

ROSS LOCAL SCHOOL DISTRICT

Butler County, Ohio

Audit Reports Required by

Government Auditing Standards

June 30, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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The Board of Education
Ross Local School District
Butler County

We have reviewed the Independent Auditor's Report of the Ross Local School District, Butler County, prepared by Clark, Schaeffer, Hackett & Co., for the audit period July 1, 2000 to June 30, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

April 24, 2002

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ROSS LOCAL SCHOOL DISTRICT

Butler County, Ohio

Financial Statements

For the Year Ended June 30, 2001

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

Independent Auditors' Report on Compliance and on Internal Control over
Financial Reporting Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards

Board of Education
Ross Local School District
Butler County, Ohio

We have audited the financial statements of the Ross Local School District (the District) as of and for the year ended June 30, 2001 and have issued our report thereon dated January 25, 2002. We conducted our audit in accordance with accounting standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which we have reported to the management of the District in a separate letter dated January 25, 2002.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses. However, we noted certain other matters involving the internal control over financial reporting which we have reported to the management of the District in a separate letter dated January 25, 2002.

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

Clark, Schaefer, Hackett et al.

Middletown, Ohio
January 25, 2002

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

Independent Auditors' Report on Compliance with Requirements Applicable to
Each Major Program and Internal Control Over Compliance
in Accordance with OMB Circular A-133

Board of Education
Ross Local School District
Butler County, Ohio

Compliance

We have audited the compliance of Ross Local School District (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

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

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

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the District taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by *U.S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

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

Clark, Schaefer, Hackett PC.

Middletown, Ohio
January 25, 2002

ROSS LOCAL SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2001

<u>Federal Pass Through Grantor Program Title</u>	<u>Federal CFDA#</u>	<u>Federal Receipts</u>	<u>Federal Disbursements</u>
<u>U.S. Department of Agriculture</u>			
<u>Passed Through Ohio Dept. of Education</u>			
In-Kind Commodities (a)	10.550	47,577	49,190
National School Lunch Program	10.555	<u>83,430</u>	<u>83,430</u>
Total Department of Agriculture Nutrition Cluster		<u>131,007</u>	<u>132,620</u>
 <u>U.S. Department of Education</u>			
<u>Passed Through State Dept. of Education</u>			
Title I of ESEA	84.010	172,716	175,136
Title VI-B	84.027	159,642	160,453
Title VI-B Preschool	84.173	1,108	1,168
Drug Free Schools	84.186	10,490	13,176
Eisenhower Grant	84.281	14,354	13,506
Innovative Educ. Program Strategy	84.298	19,401	18,295
Class Size Reduction	84.340	<u>41,162</u>	<u>42,954</u>
Total Department of Education		<u>418,873</u>	<u>424,688</u>
Total Federal Awards		<u>549,880</u>	<u>557,308</u>

(a) This is an estimated value provided by the District for donated foods.

Schedule of Findings and Questioned Costs
OMB Circular A - 133

Ross Local School District

June 30, 2001

I. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(I)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any reportable control weakness conditions reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported noncompliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any reportable internal control weakness conditions reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Program Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under sec. .510?</i>	No

(d)(1)(vii)	<i>Major Programs</i>	Title I
(d)(1)(viii)	<i>Dollar Threshold: Type A\B programs?</i>	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee</i>	Yes

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

NONE

3 FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

NONE

ROSS LOCAL SCHOOL DISTRICT

Schedule of Prior Findings and Questioned Costs

June 30, 2001

Findings:

None

Questioned Costs:

None

Ross Local School District



Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2001

**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

of the

ROSS LOCAL SCHOOL DISTRICT

For the Fiscal Year Ended June 30, 2001

BOARD OF EDUCATION

Edward Bosse
Marcia Lang Canter
Richard Emery
Larry Stebins
Edgar Teets

SUPERINTENDENT OF SCHOOLS

Dave McWilliams

**ISSUED BY
TREASURER'S OFFICE**

Tracy Jarvis,
Treasurer

Introductory Section

ROSS LOCAL SCHOOL DISTRICT
Comprehensive Annual Financial Report
For the Year Ended June 30, 2001

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Ross Local Schools

SUPERINTENDENT (513) 863-1253 / TREASURER (513) 863-1250

District Offices / 3371 Hamilton-Cleves Road • Hamilton, Ohio 45013

February 26, 2002

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Ross Local School District (District) for the fiscal year ended June 30, 2001. This report contains financial statements, supplemental statements, and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 2000-2001 fiscal year. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's continuing commitment to provide financial information to the citizens of the Ross Local School District.

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

This report has been divided into three sections:

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

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

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

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

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

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

ROSS MIDDLE SCHOOL
3371 Hamilton-Cleves Road
Hamilton, Ohio 45013
(513) 863-1251

ROSS SENIOR HIGH
3425 Hamilton-Cleves Road
Hamilton, Ohio 45013
(513) 863-1252

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

ECONOMIC CONDITION

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

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

THE DISTRICT AND ITS FACILITIES

The School District is located in the southwestern section of Butler County, Ohio, and encompasses the Townships of Ross, Morgan, Hanover and St. Clair. The District has an area of 70 square miles and is primarily a residential and farming community.

The District had 2,650 students enrolled in the two elementary schools, middle school, and high school. In addition to the schools listed, the District maintained and operated a transportation facility, central office facility and several sport fields.

ORGANIZATION OF THE DISTRICT

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

The Board members, their terms and years on the Board as of June 30, 2001 are:

<u>Board Member</u>	<u>Term</u>	<u>Years on Board</u>
Mr. Edgar Teets	1/1/2000 – 12/31/2003	11 – 1/2
Ms. Marcia Lang Canter	1/1/2000 – 12/31/2003	8
Mr. Richard Emery	1/1/2000 – 12/31/2003	7 – 1/2
Mr. Edward Bosse	1/1/2002 – 12/31/2005	20 – 1/2
Mr. Larry Stebbins	1/1/2002 – 12/31/2005	5 – 1/2

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Dr. David R. McWilliams was

appointed Superintendent on September 19, 1994. Dr. McWilliams has a BA in Education from the University of Virginia, a ME and a Ph.D. in Education from the University of Pittsburgh.

The Treasurer is the chief financial officer of the District and is responsible for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio law. Mrs. Tracy A. Jarvis was appointed Treasurer on August 8, 1994. Mrs. Jarvis has a BA in Mathematics from Miami University and a MBA in Management from Wright State University.

EMPLOYEE RELATIONS

The District has 247 full and part-time employees. This number has increased slightly over the past few years as various programs and services have been expanded to meet the changing needs of students and community. There is one organization representing the certificated employees. The District's classified and administrative employees are not currently represented.

The Ross Education Association (REA), an affiliate of the Ohio Education Association (OEA), represents all certificated employees of the District. On September 1, 1997, the REA and the District entered into a new four-year collective bargaining agreement on language, salary and fringe benefit issues, which expires on August 31, 2001.

SERVICES PROVIDED

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

MAJOR INITIATIVES

Facilities Master Plan

The District began to work with the Ohio School Facilities Commission to develop a Master Plan for the District's facilities. Immediate plans include an OSFC assessment to determine what facilities to update or replace.

Instructional Technology

We continue to upgrade and expand our computer hardware, software and networking equipment in order to enrich student learning. Additions during this past year include a set of laptop computers for fifth grade students at the middle school. These computers can access the Internet using wireless technology, thereby making it possible for all students to engage in Internet-based research while remaining in their regular classroom.

We continued to expand our use of interactive videoconferencing equipment. Students were able to take courses offered at other sites and benefited from a series of virtual field trips.

Ross Shares \$100,000 State Mentoring Grant

A state Pathwise Mentoring Grant enabled Ross Local School District to work with Hamilton and Talawanda school districts and Miami University to help 100 first-year teachers in the school districts. A series of four seminars were held during the school year to provide training for the mentor teachers.

New State Law Targets Truancy

A new state law went into effect in September 2000 which changed the way school districts implement discipline for truant students. The new law identifies students who are "habitual" or "chronic." District truant officers made citations to Juvenile Court in which both students and their parents were cited. Failure of the parent to attend is considered contempt of court. They will be cited repeatedly if truancy continues and ultimately, criminal charges may be filed against the parent. The Butler County Juvenile Court held evening dockets to facilitate the new law.

FINANCIAL INFORMATION

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

Internal Controls

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

Single Audit Act

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

As part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2001 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

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

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

General Governmental Functions

The General Fund is the general operating fund of the District, used to account for all revenues and expenditures not required to be accounted for in another fund.

The following schedule presents a summary of the General Fund revenues for the fiscal year ended June 30, 2001 with increases (decreases) from the fiscal year ended June 30, 2000:

<u>Revenue</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Increase (Decrease)</u>
Taxes	\$ 5,987,162	40.27%	\$162,842	2.72%
Tuition	10,964	.08	(6,065)	(55.32)
Investment Revenue	298,465	2.00	62,150	20.82
Other Revenue	131,055	.88	18,940	14.45
Intergovernmental	<u>8,439,858</u>	<u>56.77</u>	<u>293,233</u>	<u>3.47</u>
Total	<u>\$14,867,504</u>	<u>100.00%</u>	<u>\$ 531,100</u>	<u>3.57%</u>

The decrease in tuition revenue was caused by less foster children placed in homes in the District.

The increase in investment revenue is due to an increase in the return on investments.

The following schedule presents a summary of General Fund expenditures for the fiscal year ended June 30, 2001 with increases (decreases) from the fiscal year ended June 30, 2000:

<u>Expenditure</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease)</u>	<u>Increase (Decrease)</u>
Instruction	\$ 8,286,535	58.39%	\$313,830	3.78%
Pupil Support	490,294	3.56	(9,431)	(1.92)
Instructional Staff	527,290	3.86	15,558	2.95
Board of Education	20,504	.15	84	.41
Administration	1,320,688	9.58	56,514	4.28
Fiscal	360,862	2.63	22,409	6.21
Operations and Maintenance	932,418	6.86	39,270	4.21
Pupil Transportation	1,148,335	8.27	(140,564)	(12.24)
Extracurricular	286,933	2.07	29,709	10.35
Capital Outlay	<u>394,120</u>	<u>2.87</u>	<u>138,946</u>	<u>35.55</u>
Total	<u>\$13,767,979</u>	<u>100.00%</u>	<u>\$478,246</u>	<u>3.47%</u>

General Fund expenditures increased by 3.47% in FY-2001 as compared to FY-2000.

The greatest dollar increase was in the area of instruction. The main cost associated with instruction is the salaries and fringe benefits of teachers providing direct instruction services to students

Pupil Transportation costs decreased by \$140,564 due to the fee charges to parochial schools for field trips.

Extracurricular expenditures were up \$29,709 due to new coaching position and increased salaries.

Capital outlay expenditures were \$138,946 higher due to the purchase of two modular units for the high school

General Fund Balance

The General Fund balance increased by \$1,148,280 from fiscal year 2000. The General Fund total accumulated balance at June 30, 2001 of \$4,309,040 (GAAP basis) reflects the accumulated excess of revenue and other financing sources over expenditures and other financing uses that the District has experienced over the last several years.

The District is continually monitoring and evaluating the financial situation including various methods to reduce the deficit.

Special Revenue Funds

Special Revenue Funds account for certain revenue sources, primarily program grants and entitlements, restricted by law or other formal actions to expend for a specific purpose. For the fiscal year ended June 30, 2001, Special Revenue Funds had combined revenues of \$845,268 and expenditures of \$1,010,901. The overall fund balance for special revenue funds decreased by 53.52% to \$143,832.

Capital Projects Funds

Combined capital projects revenue was \$0 while combined expenditures were \$50,471 in FY-01.

Trust and Agency Funds

Expendable and Nonexpendable Trust Funds of the District represent several scholarships and awards for students and, also, grants to help needy children purchase necessities (glasses, coats, shoes, medicines, etc.).

Agency funds are used to account for the Student Activity Fund. The Student Activity Fund represents a large variety of student groups from the high school and junior high schools.

Enterprise Funds

Enterprise funds are used to account for operations which are similar to activities found in the private sector. The District tracks the profit or loss of these operations. The enterprise operations had total net loss in fiscal 2000 of \$(43,902). This is an increase of \$40,225 in net loss from fiscal 2001.

Internal Service Funds

Internal service funds are used to account for the financing of services by one department to another department on a cost reimbursement basis. The internal service funds generated a net income of \$723 during fiscal 2001 as compared to fiscal 2000, which had a net income of \$5,131.

General Fixed Assets

The General Fixed Assets of the District are used to carry on the main educational and support functions of the District and are not financial resources available for expenditure. The total general fixed assets at June 30, 2001 were \$30,897,462. This is an increase of \$431,424 due to SchoolNet Plus computer purchases, school bus purchases and expenditures from our construction fund. These assets were accounted for at historical cost. Depreciation is not recognized on general fixed assets. For insurance purposes it has been actuarially estimated that the "replacement cost" of these general fixed assets would be in excess of \$129,000,000.

Debt Administration

As of June 30, 2001 the District had \$85,000 in energy conservation notes outstanding.

The overall direct debt limitation for the District is \$20,918,700. This represents 9% of the assessed valuation of the District. A separate debt limitation is calculated for energy conservation measures. This limitation is 0.9% of the assessed valuation of the District, or \$2,091,870. The District is well within its limitations on all types of debt issues currently outstanding. Details in arriving at the District's debt limitations can be found on page 130 of the Statistical Section.

Risk Management

The District continues to protect its assets through a comprehensive insurance program. For the year, insurance coverage for property, liability, and vehicles was provided by commercial insurance carriers.

The District also provides health and life insurance to all eligible employees. Health insurance, including medical, dental, and vision coverage, is currently provided on a self-insurance basis. The coverage is administered by CoreSource, which provides claims review and processing services. Life insurance coverage is provided by a commercial insurance carrier.

Cash Management

The District has an aggressive cash management program expediting the receipt of revenues and prudently investing available cash. Funds are invested in certificates of

deposit or in United States Government securities. Total interest earned during fiscal 2001 was \$306,545, an increase of \$62,150 from fiscal 2000. This increase was caused by higher investable balances.

The District's investment policy is to minimize credit and market risk while maintaining a competitive yield on its portfolio. All investments are spread among available investment options to insure maximum interest rates. Deposits were either insured by federal depository insurance or collateralized. All collateral on deposits met minimum state requirements. Investments held by the District during the year and at June 30, 2001 are classified in the categories of lowest to middle credit risk as defined by the Governmental Accounting Standards Board (see Note 5 in the Notes to the Financial Statements for further explanation of risk categories).

OTHER INFORMATION

Independent Audit

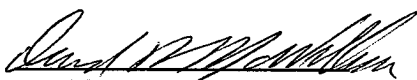
State statutes require an annual audit by independent accountants for the State Auditor's Office. Clark, Schaefer, Hackett & Co. conducted the District's 2001 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-1333. The auditor's report on the general purpose financial statements and combining and individual fund statements is included in the financial section of this report.

Acknowledgements

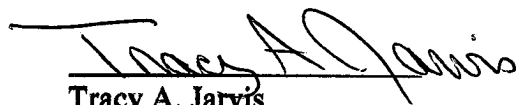
The preparation and publication of this report would not have been possible without the cooperation of the entire Treasurer's Office. A special note of appreciation is extended to Mary Cole of Clark, Schaefer, Hackett & Co, for her individual efforts in helping us prepare our first CAFR.

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

Sincerely,

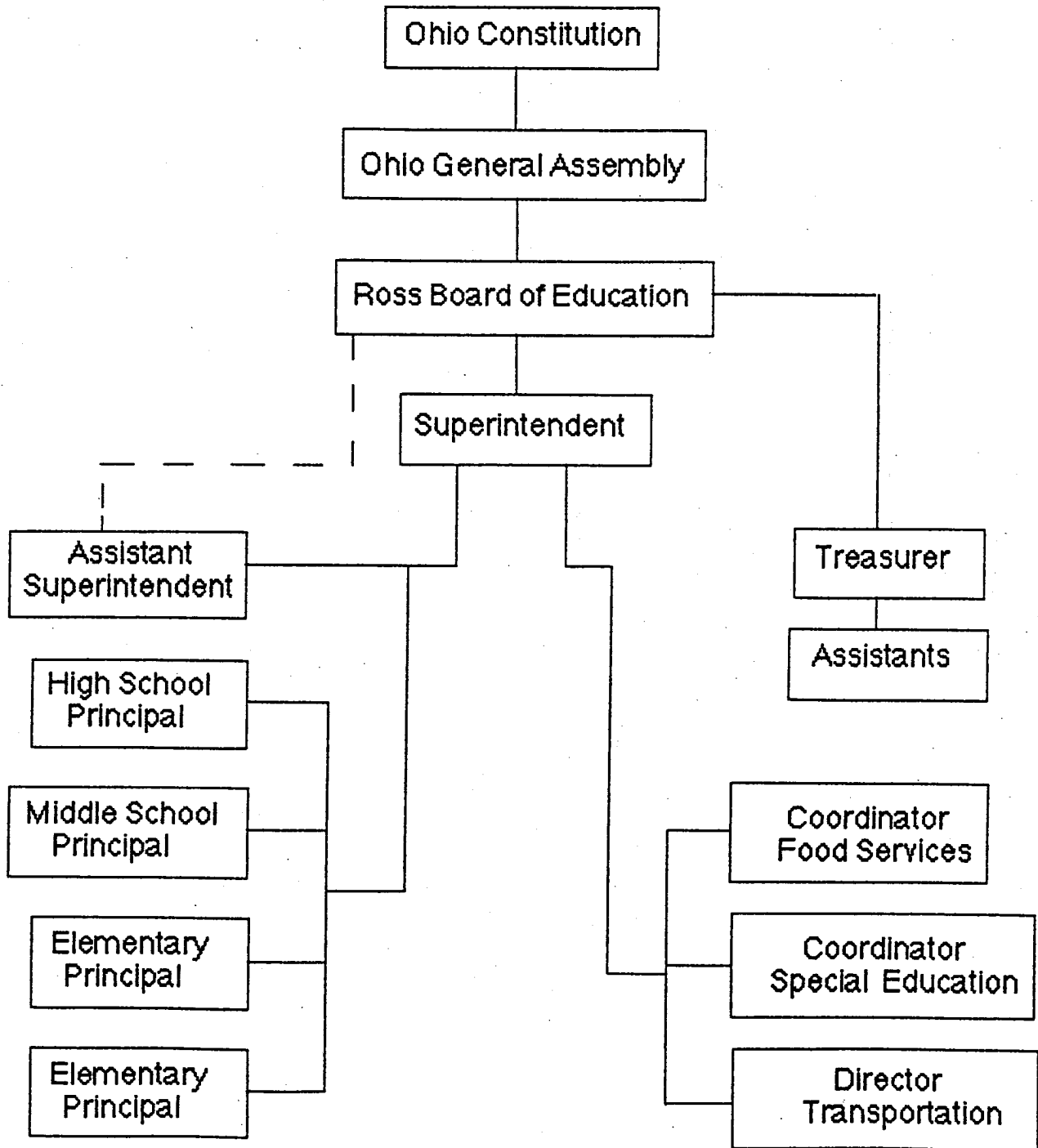


David R. McWilliams
Superintendent

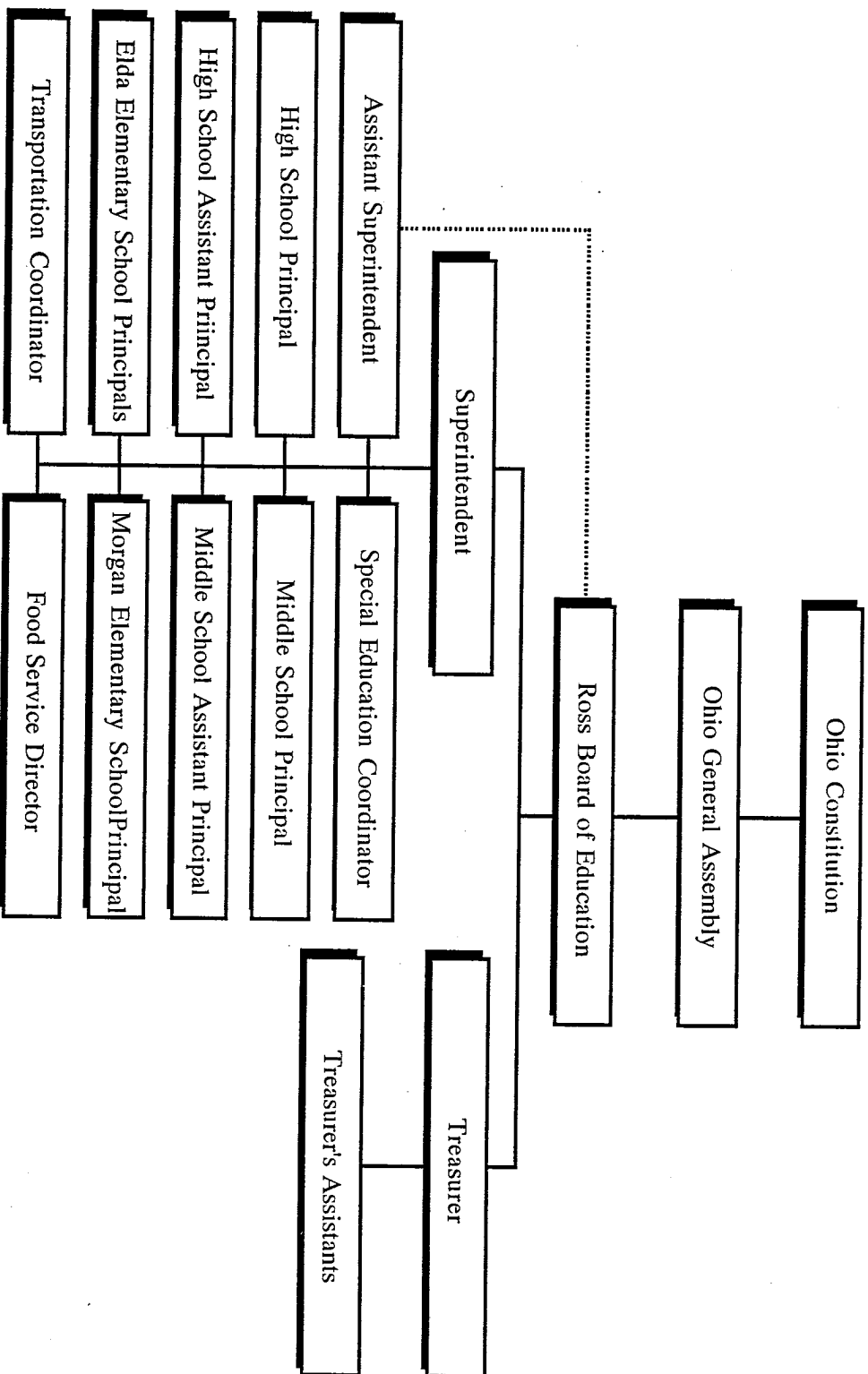


Tracy A. Jarvis
Treasurer

ORGANIZATIONAL CHART



Ross Local School District Organization Chart



Ross Local School District
Appointed Officials

<u>Official</u>	<u>Title</u>
Dr. David R. McWilliams	Superintendent
Mrs. Tracy A. Jarvis	Treasurer
Dr. Joel Fink	Assistant Superintendent
Mr. Ronald Mandery	Director of Transportation
Ms. Dorothy Schmidt	Coordinator of Food Services

Ross Local School District
Consultant and Advisors
As of June 30, 2001

Architect

Faning/Howey Associates, Inc.
50 East Market Street
Celina, Ohio 45822

Bond Council

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

Independent Auditor

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

Investment Counselor

Seasongood & Mayer
414 Walnut Street
Cincinnati, Ohio 45202

Legal Council

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

Official Depositories

Fifth Third Bank
4005 Hamilton Cleves Road
Hamilton, Ohio 45013

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

Health Insurance – 3rd Party Administrator

CoreSource
222 Huber Village Road
Westerville, Ohio 43086

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Financial Section

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

Independent Auditors' Report

The Board of Education
Ross Local School District
Butler County

We have audited the accompanying general purpose financial statements of the Ross Local School District (the District) as of and for the year ended June 30, 2001 as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 18 to the financial statements, the School District implemented GASB Statement 33, "Accounting and Financial Reporting for Nonexchange Transactions," as of July 1, 2000.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 25, 2002 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the District, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the introductory and statistical information as listed in the accompanying table of contents and, therefore, express no opinion thereon.

CLARK, SCHAEFER, HACKETT & CO.

Clark, Schaefer, Hackett & Co.

Middletown, Ohio
January 25, 2002

**General Purpose
Financial Statements**

ROSS LOCAL SCHOOL DISTRICT
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001

	GOVERNMENTAL FUND TYPES			
	General Fund	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS:				
Assets:				
Equity in pooled cash and investments.....	\$ 4,414,533	213,377	-	971
Receivables (net of allowances for uncollectibles)				
Taxes - current.....	5,650,000	-	43,515	-
Taxes - delinquent.....	167,725	-	-	-
Accounts.....	837	-	-	-
Accrued interest.....	17,339	-	-	-
Intergovernmental - Federal.....	-	-	-	-
Prepayments.....	13,136	151	-	-
Materials and supplies inventory.....	2,224	-	-	-
Restricted Equity in Pooled Cash and Investments....	392,800	-	-	-
Property, plant and equipment (net of accumulated depreciation, where applicable).....	-	-	-	-
Other debits:				
Amount to be provided for retirement of General Long-term Obligations.....	-	-	-	-
Total assets and other debits.....	\$ 10,658,593	213,528	43,515	971
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable.....	\$ 72,993	9,473	-	-
Accrued wages and benefits.....	1,341,081	60,223	-	-
Compensated absences payable.....	74,454	-	-	-
Due to students.....	-	-	-	-
Pension obligation payable.....	-	-	-	-
Deferred revenue.....	4,861,025	-	43,515	-
General obligation bonds payable.....	-	-	-	-
Retirement incentive obligations.....	-	-	-	-
Total liabilities.....	6,349,553	69,696	43,515	-
Equity and other credits:				
Investment in general fixed assets.....	-	-	-	-
Retained earnings: unreserved.....	-	-	-	-
Fund Balances:				
Reserved-				
Reserved for encumbrances.....	784,855	98,632	-	972
Reserved for supplies inventory.....	2,224	-	-	-
Reserved for taxes.....	956,700	-	-	-
Reserved for prepayments.....	13,136	151	-	-
Reserved for budget stabilization.....	392,800	-	-	-
Unreserved-Undesignated.....	2,159,325	45,049	-	(1)
Total equity and other credits.....	4,309,040	143,832	-	971
Total liabilities, equity and other credits.....	\$ 10,658,593	213,528	43,515	971

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
225,409	1,157	138,927	-	-	\$ 4,994,373
-	-	-	-	-	5,693,515
-	-	-	-	-	167,725
75	709	140	-	-	1,761
-	-	-	-	-	17,339
-	-	728	-	-	728
-	-	-	-	-	13,287
28,296	-	-	-	-	30,520
-	-	-	-	-	392,800
58,314	-	-	30,897,462	-	30,955,776
-	-	-	-	1,038,847	1,038,847
312,094	1,866	139,795	30,897,462	1,038,847	\$ 43,306,670
4,087	-	1,799	-	-	\$ 88,352
62,952	-	-	-	-	1,464,256
34,571	-	-	-	633,111	742,136
-	-	57,390	-	-	57,390
-	-	-	-	96,480	96,480
9,488	-	-	-	-	4,914,028
-	-	-	-	85,000	85,000
-	-	-	-	224,256	224,256
111,098	-	59,189	-	1,038,847	7,671,898
-	-	-	30,897,462	-	30,897,462
200,996	1,866	-	-	-	202,862
-	-	-	-	-	884,459
-	-	-	-	-	2,224
-	-	-	-	-	956,700
-	-	-	-	-	13,287
-	-	-	-	-	392,800
-	-	80,606	-	-	2,284,979
200,996	1,866	80,606	30,897,462	-	35,634,773
312,094	1,866	139,795	30,897,462	1,038,847	\$ 43,306,670

ROSS LOCAL SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2001

GOVERNMENTAL FUND TYPES

	General Fund	Special Revenue	Debt Service	Capital Projects
Revenues:				
From local sources:				
Taxes.....	\$ 5,987,162	-	50,471	-
Tuition.....	10,964	-	-	-
Earnings on investments.....	298,465	2,307	-	-
Other local revenues.....	131,055	271,676	-	-
Intergovernmental - State.....	8,439,858	173,845	-	-
Intergovernmental - Federal.....	-	397,440	-	-
Total revenues.....	14,867,504	845,268	50,471	-
Expenditures:				
Current:				
Instruction:				
Regular.....	7,296,358	141,519	-	93,303
Special.....	786,547	225,982	-	-
Vocational.....	1,193	-	-	-
Other.....	202,437	-	-	5,001
Support services:				
Pupil.....	490,294	40,287	-	-
Instructional staff.....	527,290	121,919	-	-
General administration.....	20,504	-	-	-
School administration.....	1,320,688	8,574	-	-
Fiscal.....	360,862	-	-	-
Operations and maintenance.....	932,418	-	-	-
Pupil transportation.....	1,148,335	-	-	-
Miscellaneous.....	-	1,546	-	-
Community services.....	-	122,656	-	-
Extracurricular activities.....	286,933	231,901	-	-
Capital outlay.....	394,120	116,517	-	-
Debt service:				
Principal retirement.....	-	-	45,000	-
Interest and fiscal charges.....	-	-	5,471	-
Total expenditures.....	13,767,979	1,010,901	50,471	98,304
Excess (deficiency) of revenues over (under) expenditures.....	1,099,525	(165,633)	-	(98,304)
Other financing sources (uses):				
Refund of prior year expenditures.....	44,511	-	-	-
Operating transfers in.....	-	5,093	-	-
Operating transfers (out).....	-	(5,093)	-	-
Sale and loss of fixed assets.....	3,415	-	-	-
Total other financing sources (uses).....	47,926	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses.....	1,147,451	(165,633)	-	(98,304)
Fund balance, July 1, 2000.....	3,160,760	309,465	-	99,275
Increase in reserve for inventory.....	829	-	-	-
Fund balance, June 30, 2001.....	\$ 4,309,040	143,832	-	971

The notes to the financial statements are an integral part of this statement.

<u>FIDUCIARY FUND TYPE</u>	Totals (Memorandum Only)
<u>Expendable Trust</u>	
-	\$ 6,037,633
-	10,964
2,790	303,562
43,314	446,045
-	8,613,703
-	397,440
<u>46,104</u>	<u>15,809,347</u>
30,049	7,561,229
-	1,012,529
-	1,193
9,094	216,532
-	530,581
-	649,209
-	20,504
-	1,329,262
-	360,862
-	932,418
-	1,148,335
-	1,546
16,100	138,756
-	518,834
-	510,637
-	45,000
-	5,471
<u>55,243</u>	<u>14,982,898</u>
<u>(9,139)</u>	<u>826,449</u>
200	200
-	5,093
-	(5,093)
-	3,415
<u>200</u>	<u>48,126</u>
(8,939)	874,575
89,545	3,659,045
-	829
<u>80,606</u>	<u>\$ 4,534,449</u>

**ROSS LOCAL SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
BUDGET-ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR YEAR ENDED JUNE 30, 2001**

	General Fund			Special Revenue		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
From local sources:						
Taxes.....	\$ 5,578,584	5,578,584	-	-	-	-
Tuition.....	10,964	10,964	-	-	-	-
Earnings on investments.....	306,545	306,545	-	2,306	2,306	-
Other local revenues.....	135,347	135,347	-	271,677	271,677	-
Intergovernmental - State.....	8,439,858	8,439,858	-	198,961	198,961	-
Intergovernmental - Federal.....	-	-	-	420,436	420,436	-
Total revenues.....	14,471,299	14,471,299	-	893,380	893,380	-
Expenditures:						
Current:						
Instruction:						
Regular.....	7,378,942	7,378,942	-	183,387	170,028	13,359
Special.....	810,088	810,088	-	223,665	223,665	-
Vocational.....	1,201	1,201	-	-	-	-
Other.....	452,009	452,009	-	-	-	-
Support services:						
Pupil.....	490,237	490,237	-	41,301	41,301	-
Instructional staff.....	534,299	534,299	-	121,441	121,441	-
General administration.....	23,757	23,757	-	-	-	-
School administration.....	1,575,937	1,575,937	-	11,386	11,386	-
Fiscal.....	364,157	364,157	-	-	-	-
Operations and maintenance.....	1,007,738	1,007,738	-	-	-	-
Pupil transportation.....	1,153,413	1,153,413	-	-	-	-
Central.....	-	-	-	13,659	13,659	-
Community services.....	-	-	-	140,444	140,444	-
Extracurricular activities.....	285,759	285,759	-	297,375	258,035	39,340
Capital outlay.....	445,766	445,766	-	147,873	147,873	-
Debt service:						
Principal retirement.....	-	-	-	-	-	-
Interest and fiscal charges.....	-	-	-	-	-	-
Total expenditures.....	14,523,303	14,523,303	-	1,180,531	1,127,832	52,699
Excess (deficiency) of revenues over (under) expenditures.....	(52,004)	(52,004)	-	(287,151)	(234,452)	52,699
Other financing sources (uses):						
Operating transfers in.....	-	-	-	5,093	5,093	-
Operating transfers (out).....	-	-	-	(5,093)	(5,093)	-
Advances in/ (out).....	(300)	-	300	-	-	-
Refund of prior year transactions	44,511	44,511	-	-	-	-
Proceeds of sale of fixed assets.....	3,415	3,415	-	-	-	-
Contingencies	-	-	-	-	-	-
Total other financing sources (uses).....	47,625	47,925	300	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses.....	(4,379)	(4,079)	300	(287,151)	(234,452)	52,699
Fund balance, July 1, 2000.....	3,710,327	3,710,327	-	326,559	326,559	-
Prior year encumbrances appropriated.....	316,229	316,229	-	22,640	22,640	-
Fund balance, June 30, 2001.....	\$ 4,022,177	4,022,477	300	62,048	114,747	52,699

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

Debt Service			Capital Projects			Total (Memorandum only)		
Budget Revised	Actual	Variance: Favorable (Unfavorable)	Budget Revised	Actual	Variance: Favorable (Unfavorable)	Budget Revised	Actual	Variance: Favorable (Unfavorable)
50,471	50,471	-	-	-	-	\$ 5,629,055	5,629,055	-
-	-	-	-	-	-	10,964	10,964	-
-	-	-	-	-	-	308,851	308,851	-
-	-	-	-	-	-	407,024	407,024	-
-	-	-	-	-	-	8,638,819	8,638,819	-
-	-	-	-	-	-	420,436	420,436	-
50,471	50,471	-	-	-	-	15,415,150	15,415,150	-
-	-	-	99,358	99,358	-	7,661,687	7,648,328	13,359
-	-	-	-	-	-	1,033,753	1,033,753	-
-	-	-	-	-	-	1,201	1,201	-
-	-	-	5,001	5,001	-	457,010	457,010	-
-	-	-	-	-	-	531,538	531,538	-
-	-	-	-	-	-	655,740	655,740	-
-	-	-	-	-	-	23,757	23,757	-
-	-	-	-	-	-	1,587,323	1,587,323	-
-	-	-	-	-	-	364,157	364,157	-
-	-	-	-	-	-	1,007,738	1,007,738	-
-	-	-	-	-	-	1,153,413	1,153,413	-
-	-	-	-	-	-	13,659	13,659	-
-	-	-	-	-	-	140,444	140,444	-
-	-	-	-	-	-	583,134	543,794	39,340
-	-	-	-	-	-	593,639	593,639	-
45,000	45,000	-	-	-	-	45,000	45,000	-
5,471	5,471	-	-	-	-	5,471	5,471	-
50,471	50,471	-	104,359	104,359	-	15,858,664	15,805,965	52,699
(0)	-	-	(104,359)	(104,359)	-	(443,514)	(390,815)	52,699
-	-	-	-	-	-	5,093	5,093	-
-	-	-	-	-	-	(5,093)	(5,093)	-
-	-	-	-	-	-	(300)	-	300
-	-	-	-	-	-	44,511	44,511	-
-	-	-	-	-	-	3,415	3,415	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	47,625	47,925	300
(0)	-	-	(104,359)	(104,359)	-	(395,889)	(342,890)	52,999
-	-	-	54,584	54,584	-	4,091,470	4,091,470	-
-	-	-	49,775	49,775	-	388,644	388,644	-
(0)	-	-	-	-	-	\$ 4,084,225	4,137,224	52,999

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ROSS LOCAL SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
FOR YEAR ENDED JUNE 30, 2001

	Enterprise	Internal Service	Total (Memorandum only)
Operating revenues:			
Tuition and fees.....	\$ 73,151	-	\$ 73,151
Sales/Charges for services.....	605,684	78,371	684,055
Interest revenues.....	12,779	-	12,779
Total operating revenues.....	691,614	78,371	769,985
Operating expenses:			
Personal services.....	432,698	-	432,698
Contract services.....	24,491	-	24,491
Materials and supplies.....	405,230	-	405,230
Other operating expenses.....	1,816	77,653	79,469
Depreciation.....	11,644	-	11,644
Total operating expenses.....	875,879	77,653	953,532
Operating income (loss).....	(184,265)	718	(183,547)
Nonoperating revenues:			
Refund of prior year expenditures.....	10	5	15
Operating grants.....	86,485	-	86,485
Commodities Used.....	49,190	-	49,190
Total nonoperating revenues	135,685	5	135,690
Net income (loss).....	(48,580)	723	(47,857)
Retained earnings at July 1, 2000.....	249,576	1,143	250,719
Retained earnings at June 30, 2001.....	\$ 200,996	1,866	\$ 202,862

The notes to the financial statements are an integral part of this statement.

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ROSS LOCAL SCHOOL DISTRICT
COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES
FOR YEAR ENDED JUNE 30, 2001
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	Enterprise	Internal Service	Total (Memorandum only)
Cash flows from operating activities:			
Cash received from sales/service charges.....	\$ 604,528	78,371	\$ 682,899
Cash received from other operations.....	87,352	-	87,352
Cash payments for personal services.....	(429,369)	-	(429,369)
Cash payments for contract services.....	(25,061)	-	(25,061)
Cash payments for supplies and materials.....	(356,788)	-	(356,788)
Cash payments for other expenses.....	(13,339)	(77,653)	(90,992)
Net cash provided (used) by operating activities.....	(132,677)	718	(131,959)
Cash flows from noncapital financing activities:			
Cash received from operating grants.....	86,485	-	86,485
Cash received from non-operating grants.....	10	5	15
Net cash provided by noncapital financing activities.....	86,495	5	86,485
Net increase (decrease) in cash and cash equivalents.....	(46,182)	724	(45,474)
Cash and cash equivalents at beginning of year.....	271,591	433	272,024
Cash and cash equivalents at end of year.....	225,409	1,157	226,550
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss).....	(184,265)	718	(183,547)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation.....	11,644	-	11,644
Changes in assets and liabilities:			
Supplies inventory.....	(2,390)	-	(2,390)
Commodities used.....	49,190	-	49,190
Capital Assets.....	(3,210)	-	(3,210)
Accounts receivable.....	266	-	266
Accounts payable.....	(2,630)	-	(2,630)
Accrued wages and benefits.....	(5,553)	-	(5,553)
Compensated absences payable.....	8,883	-	8,883
Deferred revenue.....	(4,612)	-	(4,612)
Net cash provided (used) by operating activities.....	\$ (132,677)	718	\$ (131,959)

The notes to the financial statements are an integral part of this statement.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

NOTE 1-DESCRIPTION OF THE DISTRICT

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

NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The District's reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement 14, The Financial Reporting Entity, effective for financial statements for periods beginning after December 15, 1992. The reporting entity is composed of the school district (primary government). The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. Potential component units were reviewed for possible inclusion in the financial statements. Component units are legally separate organizations for which the District would be financially accountable. The District would be financially accountable for an organization if the District appointed a voting majority of the organization's governing board and (1) the District was able to significantly influence the programs or services performed or provided by the organization; or (2) the District was legally entitled to or can otherwise access the organization's resources; the District was legally obligated or had otherwise assumed the responsibility to finance the deficits of or provided financial support to, the organization; or the District was obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District. There were no component units included in the reporting entity. The Ross Local School District reporting entity includes all funds and account groups of the District.

Jointly Governed Organization: The District participates in a jointly governed organization. This jointly governed organization is described in Note 12.

B. Basis of Presentation - Fund Accounting

The accounts of the District are maintained on the basis of fund and account groups, each of which is considered a separate accounting entity. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The operation of each fund is accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The following fund types and account groups are used by the District:

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

Governmental Fund Types

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (except for those accounted for in proprietary funds) are accounted for through Governmental Funds. The following are the District's Governmental Fund Types:

General Fund - This fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related cost and for the payment of interest on general obligation notes payable, as required by Ohio law.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital assets or facilities (other than those financed by Proprietary Funds).

Proprietary Fund Types

Proprietary Funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (Enterprise Funds) or to other departments or agencies primarily within the government (Internal Service Funds). The following are the District's Proprietary Fund types:

Enterprise Funds - These funds are used to account for the District's food services program and school supplies program which are financed and operated in a manner similar to private business enterprises with the intent that costs (expenses, including depreciation) of providing goods or services are financed or recovered primarily through user charges and/or subsidies on behalf of users.

Internal Service Fund - This fund is used to account for the District's Rotary Fund. This fund is used to account for student related transactions where it is the desire of the District to determine costs of service.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other funds. These include Expendable Trust Funds and Agency Funds. The District currently has Expendable Trust Funds which fall into the Fiduciary Fund Type category, and are accounted for in essentially the same manner as Governmental Funds. The District also has Agency Funds which are custodial in nature (assets equal liabilities) and do not involve measurement of operations.

Account Groups

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of general nature, the following Account Groups are used:

General Fixed Assets Account Group

This Account Group is used to account for all of the District's fixed assets other than those accounted for in the Proprietary and Fiduciary Funds.

General Long-Term Debt Obligations Group

This Account Group is used to account for all of the District's long-term obligations other than those accounted for in the Proprietary and Fiduciary Funds.

C. Basis of Accounting/Measurement Focus

Measurement Focus: All governmental funds and Expendable Trust Funds are accounted for using a current financial resources, measurement focus. Governmental Fund Types and Expendable Trust Funds operating statements represent increases and decreases in net current assets. Their reported fund balances are considered a measure of available spendable resources.

Proprietary Fund Types are accounted for on a flow of economic resources, measurement focus. Proprietary Fund Types income statements represent increases and decreases in net total assets.

Basis of accounting refers to when revenues, expenditures (or expenses) and transfers, and the related assets and liabilities are recognized in the accounts and reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Basis of Accounting: Governmental, Expendable Trust, and Agency Funds use the modified accrual basis of accounting. Under this basis, revenues and other financing sources are recognized when susceptible to accrual (when they become both available and measurable to

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

finance current District operations). Expenditures and other financing uses are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due, and costs of accumulated unpaid vacation and sick leave are reported as expenditures in the period in which they will be liquidated with available financial resources rather than in the period earned by the employee. In applying the susceptible to accrual concept under the modified accrual basis, revenue sources deemed both measurable and available (i.e., collectible within the current period, or soon enough thereafter, to be used to pay obligations of the current period) are those received within 60 days after year-end. Those revenues susceptible to accrual are property taxes available for advance, tuition fees, interest, grants and entitlements (to the extent intended to finance the current fiscal year). Current property taxes measurable as of June 30, 2001, and which are intended to finance fiscal 2002 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) are recognized as revenue.

Other miscellaneous receipts are recorded as revenue when received in cash because they are generally not available for use within the current period or soon enough thereafter to be used to pay obligations of the current period.

Proprietary Funds use the accrual basis of accounting. Under this basis, revenues are recognized when they are earned and expenses are recognized when they are incurred.

D. Budget and Budgetary Accounting

Budgetary Basis of Accounting: This District's budgetary process accounts for certain transactions on a basis other GAAP. The major difference between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when liability is incurred (GAAP).

The actual results of operations, compared to the final appropriation, which includes amendments to the original appropriation, for each fund type by expenditure function and revenue by source are presented in the *Combined Statements of Revenues, Expenditures/Expenses and Changes in Retained Earnings/Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis)*.

The District is required by State statute to adopt an annual appropriated budget for all fund types except Agency Funds. The specific timetable is as follows:

1. Prior to January 15 of the preceding fiscal year, the Treasurer submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers comments. The

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.

2. By no later than January 20, the Board adopted budget is filed with the Butler County Budget Commission for tax rate determination.
3. Prior to March 15, the Board accepts by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources (the Certificate). The revised budget then serves as a basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered balances from the preceding year as reported by the District's Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final amended certificate.
4. By July 1, the annual appropriation resolution is legally enacted by the Board at the fund and function level of expenditures, which are the legal levels of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.) Resolution appropriations by fund must be within the estimated resources as certified by the Butler County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund must be approved by the Board.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. All departments/functions and funds completed the year within the amount of their legally authorized appropriation.
7. Appropriation amounts are as originally adopted, or as amended by the Board through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during the current fiscal year.
8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be re-appropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund, function and/or object level.

Encumbrances - The District is required to use the encumbrance method of accounting. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation. All unencumbered appropriations lapse at year end. Encumbrances need not be reappropriated in the ensuing year's budget. For reporting in conformity with generally

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

accepted accounting principles, encumbrances are recorded as a reservation of the fund balances for governmental fund types and the fiduciary fund type. The District reports its budget on a cash basis, which considers encumbrances to be the equivalent of expenditures in order to demonstrate legal compliance. The reconciliation to GAAP Basis is as follows:

Reconciliation of Excess of Revenues and Other Financing Sources Over (Under)
Expenditures and Other Financing Uses

	Governmental Funds		
General	Special <u>Fund</u>	Capital <u>Revenue</u>	<u>Projects</u>
Budget Basis	\$ (4,079)	\$(234,452)	\$(104,359)
Net Adjustment for Revenue Accruals	396,205	(48,112)	0
Net Adjustment for Expenditure Accruals	(29,530)	18,299	5,083
Net Adjustment for Other Sources (Uses)	0	0	0
Encumbrances	<u>784,855</u>	<u>98,632</u>	<u>972</u>
GAAP Basis	<u>\$1,147,451</u>	<u>\$(165,633)</u>	<u>\$(98,304)</u>

E. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the combined balance sheet.

During the year, Ross Local School District invested in CD's and a U.S. Treasury Fund. Investments are reported at fair value which is based on quoted market prices. Nonnegotiable certificates of deposit are reported at cost.

Interest earnings are allocated to the General Fund, Special Revenue Funds, Expendable Trust Funds and the Enterprise Fund based on average monthly cash balances. Interest income earned in fiscal year 2001 totaled \$316,341.

For purposes of the combined statement of cash flows and for presentation of the combined balance sheet, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the Treasurer's investment account at the year-end is provided in Note 3.

F. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to establish reserves for the budget stabilization.

G. Short-Term Interfund Receivables/Payables

During the course of operations, numerous short-term interfund loans are made. These short-term interfund loans are classified as interfund loans receivable or interfund loans payable on the balance sheet. The District had no interfund receivables and payables as of June 30, 2001.

H. Inventories

Inventories for all Governmental Funds are valued at cost on a first-in, first-out basis and are accounted for using the purchase method, which records an expenditure when purchased. Material inventories of funds are reported as assets, which are equally offset by a fund balance reservation which indicates that they do not constitute "available expendable resources", even though they are a component of assets. Inventories of Proprietary Funds are valued at the lower of cost or market and expensed when used (consumption method) rather than when purchased.

Proprietary Fund inventory consists of food and consumable classroom supplies. General Fund inventory consists of custodial supplies.

I. Fixed Assets and Depreciation

All fixed assets except those in the Proprietary Funds are accounted for in the General Fixed Assets Account Group. All fixed assets are stated at cost (or estimated historical cost). Donated fixed assets are stated at their estimated fair value when received. The District follows the policy of capitalizing assets which have an original cost of at least \$500.

The District does not possess any infrastructure.

Assets in the General Fixed Assets Account Group are not depreciated. Depreciation of fixed assets in the Proprietary Fund type is computed using the straight-line method over the following estimated useful lives:

Machinery and equipment	10 years
Furniture and fixtures	10 years

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

J. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave to the extent that payment to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, Accounting for Compensated Absences, a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for severance is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purpose of establishing a liability for severance on employees expected to become eligible to retire in the future, all employees age fifty (50) or greater with at least ten (10) years of service were considered expected to become eligible to retire in accordance with GASB 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

Accumulated vacation and severance of Governmental Fund type employees meeting the above requirements have been recorded in the appropriate Governmental Fund as a current liability to the extent that the amounts are expected to be payable within the current available period. The balance of the liability is recorded in the General Long-Term Obligations Account Group. Vacation and sick leave for employees meeting the above requirements who are paid from Proprietary Funds is recorded as an expense when earned.

Non-teaching District employees earn vacation leave at graduated rates based on length of service. The District accrues the vacation leave benefits as earned. Accrued vacation may be carried forward to the next fiscal year with Board of Education approval. At June 30, 2001 a liability of \$62,335 has been provided in the General Long Term Debt Account Group for earned, but unused vacation leave.

Vacation does not accumulate for teaching employees. Each teaching employee is required to work a specific number of days in accordance with their contract.

District employees earn sick leave which, if not taken, accumulates until retirement. Upon retirement, an employee is paid 26.4% of accumulated sick leave up to a maximum of 50 days, calculated at current wage rates.

A liability for earned but unused sick leave has been provided in the General Long Term Debt Account Group in the amount of \$124,908 for vested District employees. A liability for earned but unused sick leave has been provided in the General Long-Term Debt Account

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

Group in the amount of \$441,061 for those employees expected to become vested in the future. A liability for employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future has been provided in the General Long Term Debt Account Group in the amount of \$129,715.

K. Prepays

Prepayments for Governmental Funds represent cash disbursements which have occurred and are therefore not current expendable resources. These items are reported as fund assets on the balance sheet using the allocation method, which amortizes their cost over the periods benefiting from the advance payment. At period end, because prepayments are not available to finance future Governmental Fund expenditures, the fund balance is reserved by an amount equal to the carrying value of the asset.

L. Intergovernmental Revenues

In Governmental Funds, grants and entitlements are recorded as receivables and revenue when measurable and available. Grants for Proprietary Fund operations are recognized as revenue when measurable and earned.

Grants and entitlements amounted to approximately 33% of the District's operating revenue during the 2001 fiscal year.

M. Advances on Other Funds

Non-current portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources which are available for appropriation. At June 30, 2001, the District had no such advances.

N. Long-Term Obligations

For long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a government fund. The remaining portion of such obligations is reported in the General Long-Term Obligations Account Group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

O. Fund Equity

Reserved fund balances indicate that a portion of fund equity is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, property taxes recognized as revenue but not available for appropriation, materials and supplies inventory, prepaids, and Budget Stabilization Reserve. The unreserved portions of fund equity reflected for the Governmental Funds are available for use within the specific purposes of those funds.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

P. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Q. Financial Reporting for Proprietary and Similar Fund Types

The District's financial statements have been prepared in accordance with GASB No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting." This statement is effective for financial statements beginning after December 15, 1993. The District accounts for its proprietary activities in accordance with all applicable GASB pronouncements, as well as pronouncements of the Financial Accounting Standards Board (FASB) and its predecessors issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

R. Estimates

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

S. Memorandum Only - Total Columns

Total columns on the General Purpose Financial Statements are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

NOTE 3-EQUITY IN POOLED CASH AND CASH EQUIVALENTS

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments".

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

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

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

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

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

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

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

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
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;

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

6. The State Treasurer's investment pool (STAR Ohio);

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.

During fiscal year 2001, all investments of the School District had a maturity of two years or less.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits With Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements."

(A) DEPOSITS

At year end, the carrying amount of the District's pooled deposits was \$(3,888) and the bank balance was \$241,598. Of the bank balance, \$157,813 was covered by federal depository insurance.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of pledging specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure the repayment of all public monies deposited in the financial institution, provided that at all times the total value of the securities so pledged is at least equal to 110% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

(B) INVESTMENTS

The District's investments are categorized to give an indication of the level of risk assumed by the entity at year end (GASB Statement 3). Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the financial institution's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the financial institution or its trust department or agent, but not in the District's name. The Mutual Fund is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

	<u>Interest Rate</u>	<u>Unclassified</u>	<u>Fair/Carrying Value</u>
Fountain Square-US Treasury Mutual Fund	N/A	<u>5,391,061</u>	<u>5,391,061</u>
Total Investments		<u>5,391,061</u>	<u>5,391,061</u>

NOTE 4-PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the District.

All property is required to be reappraised every six years with a triennial update.

Real property taxes, excluding public utility property, are assessed at 35% of appraised market value. Pertinent real property tax dates are:

- . Collection Dates February 13 and July 9 of the current collection year
- . Lien Date January 1 of the year preceding the collection year
- . Levy Date April 1 of the year preceding the collection year

Tangible personal property used in business (except for public utilities) is currently assessed at 25 percent of its true value (as defined).

The taxes are based on assessed values determined at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of the current calendar year. Pertinent tangible personal property tax dates are:

- . Collection Dates April 30 and September 30 of the current year
- . Lien Date January 1 of the current year
- . Levy Date April 1 of the year preceding the collection year

Most public utility tangible personal property currently is assessed at 35 percent of its true value except for rural electric companies (50%) and railroads (30%). Pertinent public utility tangible personal property tax dates are:

- . Collection Dates February 13 and July 9 of the current year
- . Lien Date December 31 of the second year preceding the collection year
- . Levy Date April 1 of the year preceding the collection year

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

The School District receives property taxes from Butler 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, 2001 are available to finance fiscal year 2001 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2001. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations.

The amount available as an advance at June 30 was \$956,700 for the General Fund. The amount is recognized as revenue in its respective fund.

The assessed values of real and tangible personal property upon which property tax revenues were based are as follows:

	<u>2nd Half 2000</u>	<u>1st Half 2001</u>
Real Property	\$ 207,818,580	\$ 211,676,960
Tangible Personal Property	7,835,089	8,738,086
Public Utility Personal Property	<u>12,960,720</u>	<u>12,015,310</u>
	<u>\$ 228,614,389</u>	<u>\$ 232,430,356</u>

NOTE 5-FIXED ASSETS

Balances in the General Fixed Assets Account Group are as follows:

<u>Component</u>	<u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2001</u>
Land and Land Improvements	\$ 1,472,434	\$ 0	\$ (3,051)	1,469,383
Buildings and Building Improvements	23,884,623	328,493	(144,615)	24,068,501
Furniture and Equipment	<u>5,108,981</u>	<u>443,233</u>	<u>(192,636)</u>	<u>5,359,578</u>
Total	<u>\$30,466,038</u>	<u>\$ 771,726</u>	<u>\$(340,302)</u>	<u>\$30,897,462</u>

A summary of the Proprietary Fund fixed assets at June 30, 2001 follows:

Furniture and Equipment	\$ 126,526
Less: Accumulated Depreciation	<u>(68,212)</u>
Net Fixed Assets – Proprietary Fund	<u>\$ 58,314</u>

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

NOTE 6-LONG-TERM OBLIGATIONS

Long-Term Obligations - At June 30, 2001, the following obligations are included in the General Long-Term Debt Account Group:

	<u>Balance At July 1, 2000</u>	<u>(Deletions)</u>	<u>Additions/Balance At June 30, 2001</u>
Compensated Absences Liability	\$ 577,160	\$ 55,951	\$ 633,111
Pension Obligation Payable	\$ 91,676	4,804	96,480
Capital Leases Payable	\$ 71,757	(71,757)	0
STRS Early Retirement Incentive (Includes Note 7 A & B)	\$ 270,550	(46,294)	\$ 224,256
School Energy Conservation Bonds	\$ <u>130,000</u>	\$ <u>(45,000)</u>	\$ <u>85,000</u>
Total General Long-Term Debt	\$ <u>1,141,143</u>	\$ <u>(102,296)</u>	\$ <u>1,038,847</u>

The District's legal debt margin was approximately \$20,918,732 at June 30, 2001. The annual debt service requirements to maturity for School Energy Conservation Bonds, including interest of \$5,482 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>School Energy Conservation Bonds</u>
2002	\$ 43,315
2003	26,657
2004	<u>20,510</u>
Total	\$ <u>90,482</u>

NOTE 7-EARLY RETIREMENT INCENTIVE PROGRAM

During fiscal year 2001, the District participated in the State Teacher Retirement System Early Retirement Incentive program for certificated staff. During fiscal year 2001, four (4) teachers who were eligible to participate, retired. The District purchased two years of service credit for eligible certificated employees. Principal obligations of the purchased credit are based upon individual age, length of service and salary at retirement.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

A. Future principal and interest requirements to pay the early retirement incentive debt obligation to the State Teachers Retirement System are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 74,165	\$ 0	\$ 74,165
2003	<u>74,165</u>	<u>5,748</u>	<u>79,913</u>
Total	<u>\$148,330</u>	<u>\$5,748</u>	<u>\$154,078</u>

B. Also, as part of the Early Retirement Incentive plan offered by the District, severance pay for unused accumulated sick leave was offered to employees participating in the plan. This is to be paid during Fiscal Years 2002, 2003 and 2004.

Future payment requirements to pay this severance debt obligation are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2002	\$ 31,124
2003	\$ 24,857
2004	<u>\$ 14,197</u>
	<u>\$ 70,178</u>

NOTE 8-RECEIVABLES

Receivables at June 30, 2001 consisted of taxes, accounts receivable, accrued interest, and intergovernmental grants and entitlements (to the extent such grants and/or entitlements relate to the current fiscal year).

All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes and the stable condition of state and federal programs.

A summary of the principal items of receivables follows:

<u>General Fund</u>	<u>Amounts</u>
Taxes - Current	\$5,650,000
- Delinquent	167,725
Accounts & Accrued Interest	\$ 18,176
<u>Debt Service</u>	
Taxes	\$ 43,315

NOTE 9-OSBA WORKERS' COMP PROGRAM

OSBA GROUP RATING PROGRAM

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the Ohio School Boards Association. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

The intent of the GRP 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 GRP. The workers compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all districts in the GRP. Each participant pays its Workers' Compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. 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 GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

NOTE 10-EMPLOYEE RETIREMENT SYSTEMS

All District employees are covered by the state-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). District employees hired after April 1, 1986 are also currently covered under the Federal Social Security Act for the Medicare portion only. The District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the District to pay the employer share as determined by each Retirement System.

SCHOOL EMPLOYEES RETIREMENT SYSTEM

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer public employee retirement system administered by the School Employees Retirement Board. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credits to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. That report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634, or by calling (614) 222-5853.

Plan members are required to contribute 9% of their annual covered salary and the District is required to contribute 14%. Their contribution rates are not determined actuarially, but are established by SERS's Retirement Board within the rates allowed by State statute. A portion of the Ross Local School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2000, 5.5 percent of annual covered salary was the portion used to fund pension obligations. The District considers all liabilities for the employer's share of pension payments to be payable from current available financial resources, and therefore they are considered a fund liability. The adequacy of the contribution rates is determined annually. The District's contributions to SERS for the year ended

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

June 30, 2001, 2000, 1999, were \$286,596, \$277,628, and \$254,977 respectively, equal to the required contributions for each year.

STATE TEACHERS RETIREMENT SYSTEM

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost sharing multiple employer public employee retirement system. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771, or by calling (614) 227-4098.

Plan members are required to contribute 9.3% of their annual covered salary and the District is required to contribute 14%, 6 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The District's contributions to STRS for the years ended June 30, 2001, 2000, and 1999 were \$1,039,890, \$999,972, and \$956,516, respectively, equal to the required contributions for each year. \$96,480 representing the unpaid contribution for fiscal year 2001 is recorded as a liability within the respective funds and the general long-term obligations account group.

POSTEMPLOYMENT BENEFITS

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

For STRS, all benefit recipients are required to pay a portion of health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. The board currently allocates employer contributions equal to two percent of covered payroll to the Health Care Reserve Fund for which payments for health care benefits are paid. As of July 1, 2000, eligible benefit recipients totaled 99,011. For the fiscal year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, disability, and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

For the fiscal year, employer contributions to fund health care benefits were 8.45 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay has been established at \$12,400. The surcharge rate added to the unallocated portion of the 14 percent employer contribution rate provides for maintenance of the asset target level for the health care fund. For the School District, this amount equaled \$15,254 during the 2001 fiscal year. The number of participants currently receiving health care benefits is 57,824. For the fiscal year ended June 30, 2000, net health care costs paid by SERS were \$140,696,340.

NOTE 11-SEGMENT INFORMATION - ENTERPRISE FUNDS

The District maintains two Enterprise Funds to account for the operations of Food Service and Uniform Supplies. The table below summarizes the more significant financial data relating to the Enterprise Funds of the district for the year ended June 30, 2001.

	<u>Food Service</u>	<u>Uniform Supplies</u>	<u>Total</u>
Operating Revenues	\$ 617,307	\$ 74,317	\$691,624
Operating Expenses Before			
Depreciation	793,078	71,157	864,235
Depreciation	11,644	0	11,644
Operating Income (Loss)	(187,415)	3,160	(184,255)
Operating Grants	86,485	0	86,485
Donated Commodities	49,190	0	49,190
Net Income (Loss)	(51,740)	3,160	(48,580)
Net Working Capital	183,718	17,278	200,996
Total Assets	291,509	20,585	312,094
Total Liabilities	107,791	3,307	111,098
Total Equity	183,718	17,278	200,996

NOTE 12-JOINTLY GOVERNED ORGANIZATION

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

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

NOTE 13-RISK MANAGEMENT

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

Boiler and machinery coverage has a \$1,000 deductible. General liability is protected by Harcum-Hyre Insurance Company with a \$2,000,000 each occurrence, \$5,000,000 aggregate limit. Vehicles are covered by Ingram Insurance Company with a \$1,000 deductible. Public officials bond insurance is provided by ISI (Insurance/Security/Inc.). The Treasurer is covered by a \$20,000 bond provided by Ohio Casualty Insurance Company.

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

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

NOTE 14-CONTINGENT LIABILITIES

A. LITIGATION

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

B. FEDERAL AND STATE GRANTS

The District participates in several state and federally assisted grant programs. The federal grants have been audited in accordance with the Single Audit Act of 1996, Public Law 98-502. Provisions of the Act allow federal agencies to conduct any additional audit work necessary to carry out their responsibilities under federal law or regulations, and to arrange for funding the cost of such additional audits. The state grants are subject to review and audit by the grantor agencies or their designee. Such federal or state audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant.

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

NOTE 15-STATE SCHOOL FUNDING DECISION

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.
- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of January 25, 2002, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and predetermine any issue upon such reconsideration.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this decision and the reconsideration will have on its future State funding and on its financial operations.

NOTE 16-STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2001, the reserve activity (cash-basis) was as follows:

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>
Set-Aside Cash Balance			
7/1/00	\$ 0	\$ 0	\$ 285,491

ROSS LOCAL SCHOOL DISTRICT
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2001

Current Year Required Set-Aside	321,928	321,928	107,309
Current Year Offset Credits	(129,960)	0	0
Qualifying Disbursements	<u>477,451</u>	<u>745,398</u>	<u>0</u>
Total	<u>\$ (285,483)</u>	<u>\$ (423,470)</u>	<u>\$ 392,800</u>
Cash Balance Carried Forward To Fiscal Year 2001	<u>\$ (155,523)</u>	<u>\$ 0</u>	<u>\$ 392,800</u>

Offsets and expenditures for the textbook reserve exceeded the required set-aside. Offsets and expenditures for the capital maintenance reserve exceeded the required set-aside.

The budget stabilization fund is no longer required. However, the District has opted to leave this fund intact.

NOTE 17-FUND BALANCE DEFICITS

Fund balances at June 30, 2001 included the following individual fund deficits (includes accrual entries):

Special Revenue Funds:

Title VI-B	(2,109)
Title I	(6,086)
Title VI	(27)
Job Education	(3,598)

The above funds have deficit fund balances due to the accrual of wages and fringe benefits; and also, due to the timing of receiving reimbursements for goods and/or services rendered.

NOTE 18-CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2001, the School District implemented GASB No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" as of July 1, 2000.

There was no effect on fund balances as of June 30, 2000 as a result of implementing GASB No. 33.

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Combining and Individual Fund and
Account Group Statements
And Schedules

General Fund

The General Fund is used to account for all activities of the District not included in other specified funds. This includes, but is not limited to, general instruction, pupil services, operation and maintenance of buildings and grounds, pupil transportation, and the administration of District functions.

Since there is only one General Fund and the level of budgetary control is not greater than that presented in the General Purpose Financial Statements, no additional financial statements are presented here.

Special Revenue Funds

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

Public School Support Fund

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

Other Grants

A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Athletic Fund

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

Auxiliary Service Fund

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

Local Professional Development

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

Management Information Systems

A fund provided for purchase of computer hardware and software or other cost associated with the implementation of the requirements of the management information system (Ohio Senate Bill 140).

School Net Professional Development

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

Ohio Reads Volunteer Grant

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

Miscellaneous State Grants

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

Economic Security Act

A fund provided for strengthening instruction in science, mathematics, modern foreign languages, English, arts and humanities, reading, history, geography, civics, economics, and industrial arts through acquisition of laboratory and other special equipment and materials and through minor remodeling.

Title VI-B

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

Title I

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

Title VI

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

Drug Free School Grant

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

Title VI-B Preschool

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

Telecommunications Act Grant

This fund is used to account for a federal grant that is paid directly to the District's telecommunications service provider. The provider in return grants the District either a credit to be applied towards future invoices or a refund of prior payments.

Jobs Education

A fund provided to assist students for the "modern" workplace.

**Ross Local School District
Combining Balance Sheet
All Special Revenue Funds
June 30, 2001**

	Public School Support	Other Grants	Athletic Fund	Auxiliary Service Fund
ASSETS:				
Equity in pooled cash and cash equivalents	\$ 24,519	205	96,343	35,743
Prepayments	<u>-</u>	<u>-</u>	<u>-</u>	<u>151</u>
Total assets	<u>\$ 24,519</u>	<u>205</u>	<u>96,343</u>	<u>35,894</u>
LIABILITIES:				
Accounts payable	\$ 3,217	205	834	4,981
Accrued wages and benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,494</u>
Total liabilities	<u>3,217</u>	<u>205</u>	<u>834</u>	<u>17,475</u>
EQUITY:				
Fund balances:				
Reserved for encumbrances	11,161	205	57,003	20,895
Reserved for prepayments	-	-	-	151
Unreserved, undesignated	<u>10,141</u>	<u>(205)</u>	<u>38,506</u>	<u>(2,627)</u>
Total equity	<u>21,302</u>	<u>-</u>	<u>95,509</u>	<u>18,419</u>
Total liabilities and equity	<u>\$ 24,519</u>	<u>205</u>	<u>96,343</u>	<u>35,894</u>

Local Professional Development	Management Information Systems	School Net Professional Development	Ohio Reads Volunteer Grant	Miscellaneous State Grants	Economic Security Act	Title VI-B
-	5,918	4,000	5,220	2,822	1,561	10,410
-	-	-	-	-	-	-
-	5,918	4,000	5,220	2,822	1,561	10,410
-	236	-	-	-	-	-
-	-	-	-	-	-	12,519
-	236	-	-	-	-	12,519
-	26	240	5,220	2,822	-	60
-	-	-	-	-	-	-
-	5,656	3,760	-	-	1,561	(2,169)
-	5,682	4,000	5,220	2,822	1,561	(2,109)
-	5,918	4,000	5,220	2,822	1,561	10,410

Continued

**Ross Local School District
Combining Balance Sheet
All Special Revenue Funds
June 30, 2001 (Continued)**

	Title I	Title VI	Drug Free School Grant	Title VI-B Preschool
ASSETS :				
Equity in pooled cash and cash equivalents	\$ 20,510	2,028	1,106	31
Prepayments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u><u>\$ 20,510</u></u>	<u><u>2,028</u></u>	<u><u>1,106</u></u>	<u><u>31</u></u>
LIABILITIES:				
Accounts payable	\$ -	-	-	-
Accrued wages and benefits	<u>26,596</u>	<u>2,055</u>	<u>-</u>	<u>-</u>
Total liabilities	<u><u>26,596</u></u>	<u><u>2,055</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
EQUITY:				
Fund balances:				
Reserved for encumbrances	-	-	1,000	-
Reserved for prepayments	-	-	-	-
Unreserved, undesignated	<u>(6,086)</u>	<u>(27)</u>	<u>106</u>	<u>31</u>
Total equity	<u><u>(6,086)</u></u>	<u><u>(27)</u></u>	<u><u>1,106</u></u>	<u><u>31</u></u>
Total liabilities and equity	<u><u>\$ 20,510</u></u>	<u><u>2,028</u></u>	<u><u>1,106</u></u>	<u><u>31</u></u>

Telecommunications

Act Grant	Jobs Education	Total
-	2,961	\$ 213,377
-	-	151
-	2,961	\$ 213,528
-	-	\$ 9,473
-	6,559	60,223
-	6,559	69,696
-	-	98,632
-	-	151
-	(3,598)	45,049
-	(3,598)	143,832
-	2,961	\$ 213,528

Ross Local School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2001

	Public School Support	Other Grants	Athletic Fund	Auxiliary Service Fund
Revenues:				
From local sources:				
Earnings on investments	\$ -	-	-	2,307
Other local revenues	57,708	-	213,968	-
Intergovernmental-State	-	-	-	125,021
Intergovernmental-Federal	-	-	-	-
Total revenues	<u>57,708</u>	<u>-</u>	<u>213,968</u>	<u>127,328</u>
Expenditures:				
Current:				
Instruction:				
Regular	70,401	2,000	-	-
Special	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff	-	-	-	-
School administration	-	-	-	-
Miscellaneous	-	-	-	-
Community services	-	-	-	114,345
Extracurricular activities	-	-	231,901	-
Capital outlay	-	-	116,517	-
Total expenditures	<u>70,401</u>	<u>2,000</u>	<u>348,418</u>	<u>114,345</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,693)</u>	<u>(2,000)</u>	<u>(134,450)</u>	<u>12,983</u>
Other financing sources (uses):				
Operating transfers in	-	-	5,093	-
Operating transfers out	-	-	(5,093)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	<u>(12,693)</u>	<u>(2,000)</u>	<u>(134,450)</u>	<u>12,983</u>
Fund balance July 1, 2000	<u>33,995</u>	<u>2,000</u>	<u>229,959</u>	<u>5,436</u>
Fund balance June 30, 2001	<u>\$ 21,302</u>	<u>-</u>	<u>95,509</u>	<u>18,419</u>

<u>Local Professional Development</u>	<u>Management Information Systems</u>	<u>School Net Professional Development</u>	<u>Ohio Reads Volunteer Grant</u>	<u>Miscellaneous State Grants</u>	<u>Economic Security Act</u>	<u>Title VI-B</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
11,050	10,138	4,000	20,850	2,786	-	-
-	-	-	-	-	11,598	144,983
<u>11,050</u>	<u>10,138</u>	<u>4,000</u>	<u>20,850</u>	<u>2,786</u>	<u>11,598</u>	<u>144,983</u>
-	-	-	20,791	-	7,145	-
-	-	-	-	-	-	54,554
-	-	-	4,000	-	-	23,126
11,050	8,272	2,860	-	-	6,361	77,054
-	-	-	-	-	-	7,017
-	1,546	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>11,050</u>	<u>9,818</u>	<u>2,860</u>	<u>24,791</u>	<u>-</u>	<u>13,506</u>	<u>161,751</u>
-	320	1,140	(3,941)	2,786	(1,908)	(16,768)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	320	1,140	(3,941)	2,786	(1,908)	(16,768)
-	5,362	2,860	9,161	36	3,469	14,659
-	5,682	4,000	5,220	2,822	1,561	(2,109)

Continued

Ross Local School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2001 (Continued)

	Title I	Title VI	Drug Free School Grant	Title VI-B Preschool
Revenues:				
From local sources:				
Earnings on investments	\$ -	-	-	-
Other local revenues	-	-	-	-
Intergovernmental-State	-	-	-	-
Intergovernmental-Federal	<u>172,716</u>	<u>13,820</u>	<u>10,490</u>	<u>1,108</u>
Total revenues	<u>172,716</u>	<u>13,820</u>	<u>10,490</u>	<u>1,108</u>
Expenditures:				
Current:				
Instruction:				
Regular	(3,578)	-	-	-
Special	170,260	-	-	1,168
Support services:	-			
Pupil	(70)	-	13,231	-
Instructional staff	(1,980)	18,302	-	-
Administration	(6)	-	-	-
Central	-	-	-	-
Non-instructional services	7,020	1,291	-	-
Extracurricular activities	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>171,646</u>	<u>19,593</u>	<u>13,231</u>	<u>1,168</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,070</u>	<u>(5,773)</u>	<u>(2,741)</u>	<u>(60)</u>
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	1,070	(5,773)	(2,741)	(60)
Fund balance July 1, 2000	<u>(7,156)</u>	<u>5,746</u>	<u>3,847</u>	<u>91</u>
Fund balance June 30, 2001	<u>\$ (6,086)</u>	<u>(27)</u>	<u>1,106</u>	<u>31</u>

Telecommunications Act Grant	Jobs Education	Total
-	-	\$ 2,307
-	-	271,676
-	-	173,845
<u>1,563</u>	<u>41,162</u>	<u>397,440</u>
<u>1,563</u>	<u>41,162</u>	<u>845,268</u>
-	44,760	141,519
-	-	225,982
-	-	40,287
-	-	121,919
1,563	-	8,574
-	-	1,546
-	-	122,656
-	-	231,901
-	-	<u>116,517</u>
<u>1,563</u>	<u>44,760</u>	<u>1,010,901</u>
-	<u>(3,598)</u>	<u>(165,633)</u>
-	-	5,093
-	-	<u>(5,093)</u>
-	-	-
-	(3,598)	(165,633)
-	-	<u>309,465</u>
<u>-</u>	<u>(3,598)</u>	<u>\$ 143,832</u>

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Public School Support Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 57,709	57,709	-
Expenditures:			
Current:			
Instruction:			
Regular	90,771	77,413	13,358
Special	1,166	1,166	-
Total expenditures	91,937	78,579	13,358
Deficiency of revenues under expenditures	(34,228)	(20,870)	13,358
Fund balance July 1, 2000	29,106	29,106	-
Prior year encumbrances appropriated	5,122	5,122	-
Fund balance June 30, 2001	\$ -	13,358	13,358

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Other Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Expenditures:			
Current:			
Instruction:			
Regular	\$ 2,000	2,000	-
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Deficiency of revenues under expenditures	(2,000)	(2,000)	-
Fund balance July 1, 2000	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Fund balance June 30, 2001	<u>\$ -</u>	<u>-</u>	<u>-</u>

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Athletic Fund Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 213,968	213,968	-
Expenditures:			
Extracurricular activities	258,035	258,035	-
Capital outlay	147,873	147,873	-
Total expenditures	405,908	405,908	-
Deficiency of revenues under expenditures	(191,940)	(191,940)	-
Other financing sources (uses):			
Operating transfers in	5,093	5,093	-
Operating transfers out	(5,093)	(5,093)	-
Total other financing sources (uses)	-	-	-
Deficiency of revenues and other financing sources under expenditures and other uses	(191,940)	(191,940)	-
Fund balance July 1, 2000	219,450	219,450	-
Prior year encumbrances appropriated	11,831	11,831	-
Fund balance June 30, 2001	\$ 39,341	39,341	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Auxiliary Service Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 127,327	127,327	-
Expenditures:			
Community services	171,284	131,944	39,340
Total expenditures	171,284	131,944	39,340
Deficiency of revenues under expenditures	(43,957)	(4,617)	39,340
Fund balance July 1, 2000	15,277	15,277	-
Prior year encumbrances appropriated	4,185	4,185	-
Fund balance June 30, 2001	\$ (24,495)	19,462	39,340

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Local Professional Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 11,050	11,050	-
Expenditures:			
Current:			
Support services:			
Instructional staff	11,050	11,050	-
Total expenditures	11,050	11,050	-
Excess of revenues over expenditures	-	-	-
Fund balance July 1, 2000	-	-	-
Fund balance June 30, 2001	\$ -	-	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Management Information Systems Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 10,138	10,138	-
Expenditures:			
Current:			
Support services:			
Instructional staff	8,115	8,115	-
Miscellaneous	1,659	1,659	-
Total expenditures	9,774	9,774	-
Excess of revenues over expenditures	364	364	-
Fund balance July 1, 2000	4,517	4,517	-
Prior year encumbrances appropriated	1,012	1,012	-
Fund balance June 30, 2001	\$ 5,529	5,529	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
School Net Professional Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 4,000	4,000	-
Expenditures:			
Current:			
Support services:			
Instructional staff	3,100	3,100	-
Total expenditures	3,100	3,100	-
Excess of revenues over expenditures	900	900	-
Fund balance July 1, 2000	2,860	2,860	-
Fund balance June 30, 2001	\$ 3,760	3,760	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Ohio Reads Volunteer Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 20,850	20,850	-
Expenditures:			
Current:			
Instruction:			
Regular	26,011	26,011	-
Support services:			
Pupil	4,000	4,000	-
Total expenditures	30,011	30,011	-
Deficiency of revenues under expenditures	(9,161)	(9,161)	-
Fund balance July 1, 2000	9,161	9,161	-
Fund balance June 30, 2001	\$ -	-	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Miscellaneous State Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 27,902	27,902	-
Expenditures:			
Current:			
Instruction:			
Regular	13,337	13,337	-
Support services:			
Business	2,821	2,821	-
Miscellaneous	12,000	12,000	-
Total expenditures	28,158	28,158	-
Deficiency of revenues under expenditures	(256)	(256)	-
Fund balance July 1, 2000	36	36	-
Prior year encumbrances appropriated	222	222	
Fund balance June 30, 2001	\$ 258	258	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Economic Security Act Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 14,354	14,354	-
Expenditures:			
Current:			
Instruction:			
Regular	7,145	7,145	-
Support services:			
Instructional staff	6,361	6,361	-
Total expenditures	13,506	13,506	-
Excess of revenues over expenditures	848	848	-
Fund balance July 1, 2000	713	713	-
Fund balance June 30, 2001	\$ 713	713	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 159,642	159,642	-
Expenditures:			
Current:			
Instruction:			
Special	54,479	54,479	-
Support services:			
Pupil	23,126	23,126	-
Instructional staff	75,906	75,906	-
Business	7,002	7,002	-
Total expenditures	160,513	160,513	-
Deficiency of revenues under expenditures	(871)	(871)	-
Fund balance July 1, 2000	11,196	11,196	-
Prior year encumbrances appropriated	26	26	-
Fund balance June 30, 2001	\$ 11,222	11,222	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title I Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 172,716	172,716	-
Expenditures:			
Current:			
Instruction:			
Special	168,020	168,020	-
Community services	7,115	7,115	-
Total expenditures	175,135	175,135	-
Deficiency of revenues under expenditures	(2,419)	(2,419)	-
Fund balance July 1, 2000	22,930	22,930	-
Fund balance June 30, 2001	\$ 22,930	22,930	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 19,401	19,401	-
Expenditures:			
Current:			
Support services:			
Instructional staff	16,909	16,909	-
Community services	1,385	1,385	-
Total expenditures	18,294	18,294	-
Excess of revenues over expenditures	1,107	1,107	-
Fund balance July 1, 2000	838	838	-
Prior year encumbrances appropriated	84	84	-
Fund balance June 30, 2001	\$ 922	922	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Drug Free School Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 10,490	10,490	-
Expenditures:			
Current:			
Instruction:			
Support services:			
Pupil	14,175	14,175	-
Total expenditures	14,175	14,175	-
Deficiency of revenues under expenditures	(3,685)	(3,685)	-
Fund balance July 1, 2000	3,709	3,709	-
Prior year encumbrances appropriated	82	82	-
Fund balance June 30, 2001	\$ 3,791	3,791	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Title VI-B Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 1,108	1,108	-
Expenditures:			
Current:			
Instruction:			
Regular	1,168	1,168	-
Total expenditures	1,168	1,168	-
Deficiency of revenues under expenditures	(60)	(60)	-
Fund balance July 1, 2000	15	15	-
Prior year encumbrances appropriated	76	76	-
Fund balance June 30, 2001	\$ 91	91	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Telecommunications Act Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 1,563	1,563	-
Expenditures:			
Support services:			
Business	1,563	1,563	-
Total expenditures	1,563	1,563	-
Deficiency of revenues under expenditures	-	-	-
Fund balance July 1, 2000	-	-	-
Fund balance June 30, 2001	\$ -	-	-

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Jobs Education Special Revenue Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:			
Total revenues	\$ 41,162	41,162	-
Expenditures:			
Current:			
Instruction:			
Regular	42,954	42,954	-
Total expenditures	42,954	42,954	-
Deficiency of revenues under expenditures	(1,792)	(1,792)	-
Fund balance July 1, 2000	4,751	4,751	-
Fund balance June 30, 2001	\$ 4,751	4,751	-

Debt Service Fund

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

Since there is only one Debt Service Fund and the level of budgetary control is not greater than that presented in the General Purpose Financial Statements, no additional financial statements are presented here.

Capital Projects Funds

Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. A description of the District's Capital Project Funds follows:

School Net Plus Fund

A fund provided to account for additional funding targeted for the acquisition of computer workstations in grades K-4. Grant awards require an approved technology plan.

Interactive Video Distance Learning

A fund used to account for state money used to finance the interactive video distance learning project.

**Ross Local School District
Combining Balance Sheet
All Capital Project Funds
June 30, 2001**

	<u>School Net Plus</u>	<u>Interactive Video Distance Learning</u>	<u>Total</u>
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 971	-	\$ 971
Total assets	<u>\$ 971</u>	<u>-</u>	<u>\$ 971</u>
EQUITY:			
Fund balances:			
Reserved for encumbrances	\$ 972	-	\$ 972
Unreserved, undesignated	<u>(1)</u>	<u>-</u>	<u>(1)</u>
Total equity	<u>\$ 971</u>	<u>-</u>	<u>\$ 971</u>

**Ross Local School District
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
All Capital Project Funds
For the Fiscal Year Ended June 30, 2001**

	School Net Plus	Interactive Video Distance Learning	Total
Expenditures:			
Current:			
Instruction:			
Regular	\$ 93,029	274	\$ 93,303
Other	-	5,001	5,001
Total expenditures	<u>93,029</u>	<u>5,275</u>	<u>98,304</u>
Deficiency of revenues under expenditures	(93,029)	(5,275)	(98,304)
Fund balance July 1, 2000	<u>94,000</u>	<u>5,275</u>	<u>99,275</u>
Fund balance June 30, 2001	<u>\$ 971</u>	<u>-</u>	<u>\$ 971</u>

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
School Net Plus Capital Projects Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Expenditures:			
Current:			
Instruction:			
Regular	\$ 94,000	94,000	-
Total expenditures	<u>94,000</u>	<u>94,000</u>	<u>-</u>
Deficiency of revenues under expenditures	(94,000)	(94,000)	-
Fund balance July 1, 2000	51,705	51,705	-
Prior year encumbrances appropriated	<u>42,295</u>	<u>42,295</u>	<u>-</u>
Fund balance June 30, 2001	<u>\$ -</u>	<u>-</u>	<u>-</u>

**Ross Local School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
Interactive Video Distance Learning Capital Projects Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Expenditures:			
Current:			
Instruction:			
Regular	\$ 5,358	5,358	-
Other	5,001	5,001	-
Total expenditures	<u>10,359</u>	<u>10,359</u>	<u>-</u>
Deficiency of revenues under expenditures	(10,359)	(10,359)	-
Fund balance July 1, 2000	2,879	2,879	-
Prior year encumbrances appropriated	<u>7,480</u>	<u>7,480</u>	<u>-</u>
Fund balance June 30, 2001	<u>\$ -</u>	<u>-</u>	<u>-</u>

Enterprise Funds

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector business where the intent is that the expense (including depreciation) of providing similar goods or services primarily or solely to the general public be financed or recovered primarily through user charges. A description of the District's Enterprise Funds follows:

Food Service

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

Uniform School Supplies

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

**Ross Local School District
Combining Balance Sheet
All Enterprise Funds
June 30, 2001**

	Food Service	Uniform School Supplies	Total
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 206,284	19,125	\$ 225,409
Accounts receivable	-	75	75
Materials and supplies inventory	26,911	1,385	28,296
Property, plant and equipment, net of accumulated depreciation)	<u>58,314</u>	<u>-</u>	<u>58,314</u>
Total assets	<u>\$ 291,509</u>	<u>20,585</u>	<u>\$ 312,094</u>
LIABILITIES:			
Accounts payable	\$ 780	3,307	\$ 4,087
Accrued wages and benefits	62,952	-	62,952
Compensated absences payable	34,571	-	34,571
Deferred revenue	<u>9,488</u>	<u>-</u>	<u>9,488</u>
Total liabilities	<u>107,791</u>	<u>3,307</u>	<u>111,098</u>
EQUITY:			
Retained earnings:unreserved	<u>183,718</u>	<u>17,278</u>	<u>200,996</u>
Total equity	<u>183,718</u>	<u>17,278</u>	<u>200,996</u>
Total liabilities and equity	<u>\$ 291,509</u>	<u>20,585</u>	<u>\$ 312,094</u>

Ross Local School District
Combining Statement of Revenues, Expenses, and
Changes in Retained Earnings
All Enterprise Funds
For the Fiscal Year Ended June 30, 2001

	Food Service	Uniform School Supply	Total
Operating revenues:			
Tuition and fees	\$ -	73,151	\$ 73,151
Sales/charges for service	604,528	1,156	605,684
Interest revenues	12,779	-	12,779
Total operating revenues	<u>617,307</u>	<u>74,307</u>	<u>691,614</u>
Operating expenses:			
Personal services	432,698	-	432,698
Contract services	24,491	-	24,491
Materials and supplies	334,073	71,157	405,230
Other operating expenses	1,816	-	1,816
Depreciation	11,644	-	11,644
Total operating expenses	<u>804,722</u>	<u>71,157</u>	<u>875,879</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(187,415)</u>	<u>3,150</u>	<u>(184,265)</u>
Nonoperating revenues:			
Refund of prior year expenditures	-	10	10
Commodities used	49,190	-	49,190
Operating grants	86,485	-	86,485
Total nonoperating revenues	<u>135,675</u>	<u>10</u>	<u>135,685</u>
Net income (loss)	(51,740)	3,160	(48,580)
Retained earnings at July 1, 2000	<u>235,458</u>	<u>14,118</u>	<u>249,576</u>
Fund balance June 30, 2001	<u>\$ 183,718</u>	<u>17,278</u>	<u>\$ 200,996</u>

Ross Local School District
Combining Statement of Cash Flows
All Enterprise Funds
For the Fiscal Year Ended June 30, 2001

	Food Service	Uniform School Supplies	Total
Cash flows from operating activities:			
Cash received from sales/service charges	\$ 529,955	74,573	\$ 604,528
Cash received from other operations	87,352	-	87,352
Cash payments for personal services	(429,369)	-	(429,369)
Cash payments for contract services	(25,061)	-	(25,061)
Cash payments for supplies and materials	(284,178)	(72,610)	(356,788)
Cash payments for other expenses	(13,339)	-	(13,339)
Net cash provided (used) by operating activities	<u>(134,640)</u>	<u>1,963</u>	<u>(132,677)</u>
Cash flows from noncapital financing activities:			
Cash received from operating grants	86,485	-	86,485
Cash received from non-operating grants	-	10	10
Net cash provided by noncapital financing activities	<u>86,485</u>	<u>10</u>	<u>86,495</u>
Net increase (decrease) in cash and cash equivalents	(48,155)	1,973	(46,182)
Cash and cash equivalents - beginning of year	<u>254,439</u>	<u>17,152</u>	<u>271,591</u>
Cash and cash equivalents - end of year	<u>\$ 206,284</u>	<u>19,125</u>	<u>\$ 225,409</u>
Reconciliation of operating income to net cash provided (used) by operating activities			
Operating income (loss)	\$ (187,415)	3,150	\$ (184,265)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	11,644	-	11,644
Changes in assets and liabilities:			
Supplies inventory	(1,756)	(634)	(2,390)
Commodities used	49,190	-	49,190
Capital assets	(3,210)	-	(3,210)
Accounts receivable	-	266	266
Accounts payable	(1,811)	(819)	(2,630)
Accrued wages and benefits	(5,553)	-	(5,553)
Compensated absences payable	8,883	-	8,883
Deferred revenue	(4,612)	-	(4,612)
Net cash provided (used) by operating activities	<u>\$ (134,640)</u>	<u>1,963</u>	<u>\$ (132,677)</u>

**Ross Local School District
Schedule of Revenues, Expenses, and
Changes in Retained Earnings
Budget and Actual (Non-GAAP Budgetary Basis)
Food Service Enterprise Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Tuition and fees	\$ 604,528	604,528	-
Interest revenues	12,779	12,779	-
Total operating revenues	<u>617,307</u>	<u>617,307</u>	<u>-</u>
Operating expenses:			
Personal services	429,369	429,369	-
Contract services	25,061	25,061	-
Materials and supplies	284,178	284,178	-
Capital outlay	11,523	11,523	-
Other operating expenses	1,816	1,816	-
Total operating expenses	<u>751,947</u>	<u>751,947</u>	<u>-</u>
Operating loss	<u>(134,640)</u>	<u>(134,640)</u>	<u>-</u>
Nonoperating revenues:			
Operating grants	86,485	86,485	-
Total nonoperating revenues	<u>86,485</u>	<u>86,485</u>	<u>-</u>
Net loss	(48,155)	(48,155)	-
Retained earnings at July 1	<u>254,439</u>	<u>254,439</u>	<u>-</u>
Fund balance June 30, 2001	<u>\$ 206,284</u>	<u>206,284</u>	<u>-</u>

**Ross Local School District
Schedule of Revenues, Expenses, and
Changes in Retained Earnings
Budget and Actual (Non-GAAP Budgetary Basis)
Uniform Supply Enterprise Fund
For the Fiscal Year Ended June 30, 2001**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Operating revenues:			
Sales/charges for service	\$ 73,416	73,416	-
Interest revenues	1,156	1,156	-
Total operating revenues	<u>74,572</u>	<u>74,572</u>	<u>-</u>
Operating expenses:			
Materials and supplies	72,610	72,610	-
Total operating expenses	<u>72,610</u>	<u>72,610</u>	<u>-</u>
Operating income	<u>1,962</u>	<u>1,962</u>	<u>-</u>
Nonoperating revenues:			
Advance in	44,544	44,544	
Refund of prior year expenditure	10	10	
Advance out	(44,544)	(44,544)	-
Total nonoperating revenues	<u>10</u>	<u>10</u>	<u>-</u>
Net income (loss)	1,972	1,972	-
Retained earnings at July 1	<u>17,152</u>	<u>17,152</u>	<u>-</u>
Fund balance June 30, 2001	<u>\$ 19,124</u>	<u>19,124</u>	<u>-</u>

Internal Service Fund

Internal Service Funds are used to account for the financing of services provided by one department or agency to another department or agency on a cost reimbursement basis. A description of the District's Internal Service Fund follows:

Special Rotary

The Special Rotary fund is used to account for all revenues and expenses related to field trips for the schools in the District.

Since there is only one Internal Service Fund and the level of budgetary control is not greater than that presented in the General Purpose Financial Statements, no additional financial statements are presented here.

Trust and Agency Funds

Trust Fund - Expendable Trust Fund

A fund used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

Agency Fund – Student Activity Fund

A fund used to account for the resources that belong to the various student groups in the District. The Fund accounts for sales and other revenue generating activities.

**Ross Local School District
Combining Balance Sheet
All Fiduciary Fund Types
June 30, 2001**

	Expendable Trust	Student Activity Agency Fund	Total
ASSETS:			
Equity in pooled cash and cash equivalents	\$ 80,572	58,355	\$ 138,927
Receivables (net of allowances for uncollectibles)			
Accounts	-	140	140
Intergovernmental	<u>728</u>	<u>-</u>	<u>728</u>
Total assets	<u>\$ 81,300</u>	<u>58,495</u>	<u>\$ 139,795</u>
LIABILITIES:			
Accounts payable	\$ 694	1,105	\$ 1,799
Due to students	<u>-</u>	<u>57,390</u>	<u>57,390</u>
Total liabilities	<u>694</u>	<u>58,495</u>	<u>59,189</u>
EQUITY:			
Fund balances:			
Unreserved, undesignated	<u>80,606</u>	<u>-</u>	<u>80,606</u>
Total equity	<u>80,606</u>	<u>-</u>	<u>80,606</u>
Total liabilities and equity	<u>\$ 81,300</u>	<u>58,495</u>	<u>\$ 139,795</u>

**Ross Local School District
Combining Statement of Changes in
Assets and Liabilities
Student Activity Agency Fund
For the Fiscal Year Ended June 30, 2001**

	Beginning Balance July 1, 2000	Additions	Deductions	Ending Balance June 30, 2001
ASSETS:				
Equity in pooled cash and cash equivalents	\$ 53,689	63,888	59,222	\$ 58,355
Receivables (net of allowances for uncollectibles)				
Accounts	<u> -</u>	<u> 140</u>	<u> -</u>	<u> 140</u>
Total assets	<u><u>\$ 53,689</u></u>	<u><u>64,028</u></u>	<u><u>59,222</u></u>	<u><u>\$ 58,495</u></u>
 LIABILITIES:				
Accounts payable	\$ 10,785	-	9,680	\$ 1,105
Due to students	<u>42,904</u>	<u>14,486</u>	<u> -</u>	<u>57,390</u>
Total liabilities	<u><u>\$ 53,689</u></u>	<u><u>14,486</u></u>	<u><u>9,680</u></u>	<u><u>\$ 58,495</u></u>

General Fixed Asset Account Group

This group of accounts is used to account for all sites, buildings, equipment and vehicles not used in the operations of proprietary funds (the majority of the District's assets are reflected here).

Ross Local School District
Schedule of General Fixed Assets
By Source
June 30, 2001

General fixed assets:

Land and land improvements	\$ 1,469,383
Building and building improvements	24,068,501
Furniture and equipment	<u>5,359,578</u>
Total general fixed assets	<u>\$ 30,897,462</u>

Investment in general fixed assets by source:

General fund	\$ 29,904,173
Special revenue funds	900,319
Capital projects funds	<u>92,970</u>
Total general fixed assets	<u>\$ 30,897,462</u>

**Ross Local School District
Schedule of General Fixed Assets
By Function and Type
June 30, 2001**

<u>Function</u>	<u>Land and Land Improvements</u>	<u>Buildings and Building Improvements</u>	<u>Furniture Fixtures and Equipment</u>	<u>Total</u>
Regular instruction	\$ -	\$ 13,149	\$ 1,564,935	\$ 1,578,084
Special instruction	-	-	31,552	31,552
Support services - pupil	-	-	4,564	4,564
Support services - instr. Staff	-	-	24,102	24,102
Support services - administration	-	29,957	153,533	183,490
Support services - fiscal	-	1,200	37,978	39,178
Operation and maintenance	-	131,246	142,012	273,258
Pupil transportation	609	3,882	1,923,085	1,927,576
Central	-	-	123,196	123,196
Food service	-	-	9,777	9,777
Community service	-	-	79,586	79,586
Extracurricular activities	-	-	57,626	57,626
Site improvements	1,029,437	153,514	4,065	1,187,016
Facilities acquisition/construction	182,853	2,004,910	417,942	2,605,705
Other *	<u>256,484</u>	<u>21,730,643</u>	<u>785,625</u>	<u>22,772,752</u>
	<u>\$ 1,469,383</u>	<u>\$ 24,068,501</u>	<u>\$ 5,359,578</u>	<u>\$ 30,897,462</u>

* Represents older assets for which function/activity data can not practically be obtained.

Ross Local School District
Schedule of Changes in General Fixed Assets
By Function
June 30, 2001

Function	Balance July 1, 2000	Additions	Disposals	Balance June 30, 2001
Regular instruction	\$ 1,460,015	\$ 215,894	\$ (97,825)	\$ 1,578,084
Special instruction	30,206	4,497	(3,151)	31,552
Support services - pupil	2,465	2,099	-	4,564
Support services - instr. staff	22,782	2,339	(1,019)	24,102
Support services - administration	187,334	7,860	(11,704)	183,490
Support services - fiscal	39,178	-	-	39,178
Operation and maintenance	256,774	19,151	(2,667)	273,258
Pupil transportation	1,811,222	156,359	(40,005)	1,927,576
Central	127,067	-	(3,871)	123,196
Food service	9,777	-	-	9,777
Community service	82,031	-	(2,445)	79,586
Extracurricular activities	52,539	35,035	(29,948)	57,626
Site improvements	1,187,016	-	-	1,187,016
Facilities acquisition/construction	2,280,266	328,492	(3,053)	2,605,705
Other *	22,917,366	-	(144,614)	22,772,752
	<u>\$ 30,466,038</u>	<u>\$ 771,726</u>	<u>\$ (340,302)</u>	<u>\$ 30,897,462</u>

* Represents older assets for which function/activity data can not practically be obtained.

Statistical Section

**ROSS LOCAL SCHOOL DISTRICT
GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN YEARS**

	2001 <u>Fiscal</u>	2000 <u>Fiscal</u>	1999 <u>Fiscal</u>	1998 <u>Fiscal</u>
Instruction	\$ 8,286,535	7,916,951	7,383,808	7,091,378
Pupil Support	490,294	499,469	463,760	436,490
Instructional Staff	527,290	515,914	479,804	438,208
Board of Education	20,504	16,278	15,833	27,671
Administration	1,320,688	1,264,469	1,177,328	1,211,454
Fiscal	360,862	343,735	342,863	332,641
Operations and Maintenance	932,418	906,094	889,695	894,584
Pupil Transportation	1,148,335	1,280,670	1,076,996	1,057,198
Central Office	-	-	-	-
Extracurricular activities	286,933	256,020	242,016	225,832
Capital Outlay	394,120	256,638	136,571	275,383
Non-Instructional Services	<u>-</u>	<u>157,105</u>	<u>153,685</u>	<u>44,080</u>
Total Expenditures	<u>\$ 13,767,979</u>	<u>13,413,343</u>	<u>12,362,359</u>	<u>12,034,919</u>

Source: District records.

<u>1997</u> <u>Fiscal</u>	<u>1996</u> <u>Fiscal</u>	<u>1995</u> <u>Fiscal</u>	<u>1994</u> <u>Fiscal</u>	<u>1993</u> <u>Fiscal</u>	<u>1992</u> <u>Fiscal</u>
6,732,849	6,273,740	5,923,415	5,751,340	5,824,585	5,322,929
421,593	384,024	343,218	336,406	357,084	286,920
397,315	368,209	357,090	326,326	334,576	319,542
19,934	21,269	19,934	22,399	24,732	22,610
1,171,316	1,013,279	1,038,941	862,710	924,349	937,724
340,945	311,252	306,317	264,402	278,406	265,677
866,973	859,493	842,413	841,128	796,793	793,274
1,030,003	953,194	849,928	785,231	760,260	835,895
851	1,168	1,378	1,180	3,825	2,772
185,000	176,831	168,493	153,566	162,035	154,481
227,848	14,024	81,541	92,171	-	60,017
<u>54,592</u>	<u>66,891</u>	<u>52,944</u>	<u>58,347</u>	<u>54,186</u>	<u>4,820</u>
<u><u>11,449,219</u></u>	<u><u>10,443,374</u></u>	<u><u>9,985,612</u></u>	<u><u>9,495,206</u></u>	<u><u>9,520,831</u></u>	<u><u>9,006,661</u></u>

**ROSS LOCAL SCHOOL DISTRICT
GENERAL FUND REVENUES BY SOURCE
LAST TEN YEARS**

	2001 Fiscal	2000 Fiscal	1999 Fiscal	1998 Fiscal
Taxes	\$ 5,987,162	5,415,742	5,217,795	5,088,667
Tuition	10,964	17,029	5,961	12,018
Earnings on Investments	298,465	244,395	197,012	176,073
Other Local Revenues	131,055	340,176	261,782	230,395
Intergovernmental	<u>8,439,858</u>	<u>7,998,297</u>	<u>7,794,931</u>	<u>7,031,261</u>
Total Revenues	<u>\$ 14,867,504</u>	<u>14,015,639</u>	<u>13,477,481</u>	<u>12,538,414</u>

Source: District records.

<u>1997</u> <u>Fiscal</u>	<u>1996</u> <u>Fiscal</u>	<u>1995</u> <u>Fiscal</u>	<u>1994</u> <u>Fiscal</u>	<u>1993</u> <u>Fiscal</u>	<u>1992</u> <u>Fiscal</u>
5,061,769	4,805,486	4,159,065	3,695,455	3,622,913	3,512,953
7,501	4,875	2,943	4,686	8,627	6,861
152,882	79,098	58,449	42,413	47,450	83,060
132,050	121,441	126,863	112,951	88,228	124,260
<u>6,738,308</u>	<u>6,320,497</u>	<u>5,580,587</u>	<u>5,511,264</u>	<u>5,457,971</u>	<u>5,199,004</u>
<u><u>12,092,510</u></u>	<u><u>11,331,397</u></u>	<u><u>9,927,907</u></u>	<u><u>9,366,769</u></u>	<u><u>9,225,189</u></u>	<u><u>8,926,138</u></u>

**ROSS LOCAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS - REAL AND PUBLIC UTILITY PROPERTY
LAST TEN COLLECTION (CALENDAR) YEARS**

<u>Year</u>	<u>Tax Levied (1)</u>	<u>Current Collection (2)</u>	<u>Percent Collected</u>	<u>Delinquent Collection</u>	<u>Total Tax Collection</u>	<u>Percent of Total Collections to Levy</u>	<u>Outstanding Delinquent Taxes (3)</u>	<u>Percent of Outstanding Delinquent Taxes to Tax Levied</u>
2001	\$ 5,994,187	5,629,321	93.91%	166,376	5,795,697	96.69%	565,004	9.43%
2000	5,978,841	5,593,400	93.55%	112,471	5,705,871	95.43%	366,514	6.13%
1999	5,505,565	5,401,165	98.10%	167,019	5,568,184	101.14%	93,545	1.70%
1998	5,384,738	5,242,795	97.36%	139,579	5,382,374	99.96%	156,162	2.90%
1997	5,358,931	5,205,129	97.13%	166,919	5,372,048	100.24%	153,800	2.87%
1996	NA	NA	NA	NA	NA	NA	NA	NA
1995	NA	NA	NA	NA	NA	NA	NA	NA
1994	NA	NA	NA	NA	NA	NA	NA	NA
1993	NA	NA	NA	NA	NA	NA	NA	NA
1992	NA	NA	NA	NA	NA	NA	NA	NA

Source: Butler County Auditor.

- (1) Taxes levied and collected are presented on a cash basis.
- (2) State reimbursements of rollback and homestead exemptions are included.
- (3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.
- NA Information not available from the County

**ROSS LOCAL SCHOOL DISTRICT
PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUATION)
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN COLLECTION (CALENDAR YEARS)**

	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
Butler County	8.45	8.45	8.44	8.45	8.44	7.44	7.45	7.44	7.45	7.45
Ross Township	5.72	5.72	5.72	5.72	5.72	3.72	5.72	4.72	4.72	4.72
Butler County Joint Vocational School	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.94	1.97	1.97

Source: Butler County Auditor

ROSS LOCAL SCHOOL DISTRICT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN CALENDAR YEARS (1)

Collection Year		Real Property		Tangible Personal Property		Public Utilities Personal	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2001	\$	211,676,960	604,791,257	8,738,086	34,952,344	12,015,310	13,653,761
2000		207,818,580	593,767,371	7,835,089	31,340,356	12,960,720	14,728,091
1999		173,867,580	496,764,543	7,569,992	30,279,968	12,694,070	14,425,080
1998		169,523,550	484,353,000	6,927,607	27,710,428	12,679,920	14,409,000
1997		166,897,720	476,850,629	6,414,341	25,657,364	13,271,050	15,080,739
1996		NA	NA	NA	NA	NA	NA
1995		NA	NA	NA	NA	NA	NA
1994		NA	NA	NA	NA	NA	NA
1993		NA	NA	NA	NA	NA	NA
1992		NA	NA	NA	NA	NA	NA

Source: Butler County Auditor.

(1) Butler County Auditor property tax records are maintained on a calendar year basis.

NA Information not available from the County

Total		
Assessed Value	Estimated Actual Value	Ratio
232,430,356	653,397,362	35.57%
228,614,389	639,835,818	35.73%
194,131,642	541,469,591	35.85%
189,131,077	526,472,428	35.92%
186,583,111	517,588,732	36.05%
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA
NA	NA	NA

**ROSS LOCAL SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2001**

Assessed valuation of District	\$	<u>232,430,356</u>
Voted Debt Limit - 9% of Assessed Value	\$	20,918,732
Amount of Debt Applicable to Debt Limit:		
Net Bonded Debt		<u>-</u>
Voted Debt Margin	\$	<u>20,918,732</u>
Unvoted Debt Limit - .1% of Assessed Value	\$	232,430
Amount of Debt Applicable to Debt Limit:		<u>-</u>
Unvoted Debt Margin	\$	<u>232,430</u>

Source: County Auditor and School District Records

Note: Ohio Bond Law sets a limit of 9% for voted debt and 0.1% for unvoted debt.

Note: Bonds issued for Energy Conservation Projects are excludable when calculating legal debt margin.

**ROSS LOCAL SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2001**

<u>Governmental Unit</u>	<u>General Obligation Debt Outstanding</u>	<u>Percent Applicable to District</u>	<u>Amount Applicable to District</u>
Direct:			
Ross Local School District:			
Energy Conservation Bond	\$ <u>85,000</u>	100.00%	85,000
Total Ross Local School District	\$ <u><u>85,000</u></u>		<u><u>85,000</u></u>
Overlapping:			
Butler County	\$ <u>15,765,000</u>	3.98%	<u>627,447</u>
Total Overlapping	\$ <u><u>15,765,000</u></u>		<u><u>627,447</u></u>
Total Direct and Overlapping	\$ <u><u>15,850,000</u></u>		<u><u>712,447</u></u>

Source: Butler County Auditor.

Overlapping governments with no outstanding debt are not reflected.

**ROSS LOCAL SCHOOL DISTRICT
CONSTRUCTION, BANK DEPOSITS AND PROPERTY VALUES
LAST TEN YEARS**

Year		Property Values (1)	Construction Values (2)	Bank Deposits (3)
2001	\$	222,215,590	2,373,890	1,152,810,000
2000		218,357,230	3,669,590	913,169,000
1999		183,170,020	3,773,570	864,105,000
1998		178,856,290	2,968,200	815,435,000
1997		175,717,540	2,685,244	783,398,000
1996		154,772,930	4,294,130	800,556,000
1995		151,996,860	3,537,500	737,683,000
1994		NA	NA	711,686,000
1993		NA	NA	724,213,000
1992		NA	NA	904,381,000

(1) Source: Butler County Auditor.

(2) Source: Butler County Auditor.

(3) Includes all Butler County deposits. Source: Department of Data Service,
Federal Reserve Bank of Cleveland.

**ROSS LOCAL SCHOOL DISTRICT
 PRINCIPAL TAXPAYERS - REAL AND TANGIBLE PERSONAL PROPRTY
 JUNE 30, 2001**

Name of Taxpayer	Assessed Value	Percent of Assessed Value
Cincinnati Gas & Electric	\$ 5,786,290	2.49%
Cincinnati Bell Telephone	1,802,070	0.78%
Butler Rural Electric	1,719,950	0.74%
Watson Ronnie	1,338,990	0.58%
Broshear Contractors	1,138,000	0.49%
Watson Gravel, Inc.	1,000,660	0.43%
Dayton Power and Light	811,520	0.35%
Cornelius Daniel	771,920	0.33%
Texas Eastern	761,970	0.33%
Hasselbrock Carl	558,280	0.24%

Source: Butler County Auditor.

**ROSS LOCAL SCHOOL DISTRICT
GENERAL FUND EXPENDITURES,
AVERAGE DAILY MEMBERSHIP AND
GENERAL COST PER PUPIL
LAST TEN FISCAL YEARS**

Fiscal Year	General Fund Expenditures (1)	Average Daily Membership	General Fund Cost per Pupil (2)
2001	\$ 14,942,304	2,456	6,084
2000	14,350,931	2,479	5,789
1999	14,277,816	2,646	5,396
1998	13,867,150	2,654	5,225
1997	13,082,594	2,693	4,858
1996	11,383,218	2,709	4,202
1995	11,250,816	2,656	4,236
1994	10,925,091	2,637	4,143
1993	11,273,472	2,688	4,194
1992	9,814,728	2,632	3,729

Source: District records.

(1) Expenditures on Cash Basis, including other financing uses with the exception of advances and transfers out.

(2) Certified by the Ohio Department of Education.

**ROSS LOCAL SCHOOL DISTRICT
 COST TO EDUCATE A 2001 GRADUATE
 ROSS LOCAL SCHOOL DISTRICT VS. STATE OF OHIO AVERAGE
 (1989 - 2001)**

<u>Fiscal Year</u>	<u>Grade</u>	<u>Ross Local School District Annual Per Pupil Cost</u>	<u>State of Ohio Average Cost Per Pupil</u>	<u>Comparison to State Average Cost</u>
2001	12	6,084	7,639	(1,555)
2000	11	5,789	7,057	(1,268)
1999	10	5,396	6,642	(1,246)
1998	9	5,225	6,232	(1,007)
1997	8	4,858	5,939	(1,081)
1996	7	4,202	4,915	(713)
1995	6	4,236	4,758	(522)
1994	5	4,143	4,640	(497)
1993	4	4,194	4,437	(243)
1992	3	3,729	4,254	(525)
1991	2	3,524	4,159	(635)
1990	1	3,227	3,961	(734)
1989	KDG(1)	<u>2,836</u>	<u>1,848</u>	<u>988</u>
		<u>57,443</u>	<u>66,481</u>	<u>(9,038)</u>

Source: District records.

Annual cost per pupil is General Fund, on cash basis

(1) Annual per pupil cost for Kindergarten is one half annual per pupil cost.

**ROSS LOCAL SCHOOL DISTRICT
STUDENT DEMOGRAPHIC INFORMATION
LAST TEN YEARS**

<u>School Year</u>	<u>Enrollment</u>	<u>Minority Percent</u>	<u>ADC Percent</u>	<u>Attendance Rate</u>
2000-2001	2456	0.78%	2.50%	96.20%
1999-2000	2479	0.93%	2.49%	94.90%
1998-1999	2646	1.02%	3.44%	95.50%
1997-1998	2654	1.28%	4.36%	95.38%
1996-1997	2693	1.23%	4.61%	94.73%
1995-1996	2709	1.10%	4.52%	94.87%
1994-1995	2656	1.15%	4.54%	94.61%
1993-1994	2637	0.38%	4.37%	94.83%
1992-1993	2688	0.37%	4.43%	94.15%
1991-1992	2632	0.65%	3.69%	95.14%

Source: District records.

**ROSS LOCAL SCHOOL DISTRICT
COMPARISON TO OTHER SCHOOL DISTRICTS
SELECTED STAFF DATA (1) (2)**

District	County	ADM 1999-2000	1999-2000 Average Teacher Salary	1999-2000 Student Teacher Ratio	1999-2000 General Fund Cost per Pupil
Ross Local School District	Butler	2,479	40,945	18.1	7,057
Madison Local School District	Butler	1,511	34,214	17.8	6,247
Tecumseh Local School District	Clark	3,690	40,056	17.8	6,410
Goshen Local School District	Clermont	2,514	37,775	20.1	5,732
Buckeye Valley local School District	Delaware	2,117	41,116	22.1	6,169
Madison Local School District	Lake	3,434	46,578	20.8	6,487
Southwest Licking Local School District	Licking	2,961	41,074	19.4	6,350
Firelans Local School District	Lorain	1,914	38,015	19.1	6,258
Keystone Local School District	Lorain	1,632	39,436	21.1	6,032
Midview Local School District	Lorain	3,092	39,820	19.8	6,429
Milton-Union Ex. Village	Miami	1,819	38,918	19.6	5,945
Valley View Local School District	Montgomery	1,863	40,423	18.9	6,583
East Muskingum Local School District	Muskingum	2,230	39,650	20.6	5,732
Genoa Area Local School District	Ottawa	1,629	37,556	20.3	6,575
Crestwood Local School District	Portage	2,743	40,367	23.2	6,233
Southeast Local School District	Portage	2,298	39,663	19.7	6,210
Louisville City School District	Stark	3,132	41,682	19.6	5,646
Northwest Local School District	Stark	2,394	41,468	19.2	5,717
Little Miami Local School District	Warren	2,564	39,724	19.2	6,101
Chippewa Local School District	Wayne	1,499	38,743	18.4	6,198
Ostego Local School District	Wood	1,640	38,352	18.8	6,394

Source: Ohio Department of Education Vital Statistics

(1) Comparison group is defined by the Ohio Department of Education, based on socio-economic factors.

(2) 1999-2000 School Year is the most recent for which cost per pupil figures are available for all districts.

**ROSS LOCAL SCHOOL DISTRICT
COMPARISON TO OTHER SCHOOL DISTRICTS
ECONOMIC INDICATORS (1) (2)**

District	County	ADM 1999-2000	Average Income	1999-2000 General Fund Revenue Per Pupil	Property Value Per Pupil
Ross Local School District	Butler	2,479	33,504	5,778	86,853
Madison Local School District	Butler	1,511	34,638	5,695	75,193
Tecumseh Local School District	Clark	3,690	29,411	6,195	64,161
Goshen Local School District	Clermont	2,514	29,825	6,379	60,170
Buckeye Valley local School District	Delaware	2,117	34,565	6,377	116,891
Madison Local School District	Lake	3,434	30,218	6,487	74,634
Southwest Licking Local School District	Licking	2,961	36,266	6,047	91,155
Firelans Local School District	Lorain	1,914	33,041	6,385	99,710
Keystone Local School District	Lorain	1,632	34,323	6,349	93,323
Midview Local School District	Lorain	3,092	33,066	6,116	92,873
Milton-Union Ex. Village	Miami	1,819	30,730	5,478	79,968
Valley View Local School District	Montgomery	1,863	33,143	6,237	81,371
East Muskingum Local School District	Muskingum	2,230	30,375	5,402	64,281
Genoa Area Local School District	Ottawa	1,629	32,501	6,072	76,450
Crestwood Local School District	Portage	2,743	31,248	5,522	78,783
Southeast Local School District	Portage	2,298	33,210	5,734	61,602
Louisville City School District	Stark	3,132	30,167	5,351	84,540
Northwest Local School District	Stark	2,394	32,950	5,555	81,540
Little Miami Local School District	Warren	2,564	35,527	5,615	111,789
Chippewa Local School District	Wayne	1,499	31,225	5,858	85,723
Ostego Local School District	Wood	1,640	32,265	6,300	83,811
State of Ohio Average		2,835	29,363	7,013	

Source: Ohio Department of Education Vital Statistics

(1) Comparison group is defined by the Ohio Department of Education, based on socio-economic factors.

(2) 1999-2000 School Year is the most recent for which cost per pupil figures are available for all districts.

**ROSS LOCAL SCHOOL DISTRICT
BOARD OWNED PROPERTY
JUNE 30, 2001**

Instructional Sites:						<u>Year Constructed</u>	<u>Capacity/ Square Ft.</u>	<u>Acreage</u>
Elda Elementary	3980 Hamilton Cleves Road	Hamilton	Ohio	45013	1963	42,751	10.0	
Morgan Elementary	3427 Chapel Road	Hamilton	Ohio	45013	1982	47,050	13.0	
Ross Middle School	3371 Hamilton Cleves Road	Hamilton	Ohio	45013	1938	77,363	17.0	
Ross High School	3425 Hamilton Cleves Road	Hamilton	Ohio	45013	1967	101,278	37.0	
Administrative and Service Sites								
Administrative Offices	3371 Hamilton Cleves Road	Hamilton	Ohio	45013	1938	2,000	-	
Transportation Department		Hamilton	Ohio	45013		6,000	3.5	

Note: The Administrative Office and the Ross Middle School share a common site.
The Transportation Department is leased from MBA.

**ROSS LOCAL SCHOOL DISTRICT
 DIRECTORY OF EDUCATIONAL SERVICES
 JUNE 30, 2001**

Instructional Sites:

Elda Elementary	Principal	Mr. Michael Teufel	(513)738-1972
Morgan Elementary	Principal	Mr. Tom Perry	(513)738-1986
Ross Middle School	Principal	Mr. Clint Moore	(513)863-1251
Ross High School	Principal	Mr. Greg Young	(513)863-1252

Administrative and Service Sites

Administrative Offices	Superintendent	Mr. David McWilliams	(513)863-1253
	Treasurer	Mrs. Tracy Jarvis	(513)863-1250
	Asst. Superintendent	Mr. Joel Fink	(513)863-1253
Transportation Department	Director of Transportation	Mr. Ron Mandery	(513)738-2900

Note: The Administrative Office and the Ross Middle School share a common site.
 The Transportation Department is leased from MBA.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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800-282-0370
Facsimile 614-466-4490

ROSS LOCAL SCHOOL DISTRICT

BUTLER COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 9, 2002**