099,530</u>	<u>146,560</u>
<i>Total Expenditures</i>	<u>6,261,222</u>	<u>6,261,222</u>	<u>6,113,331</u>	<u>147,891</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(5,171,487)</u>	<u>(5,171,487)</u>	<u>(5,015,258)</u>	<u>156,229</u>
Other Financing Sources				
Advances In	85,958	85,958	0	(85,958)
<i>Net Change in Fund Balance</i>	(5,085,529)	(5,085,529)	(5,015,258)	70,271
<i>Fund Deficit at Beginning of Year</i>	(420,905)	(420,905)	(420,905)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,511,347</u>	<u>5,511,347</u>	<u>5,511,347</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,913</u></u>	<u><u>\$4,913</u></u>	<u><u>\$75,184</u></u>	<u><u>\$70,271</u></u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>			<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$940,000	\$940,000	\$1,011,590	\$71,590
Customer sales and Services	883,000	883,000	884,104	1,104
Interest	400	400	0	(400)
<i>Total Revenues</i>	<u>1,823,400</u>	<u>1,823,400</u>	<u>1,895,694</u>	<u>72,294</u>
Expenditures				
<i>Current:</i>				
<i>Operation of Non-Instructional Services:</i>				
<i>Food Service Operations:</i>				
Salaries and Wages	714,880	714,880	693,550	21,330
Fringe Benefits	317,806	317,806	257,567	60,239
Purchased Services	120,000	120,000	90,214	29,786
Materials and Supplies	635,000	660,000	644,588	15,412
Capital Outlay	25,000	0	0	0
<i>Total Expenditures</i>	<u>1,812,686</u>	<u>1,812,686</u>	<u>1,685,919</u>	<u>126,767</u>
<i>Net Change in Fund Balance</i>	10,714	10,714	209,775	199,061
<i>Fund Balance Beginning of Year</i>	377,298	377,298	377,298	0
<i>Prior Year Encumbrances Appropriated</i>	28,009	28,009	28,009	0
<i>Fund Balance End of Year</i>	<u>\$416,021</u>	<u>\$416,021</u>	<u>\$615,082</u>	<u>\$199,061</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Scholarship Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenues				
Extracurricular Activities	\$500	\$500	\$4,538	\$4,038
Gifts and Donations	86,400	93,612	88,490	(5,122)
Miscellaneous	3,250	3,250	2,273	(977)
<i>Total Revenues</i>	<u>90,150</u>	<u>97,362</u>	<u>95,301</u>	<u>(2,061)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Other	42,632	55,344	55,344	0
<i>Total Regular</i>	<u>42,632</u>	<u>55,344</u>	<u>55,344</u>	<u>0</u>
<i>Special:</i>				
Materials and Supplies	1,297	1,297	1,297	0
<i>Total Special</i>	<u>1,297</u>	<u>1,297</u>	<u>1,297</u>	<u>0</u>
<i>Vocational:</i>				
Materials and Supplies	2,000	2,000	2,000	0
Other	500	500	500	0
<i>Total Vocational</i>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
<i>Total Instruction</i>	<u>46,429</u>	<u>59,141</u>	<u>59,141</u>	<u>0</u>
<i>Support Services:</i>				
<i>Central:</i>				
Purchased Services	3,814	3,814	3,814	0
Other	8,119	8,119	8,119	0
<i>Total Support Services</i>	<u>11,933</u>	<u>11,933</u>	<u>11,933</u>	<u>0</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Community Services:</i>				
Purchased Services	300	300	300	0
Materials and Supplies	6,822	6,822	6,712	110
Capital Outlay	4,787	4,787	4,750	37
<i>Total Operation of Non-Instructional Services</i>	<u>11,909</u>	<u>11,909</u>	<u>11,762</u>	<u>147</u>
<i>Total Expenditures</i>	<u>70,271</u>	<u>82,983</u>	<u>82,836</u>	<u>147</u>
<i>Net Change in Fund Balance</i>	19,879	14,379	12,465	(1,914)
<i>Fund Balance Beginning of Year</i>	67,306	67,306	67,306	0
<i>Prior Year Encumbrances Appropriated</i>	571	571	571	0
<i>Fund Balance End of Year</i>	<u>\$87,756</u>	<u>\$82,256</u>	<u>\$80,342</u>	<u>(1,914)</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Local Grants Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$16,652	\$16,652	\$1,100	(\$15,552)
<i>Total Revenues</i>	<u>16,652</u>	<u>16,652</u>	<u>1,100</u>	<u>(15,552)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Materials and Supplies	1,821	1,821	425	1,396
<i>Total Instruction</i>	<u>1,821</u>	<u>1,821</u>	<u>425</u>	<u>1,396</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Community Services:</i>				
Materials and Supplies	83,260	83,260	83,260	0
<i>Total Operation of Non-Instructional Services</i>	<u>83,260</u>	<u>83,260</u>	<u>83,260</u>	<u>0</u>
<i>Total Expenditures</i>	<u>85,081</u>	<u>85,081</u>	<u>83,685</u>	<u>1,396</u>
<i>Net Change in Fund Balance</i>	(68,429)	(68,429)	(82,585)	(14,156)
<i>Fund Balance Beginning of Year</i>	68,429	68,429	68,429	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>(\$14,156)</u>	<u>(14,156)</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Extracurricular Activities	\$261,592	\$261,592	\$249,941	(\$11,651)
Miscellaneous	19,900	89,900	9,532	(80,368)
<i>Total Revenues</i>	<u>281,492</u>	<u>351,492</u>	<u>259,473</u>	<u>(92,019)</u>
Expenditures				
<i>Current:</i>				
<i>Support Services:</i>				
<i>Pupils:</i>				
Salaries and Wages	65	65	0	65
Purchased Services	150	150	0	150
Materials and Supplies	4,601	4,601	4,512	89
Other	14,660	14,660	14,640	20
<i>Total Support Services</i>	<u>19,476</u>	<u>19,476</u>	<u>19,152</u>	<u>324</u>
<i>Extracurricular Activities:</i>				
<i>Academic Oriented Activities:</i>				
Salaries and Wages	20,050	20,050	11,010	9,040
Fringe Benefits	5,020	5,020	1,684	3,336
Purchased Services	41,550	41,550	20,474	21,076
Materials and Supplies	40,250	40,250	30,873	9,377
Other	21,200	21,200	18,563	2,637
<i>Total Academic Oriented Activities</i>	<u>128,070</u>	<u>128,070</u>	<u>82,604</u>	<u>45,466</u>
<i>Occupation Oriented Activities:</i>				
Materials and Supplies	1,000	1,000	523	477
<i>Total Occupation Oriented Activities</i>	<u>1,000</u>	<u>1,000</u>	<u>523</u>	<u>477</u>
<i>Sports Oriented Activities:</i>				
Salaries and Wages	23,109	23,109	23,109	0
Fringe Benefits	3,459	3,459	3,459	0
Purchased Services	62,327	72,327	66,455	5,872
Materials and Supplies	28,033	38,033	35,762	2,271
Other	25,798	35,798	30,268	5,530
Capital Outlay	4,495	14,495	10,173	4,322
<i>Total Sports Oriented Activities</i>	<u>147,221</u>	<u>187,221</u>	<u>169,226</u>	<u>17,995</u>
<i>Total Extracurricular Activities</i>	<u>276,291</u>	<u>316,291</u>	<u>252,353</u>	<u>63,938</u>

(continued)

Perry Local School District
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<i>Capital Outlay:</i>				
<i>Site Improvement Services:</i>				
Salaries and Wages	\$14,290	\$54,121	\$22,817	\$31,304
Fringe Benefits	3,377	3,377	3,377	0
<i>Total Capital Outlay</i>	<u>17,667</u>	<u>57,498</u>	<u>26,194</u>	<u>31,304</u>
<i>Total Expenditures</i>	<u>313,434</u>	<u>393,265</u>	<u>297,699</u>	<u>95,566</u>
<i>Net Change in Fund Balance</i>	(31,942)	(41,773)	(38,226)	3,547
<i>Fund Balance Beginning of Year</i>	223,772	223,772	223,772	0
<i>Prior Year Encumbrances Appropriated</i>	<u>7,864</u>	<u>7,864</u>	<u>7,864</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$199,694</u></u>	<u><u>\$189,863</u></u>	<u><u>\$193,410</u></u>	<u><u>\$3,547</u></u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Auxiliary Service Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>			<i>Variance with Final Budget</i>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<i>Positive (Negative)</i>
Revenues				
Intergovernmental	\$500,186	\$470,995	\$476,995	\$6,000
Interest	200	200	0	(200)
Miscellaneous	5,801	5,801	5,800	(1)
<i>Total Revenues</i>	<u>506,187</u>	<u>476,996</u>	<u>482,795</u>	<u>5,799</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Salaries and Wages	10,606	10,606	10,606	0
Fringe Benefits	3,200	3,200	3,200	0
Purchased Services	23,017	23,017	22,664	353
Materials and Supplies	210,010	210,010	151,853	58,157
<i>Total Regular</i>	<u>246,833</u>	<u>246,833</u>	<u>188,323</u>	<u>58,510</u>
<i>Special:</i>				
Salaries and Wages	90,554	90,554	78,361	12,193
Fringe Benefits	32,579	32,579	30,553	2,026
Materials and Supplies	31,655	2,465	2,465	0
<i>Total Special</i>	<u>154,788</u>	<u>125,598</u>	<u>111,379</u>	<u>14,219</u>
<i>Total Instruction</i>	<u>401,621</u>	<u>372,431</u>	<u>299,702</u>	<u>72,729</u>
<i>Support Services:</i>				
<i>Pupils:</i>				
Salaries and Wages	174,131	174,131	149,053	25,078
Fringe Benefits	54,153	54,151	46,641	7,510
Purchased Services	21,300	21,300	21,300	0
<i>Total Pupils</i>	<u>249,584</u>	<u>249,582</u>	<u>216,994</u>	<u>32,588</u>
<i>Instructional Staff:</i>				
Purchased Services	1,000	1,000	692	308
<i>Total Instructional Staff</i>	<u>1,000</u>	<u>1,000</u>	<u>692</u>	<u>308</u>
<i>Total Support Services</i>	<u>250,584</u>	<u>250,582</u>	<u>217,686</u>	<u>32,896</u>
<i>Total Expenditures</i>	<u>652,205</u>	<u>623,013</u>	<u>517,388</u>	<u>105,625</u>
<i>Net Change in Fund Balance</i>	(146,018)	(146,017)	(34,593)	111,424
<i>Fund Balance Beginning of Year</i>	55,376	55,376	55,376	0
<i>Prior Year Encumbrances Appropriated</i>	90,642	90,642	90,642	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$1</u>	<u>\$111,425</u>	<u>\$111,424</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Onenet Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Intergovernmental	\$14,400	\$14,400	\$14,400	\$0
<i>Total Revenues</i>	<u>14,400</u>	<u>14,400</u>	<u>14,400</u>	<u>0</u>
Expenditures				
<i>Current:</i>				
<i>Support Services:</i>				
<i>Central:</i>				
Purchased Services	16,875	16,875	16,875	0
<i>Total Expenditures</i>	<u>16,875</u>	<u>16,875</u>	<u>16,875</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,475)	(2,475)	(2,475)	0
<i>Fund Balance Beginning of Year</i>	<u>2,475</u>	<u>2,475</u>	<u>2,475</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Education Jobs Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenues				
Intergovernmental	\$111,501	\$134,850	\$111,501	(\$23,349)
<i>Total Revenues</i>	<u>111,501</u>	<u>134,850</u>	<u>111,501</u>	<u>(23,349)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Salaries and Wages	0	23,348	23,348	0
<i>Total Instruction</i>	<u>0</u>	<u>23,348</u>	<u>23,348</u>	<u>0</u>
<i>Support Services:</i>				
<i>Administration:</i>				
Salaries and Wages	102,569	102,569	102,569	0
<i>Total Support Services</i>	<u>102,569</u>	<u>102,569</u>	<u>102,569</u>	<u>0</u>
<i>Total Expenditures</i>	<u>102,569</u>	<u>125,917</u>	<u>125,917</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	8,932	8,933	(14,416)	(23,349)
<i>Fund Balance Beginning of Year</i>	<u>(8,932)</u>	<u>(8,932)</u>	<u>(8,932)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$1</u>	<u>(\$23,348)</u>	<u>(\$23,349)</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenues				
Intergovernmental	\$1,184,531	\$1,184,531	\$1,060,588	(\$123,943)
<i>Total Revenues</i>	<u>1,184,531</u>	<u>1,184,531</u>	<u>1,060,588</u>	<u>(123,943)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Special:</i>				
Salaries and Wages	240,680	240,680	208,996	31,684
Fringe Benefits	87,724	87,724	77,313	10,411
Purchased Services	51,361	51,361	21,360	30,001
<i>Total Instruction</i>	<u>379,765</u>	<u>379,765</u>	<u>307,669</u>	<u>72,096</u>
<i>Support Services:</i>				
<i>Pupils:</i>				
Salaries and Wages	2,262	2,262	2,262	0
Fringe Benefits	425	425	425	0
<i>Total Pupils</i>	<u>2,687</u>	<u>2,687</u>	<u>2,687</u>	<u>0</u>
<i>Instructional Staff:</i>				
Salaries and Wages	571,021	571,021	523,302	47,719
Fringe Benefits	144,146	144,146	144,146	0
<i>Total Instructional Staff</i>	<u>715,167</u>	<u>715,167</u>	<u>667,448</u>	<u>47,719</u>
<i>Total Support Services</i>	<u>717,854</u>	<u>717,854</u>	<u>670,135</u>	<u>47,719</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Community Services:</i>				
Salaries and Wages	70,455	70,455	62,205	8,250
Fringe Benefits	23,206	23,206	18,908	4,298
<i>Total Operation of Non-Instructional Services</i>	<u>93,661</u>	<u>93,661</u>	<u>81,113</u>	<u>12,548</u>
<i>Total Expenditures</i>	<u>1,191,280</u>	<u>1,191,280</u>	<u>1,058,917</u>	<u>132,363</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>(6,749)</u>	<u>(6,749)</u>	<u>1,671</u>	<u>8,420</u>
<i>Net Change in Fund Balance</i>	(6,749)	(6,749)	1,671	8,420
<i>Fund Deficit Beginning of Year</i>	(8,160)	(8,160)	(8,160)	0
<i>Prior Year Encumbrances Appropriated</i>	14,917	14,917	14,917	0
<i>Fund Balance End of Year</i>	<u>\$8</u>	<u>\$8</u>	<u>\$8,428</u>	<u>\$8,420</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Intergovernmental	\$717,888	\$709,139	\$597,827	(\$111,312)
<i>Total Revenues</i>	<u>717,888</u>	<u>709,139</u>	<u>597,827</u>	<u>(111,312)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Special:</i>				
Salaries and Wages	479,367	470,617	379,666	90,951
Fringe Benefits	78,261	78,261	61,840	16,421
Materials and Supplies	4,708	4,708	4,708	0
<i>Total Instruction</i>	<u>562,336</u>	<u>553,586</u>	<u>446,214</u>	<u>107,372</u>
<i>Support Services:</i>				
<i>Instructional Staff:</i>				
Salaries and Wages	58,410	58,410	55,937	2,473
Fringe Benefits	12,226	12,226	11,704	522
Purchased Services	18,579	18,579	18,579	0
<i>Total Instructional Staff</i>	<u>89,215</u>	<u>89,215</u>	<u>86,220</u>	<u>2,995</u>
<i>Administration:</i>				
Salaries and Wages	30,325	30,325	22,664	7,661
Fringe Benefits	6,474	6,474	4,855	1,619
<i>Total Administration</i>	<u>36,799</u>	<u>36,799</u>	<u>27,519</u>	<u>9,280</u>
<i>Total Support Services</i>	<u>126,014</u>	<u>126,014</u>	<u>113,739</u>	<u>12,275</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Community Services:</i>				
Salaries and Wages	8,166	8,166	8,166	0
Fringe Benefits	2,894	2,894	1,386	1,508
Purchased Services	3,000	3,000	0	3,000
Materials and Supplies	8,952	8,952	6,282	2,670
Capital Outlay	0	0	0	0
<i>Total Operation of Non-Instructional Services</i>	<u>23,012</u>	<u>23,012</u>	<u>15,834</u>	<u>7,178</u>
<i>Total Expenditures</i>	<u>711,362</u>	<u>702,612</u>	<u>575,787</u>	<u>126,825</u>
<i>Net Change in Fund Balance</i>	6,526	6,527	22,040	15,513
<i>Fund Deficit Beginning of Year</i>	(16,518)	(16,518)	(16,518)	0
<i>Prior Year Encumbrances Appropriated</i>	10,000	10,000	10,000	0
<i>Fund Balance End of Year</i>	<u>\$8</u>	<u>\$9</u>	<u>\$15,522</u>	<u>\$15,513</u>

Perry Local School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Title II-D Fund
 For the Fiscal Year Ended June 30, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Intergovernmental	\$85	\$84	\$84	\$0
Gifts and Donations	0	4,192	1	(4,191)
<i>Total Revenues</i>	<u>85</u>	<u>4,276</u>	<u>85</u>	<u>(4,191)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Capital Outlay	0	4,044	4,044	0
<i>Total Instruction</i>	<u>0</u>	<u>4,044</u>	<u>4,044</u>	<u>0</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Community Services:</i>				
Materials and Supplies	0	147	147	0
<i>Total Operation of Non-Instructional Services</i>	<u>0</u>	<u>147</u>	<u>147</u>	<u>0</u>
<i>Total Expenditures</i>	<u>0</u>	<u>4,191</u>	<u>4,191</u>	<u>0</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>85</u>	<u>85</u>	<u>(4,106)</u>	<u>(4,191)</u>
<i>Net Change in Fund Balance</i>	85	85	(4,106)	(4,191)
<i>Fund Deficit Beginning of Year</i>	<u>(85)</u>	<u>(85)</u>	<u>(85)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>(\$4,191)</u>	<u>(\$4,191)</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Federal Preschool Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$24,274	\$24,274	\$24,274	\$0
<i>Total Revenues</i>	<u>24,274</u>	<u>24,274</u>	<u>24,274</u>	<u>0</u>
Expenditures				
<i>Current:</i>				
<i>Support Services:</i>				
<i>Instructional Staff:</i>				
Salaries and Wages	33,675	33,675	33,625	50
Fringe Benefits	2,041	2,041	2,041	0
<i>Total Support Services</i>	<u>35,716</u>	<u>35,716</u>	<u>35,666</u>	<u>50</u>
<i>Total Expenditures</i>	<u>35,716</u>	<u>35,716</u>	<u>35,666</u>	<u>50</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(11,442)</u>	<u>(11,442)</u>	<u>(11,392)</u>	<u>50</u>
<i>Net Change in Fund Balance</i>	<u>(11,442)</u>	<u>(11,442)</u>	<u>(11,392)</u>	<u>50</u>
<i>Fund Balance Beginning of Year</i>	<u>11,442</u>	<u>11,442</u>	<u>11,442</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$50</u>	<u>\$50</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Improving Teacher Quality Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenues				
Intergovernmental	\$169,421	\$169,201	\$138,629	(\$30,572)
<i>Total Revenues</i>	<u>169,421</u>	<u>169,201</u>	<u>138,629</u>	<u>(30,572)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Salaries and Wages	95,839	95,619	83,701	11,918
Fringe Benefits	31,551	31,551	28,369	3,182
<i>Total Instruction</i>	<u>127,390</u>	<u>127,170</u>	<u>112,070</u>	<u>15,100</u>
<i>Support Services:</i>				
<i>Instructional Staff:</i>				
Salaries and Wages	29,781	29,781	24,146	5,635
Fringe Benefits	5,950	5,950	5,689	261
<i>Total Support Services</i>	<u>35,731</u>	<u>35,731</u>	<u>29,835</u>	<u>5,896</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Community Services:</i>				
Purchased Services	5,264	5,264	5,264	0
Materials and Supplies	638	638	638	0
<i>Total Operation of Non-Instructional Services</i>	<u>5,902</u>	<u>5,902</u>	<u>5,902</u>	<u>0</u>
<i>Total Expenditures</i>	<u>169,023</u>	<u>168,803</u>	<u>147,807</u>	<u>20,996</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>398</u>	<u>398</u>	<u>(9,178)</u>	<u>(9,576)</u>
<i>Net Change in Fund Balance</i>	398	398	(9,178)	(9,576)
<i>Fund Deficit Beginning of Year</i>	(1,184)	(1,184)	(1,184)	0
<i>Prior Year Encumbrances Appropriated</i>	786	786	786	0
<i>Fund Balance(Deficit) End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>(\$9,576)</u>	<u>(\$9,576)</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenues				
Tuition and Fees	\$54,250	\$74,250	\$50,534	(\$23,716)
Extracurricular Activities	26,400	26,400	11,334	(15,066)
<i>Total Revenues</i>	<u>80,650</u>	<u>100,650</u>	<u>61,868</u>	<u>(38,782)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Salaries and Wages	16,580	16,580	14,372	2,208
Fringe Benefits	2,220	2,220	2,220	0
Purchased Services	13,700	13,700	9,614	4,086
Materials and Supplies	8,640	28,640	21,530	7,110
<i>Total Regular</i>	<u>41,140</u>	<u>61,140</u>	<u>47,736</u>	<u>13,404</u>
<i>Special:</i>				
Materials and Supplies	6,000	6,000	2,620	3,380
<i>Total Special</i>	<u>6,000</u>	<u>6,000</u>	<u>2,620</u>	<u>3,380</u>
<i>Vocational:</i>				
Materials and Supplies	16,000	16,000	7,772	8,228
<i>Total Vocational</i>	<u>16,000</u>	<u>16,000</u>	<u>7,772</u>	<u>8,228</u>
<i>Total Instruction</i>	<u>63,140</u>	<u>83,140</u>	<u>58,128</u>	<u>25,012</u>
<i>Extracurricular Activities:</i>				
<i>Occupation Oriented Activities:</i>				
Materials and Supplies	21,700	21,700	7,357	14,343
<i>Total Extracurricular Activities</i>	<u>21,700</u>	<u>21,700</u>	<u>7,357</u>	<u>14,343</u>
<i>Total Expenditures</i>	<u>84,840</u>	<u>104,840</u>	<u>65,485</u>	<u>39,355</u>
<i>Net Change in Fund Balance</i>	(4,190)	(4,190)	(3,617)	573
<i>Fund Balance Beginning of Year</i>	19,166	19,166	19,166	0
<i>Prior Year Encumbrances Appropriated</i>	1,540	1,540	1,540	0
<i>Fund Balance End of Year</i>	<u>\$16,516</u>	<u>\$16,516</u>	<u>\$17,089</u>	<u>\$573</u>

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Curriculum Services Fund
For the Fiscal Year Ended June 30, 2012*

	<u>Budgeted Amounts</u>			<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Extracurricular Activities	\$14,500	\$14,500	\$13,747	(\$753)
Customer Sales and Services	10,850	10,850	13,024	2,174
Intergovernmental	1,600	1,600	1,620	20
<i>Total Revenues</i>	<u>26,950</u>	<u>26,950</u>	<u>28,391</u>	<u>1,441</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Special:</i>				
Purchased Services	60,570	60,570	5,553	55,017
<i>Total Special</i>	<u>60,570</u>	<u>60,570</u>	<u>5,553</u>	<u>55,017</u>
<i>Vocational:</i>				
Purchased Services	4,000	4,000	2,695	1,305
Materials and Supplies	27,100	25,100	14,394	10,706
Other	200	200	200	0
<i>Total Vocational</i>	<u>31,300</u>	<u>29,300</u>	<u>17,289</u>	<u>12,011</u>
<i>Total Instruction</i>	<u>91,870</u>	<u>89,870</u>	<u>22,842</u>	<u>67,028</u>
<i>Extracurricular Activities:</i>				
<i>Academic Oriented Activities:</i>				
Materials and Supplies	1,300	1,300	1,165	135
Other	100	100	0	100
<i>Total Extracurricular Activities</i>	<u>1,400</u>	<u>1,400</u>	<u>1,165</u>	<u>235</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Community Services</i>				
Purchased Services	141	141	49	92
Materials and Supplies	2,000	2,000	1,266	734
<i>Total Operation of Non-Instructional Services</i>	<u>2,141</u>	<u>2,141</u>	<u>1,315</u>	<u>826</u>
<i>Total Expenditures</i>	<u>95,411</u>	<u>93,411</u>	<u>25,322</u>	<u>68,089</u>
<i>Net Change in Fund Balance</i>	(68,461)	(66,461)	3,069	69,530
<i>Fund Balance Beginning of Year</i>	67,973	67,973	67,973	0
<i>Prior Year Encumbrances Appropriated</i>	5,393	5,393	5,393	0
<i>Fund Balance End of Year</i>	<u>\$4,905</u>	<u>\$6,905</u>	<u>\$76,435</u>	<u>\$69,530</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Summer Programs Services Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with</i>
	<u>Original</u>	<u>Final</u>		<i>Final Budget</i>
				<i>Positive</i>
				<i>(Negative)</i>
Revenues				
Miscellaneous	\$26,500	\$26,500	\$25,686	(\$814)
<i>Total Revenues</i>	<u>26,500</u>	<u>26,500</u>	<u>25,686</u>	<u>(814)</u>
Expenditures				
<i>Current:</i>				
<i>Extracurricular Activities:</i>				
<i>Academic Oriented Activities:</i>				
Materials and Supplies	538	538	538	0
Other	3,462	3,462	173	3,289
<i>Total Academic Oriented Activities</i>	<u>4,000</u>	<u>4,000</u>	<u>711</u>	<u>3,289</u>
<i>Sports Oriented Activities:</i>				
Salaries and Wages	17,913	17,913	17,913	0
Fringe Benefits	2,688	2,688	2,688	0
Purchased Services	87	87	0	87
Materials and Supplies	2,622	2,622	1,496	1,126
<i>Total Academic Oriented Activities</i>	<u>23,310</u>	<u>23,310</u>	<u>22,097</u>	<u>1,213</u>
<i>Total Extracurricular Activities</i>	<u>27,310</u>	<u>27,310</u>	<u>22,808</u>	<u>4,502</u>
<i>Total Expenditures</i>	<u>27,310</u>	<u>27,310</u>	<u>22,808</u>	<u>4,502</u>
<i>Net Change in Fund Balance</i>	(810)	(810)	2,878	3,688
<i>Fund Balance Beginning of Year</i>	15,551	15,551	15,551	0
<i>Fund Balance End of Year</i>	<u>\$14,741</u>	<u>\$14,741</u>	<u>\$18,429</u>	<u>\$3,688</u>

Perry Local School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<i>Variance with Final Budget Positive (Negative)</i>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Extracurricular Activities	\$231,450	\$231,450	\$193,724	(\$37,726)
Miscellaneous	53,500	53,500	57,199	3,699
<i>Total Revenues</i>	<u>284,950</u>	<u>284,950</u>	<u>250,923</u>	<u>(34,027)</u>
Expenditures				
<i>Current:</i>				
<i>Instruction:</i>				
<i>Regular:</i>				
Salaries and Wages	9,712	9,712	7,329	2,383
Fringe Benefits	2,420	2,420	2,420	0
Materials and Supplies	100	100	0	100
<i>Total Instruction</i>	<u>12,232</u>	<u>12,232</u>	<u>9,749</u>	<u>2,483</u>
<i>Operation of Non-Instructional Services:</i>				
<i>Community Services:</i>				
Salaries and Wages	1,310	1,310	0	1,310
Fringe Benefits	280	280	0	280
Purchased Services	34,915	34,915	27,367	7,548
Materials and Supplies	161,354	161,354	129,603	31,751
Capital Outlay	94,367	94,367	66,186	28,181
<i>Total Operation of Non-Instructional Services</i>	<u>292,226</u>	<u>292,226</u>	<u>223,156</u>	<u>69,070</u>
<i>Extracurricular Activities:</i>				
<i>School and Public Services Co-Curricular Activities:</i>				
Fringe Benefits	800	800	730	70
Purchased Services	4,000	4,000	675	3,325
Materials and Supplies	8,000	8,000	3,196	4,804
<i>Total Extracurricular Activities</i>	<u>12,800</u>	<u>12,800</u>	<u>4,601</u>	<u>8,199</u>
<i>Total Expenditures</i>	<u>317,258</u>	<u>317,258</u>	<u>237,506</u>	<u>79,752</u>
<i>Net Change in Fund Balance</i>	(32,308)	(32,308)	13,417	45,725
<i>Fund Deficit Beginning of Year</i>	154,275	154,275	154,275	0
<i>Prior Year Encumbrances Appropriated</i>	5,680	5,680	5,680	0
<i>Fund Balance End of Year</i>	<u>\$127,647</u>	<u>\$127,647</u>	<u>\$173,372</u>	<u>\$45,725</u>

Perry Local School District

Statistical Section

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

<u>Contents</u>	<u>Pages</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	80-95
Revenue Capacity	
These schedules contain trend information to help the reader assess the School District's most significant local revenues source; property taxes.	96-100
Debt Capacity	
These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	101-104
Economic and Demographic Information	
These schedules offer economic and demographic indicators to help the reader understand the environment within which the school district's financial activities take place.	105-106
Operating Information	
These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	107-110

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

Perry Local School District

Net Assets by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	\$27,354,872	\$22,035,097	\$22,535,667	\$22,319,944
Restricted	755,770	4,140,224	4,830,002	5,029,719
Unrestricted	<u>16,121,246</u>	<u>18,708,151</u>	<u>13,745,980</u>	<u>18,667,778</u>
Total Governmental Activities Net Assets	<u>\$44,231,888</u>	<u>\$44,883,472</u>	<u>\$41,111,649</u>	<u>\$46,017,441</u>

Source: School District Records

2008	2007	2006	2005	2004	2003
\$21,967,920	\$21,446,824	\$19,050,272	\$18,798,511	\$18,431,271	\$16,549,959
4,830,836	4,624,497	5,283,427	4,427,752	3,416,753	4,425,051
16,058,496	11,917,651	8,726,322	5,738,438	3,396,550	760,003
<u>\$42,857,252</u>	<u>\$37,988,972</u>	<u>\$33,060,021</u>	<u>\$28,964,701</u>	<u>\$25,244,574</u>	<u>\$21,735,013</u>

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenses			
<i>Governmental Activities:</i>			
Regular Instruction	\$19,689,218	\$19,118,124	\$21,667,245
Special Instruction	3,972,651	4,033,255	5,074,754
Vocational Instruction	1,918,986	2,206,807	3,121,771
Adult/Continuing	9,216	79,980	11,746
Student Intervention Services	146,221	236,904	255,689
Pupil Support	2,982,877	3,182,773	3,810,383
Instructional Staff Support	1,986,830	1,969,140	2,006,057
Board of Education	146,958	119,047	126,917
Administration	2,953,982	3,059,170	3,699,724
Fiscal	780,596	724,085	993,616
Business	239,562	206,125	228,242
Operation and Maintenance of Plant	3,864,868	5,645,914	4,437,961
Pupil Transportation	2,252,043	2,304,579	2,519,904
Central	581,432	442,753	565,489
Operation of Non-Instructional Services	2,163,285	2,192,175	2,061,929
Extracurricular Activities	1,259,971	1,352,905	1,180,722
Capital Outlay	0	0	0
Interest and Fiscal Charges	13,482	128,790	5,746
<i>Total Governmental Activities Expenses</i>	<u>\$44,962,178</u>	<u>\$47,002,526</u>	<u>\$51,767,895</u>

Source: Schools District Records

2009	2008	2007	2006	2005	2004	2003
\$18,955,120	\$18,207,339	\$18,336,190	\$18,349,478	\$18,223,023	\$17,325,360	\$16,306,499
4,306,702	4,495,003	4,091,726	4,559,426	3,983,042	3,800,196	3,342,137
2,277,302	2,242,392	2,340,419	1,806,374	2,163,804	2,142,073	2,039,505
23,080	20,709	16,880	14,257	16,816	28,069	0
317,525	488,445	524,198	370,836	0	0	0
3,050,957	2,903,665	2,881,390	2,629,721	2,623,437	2,515,348	2,452,847
1,675,466	1,956,561	1,821,762	1,706,813	1,652,797	1,555,814	1,462,907
138,644	97,863	152,902	133,399	126,613	128,241	125,886
3,094,305	2,992,984	2,929,408	2,850,588	2,785,758	2,607,401	2,721,980
743,797	733,539	736,371	636,110	790,597	650,108	753,784
197,222	125,828	134,550	0	0	0	0
4,103,671	4,043,578	3,761,406	3,943,636	3,705,642	3,154,375	3,531,920
2,021,390	1,966,746	1,854,342	1,793,319	1,845,600	1,996,395	1,928,123
508,852	398,145	443,979	306,981	332,997	305,923	233,104
2,152,677	2,013,243	1,987,678	2,171,983	1,999,640	1,996,332	1,898,843
1,174,069	1,153,499	1,040,658	1,026,508	979,225	939,943	889,526
0	0	0	0	0	0	952,898
15,451	23,734	32,268	36,595	39,480	43,396	53,815
<u>\$44,756,230</u>	<u>\$43,863,273</u>	<u>\$43,086,127</u>	<u>\$42,336,024</u>	<u>\$41,268,471</u>	<u>\$39,188,974</u>	<u>\$38,693,774</u>

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

	2012	2011	2010
Program Revenues			
<i>Governmental Activities:</i>			
<i>Charges for Services:</i>			
Regular Instruction	\$1,909,022	\$1,791,393	\$1,796,905
Special Instruction	310,771	483,588	0
Vocational Instruction	0	17,599	12,202
Adult/Continuing	0	6,393	13,766
Pupil Support	9,532	92,617	50,226
Instructional Staff Support	5,800	66,326	0
Board of Education	0	0	0
Administration	0	0	0
Fiscal	0	0	0
Operation and Maintenance of Plant	16,379	15,914	0
Pupil Transportation	0	0	41,967
Central	0	0	0
Operation of Non-Instructional Services	890,915	998,883	909,039
Extracurricular Activities	502,106	350,566	432,509
<i>Operating Grants and Contributions:</i>			
Regular Instruction	\$314,971	\$699,817	\$214,743
Special Instruction	878,931	1,481,350	1,654,512
Vocational Instruction	2,672	197,476	353,340
Adult/Continuing	0	4,850	0
Student Intervention Services	0	46,032	0
Pupil Support	249,786	777,644	493,657
Instructional Staff Support	747,856	823,190	688,859
Administration	31,907	983,382	0
Fiscal	0	0	0
Business	0	57,539	0
Operation and Maintenance of Plant	0	20,475	20,577
Pupil Transportation	0	0	0
Central	14,400	5,000	65,580
Operation of Non-Instructional Services	892,178	1,324,068	959,147
Extracurricular Activities	0	10,158	22,311
<i>Capital Grants and Contributions:</i>			
Regular Instruction	0	0	0
Special Instruction	0	0	0
Vocational Instruction	0	0	0
Operation and Maintenance of Plant	0	0	213,933
Pupil Transportation	0	0	0
Operation of Non-Instructional Services	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>6,777,226</u>	<u>10,254,260</u>	<u>7,943,273</u>
Net (Expense)/Revenue			
Governmental Activities	<u>(\$38,184,952)</u>	<u>(\$36,748,266)</u>	<u>(\$43,824,622)</u>

Source: Schools District Records

2009	2008	2007	2006	2005	2004	2003
\$1,632,015	\$1,385,264	\$1,141,800	\$1,185,405	\$1,644,521	\$867,044	\$1,790,678
244,792	238,502	74,334	305,414	522	153,654	145,407
12,600	0	0	3,690	9,244	132,138	523
17,174	19,328	17,020	13,428	19,761	0	0
0	0	0	0	0	110,819	145,117
49,706	32,057	35,665	30,240	30,995	74,290	160,353
0	0	0	0	0	6,350	0
0	0	0	60,057	0	122,714	23,250
0	0	0	0	0	31,751	670
0	0	0	0	0	169,399	27,113
44,389	32,598	37,072	76,287	23,413	97,485	1,208
0	0	0	0	4,735	13,254	8,433
1,179,206	1,168,211	1,216,037	1,275,380	1,221,559	1,173,310	635,526
254,717	315,867	323,249	266,742	245,836	263,240	85,389
\$513,682	\$200,318	\$406,612	\$494,269	\$592,239	\$555,302	\$349,716
1,962,285	1,871,515	1,815,728	1,910,372	1,755,799	625,508	263,389
351,767	359,517	331,601	369,389	400,006	2,212	948
2,500	0	0	0	0	0	0
0	20,902	0	0	0	0	0
346,261	649,754	437,714	400,161	415,322	546,077	262,864
727,565	763,584	831,251	660,141	729,059	439,135	290,463
7,997	11,178	52,905	61,258	0	63,304	42,114
0	0	0	0	0	1,929	1,213
0	0	0	0	0	0	0
27,000	27,000	27,000	27,000	67,176	151,177	49,112
0	0	870	1,768	0	3,346	2,189
25,796	45,787	39,893	0	31,071	46,627	15,276
883,745	900,402	717,792	895,522	558,987	589,207	1,151,191
32,394	17,117	18,315	24,415	3,413	1,580	154,672
0	0	0	93,494	40,950	0	0
0	7,823	15,938	0	0	0	0
0	0	33,702	0	0	0	0
205,036	166,902	110,167	0	0	0	0
49,946	17,464	33,048	72,361	39,099	0	0
0	0	0	0	0	0	0
<u>8,570,573</u>	<u>8,251,090</u>	<u>7,717,713</u>	<u>8,226,793</u>	<u>7,833,707</u>	<u>6,240,852</u>	<u>5,606,814</u>
<u>(\$36,185,657)</u>	<u>(\$35,612,183)</u>	<u>(\$35,368,414)</u>	<u>(\$34,109,231)</u>	<u>(\$33,434,764)</u>	<u>(\$32,948,122)</u>	<u>(\$33,086,960)</u>

Perry Local School District
General Revenues and Total Change in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2011	2010
<i>General Revenues and Other Changes in Net Assets</i>			
<i>Governmental Activities:</i>			
Property Taxes Levied for:			
General Purposes	\$16,454,229	\$19,689,808	\$17,711,530
Capital Outlay	711,608	858,754	783,450
Grants and Entitlements not			
Restricted to Specific Programs	19,677,658	19,484,543	20,091,789
Investment Earnings	254,326	158,312	74,736
Miscellaneous	435,501	328,673	257,265
<i>Total Governmental Activities</i>	<u>37,533,322</u>	<u>40,520,090</u>	<u>38,918,770</u>
Change in Net Assets - Governmental Activities	<u>(\$651,630)</u>	<u>\$3,771,824</u>	<u>(\$4,905,792)</u>

Source: Schools District Records

2009	2008	2007	2006	2005	2004	2003
\$18,927,175	\$19,953,139	\$20,534,620	\$20,908,210	\$20,610,496	\$19,520,628	\$20,310,132
847,842	898,653	904,032	900,535	855,906	802,644	819,133
18,586,656	18,052,922	17,301,630	15,181,623	14,799,084	15,538,205	14,595,094
598,083	1,244,826	1,261,029	810,035	336,816	143,220	172,534
386,090	330,923	296,054	404,148	552,589	452,986	644,673
39,345,846	40,480,463	40,297,365	38,204,551	37,154,891	36,457,683	36,541,566
<u>\$3,160,189</u>	<u>\$4,868,280</u>	<u>\$4,928,951</u>	<u>\$4,095,320</u>	<u>\$3,720,127</u>	<u>\$3,509,561</u>	<u>\$3,454,606</u>

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund				
Reserved	\$0	\$0	\$2,847,107	\$1,018,631
Unreserved	0	0	18,229,831	20,656,895
Nonspendable	82,476	117,489	0	0
Assigned	2,498,777	937,592	0	0
Unassigned	<u>16,324,586</u>	<u>20,551,421</u>	<u>0</u>	<u>0</u>
<i>Total General Fund</i>	<u>18,905,839</u>	<u>21,606,502</u>	<u>21,076,938</u>	<u>21,675,526</u>
All Other Governmental Funds				
Reserved	0	0	222,254	332,690
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	0	0	360,164	529,868
Capital Projects Funds	<u>0</u>	<u>0</u>	<u>4,282,676</u>	<u>4,402,264</u>
Nonspendable	58,295	74,611	0	0
Restricted	709,159	4,069,818	0	0
Assigned	80,476	67,643	0	0
Unassigned	<u>(110,953)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total All Other Governmental Funds</i>	<u>736,977</u>	<u>4,212,072</u>	<u>4,865,094</u>	<u>5,264,822</u>
<i>Total Governmental Funds</i>	<u><u>\$19,642,816</u></u>	<u><u>\$25,818,574</u></u>	<u><u>\$25,942,032</u></u>	<u><u>\$26,940,348</u></u>

Source: School District Records

Note: The School District implemented GASB 54 in fiscal year 2011

2008	2007	2006	2005	2004	2003
\$1,114,358	\$1,057,646	\$1,532,031	\$1,492,896	\$1,800,859	\$1,884,311
18,267,587	14,045,285	10,330,522	6,646,315	4,603,681	1,858,001
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
19,381,945	15,102,931	11,862,553	8,139,211	6,404,540	3,742,312
74,999	648,990	378,641	221,361	175,913	2,311,126
455,765	315,068	171,173	137,898	225,793	211,222
4,379,340	3,468,638	4,599,119	4,163,107	3,169,843	2,422,589
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
4,910,104	4,432,696	5,148,933	4,522,366	3,571,549	4,944,937
<u>\$24,292,049</u>	<u>\$19,535,627</u>	<u>\$17,011,486</u>	<u>\$12,661,577</u>	<u>\$9,976,089</u>	<u>\$8,687,249</u>

Perry Local School District
Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2011	2010	2009
Revenues				
Property Taxes	\$17,030,115	\$20,849,995	\$18,432,660	\$19,602,787
Intergovernmental	22,636,025	25,786,667	24,630,346	23,607,928
Interest	254,326	158,312	74,736	599,623
Tuition and Fees	2,178,806	2,074,588	1,978,297	1,839,777
Extracurricular Activities	506,644	610,720	442,983	508,095
Contributions and Donations	0	216,347	87,539	114,352
Customer Sales and Services	899,049	873,976	921,240	952,843
Rentals	0	22,036	21,023	20,744
Miscellaneous	543,030	345,876	257,265	371,376
<i>Total Revenues</i>	<u>\$44,047,995</u>	<u>\$50,938,517</u>	<u>\$46,846,089</u>	<u>\$47,617,525</u>

Sources: School District Records

2008	2007	2006	2005	2004	2003
\$20,743,382	\$21,296,814	\$22,197,835	\$21,086,522	\$20,481,050	\$21,155,579
23,201,568	21,827,983	20,017,154	19,312,234	18,571,959	17,171,586
1,244,826	1,261,029	810,035	336,816	143,220	172,534
1,625,086	1,338,381	1,330,820	1,510,890	1,539,558	1,629,333
568,127	597,962	590,232	525,461	505,140	484,570
83,615	173,183	178,118	120,470	93,650	0
980,062	960,393	1,183,128	982,011	974,488	909,765
18,553	48,441	8,964	182,224	196,262	0
327,895	296,054	404,148	552,089	357,491	642,598
<u>\$48,793,114</u>	<u>\$47,800,240</u>	<u>\$46,720,434</u>	<u>\$44,608,717</u>	<u>\$42,862,818</u>	<u>\$42,165,965</u>

Perry Local School District
Governmental Fund Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2011	2010	2009
Expenditures				
Current:				
Instruction:				
Regular	\$19,281,972	\$20,685,242	\$19,652,640	\$18,606,688
Special	3,935,707	4,293,096	4,773,309	4,204,027
Vocational	1,936,588	2,699,004	2,612,842	2,242,034
Adult/Continuing	9,216	11,150	11,746	23,080
Student Intervention Services	164,442	233,754	273,098	332,215
Support Services:				
Pupils	2,894,762	3,809,645	3,167,827	2,973,609
Instructional Staff	1,890,922	2,045,244	1,828,274	1,628,894
Board of Education	146,958	119,047	126,917	138,644
Administration	2,805,691	3,575,496	3,155,310	2,985,691
Fiscal	764,879	763,045	962,656	732,858
Business	203,648	227,196	201,896	183,085
Operation and Maintenance of Plant	4,380,536	4,075,853	4,190,442	3,937,771
Pupil Transportation	2,041,031	2,418,679	2,295,634	2,322,467
Central	722,841	425,430	561,515	510,216
Operation of Non-Instructional Services	2,265,059	2,207,758	1,952,267	2,102,305
Extracurricular Activities	1,237,020	1,290,687	1,115,134	1,077,309
Capital Outlay	5,189,044	7,578,980	757,152	853,240
Debt Service:				
Principal Retirement	214,390	0	200,000	115,000
Interest and Fiscal Charges	139,091	4,232	5,746	15,451
Issuance Costs	0	121,368	0	0
<i>Total Expenditures</i>	<u>50,223,797</u>	<u>56,584,906</u>	<u>47,844,405</u>	<u>44,984,584</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<u>(\$6,175,802)</u>	<u>(\$5,646,389)</u>	<u>(\$998,316)</u>	<u>\$2,632,941</u>
Debt Service as a Percentage of Noncapital Expenditures	0.8%	0.3%	0.4%	0.3%

Sources: School District Records

2008	2007	2006	2005	2004	2003
\$17,837,132	\$18,323,757	\$17,959,329	\$17,998,108	\$16,983,772	\$16,008,077
4,420,878	3,979,974	4,487,186	3,924,902	3,741,610	3,369,134
2,190,677	2,173,592	1,780,582	2,139,014	2,071,535	2,002,474
20,709	16,880	14,257	16,816	28,069	0
485,182	506,812	339,321	0	0	0
2,857,373	2,792,370	2,537,324	2,584,763	2,473,364	2,340,069
1,851,437	1,715,864	1,613,449	1,630,399	1,467,864	1,372,240
97,863	152,902	133,399	126,857	128,247	125,636
2,908,149	2,848,719	2,793,460	2,744,848	2,509,335	2,497,503
726,782	727,387	639,045	796,019	633,514	718,857
129,679	115,137	0	0	0	0
3,903,564	3,900,270	3,989,810	3,849,351	3,485,380	3,348,052
2,223,254	2,025,384	2,025,464	2,143,184	1,978,217	1,889,460
395,576	440,088	304,691	334,388	303,455	231,450
1,961,558	2,064,339	2,111,494	1,985,736	1,935,604	1,803,633
1,064,952	990,723	940,990	910,128	863,790	818,644
836,222	2,373,002	569,129	617,959	2,866,798	2,125,885
105,000	100,000	95,000	90,000	85,000	270,000
23,734	32,268	36,595	39,480	43,396	53,815
0	0	0	0	0	0
44,039,721	45,279,468	42,370,525	41,931,952	41,598,950	38,974,929
<u>\$4,753,393</u>	<u>\$2,520,772</u>	<u>\$4,349,909</u>	<u>\$2,676,765</u>	<u>\$1,263,868</u>	<u>\$3,191,036</u>
0.3%	0.3%	0.3%	0.3%	0.3%	0.9%

Perry Local School District
Other Financing Sources(Uses) and Net Change in Fund Balances
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2011	2010
Other Financing Sources (Uses)			
Sale of Capital Assets	\$0	\$0	\$0
General Obligation Bonds Issued	0	5,399,390	0
Premium on the Sale of Bonds	0	123,542	0
Transfers In	0	0	0
Transfers Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>5,522,932</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u><u>(\$6,175,802)</u></u>	<u><u>(\$123,457)</u></u>	<u><u>(\$998,316)</u></u>

Sources: School District Records

2009	2008	2007	2006	2005	2004	2003
\$15,358	\$3,029	\$3,369	\$0	\$100	\$1,845	\$2,075
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	15,000	0	78,000	68,100	3,544,000
0	0	(15,000)	0	(78,000)	(68,100)	(3,544,000)
15,358	3,029	3,369	0	100	1,845	2,075
\$2,648,299	\$4,756,422	\$2,524,141	\$4,349,909	\$2,676,865	\$1,265,713	\$3,193,111

Perry Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years Collection(Calendar)

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU	Actual Value	Assessed Value	Estimated Actual Value
2012	\$401,049,720	\$138,768,140	\$1,542,336,743	\$27,753,270	\$79,295,057
2011	445,572,110	126,571,690	1,634,696,571	23,394,600	83,552,143
2010	445,210,260	131,789,950	1,648,572,029	23,376,780	83,488,500
2009	467,984,830	133,500,250	1,718,528,800	22,549,670	80,534,536
2008	466,760,560	129,798,350	1,704,454,029	26,524,230	94,729,393
2007	462,603,850	141,492,460	1,725,989,457	22,076,260	78,843,786
2006	426,436,320	118,645,850	1,557,377,629	21,945,890	78,378,179
2005	419,725,120	113,116,630	1,522,405,000	22,788,820	81,388,643
2004	415,224,350	111,501,240	1,504,930,257	21,930,350	78,322,679
2003	359,557,630	100,316,750	1,313,926,800	20,963,600	109,351,766

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

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

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

Tangible Personal Property				
General Business		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Direct Rate
\$0	\$0	\$567,571,130	\$1,621,631,800	48.40
0	0	595,538,400	1,718,248,714	48.40
471,030	1,884,120	600,848,020	1,733,944,649	48.40
1,028,187	4,112,748	625,062,937	1,803,176,084	47.80
19,391,410	77,565,640	642,474,550	1,876,749,061	47.40
53,562,079	214,248,316	679,734,649	2,019,081,559	46.50
69,224,788	276,899,152	636,252,848	1,912,654,959	47.50
92,299,716	369,198,864	647,930,286	1,972,992,507	48.70
82,456,022	329,824,088	631,111,962	1,913,077,024	49.00
93,803,162	375,212,648	574,641,142	1,798,491,214	50.20

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

Calendar Year	District Direct Rates			Overlapping Rates			
	General Purpose	Capital Purpose	Total	Perry Township	Canton City	Massillon City	Navarre Village
2012	46.90	1.50	48.40	12.15	3.40	4.70	2.70
2011	46.90	1.50	48.40	12.15	3.40	4.70	2.70
2010	46.90	1.50	48.40	12.15	3.40	4.70	2.70
2009	46.30	1.50	47.80	12.15	3.40	4.70	2.70
2008	45.90	1.50	47.40	12.15	3.40	4.70	2.70
2007	45.00	1.50	46.50	12.15	3.40	4.70	2.70
2006	46.00	1.50	47.50	10.90	3.40	4.70	2.70
2005	47.20	1.50	48.70	9.75	3.40	4.70	2.70
2004	47.50	1.50	49.00	9.75	3.40	4.70	2.70
2003	48.70	1.50	50.20	9.75	3.40	4.70	2.70

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

Source: Ohio Department of Taxation

Perry Local School District
Property Tax Levies and Collections (1)
Last Ten Years

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2012	\$21,782,072	\$20,877,217	95.85 %	\$556,895	\$21,434,112	98.40%
2011	20,712,975	20,645,391	99.67	647,754	21,293,145	102.80
2010	21,283,142	21,193,658	99.58	446,412	21,640,070	101.68
2009	21,283,142	20,491,592	96.28	695,955	21,187,547	99.55
2008	20,572,510	20,082,380	97.62	608,385	20,690,765	100.57
2007	21,369,958	19,736,209	92.35	452,532	20,188,741	94.47
2006	19,227,579	18,772,537	97.63	398,090	19,170,627	99.70
2005	19,447,187	19,035,157	97.88	359,044	19,394,201	99.73
2004	19,313,820	18,994,101	98.34	484,696	19,478,797	100.85
2003	17,969,324	17,552,575	97.68	396,573	17,949,148	99.89

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

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

Perry Local School District
Principal Property Taxpayers - Perry Local School District
Real Estate Tax
2012 and 2009 (1)

Name of Taxpayer	2012	
	Assessed Value	Percent of Real Property Assessed Value
Sterilite Corporation of Ohio	\$10,776,800	1.90%
Timken Company	5,409,000	0.95%
Inland Western Massillon Village LLC	4,858,900	0.86%
CCS Realty Co	3,645,820	0.64%
Fresh Mark Inc	2,985,320	0.53%
Meadows Plaza Assoc. LLC	2,903,530	0.51%
Saratoga Land Two LLC	2,900,260	0.51%
Bowlus Realty LTD	1,832,440	0.32%
Perry Town Center LLC	1,749,200	0.31%
Satatoga Land One LLC	1,543,490	0.27%
Totals	\$38,604,760	6.80%
Total Assessed Valuation	\$567,571,130	
Name of Taxpayer	2009	
	Assessed Value	Percent of Real Property Assessed Value
Sterilite Corporation of Ohio	\$6,612,680	1.17%
Inland Western Massillon Village LLC	6,348,950	1.12%
Timken Company	5,611,670	0.99%
Perry Town Center LLC	2,078,450	0.37%
Polyone Corporation	2,067,460	0.36%
Waiken Realty Inc.	2,013,140	0.35%
Superior Dairy Inc.	1,977,290	0.35%
OHI Asset III(PA) Trust	1,702,300	0.30%
Bowlus Realty LTD	1,668,390	0.29%
Faircrest Corporation	1,636,220	0.29%
Totals	\$31,716,550	5.07%
Total Assessed Valuation	\$625,062,937	

(1) The amounts presented represent the assessed values upon which 2009(latest information available) and 2012 collections were based.

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

Perry Local School District
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2012*

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
<i>Overlapping Debt:</i>			
<i>Governmental Unit:</i>			
Stark County	\$16,996,792	8.47%	\$1,439,628
City of Canton	14,455,000	0.04%	5,782
<i>Subtotal Overlapping Debt</i>	<u>31,451,792</u>		<u>1,445,410</u>
<i>District Direct Debt</i>	<u>5,185,000</u>	100.00%	<u>5,185,000</u>
<i>Total Direct and Overlapping Debt</i>	<u><u>\$36,636,792</u></u>		<u><u>\$6,630,410</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.

Perry Local School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2012	2011	2010	2009
Tax Valuation	\$567,571,130	\$595,538,400	\$600,848,020	\$625,062,937
Debt Limit - 9% of Taxable Valuation (1)	\$51,081,402	\$53,598,456	\$54,076,322	\$56,255,664
Amount of Debt Applicable to Debt Limit				
General Obligation Bonds	5,185,000	5,525,000	0	0
Less Amount Available in Debt Service	0	0	0	0
Amount of Debt Subject to Limit	5,185,000	5,525,000	0	0
Legal Debt Margin	\$45,896,402	\$48,073,456	\$54,076,322	\$56,255,664
Legal Debt Margin as a Percentage of the Debt Limit	89.85%	89.69%	100.00%	100.00%
Unvoted Debt Limit - .10% of Taxable Valuation (1)	\$567,571	\$595,538	\$600,848	\$625,063
Amount of Debt Subject to Limit	0	0	0	0
Unvoted Legal Debt Margin	\$567,571	\$595,538	\$600,848	\$625,063
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Stark County Auditor and School District Financial Records

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

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.

2008	2007	2006	2005	2004	2003
<u>\$642,474,550</u>	<u>\$679,734,649</u>	<u>\$636,252,848</u>	<u>\$647,930,286</u>	<u>\$631,111,962</u>	<u>\$574,641,142</u>
<u>\$57,822,710</u>	<u>\$61,176,118</u>	<u>\$57,262,756</u>	<u>\$58,313,726</u>	<u>\$56,800,077</u>	<u>\$51,717,703</u>
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
<u>\$57,822,710</u>	<u>\$61,176,118</u>	<u>\$57,262,756</u>	<u>\$58,313,726</u>	<u>\$56,800,077</u>	<u>\$51,717,703</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$642,475	\$679,735	\$636,253	\$647,930	\$631,112	\$574,641
0	0	0	0	0	0
<u>\$642,475</u>	<u>\$679,735</u>	<u>\$636,253</u>	<u>\$647,930</u>	<u>\$631,112</u>	<u>\$574,641</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Perry Local School District
Ratio of Outstanding Debt By Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Net Bonded Debt per Capita
	General Obligation Bonds	Amount Available in Debt Service Fund			
2012	\$5,185,000	0	0.32%	0.80%	\$171.77
2011	5,525,000	0	0.32%	0.85%	183.04

Source: School District Records

(1) Prior to 2011, the School District had no bonded debt liability

Perry Local School District
Demographic and Economic Statistics

Last Ten Years

Year	Population (1)	Personal Income (2) (in thousands)	Per Capita Personal Income	Unemployment Rate (3)
2012	30,185	\$647,815,489	\$21,462	6.80%
2011	30,185	647,815,489	21,462	9.20%
2010	30,185	\$647,815,489	21,462	11.30%
2009	32,980	642,492,687	19,481	11.20%
2008	32,980	655,823,138	19,885	6.70%
2007	32,980	683,005,845	20,710	5.90%
2006	32,980	634,570,126	19,241	5.80%
2005	31,560	606,988,149	19,233	6.30%
2004	31,560	590,262,829	18,703	6.60%
2003	31,560	559,981,747	17,743	6.40%

Sources: 1) U.S. Census Bureau, Perry Township Population
 2) State of Ohio, Department of Taxation, Perry Schools
 3) Ohio Department of Jobs and Family Services, Stark County

Perry Local School District

Principal Employers(1)

Year 2011 (most recent information available) and Nine Years Ago

Employer	Nature of Business	2011			2002		
		Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Aultman Health Foundations	Service	4,860	1	2.52%	3,800	2	2.05%
The Timken Company	Manufacturing	4,120	2	2.14%	5,640	1	3.04%
Mercy Medical Center	Service	2,560	3	1.33%	2,516	5	1.36%
County of Stark	Government	2,445	4	1.27%	2,860	4	1.54%
Diebold	Manufacturing	1,900	5	0.99%			
Canton City Board of Education	Government	1,877	6	0.98%	2,000	6	1.08%
Freshmark, Inc.	Sales	1,700	7	0.88%			
Stark State College	Government	1,123	8	0.58%			
Alliance Community Hospital	Service	1,013	9	0.53%			
Republic Engineered Steels, Inc	Manufacturing	910	10	0.47%	1,660	7	0.86%
The Workshops, Inc.	Manufacturing				960	10	0.50%
Maytag Corp.	Car Manufacturing				2,900	3	1.56%
PCC Airfoils	Accounting Services				1,250	8	0.67%
Fisher Foods Marketing Inc.	Accounting Services				1,030	9	0.55%
Total		<u>22,508</u>		<u>11.69%</u>	<u>24,616</u>		<u>13.21%</u>
Total Employment within the School District		<u>192,511</u>			<u>185,647</u>		

Source: Human Resources of Listed Companies, Canton Chamber of Commerce

(1) For all of Stark County

Perry Local School District
School District Employees by Function/Program
Last Nine Fiscal Years

Function/Program	2012	2011	2010	2009	2008	2007	2006	2005	2004
Certified Staff:									
<i>Official/Administrative</i>									
Assist Deputy/Superintendent	1	1	1	1	1	1	1	1	1
Assistant Principal	4	4	4	4	4	4	4	4	4
Principal	9	10	9	9	9	9	9	9	9
Superintendent	1	1	1	1	1	1	1	1	1
Treasurer	1	1	1	1	1	1	1	1	1
Coordinator	1	5	4	4	5	4	6	4	4
Education Administrative Specialist	2	1	1	1	1	0	0	0	0
Director	2	0	1	1	1	0	1	0	0
<i>Professional - Educational/Other</i>									
Curriculum Specialist	0	0	0	0	1	1	1	1	1
Counseling	14	15	15	15	15	15	15	15	15
Librarian/Media	2	3	3	3	3	3	3	3	3
Remedial Specialist	19	19	15	20	17	18	19	20	30
Tutor/Small Group Instructor	1	2	2	3	12	25	11	23	6
Supplemental Service Teacher	9	6	7	7	0	1	0	1	1
Permanent Substitute	1	1	0	0	0	1	1	0	1
Teacher	266	272	272	265	269	271	274	255	259
Psychologist	4	5	4	5	4	4	4	5	5
Registered Nursing	1	1	1	1	1	2	1	2	3
Speech and Language Therapist	6	5	5	5	5	5	5	5	5
Adapted Physical Education Therapist	0	2	2	1	1	1	1	1	0
Other Professional	0	0	0	0	3	5	4	7	7
Total Certified Staff	344	354	348	347	354	372	362	358	356
Classified Staff:									
<i>Official/Administrative:</i>									
Supervising/Managing/Directing	3	1	1	0	0	0	0	0	0
Coordinator	2	0	0	1	3	3	3	3	3
Education Administrative Specialist	1	0	0	0	0	0	0	0	0
Director	1	2	1	1	1	1	2	1	1
<i>Professional Other</i>									
Registered Nurse	1	0	0	0	0	0	0	0	0
<i>Technical</i>									
Computer Operating	1	0	0	0	0	0	0	0	0
Practical Nurse	2	4	3	3	2	2	2	3	3
Library Aide	7	8	8	8	8	8	8	8	8
Other Technical	8	11	11	11	8	8	7	7	7
<i>Office/Clerical</i>									
Bookkeeping	3	3	3	3	4	4	4	4	4
Clerical	19	22	26	26	25	25	25	25	25
Teaching Aide	3	40	36	33	38	38	37	34	34
Other office/Clerical	2	1	1	3	2	2	2	2	2
<i>Crafts and Trades</i>									
General Maintenance	3	4	3	4	4	4	4	4	4
Mechanic	2	2	2	2	2	2	2	2	2
<i>Operative</i>									
Vehicle Operator	45	51	50	49	50	50	49	51	51
<i>Service Work/Laborer</i>									
Custodian	26	29	28	28	29	29	29	29	29
Food Service	49	55	55	57	60	60	57	57	57
Guard/Watchman	5	2	3	4	5	5	4	4	4
Monitoring	32	34	35	31	29	29	29	30	30
Attendant	0	1	1	1	0	0	0	0	0
Other Service Worker/Laborer	34	1	1	1	0	0	0	0	0
Total Classified Staff	249	271	268	266	270	270	264	264	264
Total Staff	593	625	616	613	624	642	626	622	620

Source: School Districts Records

Information prior to 2004 is not available.

Perry Local School District

*Building Statistics
Last Ten Fiscal Years*

	2012	2011	2010	2009
Perry High School				
Constructed in 1954				
Total Building Square Footage	284,677	267,581	267,581	267,581
Enrollment Grades 9-12	1,642	1,291	1,245	1,265
Edison Middle School				
Constructed in 1960				
Total Building Square Footage	90,740	90,740	90,740	90,740
Enrollment Grades 7-8	734	791	768	785
Pfeiffer Intermediate School				
Constructed in 1975				
Total Building Square Footage	88,608	88,608	88,608	88,608
Enrollment Grades 5-6	773	702	744	742
Whipple Elementary				
Constructed in 1952				
Total Building Square Footage	42,876	42,876	42,876	42,876
Enrollment Grades PK-4	358	396	376	382
Watson Elementary				
Constructed in 1958				
Total Building Square Footage	37,572	37,572	37,572	37,572
Enrollment Grades PK-4	369	362	313	307
Lohr Elementary				
Constructed in 1958				
Total Building Square Footage	26,579	26,579	26,579	26,579
Enrollment Grades PK-4	269	281	292	282
Knapp Elementary				
Constructed in 1970				
Total Building Square Footage	49,196	49,196	49,196	49,196
Enrollment Grades PK-4	398	392	384	401
Genoa Elementary				
Constructed in 1929				
Total Building Square Footage	42,854	42,854	42,854	42,854
Enrollment Grades PK-4	373	411	392	401
Redurban Elementary				
Constructed in 1931				
Total Building Square Footage	NA(1)	42,854	42,854	42,854
Enrollment Grades PK-4	NA(1)	375	360	340

Source: School District Records

(1) Building Demolished

2008	2007	2006	2005	2004	2003
267,581 1,243	267,581 1,241	267,581 1,152	267,581 1,112	267,581 1,156	267,581 1,156
90,740 806	90,740 813	90,740 786	90,740 827	90,740 822	90,740 822
88,608 730	88,608 725	88,608 785	88,608 762	88,608 765	88,608 765
42,876 403	42,876 411	42,876 428	42,876 404	42,876 423	42,876 423
37,572 301	37,572 301	37,572 288	37,572 302	37,572 289	37,572 297
26,579 268	26,579 287	26,579 294	26,579 282	26,579 299	26,579 299
49,196 381	49,196 381	49,196 368	49,196 355	49,196 356	49,196 356
42,854 381	42,854 382	42,854 385	42,854 360	42,854 403	42,854 403
42,854 339	42,854 326	42,854 309	42,854 327	42,854 330	42,854 330

Perry Local School District
Operating Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Fund Expenses</u>	<u>Enrollment(1)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>
2012	\$41,985,532	4,916	\$8,541	NA	266	18.5
2011	\$41,985,532	5,001	\$8,395	-1.70%	272	18.4
2010	\$40,048,768	4,874	\$8,217	-2.13%	272	17.9
2009	\$39,276,159	4,905	\$8,007	-2.55%	265	18.5
2008	\$38,331,057	4,852	\$7,900	-1.34%	269	18.0
2007	\$38,484,152	4,867	\$7,907	0.09%	271	18.0
2006	\$36,935,483	4,795	\$7,703	-2.58%	274	17.5
2005	\$36,924,764	4,731	\$7,805	1.32%	255	18.6
2004	\$34,710,828	4,843	\$7,167	-8.17%	259	18.7
2003	\$33,605,872	4,851	\$6,928	-3.34%	259	18.7

Source: School District Records

(1)represents actual head count not average daily membership

**PERRY LOCAL SCHOOL DISTRICT
STARK COUNTY, OHIO**

SUPPLEMENTAL REPORTS

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2012**

SHERYL SHAW STEWART, TREASURER

**PERRY LOCAL SCHOOL DISTRICT
STARK COUNTY, OHIO**

TABLE OF CONTENTS

Schedule of Receipts and Expenditures of Federal Awards	1 - 2
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	3 - 4
Independent Accountants' Report on Compliance With Requirements Applicable to Its Major Federal Program and on Internal Control Over Compliance Required by <i>OMB Circular A-133</i>	5 - 7
Schedule of Findings OMB <i>Circular A-133</i> § .505	8 - 9

PERRY LOCAL SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(A) PASS-THROUGH GRANT NUMBER	(B) CASH FEDERAL RECEIPTS	(B) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION				
<i>Child Nutrition Cluster:</i>				
(D)(E) School Breakfast Program	10.553	2012	\$ 193,229	\$ 193,229
(C)(E) National School Lunch Program- Food Donation	10.555	2012	114,290	114,290
(D)(E) National School Lunch Program	10.555	2012	798,337	798,337
Total National School Lunch Program			<u>912,627</u>	<u>912,627</u>
Total U.S. Department of Agriculture and Child Nutrition Cluster			<u>1,105,856</u>	<u>1,105,856</u>
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION				
<i>Title I Grant Cluster:</i>				
(F)(H) Title I Grants to Local Educational Agencies	84.010	2011	91,701	91,022
(F)(H) Title I Grants to Local Educational Agencies	84.010	2012	495,978	479,921
Total Title I Grants to Local Educational Agencies			<u>587,679</u>	<u>570,943</u>
(F) ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	2011	10,149	4,301
Total Title I Grant Cluster			<u>597,828</u>	<u>575,244</u>
<i>Special Education Grant Cluster:</i>				
(G)(H) Special Education_Grants to States	84.027	2011	132,207	131,406
(G)(H) Special Education_Grants to States	84.027	2012	876,560	868,431
Total Special Education Grants to States			<u>1,008,767</u>	<u>999,837</u>
(G) ARRA - Special Education_Grants to States, Recovery Act	84.391	2011	51,822	59,078
(G) Special Education_Preschool Grants	84.173	2012	24,224	24,224
Total Special Education Grant Cluster			<u>1,084,813</u>	<u>1,083,139</u>
Educational Technology State Grants	84.318	2011	84	-
Improving Teacher Quality State Grants	84.367	2011	23,534	23,136
Improving Teacher Quality State Grants	84.367	2012	115,095	124,670
Total Improving Teacher Quality State Grants			<u>138,629</u>	<u>147,806</u>
Education Jobs Fund	84.410	2011	111,502	102,569
Education Jobs Fund	84.410	2012	-	23,348
Total Education Jobs Grant			<u>111,502</u>	<u>125,917</u>
Total U.S. Department of Education			<u>1,932,856</u>	<u>1,932,106</u>
Total Federal Financial Assistance			<u>\$ 3,038,712</u>	<u>\$ 3,037,962</u>

Continued

**PERRY LOCAL SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS:

- (A) OAKS did not assign pass-through grant numbers for fiscal year 2012.
- (B) This schedule was prepared on the cash basis of accounting.
- (C) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are valued at entitlement value.
- (D) Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first in, first out basis.
- (E) Included as part of the "Child Nutrition Cluster" in determining major programs.
- (F) Included as part of "Title I Grant Cluster" in determining major programs.
- (G) Included as part of "Special Education Grant Cluster" in determining major programs.
- (H) The District generally must spend Federal assistance within 15 months of receipt (funds must be obligated by June 30th and spent by September 30th). However, with Ohio Department of Education ("ODE")'s approval, a District may transfer unspent Federal assistance to the succeeding year, thus allowing the District a total of 27 months to spend the assistance. Schools can document this by using special cost centers for each year's activity, and transferring the amounts ODE approves between the cost centers. During fiscal year 2012, the ODE authorized the following transfers:

Program Title	CFDA Grant	Year	Transfers Out	Transfers In
Title I Grants to Local Educational Agencies	84.010	2011	\$ 13,978	
Title I Grants to Local Educational Agencies	84.010	2012		\$ 13,978
Special Education_Grants to States	84.027	2011	7,085	
Special Education_Grants to States	84.027	2012		7,085
Totals			\$ 21,063	\$ 21,063



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*

Perry Local School District
Stark County
4201 13th Street S.W.
Massillon, Ohio 44646

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Perry Local School District, Stark County, Ohio, as of and for the fiscal year ended June 30, 2012, which collectively comprise the Perry Local School District's basic financial statements and have issued our report thereon dated February 26, 2013. 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 Perry Local School 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 Perry Local School District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Perry Local School 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 Perry Local School 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.

Board of Education
Perry Local School District

Compliance and Other Matters

As part of reasonably assuring whether the Perry Local School 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 the management and Board of Education of the Perry Local School District, federal awarding agencies and pass-through entities, and others within the Perry Local School District. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
February 26, 2013



Julian & Grube, Inc.

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Independent Accountants' Report on Compliance With Requirements Applicable to Its Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133

Perry Local School District
Stark County
4201 13th Street S.W.
Massillon, Ohio 44646

To the Board of Education:

Compliance

We have audited the compliance of the Perry Local School District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could directly and materially affect the Perry Local School District's major federal program for the fiscal year ended June 30, 2012. The summary of auditor's results section of the accompanying schedule of findings identifies the Perry Local School District's major federal program. The Perry Local School 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 Perry Local School 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 Perry Local School 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 Perry Local School District's compliance with these requirements.

In our opinion, the Perry Local School District complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the fiscal year ended June 30, 2012.

Board of Education
Perry Local School District

Internal Control Over Compliance

The Perry Local School 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 Perry Local School 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 Perry Local School 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.

Schedule of Receipts and Expenditures of Federal Awards

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 Perry Local School District, Stark County, Ohio, as of and for the fiscal year ended June 30, 2012, and have issued our report thereon dated February 26, 2013. Our audit was performed to form opinions on the financial statements that collectively comprise the Perry Local School District's basic financial statements taken as a whole. The accompanying Schedule of Receipts and Expenditures of Federal Awards 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 whole.

Board of Education
Perry Local School District

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

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
February 26, 2013

**PERRY LOCAL SCHOOL DISTRICT
STARK COUNTY, OHIO**

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

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under §.510(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	Special Education Grant Cluster: Special Education_Grants to States (CFDA #84.027), ARRA – Special Education_Grants to States, Recovery Act (CFDA #84.391), and Special Education_Preschool Grants (CFDA #84.173)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes

**PERRY LOCAL SCHOOL DISTRICT
STARK COUNTY, OHIO**

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None



Dave Yost • Auditor of State

PERRY LOCAL SCHOOL DISTRICT

STARK 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
APRIL 16, 2013**