



Mary Taylor, CPA

Auditor of State

DECLARATION OF FISCAL EMERGENCY

At the request of the Ledgemont Local School District Board of Education, dated July 20, 2010, the Office of the Auditor of State performed an examination of the financial forecast of the general fund of the School District as required under Ohio Revised Code Section 3316.03. In conjunction with our examination of the financial forecast, the Auditor of State determined and certified an operating deficit for the fiscal year ending June 30, 2011, to the Ohio Department of Education (ODE) on November 9, 2010, in the amount of \$2,170,000.

Ohio Revised Code Section 3316.03(B)(1) requires the Auditor of State to declare a school district to be in a state of fiscal emergency if the Auditor of State determines that the school district meets the following conditions:

- An operating deficit has been certified for the current fiscal year by the Auditor of State, and the certified operating deficit exceeds 15 percent of the school district's general fund revenue for the preceding fiscal year; and
- A levy has not been passed by the voting electors that will raise enough additional revenue in the succeeding fiscal year so that the first condition will not apply to the school district in the next succeeding year.

An analysis conducted of the Ledgemont Local School District for the purpose of determining whether the school district met the conditions outlined above disclosed the following:

- The Auditor of State certified an operating deficit of the general fund in the amount of \$2,170,000. This amount represents 42 percent of the Ledgemont Local School District's general fund revenues for the fiscal year ending June 30, 2011.
- The Ledgemont Local School District has not passed a levy that will eliminate the first condition.

Accordingly, the Auditor of State hereby declares the Ledgemont Local School District to be in a state of fiscal emergency as defined by Ohio Revised Code Section 3316.03(B)(1). A copy of this report is being submitted to Kenneth M. Stanley, President of the Ledgemont Local School District Board of Education; J. Pari Sabety, Director of the Ohio Office of Budget and Management; Frank J. Gliha, Geauga County Auditor; and Deborah S. Delisle, the ODE's State Superintendent of Public Instruction.

A handwritten signature in black ink that reads "Mary Taylor".

MARY TAYLOR, CPA
Auditor of State

November 9, 2010