

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2009



Mary Taylor, CPA
Auditor of State

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Federal Grantor <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. Department of Agriculture					
<i>Passed Through the Ohio Department of Education.</i>					
Child Nutrition Cluster:					
National School Lunch Program	10.555	\$65,850	\$0	\$65,850	\$0
National School Lunch Program - Commodities	10.555	0	32,606	0	32,606
Special Milk Program	10.556	10,405	0	10,405	0
Total Child Nutrition Cluster		76,255	32,606	76,255	32,606
Total U.S. Department of Agriculture		76,255	32,606	76,255	32,606
U.S. Department of Education					
<i>Passed Through the Ohio Department of Education.</i>					
Special Education Cluster:					
Special Education-Grants to States	84.027	663,601	0	673,814	0
Special Education-Preschool	84.173	16,039	0	17,334	0
Total Special Education Cluster		679,640	0	691,148	0
Safe and Drug-Free Schools and Communities State Grants	84.186	5,175	0	5,175	0
State Grants for Innovative Programs	84.298	3,343	0	3,429	0
Title 1 Grants to Local Educational Agencies	84.010	160,353	0	177,283	0
Education Technology State Grants	84.318	2,054	0	2,054	0
English Language Acquisition Grant	84.365	13,703	0	13,766	0
Improving Teacher Quality State Grants	84.367	60,652	0	69,287	0
Total U.S. Department of Education		924,920	0	962,142	0
Total Federal Assistance		\$1,001,175	\$32,606	\$1,038,397	\$32,606

The notes to the Schedule of Federal Awards Receipts and Expenditures are an integral part of this statement.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2009**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) summarizes activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.

CFDA – Catalog of Federal Domestic Assistance



Mary Taylor, CPA

Auditor of State

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

Rocky River City School District
Cuyahoga County
21600 Center Ridge Road
Rocky River, Ohio 44116

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rocky River City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 28, 2009, wherein we noted the District restated the July 1, 2008 net assets of the governmental activities and the General Fund and Other Governmental Funds fund balances due to the elimination of the business-type activities and the internal service fund. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

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

We noted certain matters that we reported to the District's management in a separate letter dated December 28, 2009.

Compliance and Other Matters

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

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated December 28, 2009.

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

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

Mary Taylor, CPA
Auditor of State

December 28, 2009



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES IN ACCORDANCE WITH OMB CIRCULAR A-133

Rocky River City School District
Cuyahoga County
21600 Center Ridge Road
Rocky River, Ohio 44116

To the Board of Education:

Compliance

We have audited the compliance of the Rocky River City 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 apply to each of its major federal programs for the year ended June 30, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits 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 Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Rocky River City School District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

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Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

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

Schedule of Federal Awards Receipts and Expenditures

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Rocky River City School District as of and for the year ended June 30, 2009, and have issued our report thereon dated December 28, 2009, wherein we noted the District restated the July 1, 2008 net assets of the governmental activities and the General Fund and Other Governmental Funds fund balances due to the elimination of the business-type activities and the internal service fund. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying Schedule of Federal Awards Receipts and Expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Mary Taylor, CPA
Auditor of State

December 28, 2009

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Nutrition Cluster: National School Lunch Program-CFDA 10.555 and Special Milk Program-CFDA 10.556 Title 1 Grants to Local Educational Agencies-CFDA 84.010
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Rocky River City School District
Cuyahoga County
21600 Center Ridge Road
Rocky River, Ohio 44116

To the Board of Education:

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

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

1. We noted the Board adopted an anti-harassment policy at its meeting on May 15, 2008.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;

- (6) A procedure for documenting any prohibited incident that is reported;
- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

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

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



Mary Taylor, CPA
Auditor of State

December 28, 2009

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2009



Jennifer Pease
Grade 10

ROCKY RIVER CITY SCHOOL DISTRICT
Cuyahoga County • Ohio



Tudor Sandu
Grade 6

ROCKY RIVER CITY SCHOOL DISTRICT
Cuyahoga County, Ohio

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2009

Prepared by Treasurer's Office
Greg R. Markus, CPA • Treasurer



ROCKY RIVER CITY SCHOOL DISTRICT
Cuyahoga County, Ohio

Rocky River City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009
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Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2009

Introductory Section



ROCKY RIVER CITY SCHOOL DISTRICT
Cuyahoga County, Ohio



Rocky River City School District

21600 Center Ridge Road • Rocky River • Ohio 44116
PHONE 440.333.6000 • FAX 440.356.6014 • www.rrcs.org

December 28, 2009

To the Board of Education, residents of the Rocky River City School District and other interested parties:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Rocky River City School District (the "District") for the fiscal year ended June 30, 2009. This CAFR, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The report provides the taxpayers of the District, bond rating agencies and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the District's finances. This report is intended to contribute to meeting the accountability requirements of the public. Copies will be distributed to all school buildings, the Rocky River Public Library, the Rocky River Chamber of Commerce, rating agencies and other interested organizations. Copies will be made available to all residents of the District or any other interested party through the District's web site at www.rrcs.org.

The District

History¹

The District has a long and rich tradition of academic excellence by providing a plethora of educational opportunities to its students. Early settlers in what is now Rocky River realized the importance of education for their children. The first grammar school in the area was built around 1840 at the corner of Wagar and Detroit Roads. The next schoolhouse, a one-room red brick structure, held eight grades and was built around 1890 at the northeast corner of Center Ridge and Northview Roads.

Rocky River's first high school was organized in 1892 at the site of the old Wooster School on Wooster Road. Five students graduated in 1897, the first graduating class. On January 7, 1919, a new high school at the corner of Lakeview and Riverview Avenues was opened with an enrollment of 45 students. The current high school was built in 1950 and completed and opened for students in 1951 and has been improved and updated periodically over the years. The District's most recently built school building is the current middle school that was finished and opened to students in 2000.

Current Organization

The District is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the State Department of Education. Under Ohio law, the District is a separate and distinct unit of government with its own taxing authority. The Rocky River Board of Education is a five member board, elected at large, with staggered four year terms.

¹McCauley, Ann. Rocky River...Timeless. The Rocky River Library Foundation, 2002

The District is located in a suburban area west of Cleveland, Ohio and encompasses the entire City of Rocky River and a small portion of the City of Fairview Park. The property tax base is primarily residential with a significant amount of retail commercial property. The District serves 2,681 students ranging from Kindergarten through Twelfth Grade. In addition, a wide range of services are provided for preschool-aged children and adults.

The Reporting Entity

The District has reviewed its reporting entity definition in order to insure conformance with the Government Accounting Standards Board Statement No. 14. "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units". In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the District (the primary government) and its potential component units. The District has no component units and the District is not a component unit of any other governmental organization.

The District is associated with the Lakeshore Northeast Ohio Computer Association and the Ohio Schools Council Association, both jointly governed organizations; the Ohio School Boards Association Workers' Compensation Group Rating Program, an insurance purchasing pool; and the Rocky River Public Library, a related organization.

Demographics, Economic Condition and Outlook²

The 2000 U. S. Census data reports a population of 20,735 in the City of Rocky River with 10,359 dwelling units and over 1,250 businesses. As of July 1, 2008, the U.S. Census estimates the population for the City of Rocky River to be 18,900. The median household income is \$51,636 (year 2000) and the median income for a family was \$72,361 (year 2000). The median home value is \$188,700 (year 2000). Over the past 10 years, the average appreciation of homes in Rocky River was 5.1%. In 2005 the average sale price for a single family home was \$288,506 with 65 days on the market. As of 12/3/2009, there were a total of 214 homes listed for sale with an average list price of \$256,000 with an average of 133 days on the market. The least expensive home is listed at \$26,000 and most expensive is listed at \$3,700,000. For the month of November 2009, there were 13 homes that sold with an average sale price of \$162,400. The lowest sale price was \$33,000 (small condo) and the highest sale price was \$300,000 (single family home). Compared to one year ago, the number of homes sold is slightly down by nearly 4%, with the average sale down dramatically. With the exception to recent price trends, given the decline in months of inventory and continued overall activity, Rocky River continues to exhibit very positive signs of a stabilizing market.

Per the 2000 U.S. Census, the median age for residents of Rocky River is 44.3 and families (non-single residences) represent 56.1% of the population. The racial makeup of the city was 96.8% White, 0.4% African American, 0.1% Native American, 1.4% Asian, 0.01% Pacific Islander, 0.3% from other races, and 1.1% from two or more races. Hispanic or Latino of any race was 1.2% of the population.

There were 9,869 households out of which 22.4% had children under the age of 18 living with them, 47.4% were married couples living together, 6.9% had a female householder with no husband present, and 43.9% were single non-family households. 40.2% of all households were made up of individuals and 20.4% had someone living alone who was 65 years of age or older. The average household size was 2.11 and the average family size was 2.89. In the city the population was spread amongst age groupings with 22.1% under the age of 20, 3.0% from 20 to 24, 11.3% from 25 to 44, 14.6% from 35 to 44, 14.1% from 45 to 54, 10.6% from 55 – 64 and 24.3% who were 65 years of age or older.

² Primary sources of data used for this section are http://en.wikipedia.org/wiki/Rocky_River,_Ohio, http://realtytimes.com/rtnclrc/Ohio-Rocky_River and <http://factfinder.census.gov>

The occupational makeup of the City is 49% professional/managerial, 32% technical/sales/clerical, 10% service, 4% construction/extraction/maintenance, and 5% production/transportation/material moving occupations. Of the population 25 years of age or older, over 46% have at least a bachelor's degree. Businesses within the community are predominantly retail and service oriented.

The District receives over 73% of its governmental fund revenues from local property tax collections. Therefore, the long-term financial health of the District is very dependent on its tax base. The total assessed valuation of the District's tax duplicate has risen in excess of 33% over the last ten years. The increased value in the tax duplicate is due primarily to revisions in property values made by the County Auditor every three years as well as some new construction.

The City of Rocky River is almost completely developed, so future assessed valuation increases will come primarily from property value changes. There may also be some growth from the demolition of existing commercial and residential building stock and the subsequent redevelopment of such property, as this is becoming increasingly common in fully-developed suburban areas like Rocky River. There are no major manufacturing plants located within the District's boundaries. In terms of dollar value the largest real property taxpayer owns approximately 1.75% of the total real property in the District.

Major Initiatives - Fiscal Year 2009

During fiscal year 2009, the District embarked and completed a comprehensive strategic planning process. The District's Strategic Plan outlines actions designed to achieve desired outcomes. It is a statement of the Rocky River City School District's mission, beliefs, and goals. It defines what we as a community envision for the future of our schools, and details objectives and strategies to guide us on our Journey. Approved by the Board of Education on June 25, 2009, this Plan will serve as the compass by which the District will chart its course for the next ten years. The Strategic Plan, as adopted, is as follows:

BELIEFS

We believe ...

- Students are the heart of our purpose.
- Student success requires a partnership among family, school and community.
- A Rocky River education empowers values, inspires curiosity and encourages talents that lead to success.
- High expectations lead to high achievement.
- Lifelong learners thrive as they embrace the changing global society.

An exceptional school district demonstrates all of the above.

STRATEGIC OBJECTIVES

By 2014 ...

- All students will engage in contemporary, globally competitive curricular and co-curricular programs of excellence.
- All students will achieve their educational goals incorporating the highest international standards.

- All students will participate in a student-centered environment that addresses educational, social and emotional needs.
- All students will learn through lessons and experience that communication is open, sincere, timely and responsive.
- All students will attend schools that are state-of-the art facilities.
- All students will learn in an environment that is technologically competitive on a global level.

COMMUNICATIONS

Develop guidelines, protocol and procedures to disseminate information to all students, staff, parents, alumni and community about the strategic plan, including updates on progress and status in achieving our mission.

1. District staff members understand and are committed to the achievement of the mission.
2. Students understand and support the achievement of the mission.
3. Parents, alumni, civic leaders, and community members understand, support and work toward the accomplishment of the mission.
4. Updates on the progress and status of achieving our District's strategic objectives are accessible to stakeholders in a variety of formats, including social media.

CURRICULUM and CO-CURRICULUM

Develop systems to ensure the same expectation of excellence in all programs, curricular and co-curricular.

1. Curricula, instruction and assessments are aligned and articulated.
2. Data guides instruction, appropriate to an individual's skills, needs and developmental stages.
3. A rigorous curriculum ensures that every student is appropriately challenged and learning at his/her highest level.
4. Multiple assessments provide student driven data necessary to communicate progress in each child's growth and development.
5. Rocky River students are prepared to succeed in an increasingly interconnected and competitive world.

FACILITIES

Provide facilities that meet our mission.

1. Recommendations from the facility study for repairs and updates to district facilities are complete.
2. A facilities master plan provides a blueprint for buildings that support student success.
3. District facilities meet instructional and operational technology needs for all students, faculty, staff and administrators.

4. A facilities master plan provides a blueprint for non-instructional buildings and services (transportation, maintenance, Beach, Wooster and Board of Education Offices).
5. The capital improvement plan uses federal, state, local and non-traditional funding sources.

FINANCE

Provide traditional and nontraditional fiscal resources to meet our mission.

1. Alternative revenue streams supplement traditional funding sources for all District programs.
2. Operational efficiencies and cost-containment measures are instituted to optimize resources for District programs.
3. The community is informed on the District's financial status and the Ohio school finance environment.
4. A "rainy day" fund is established and maintained to help ensure financial stability.

HUMAN RESOURCES

Recruit, hire and retain exceptional staff and provide professional development to accomplish our mission and strategic objectives.

1. The Rocky River Local Professional Development Committee researches, promotes and communicates available, pertinent professional development opportunities.
2. Collaborative opportunities are provided in each building during the workday.
3. Administrators research, promote and communicate available, pertinent training opportunities for non-certified employees.
4. A comprehensive approach is in place to assure the district continues to recruit and hire exceptional employees.
5. Exceptional employees choose to make a long-term commitment to the district.

TECHNOLOGY

Ensure availability of technology and training necessary to support achievement of our mission and strategic objectives.

1. All students have equal access and opportunities to use technology.
2. A culture is established where technological literacy is expected at all levels of the organization.
3. A dynamic, comprehensive infrastructure exists that supports teaching and learning.

Goals for 2010

One of the primary goals for 2010 is to implement components of the aforementioned Strategic Plan. As of December 2009, the following progress has been made towards the indicated components of the plan:

Strategic Objective: Communications
Strategy: Develop guidelines, protocol and procedures to disseminate information to all students, staff, parents, alumni and community about the strategic plan, including updates on progress and status in achieving our mission.
Result #1 District staff members understand and are committed to the achievement of the mission.
<p>Action (Completed 2009)</p> <ul style="list-style-type: none"> • The strategic plan was shared with the district Instructional Leadership Team and the leadership of the Rocky River Teachers' Association and the Ohio Association of Public School Employees. It was also presented to all certificated and support staff members. • All staff members were presented with an item containing the mission statement at Convocation. • The mission statement is displayed in all buildings, classrooms and on district letterhead and business cards. • Staff members were provided with a brochure detailing the components of the strategic plan. • Inaugural issue of online education journal, the River Educator, was launched in August 2009. The theme was collaboration.
Result # 2: Students understand and support the achievement of the mission.
<p>Action (Completed 2009)</p> <ul style="list-style-type: none"> • The mission, beliefs, and strategic objectives are included in student planners and teachers presented the strategic plan to students in an age-appropriate manner during the first week of school. • The strategic plan was presented to student groups, including student-board liaisons, student council, clubs and athletic teams.
Result # 3: Parents, alumni, civic leaders, and community members understand, support and work toward the accomplishment of the mission.
<p>Action (Completed 2009)</p> <ul style="list-style-type: none"> • The strategic plan was presented to parent and community groups, including PTA Council and Units, Boosters, Rocky River Clergy Group, Rocky River Community Federation, Rocky River City Council, Rocky River Recreation Center, Rocky River Senior Center, Rocky River Chamber of Commerce, and League of Women Voters. • Building administrators presented the strategic plan to parents at Open House in the fall of 2009. • Parents, civic leaders, and community members were presented with printed material detailing the components of the strategic plan. • A fall campaign was conducted for parents, civic leaders, and community members to sign up for the new email notification system.
Result # 4: Updates on the progress and status of achieving our District's strategic objectives are accessible to stakeholders in a variety of formats, including social media.
<p>Action (In Progress)</p> <ul style="list-style-type: none"> • Press releases are issued as strategies are achieved. • The District website is used to disseminate updates on the progress and status of achieving our strategic objectives, including social media to provide a vehicle for two-way communication about the strategic plan. • Digital and print publications to disseminate updates on the progress and status of achieving our strategic objectives, including the R Schools, Annual Report, River Educator and school bulletins. • The email notification system is used to disseminate updates on the progress and status of achieving our strategic objectives.

Strategic Objective: Curriculum and Co-Curriculum
Strategy: Develop systems to ensure the same expectation of excellence in all programs, curricular and co-curricular.
Result #1: Curricula, instruction and assessments are aligned and articulated.
Action (In Progress) Course Of Study revisions: <ul style="list-style-type: none"> • Guidance • Foreign Language Course Of Study alignment and pacing: <ul style="list-style-type: none"> • Math K-8 • Social Studies K-12 Course Of Study rewrite: <ul style="list-style-type: none"> • 6-8 Technology Practice alignment: <ul style="list-style-type: none"> • K-12 writing assessments
Result #2: Data guides instruction, appropriate to an individual's skills, needs and developmental stages.
Action (Completed 2009) New staff: <ul style="list-style-type: none"> • 2 tutors at KIS for Response to Intervention data tracking and student intervention Acquisition: <ul style="list-style-type: none"> • New laptops for district tutoring staff used to maintain and monitor student progress • New electronic IEP program purchased Action (In Progress) New implementation: <ul style="list-style-type: none"> • AIMSweb data tracking and progress monitoring 6-8 Practice alignment: <ul style="list-style-type: none"> • K-12 Response to Intervention /Intervention Assistance Team data tracking
Result #3: A rigorous curriculum ensures that every student is appropriately challenged and learning at his/her highest level.
Action (Completed 2009) New course 09-10: <ul style="list-style-type: none"> • Grade 8 Honors Science (for HS credit) Action (In Progress) New course development 10-11: <ul style="list-style-type: none"> • 9th grade World History Honors • Freshman Transition
Result #4: Multiple assessments provide student driven data necessary to communicate progress in each child's growth and development.
Action (In Progress) Professional Development: <ul style="list-style-type: none"> • Formative assessment training provided to cadre of 35 district teachers
Result #5: Rocky River students are prepared to succeed in an increasingly interconnected and competitive world.
Action (Completed 2009) <ul style="list-style-type: none"> • Acquisition: 30 new computers in each GPS and KIS labs • Video streaming of WVIZ content enabled at RRHS

Strategic Objective: Facilities
Strategy: Provide facilities to meet our mission.
Result #1: Recommendations from the facility study for repairs and updates to district facilities are complete.
Action (Completed 2009) <ul style="list-style-type: none"> Review and update of assessment of district facilities completed by Project and Construction Services, Inc. (PCS). The assessment cited over \$13,000,000 in repairs that are needed to maintain safe, warm, and dry facilities. The assessment did not include additions or facility upgrades to meet the needs of 21st century learning.
Result # 2: A facilities master plan provides a blueprint for buildings that support student success.
Action (Completed 2009) <ul style="list-style-type: none"> Burt, Hill Architects led three community engagements during the spring of 2009. The engagements focused on the following primary topics: Academics and Technology, Athletics and Activities, and Fine Arts and Music. Community telephone survey of 400 residents was conducted in early December of 2009 by Triad Research to gauge the level of community support for a bond issue to renovate and/or add new learning environments. Action (In Progress) <ul style="list-style-type: none"> An additional community engagement is planned for January 2010 and will be facilitated by Triad Research. The facilities master plan is currently under consideration and will be finalized in January 2010 prior to the initiation of a bond issue. The master plan will recommend facilities that are globally competitive for all students.
Result #3: District facilities meet instructional and operational technology needs for all students, faculty, staff and administrators.
Action (In Progress) <ul style="list-style-type: none"> Technology infrastructure, equipment, and software are included in facility discussions. Significant work needs to be considered in the area of technology to make our school globally competitive.
Result #4: A facilities master plan provides a blueprint for non-instructional buildings and services (transportation, maintenance, Beach, Wooster and Board of Education Offices).
Action (In Progress) <ul style="list-style-type: none"> Non-instructional buildings are included in facility discussions. The facilities assessment by PCS includes the necessary repairs that are needed for the non-instructional buildings to be warm, safe, and dry. The new facilities master plan is considering several options for non-instructional buildings.
Result #5: The capital improvement plan uses federal, state, local and non-traditional funding sources.
Action (In Progress) <ul style="list-style-type: none"> Ohio School Facilities Commission (OSFC) funding is not an option for the Rocky River City Schools at this time. OSFC funding will only be available to the Rocky River Schools if the district becomes eligible for funding a full project or if the laws that govern the funds change. At this time the Rocky River Schools OSFC eligibility rank is 595 out of 612 for funding of 2% (\$279,821). The Board of Education and administration are seeking private and public partnerships to address facility needs. The City of Rocky River has been approached to partner with the school district for the development of a turf sports field at Rocky River Middle School and the replacement of the all-weather track at Rocky River High School. The Board of Education is seeking a financial contribution for the joint use partnership. An additional private public partnership is currently in progress for the replacement of the public address (PA) system at the Rocky River High School stadium in the summer of 2010. A resident has offered a donation for a new PA system. Booster clubs are conducting fundraisers to add to the donation.

Strategic Objective: Finance
Strategy: Provide traditional and non-traditional fiscal resources to meet our mission.
Result #1: Alternative revenue streams supplement traditional funding sources for all District programs.
Action (Completed 2009) <ul style="list-style-type: none"> American Express Corporate Card program for District purchasing earns dollars (\$1,000 to date). Agreement with Magnificat High School for use of our stadium field for Girls' Soccer. District retains admission charges and the Rocky River Boosters operates concession stands and keeps the proceeds. Cell tower lease agreement with AT&T that produced \$30,000 in upfront rental payments (for the first two years) and will produce an additional \$15,000 per year in years three –five. Registration for district-hosted professional development opportunities opened to surrounding districts thus reducing PD costs for our district. Action (In Progress) <ul style="list-style-type: none"> Business and Science Departments at RRHS began a program that allows business students to sell outdated former editions of AP Science Books on eBay. Proceeds are split between the two departments Public/Private partnerships and shared services are explored with outside entities. Enroll the District in the new Upromise program that results in additional funding directly to the District as well as helping parents secure additional dollars for their children's post-secondary education
Result #2: Operational efficiencies and cost-containment measures are instituted to optimize resources for District programs.
Action (Completed 2009) <ul style="list-style-type: none"> Contracted with a new third-party administrator to administer Section 125 employee flexible benefit plan that will save the District approximately \$6,000 - \$10,000 per year while providing for additional voluntary (100% employee-paid) benefits. Issued \$60,500 in General Obligation Notes using the unobligated portion of its bond retirement fund (i.e. internal borrowing) to purchase 60 computers to replace 8+ year old computers located at Goldwood and Kensington labs at a very minimal transaction cost and at an annual borrowing rate of only 2%. Shifted significant purchasing activity to Staples for office supplies and certain instructional supplies in order to take advantage of a 10% - 20% savings in this area through the Ohio Schools Council contract. The District is also evaluating cleaning and maintenance supplies purchasing through this same contract for additional savings. Contracted with an outside consultant to review our telecommunication billings. Realized savings of approximately \$13,000 annually starting next year. Entered into an electric energy purchase agreement with Duke Energy through the Ohio Schools Council group contract resulting in an approximate annual savings of \$90,000. Substitute coding revised to facilitate analysis of expenditures. Staff attendance tracking enhanced to include professional leave.
Result #3: The community is informed on the District's financial status and the Ohio school finance environment.
Action (In Progress) <ul style="list-style-type: none"> Monthly finance committee meeting updates are provided for the community on the financial inter-workings of the District.
Strategic Objective: Human Resources
Strategy: Recruit, hire and retain exceptional staff and provide professional development to accomplish our mission and strategic objectives.
Result #1: The Rocky River Local Professional Development Committee researches, promotes and communicates available, pertinent professional development opportunities.
Action (Completed 2009) 09-10 Opportunities:

<ul style="list-style-type: none"> • 4-workshop Autism series, <i>A Deeper Understanding</i> • Tech I Certification course • Atomic Learning (online video tutorials) purchased for all district staff <p>Action (In Progress) 09-10 Opportunities:</p> <ul style="list-style-type: none"> • Align, Assess, Achieve formative assessment training • Wilson Reading System® Level I Certification for 11 certified staff members • New Teacher Transition Program opportunities for qualified staff • Tech II Certification courses
Result #2: Collaborative opportunities are provided in each building during the workday.
<p>Action (Completed 2009)</p> <ul style="list-style-type: none"> • Rocky River High School Professional Learning Community was expanded to 27 weekly department meetings.
Result #3: Administrators research, promote and communicate available, pertinent training opportunities for non-certified employees.
<p>Action (Completed 2009)</p> <ul style="list-style-type: none"> • Tech I Certification courses (4 non-certified staff members enrolled) • Atomic Learning (online video tutorials) available for non-certified staff • Non-certified Staff Tech Inservice on NEOEA Day (15 participants) • Non-certified Staff Adobe Acrobat Inservice (17 participants) • New website Content Management System Inservice (20 participants) • Website Inservice with company representative (5 participants) • Individual Non-certified Staff Inservices (12 different sessions) <p>Action (In Progress)</p> <ul style="list-style-type: none"> • Tech II Certification courses (4 non-certified Staff members enrolled)
Result #4: A comprehensive approach is in place to assure the district continues to recruit and hire exceptional employees.
<p>Action (Completed 2009)</p> <ul style="list-style-type: none"> • Positions posted on District website • Online application process • Advertise in newspapers, Ohio colleges, and professional organizations • Three-tiered interview format used to identify top candidates
Result #5: Exceptional employees choose to make a long-term commitment to the district.
<p>Action (In Progress) Master Teacher Program:</p> <ul style="list-style-type: none"> • Recognition of honor given to 10 certified district staff members to date

Strategic Objective: Technology
Strategy: Ensure availability of technology and training necessary to support achievement of our mission and strategic objectives.
Result #1: All students have equal access and opportunities to use technology.
<p>Action (Completed 2009)</p> <ul style="list-style-type: none"> • New 30 iMac computer lab at Goldwood. • New 30 iMac computer lab at Kensington. • 12 year old iMacs replaced with 8 year old eMacs in Goldwood and Kensington classrooms
Result #2: A culture is established where technological literacy is expected at all levels of the organization.
<p>Action (Completed 2009)</p> <ul style="list-style-type: none"> • 36 new laptops purchased for special education and other staff.

- District license purchased for Atomic Learning (online technology video tutorials).
- Special Services Education Module implemented and special education staff members inserviced (special education forms / reporting software)
- Tech I Certification Course offered

Action (In Progress)

- New website launched and Content Management System inservices conducted for certified and classified staff.
- Ongoing Certified and Classified technology inservices
- District Web 2.0 tools implemented: Moodle, Google Apps for Education
- Tech II Certification Courses
- More consistent use of Trouble Trakker by staff to report technology issues.
- Staff Development Needs Assessment

Result #3: A dynamic, comprehensive infrastructure exists that supports teaching and learning.

Action (In Progress)

- Maintain a system of infrastructure support and maintenance in support of technology.
- Provide adequate opportunities for students and staff to share data, files, research and information effectively and efficiently.

In addition to the above, the following financial goals will be addressed:

- To effectively use District resources to assure the highest quality educational program while attempting to meet the District’s three year financial plan. This includes working towards successfully managing funds that will be generated from the additional 5.9 mill property tax levy that was passed in March of 2008 to support the District’s programming by providing financial stability for the next three years as planned. This will be accomplished by developing, monitoring and adjusting short-term and long-term financial projections and expenditures focusing on the use of general funds to ensure a balanced budget.
- To continue to educate the electorate of the District on the District’s financial situation and its impact on the future prosperity and financial stability of the District.
- To receive the GFOA Certificate of Achievement for Excellence in Financial Reporting for this fiscal year 2009 CAFR.
- To continue to enhance the District’s budget and financial planning information for citizens; to communicate the District’s dependence on local taxpayer support and current issues with the State of Ohio’s “Evidence-Based Model” school financing structure based on the House Bill 1 legislation that became effective on July 1, 2009.
- To continue to assure the District’s property tax base remains strong and stable by working thorough economic issues with city government, the business community and individual property owners.
- To further engage the community regarding the District’s Master Plan for facilities and to secure funding for this plan. The primary source of funds for this plan is expected to be a bond issue that would be placed on the ballot for the May 2010 election, although a component of the funding plan is expected to be provided by various resources obtained through strategic partnerships with private and other public entities.

Prospects for the Future

The funding structure of public education in Ohio poses a challenge to Districts. There is very little in the current state funding structure which allows Districts to receive additional revenues relative to inflationary pressures. Boards of education throughout Ohio must put issues on the ballot for voter approval in order to receive significant additional revenues. The District passed a 5.9 mill operating levy in March 2008. Collection of the new levy began in January 2009. The additional revenue from this levy, originally projected to produce approximately \$4.3 million annually, is planned to stabilize the District's local funding for three years. Ohio law requires once a school levy is passed, that levy may not generate additional tax revenue as a result of reappraisal or reassessment (i.e. inflationary growth). Consequently, tax levies, if approved by voters, essentially provide a fixed source of revenue with no inflationary growth on those voted mills going forward.

Effective July 1, 2009, the State of Ohio passed landmark education reform in the form of HB 1 that began to implement an "Evidenced Based Model" for education funding. Unfortunately, due to the State's current financial condition and the state of the economy in general, many of the funding reforms will not be fully funded until at least fiscal year 2012 and most likely will not be fully funded until sometime after fiscal year 2012. For District's such as Rocky River with relative property and median income wealth, there is no significant change in the overall state funding as compared to recent history and, in fact, the District has incurred some slight funding loss for fiscal year 2010 as compared to fiscal year 2009. Fortunately the District, like most others, was the beneficiary of additional federal funding through the American Reinvestment and Recovery Act of 2009 that provided targeted funding for special education and disadvantaged student programs that will last through fiscal year 2011.

Some of the District's facilities are in need of significant repairs and remodeling/redesign to be brought up to acceptable standards. Since the District does not have a dedicated revenue stream or other resources to address these issues, the Board of Education is contemplating a bond issue and exploring the possibility of entering into strategic partnerships with outside entities in order to secure the necessary funding to address these needs. The Board of Education has taken a very measured and thoughtful approach to this issue by way of developing a strategic plan that addresses the educational and operational needs of the District going forward for the next 5 – 10 years and, as part of that plan, determining what the exact capital needs will be to achieve the objectives of that plan. As of the date of this report, the Board is in the community engagement phase of this capital planning project and is actively surveying the community to determine what they would be willing to support and to identify what is expected of the District's facilities going forward. If the Board decides to go forward with such an endeavor, the District will need to place a bond levy issue on the ballot in May of 2010 to fund the majority of this project while working with outside entities in order to partner with them to help fund some specific components of the proposed capital plan.

Financial Information

Internal Accounting and Budgetary Control: In developing the District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing the financial statements and maintaining the accountability of assets. The concept of reasonable assurance is based on the assumption the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for the fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level for all District funds. All non-site-based purchase order requests must be approved by the Executive Director of Human Resources and Support Services and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations to date.

In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible.

As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy making roles are covered by a separate, higher limit bond.

The basis of accounting and the various funds utilized by the District are fully described in Note 2 of the financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

Financial Reporting

This is the ninth year the District has prepared financial statements following GASB Statement No. 34 "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments". GASB Statement No. 34 creates basic financial statements for reporting on the District's financial activities as follows:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

Fund financial statements: These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Fiduciary funds use the accrual basis of accounting.

Statements of budgetary comparisons: These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis (MD&A) of the District. This discussion is presented in the financial section of this report and provides an assessment of the District finances for fiscal year 2009. This transmittal letter is intended to be read in conjunction with the District's MD&A.

Independent Audit

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Mary Taylor, CPA, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2009. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the year 1979.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting to the Rocky River City School District for its comprehensive annual financial report (CAFR) for the year ended June 30, 2008.

This was the eighteenth year that the Rocky River City School District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. This Certificate is the highest form of recognition available for governmental accounting and financial reporting. Attainment of this Certificate represents a substantial accomplishment for any governmental entity.

Acknowledgments

The publication of this report continues in the District's tradition of providing a high level of accountability of the District's finances to taxpayers, investors and other internal and external users of such information. This accomplishment would not have been possible without the support and efforts of the entire Treasurer's office staff of Joyce Younglas, Greta Coleman, Janice Denham, Margaret Donnelly and Betsy Lauer as well as administrators and other employees of the District. Assistance of the County Auditor's office staff and other outside agencies made possible the fair presentation of statistical data provided in this report.

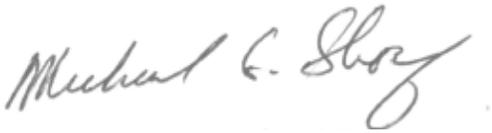
Special thanks are extended to the CPA firm of Julian & Grube, Inc. for their technical assistance in preparing this report as well as to Dr. Dianna Foley, the District's Coordinator of Communications and Technology, for designing the covers and divider pages of this report.

The Board of Education's commitment to excellence to the District in general, and support for this project in particular, are sincerely appreciated.

Respectfully Submitted,



Greg R. Markus, CPA
Treasurer/CFO



Michael G. Shoaf, Ed.D.
Superintendent of Schools

Rocky River City School District

Principal Officials

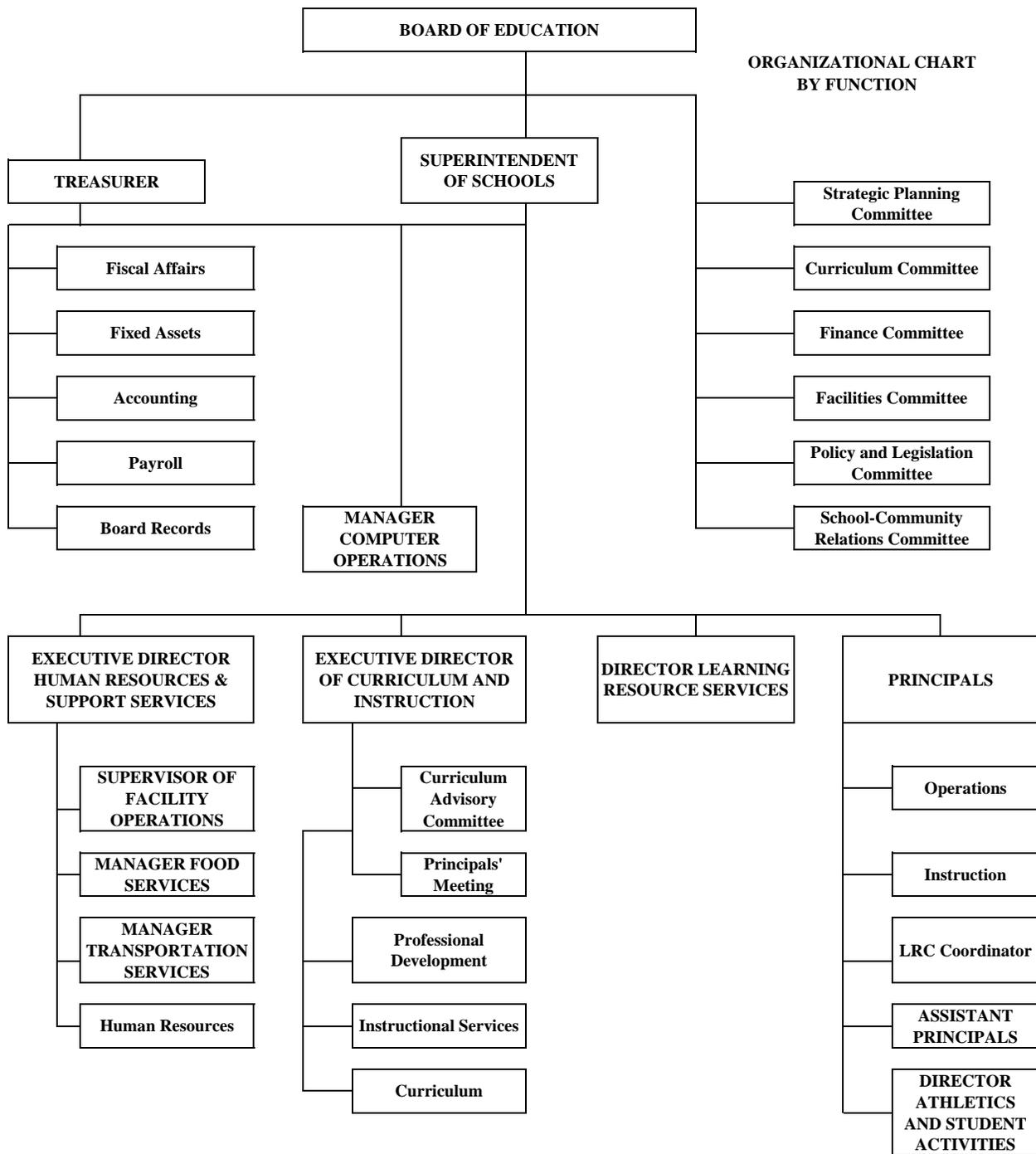
June 30, 2009

Board of Education

Jay Milano..... President
Kathleen Goepfert Vice-President
Jean A. Rounds.....Member
James D. SchiedaMember
Scott E. Swartz.....Member

Administration

Michael G. Shoaf, Ed.D Superintendent
Elizabeth Anderson Executive Director of Curriculum and Instruction
Ted Blank.....Executive Director of Human Resources and Support Services
Greg R. Markus, CPA Treasurer



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Rocky River City
School District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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



A handwritten signature in black ink, appearing to read "M. L. R. R. T."

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2009

Financial Section



ROCKY RIVER CITY SCHOOL DISTRICT
Cuyahoga County, Ohio



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Rocky River City School District
Cuyahoga County
21600 Center Ridge Road
Rocky River, Ohio 44116

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rocky River City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Rocky River City School District, Cuyahoga County, Ohio, as of June 30, 2009, and the respective changes in financial position thereof and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the District restated the July 1, 2008 net assets of the governmental activities and the General Fund and Other Governmental Funds fund balances due to the elimination of the business-type activities and the internal service fund.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

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

Mary Taylor, CPA
Auditor of State

December 28, 2009

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

The discussion and analysis of Rocky River City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2009 are as follows:

In total, net assets of the governmental activities increased \$1.7 million from a balance of \$7.9 million at June 30, 2008 (as restated - see Note 3.A) to \$9.6 million at June 30, 2009.

Total governmental activities revenues increased \$2.7 million primarily due to an increase in property tax revenue and an increase in grants and entitlements. The revenue increase is further explained on page 25.

Total governmental activities expenses increased \$.8 million or 2.25 percent. The increases were largely in instruction and operations and maintenance of plant.

Program revenue, revenue from specific fees and grants, decreased to 10.79 percent of all revenue from 11.33 percent in 2008. Eighty-nine percent of governmental activities revenues come from general revenues, primarily property taxes.

Total capital assets, net decreased from \$25.6 million at June 30, 2008 (as restated - see Note 3.A) to \$24.7 million at June 30, 2009. This occurred as depreciation expenses more than offset new capital assets.

The District's outstanding long-term obligations decreased to \$20.8 million at June 30, 2009 from \$22.6 million at June 30, 2008 (as restated - see Note 3.A).

The District's major governmental funds are the general fund, bond retirement fund and permanent improvement fund. The general fund had \$31.0 million in revenues and \$29.6 million in expenditures and other financing uses. During fiscal 2009, the general fund's fund balance increased \$1.4 million from a deficit balance of \$1.7 million to a deficit balance of \$.3 million.

The bond retirement fund had \$3.5 million in revenues and \$3.1 million expenditures. During fiscal 2009, the bond retirement fund's fund balance increased \$.4 million from \$4.1 million to \$4.5 million.

The permanent improvement fund had \$.1 million in revenues and \$.2 million expenditures. During fiscal 2009, the permanent improvement fund's fund balance decreased \$.1 million from \$.2 million to \$.1 million.

Using this Comprehensive Annual Financial Report (CAFR)

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

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

Reporting the District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2009?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

The statement of net assets and the statement of activities include the District's programs and services, including instruction, support services (which includes the operation and maintenance of plant and pupil transportation), extracurricular activities and food service operations.

The District's statement of net assets and statement of activities can be found on pages 37-38 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, bond retirement debt service fund and the permanent improvement capital projects fund.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)

Governmental Funds: Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end, available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District's general government operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 39-42 of this report.

The District as a Whole

During the fiscal year, the District restated fund balances of the governmental funds to report certain fund reclassifications. The District has reclassified funds previously reported as enterprise funds to governmental funds and the internal service fund to a component of the general fund. These fund reclassifications were made to better report the activities and purposes of the funds (see Note 3.A. for more detail). Recall the Statement of Net Assets provides the perspective of the District as a whole. The Statement of Net Assets presents information on the Governmental Activities of the District. Table 1 provides a summary of the District's Governmental Activities net assets for 2009 compared to the two prior years.

TABLE 1
Net Assets
(In millions)

	Governmental Activities <u>2009</u>	Restated Governmental Activities <u>2008</u>	Restated Governmental Activities <u>2007</u>
<u>Assets</u>			
Current and other assets	\$ 33.8	\$ 32.4	\$ 31.6
Capital assets, net	<u>24.7</u>	<u>25.6</u>	<u>27.3</u>
Total assets	<u>58.5</u>	<u>58.0</u>	<u>58.9</u>
<u>Liabilities</u>			
Current liabilities	28.1	27.5	26.4
Long-term liabilities	<u>20.8</u>	<u>22.6</u>	<u>24.4</u>
Total liabilities	<u>48.9</u>	<u>50.1</u>	<u>50.8</u>
<u>Net Assets</u>			
Invested in capital assets, net of related debt	10.2	9.0	8.7
Restricted	4.9	4.9	4.2
Unrestricted (deficit)	<u>(5.5)</u>	<u>(6.0)</u>	<u>(4.8)</u>
Total net assets	<u>\$ 9.6</u>	<u>\$ 7.9</u>	<u>\$ 8.1</u>

Total Assets increased by \$.5 million. Current assets (primarily taxes receivable) increased \$1.4 million and capital assets decreased by \$.9 million as depreciation expense more than offset capital additions.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

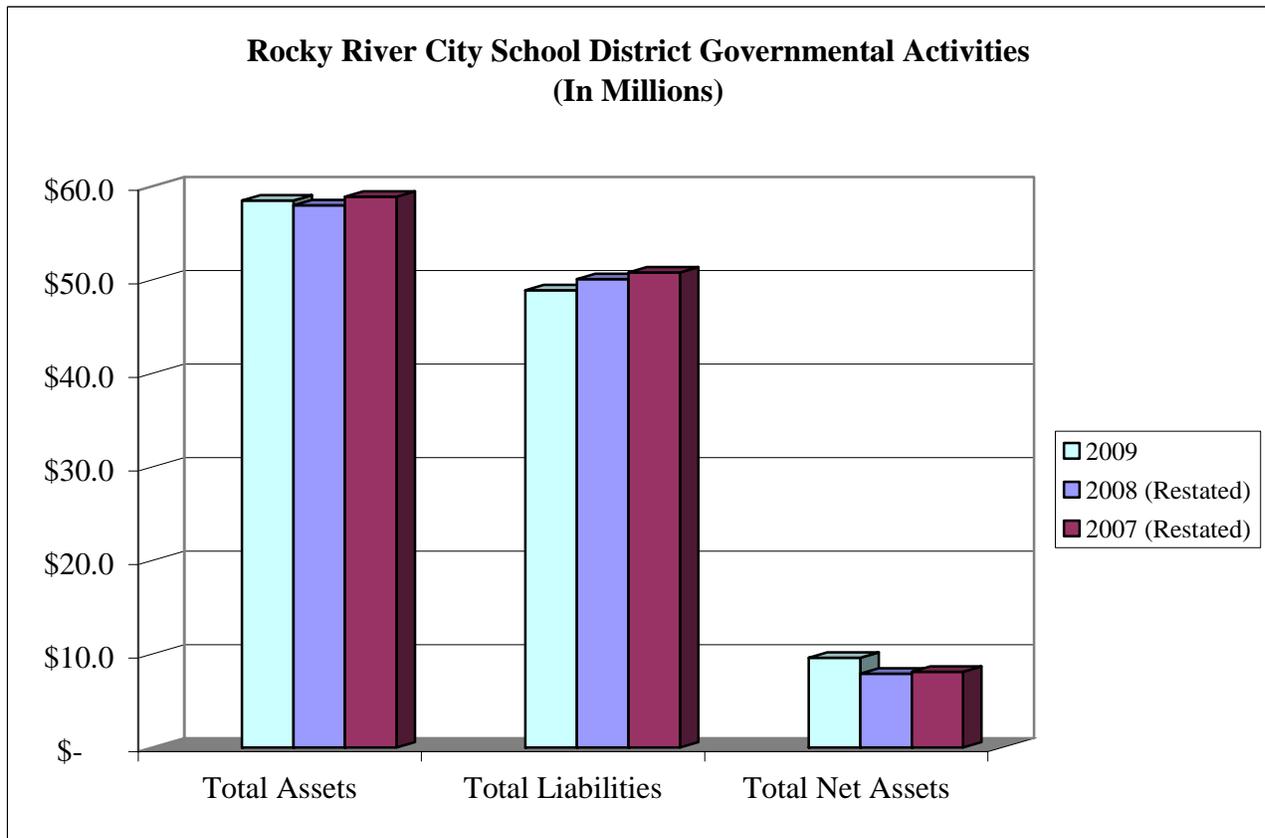
Total Liabilities decreased by \$1.2 million. Long-term liabilities decreased \$1.8 million and other liabilities (primarily of accrued wages and benefits and unearned revenue) increased by \$.6 million.

The unrestricted (deficit) portion of net assets of \$5.5 million at June 30, 2009 was a decrease of \$.5 million from June 30, 2008 (as restated - see Note 3.A).

Graph 1 below shows the District's governmental activities assets, liabilities and net assets for fiscal year 2009, 2008 and 2007. Amounts for 2008 and 2007 have been restated to conform to 2009 presentation resulting from fund reclassifications described in Note 3.A).

Graph 1
Net Assets Governmental Activities
(In millions)

	2009	2008 (Restated)	2007 (Restated)
Total Assets	\$58.5	\$58.0	\$58.9
Total Liabilities	48.9	50.1	50.8
Total Net Assets	\$9.6	\$7.9	\$8.1



Governmental Activities

The District's assets increased by \$.5 million, and total liabilities decreased by \$1.2 million. As a result, net assets increased \$1.7 million at the end of fiscal year 2009.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

Table 2 below shows the changes in governmental activities net assets for fiscal year 2009, 2008 and 2007. Amounts for 2008 and 2007 have been restated to conform to 2009 presentation resulting from fund reclassifications described in Note 3.A).

Table 2
Changes in Net Assets
(In millions)

	Governmental Activities		
	2009	Restated 2008	Restated 2007
Revenues			
Program Revenues:			
Charges for Services and Sales	\$1.4	\$1.4	\$1.4
Operating Grants and Contributions	2.7	2.5	2.5
Capital Grants and Contributions	0.0	0.1	0.0
<i>Total Program Revenues</i>	<u>4.1</u>	<u>4.0</u>	<u>3.9</u>
General Revenues:			
Property Taxes	27.8	25.6	25.7
Grants and Entitlements	5.9	5.1	4.6
Other	0.2	0.6	0.8
<i>Total General Revenues</i>	<u>33.9</u>	<u>31.3</u>	<u>31.1</u>
<i>Total Revenues</i>	<u>38.0</u>	<u>35.3</u>	<u>35.0</u>
Program Expenses			
Instruction	19.2	18.9	18.4
Support Services:			
Pupils and Instructional Staff	2.7	2.8	2.6
Board of Education, Administration, Fiscal and Business	3.4	3.5	2.6
Operation and Maintenance of Plant	4.0	3.5	3.2
Pupil Transportation	1.6	1.6	1.5
Central	0.8	0.7	0.9
Operation of Non-Instructional Services:			
Food Service Operations	0.4	0.5	0.5
Other Non-Instructional Services	1.7	1.6	1.6
Extracurricular Activities	1.3	1.2	1.1
Interest and Fiscal Charges	1.2	1.2	1.3
<i>Total Expenses</i>	<u>36.3</u>	<u>35.5</u>	<u>33.7</u>
<i>Increase (Decrease) in Net Assets</i>	1.7	(0.2)	1.3
<i>Net Assets, July 1 (restated)</i>	<u>7.9</u>	<u>8.1</u>	<u>6.8</u>
<i>Net Assets, June 30</i>	<u><u>\$9.6</u></u>	<u><u>\$7.9</u></u>	<u><u>\$8.1</u></u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
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Total revenue for *governmental activities* increased \$2.7 million primarily due to an increase in tax revenue resulting from the passage of a 5.9 mill operating levy in May 2008 upon which the District began collecting additional taxes in January 2009. In addition, the District had an increase in unrestricted grant and entitlement funding in fiscal year 2009 versus 2008 primarily due to reimbursement from the State of Ohio for lost tangible personal property tax revenue.

Total expenses for *governmental activities* increased \$.8 million.

Instruction expenses increased \$.3 million primarily due to normal and customary wage and benefit increases coupled with increasing healthcare costs. This area accounts for 52.89 percent of District's governmental activities expenses for 2009.

Support services expenses increased \$.4 million primarily due to an increase in operations and maintenance program expenses from increased fuel and utility expenses. In addition, the District saw an increase in Central expenses due to increased community programs. Support services account for 34.44 percent of District's governmental activities expenses for 2009.

Program revenue support for governmental activities increased \$.1 million. The percent of program revenue support stayed approximately the same as in 2008. The vast majority of revenue supporting governmental activities, over 89 percent, continues to be general revenue. Over 73 percent of total revenue, \$27.8 million for 2009 were property taxes paid by the residents in the District. Only \$5.9 million (15.53 percent of total revenue) came from unrestricted state or federal sources (general revenue source).

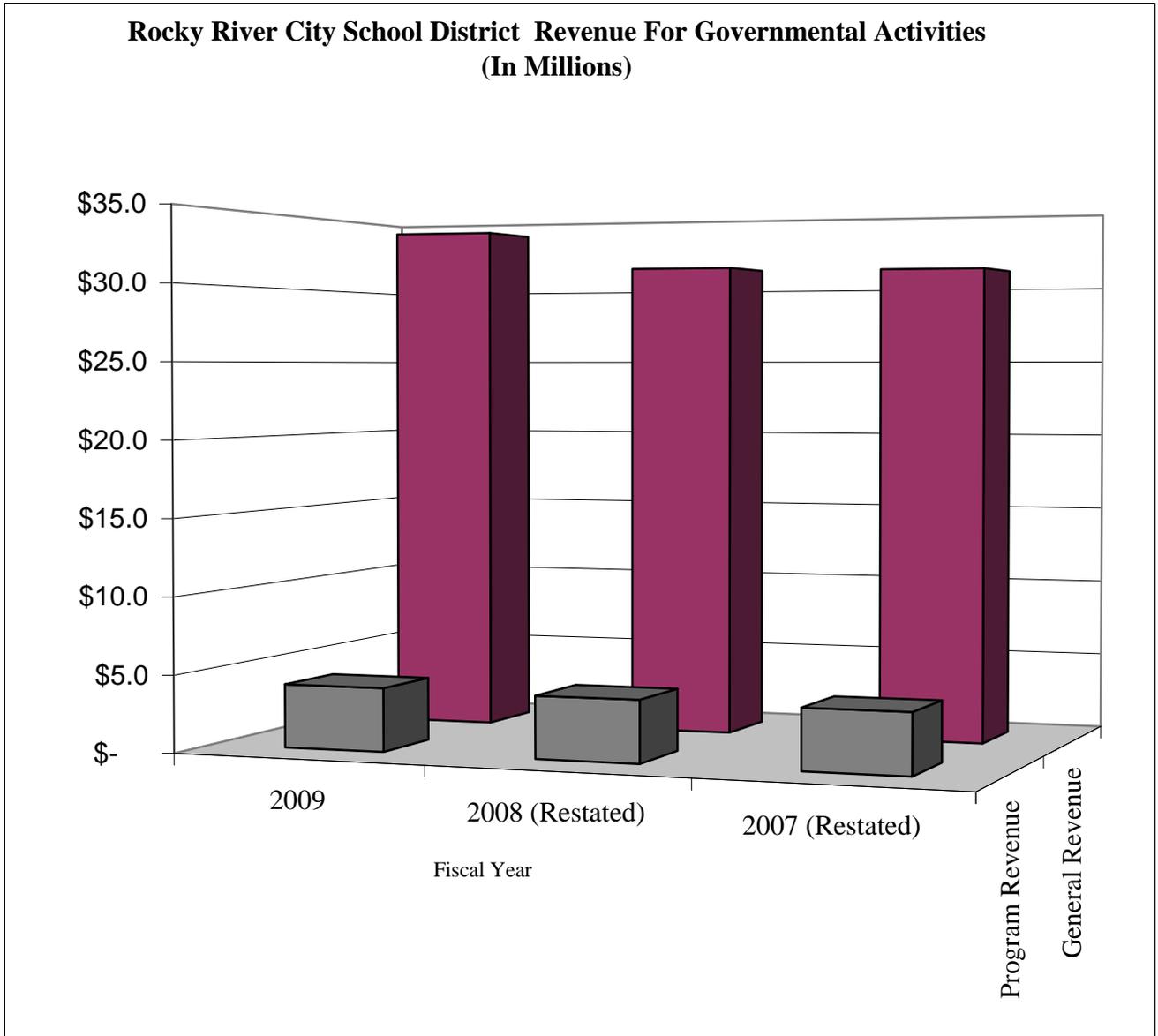
Graph 2 below shows a comparison of program revenues versus general revenue for the governmental activities for fiscal year 2009, 2008 and 2007. Amounts for 2008 and 2007 have been restated to conform to 2009 presentation resulting from fund reclassifications described in Note 3.A).

Graph 2
Revenues for Governmental Activities
(In millions)

	2009	Restated 2008	Restated 2007
Program Revenue	\$4.1	\$4.0	\$3.9
General Revenue	33.9	31.3	31.1

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)



The District's property taxes increased \$2.2 million in 2009 due to the passage of a 5.9 mill operating levy in May 2008 upon which the District began collecting additional taxes in January 2009. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus Districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 73.16 percent of revenues for governmental activities for District in fiscal year 2009.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3 below shows the governmental activities total cost of services and net cost of services for fiscal year 2009, 2008 and 2007. Amounts for 2008 and 2007 have been restated to conform to 2009 presentation resulting from fund reclassifications described in Note 3.A).

Table 3
Governmental Activities
(In millions)

	2009		Restated 2008		Restated 2007	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	19.2	18.1	18.9	17.8	18.4	17.3
Support Services:						
Pupils and Instructional Staff	2.7	2.5	2.8	2.6	2.6	2.4
Board of Education, Administration, Fiscal and Business	3.4	3.4	3.5	3.5	2.6	2.6
Operation and Maintenance of Plant	4.0	3.8	3.5	3.4	3.2	3.0
Pupil Transportation	1.6	1.4	1.6	1.4	1.5	1.4
Central	0.8	0.7	0.7	0.7	0.9	0.9
Operation of Non-Instructional Services:						
Food service Operations	0.4	0.0	0.5	0.1	0.5	0.1
Other Non-Instructional Services	1.7	0.2	1.6	0.0	1.6	0.0
Extracurricular Activities	1.3	0.9	1.2	0.8	1.1	0.8
Interest and Fiscal Charges	1.2	1.2	1.2	1.2	1.3	1.3
Total	\$36.3	\$32.2	\$35.5	\$31.5	\$33.7	\$29.8

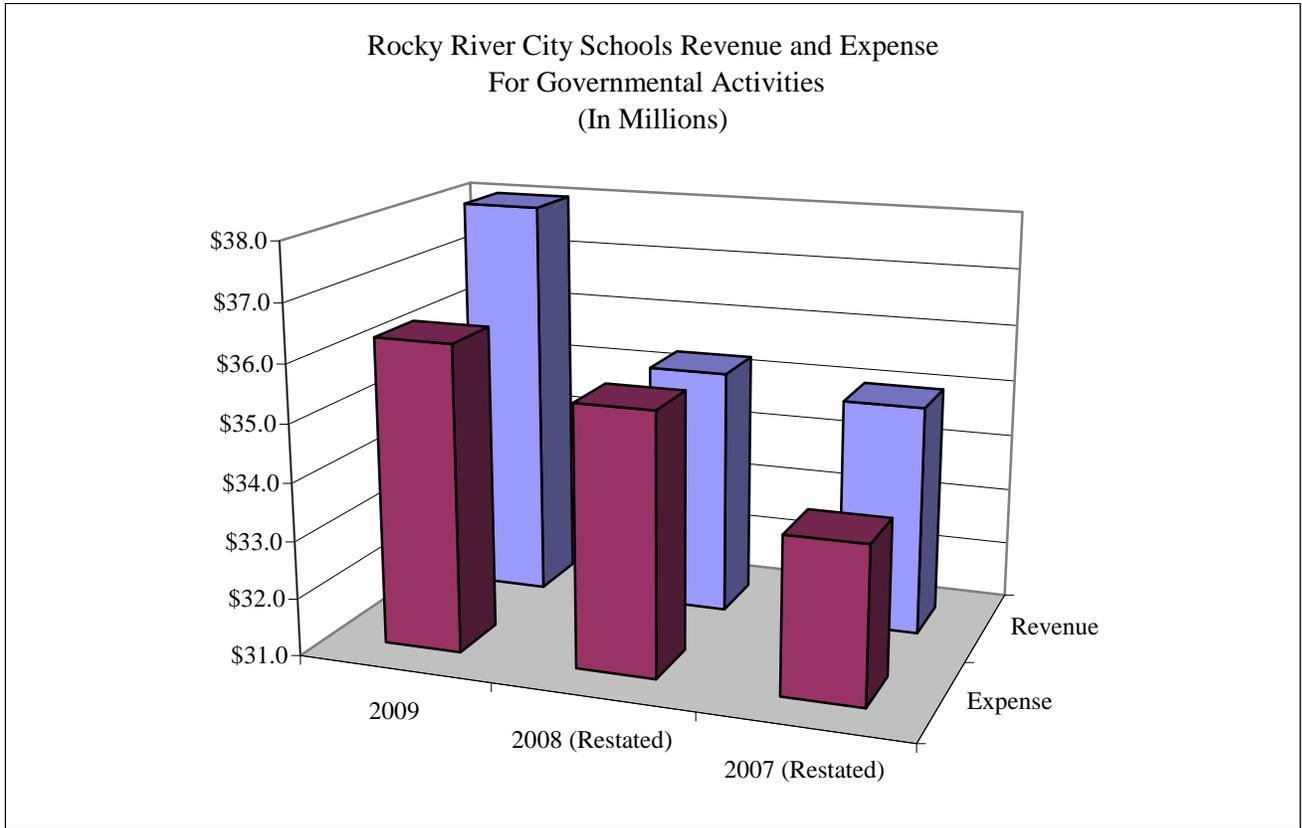
Graph 3 below shows the governmental activities revenues and expenses for fiscal year 2009, 2008 and 2007. Amounts for 2008 and 2007 have been restated to conform to 2009 presentation resulting from fund reclassifications described in Note 3.A).

Graph 3
Revenue and Expense for Governmental Activities
(In millions)

	2009	Restated 2008	Restated 2007
	Revenue	\$38.0	\$35.3
Expense	36.3	35.5	33.7

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**



Program revenue for governmental activities in 2009 was \$4.1 million or 10.79 percent of all revenue. For 2008, program revenue was \$4.0 million, or 11.33 percent of all revenue. The largest expense area was instruction, comprising \$19.2 million, 52.89 percent of all governmental activity expenses.

The District's Governmental Funds

The District's major governmental funds are reported on pages 39 and 41. All governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$38.4 million and expenditures of \$37.2 million. The net change in fund balance for the year was most significant in the general fund. The general fund balance increased by \$1.4 million primarily due to an increase in tax revenue as a result of the passage of a 5.9 mill operating levy in May 2008. Collection of the new taxes began in January 2009. In addition, the general fund had an increase in intergovernmental-state revenue due to reimbursement from the State of Ohio for lost tangible personal property tax which was phased-out. The only significant expenditure increase in the general fund was in the area of regular instruction which increased approximately 4% due to normal and customary wages and benefit increases coupled with increased health insurance costs.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

General Fund Budgeting Highlights

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

During the course of fiscal 2009, the District amended its general fund budget numerous times, none significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, budget basis revenue was \$30.0 million, slightly below original budget estimates of \$30.2 million. This difference was primarily due to lower than anticipated property tax revenue.

Total expenditures on the budget basis (cash outlays plus encumbrances) were \$29.9 million. Actual expenditures were \$.1 million greater than original budgeted expenditures and \$.1 million less than final budgeted expenditures. The actual expenditures were less than the final budgeted amounts primarily due to less than anticipated spending on support services.

The general fund budgetary statement can be found on page 43.

Capital Assets and Debt Administration

Capital Assets

The District restated capital assets due to the fund reclassifications described in Note 3.A. Table 4 below reports the District's capital assets, net of accumulated depreciation, for fiscal year 2009, 2008 and 2007. Amounts for 2008 and 2007 have been restated to conform to 2009 presentation resulting from fund reclassifications described in Note 3.A).

Table 4
Capital Assets, Net
(In millions)

	Governmental Activities		
	2009	Restated 2008	Restated 2007
Land	\$0.8	\$0.8	\$0.8
Land Improvements	1.3	1.3	1.6
Buildings and Improvements	20.9	22.0	23.8
Furniture and Equipment	1.0	0.9	0.8
Vehicles	0.7	0.6	0.3
<i>Total</i>	\$24.7	\$25.6	\$27.3

At the end of fiscal 2009, the District had \$24.7 million in total capital assets. This is the value of land, land improvements, buildings and improvements, furniture and equipment and vehicles after depreciation is taken off their value. The largest component of these capital assets is buildings and improvements.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
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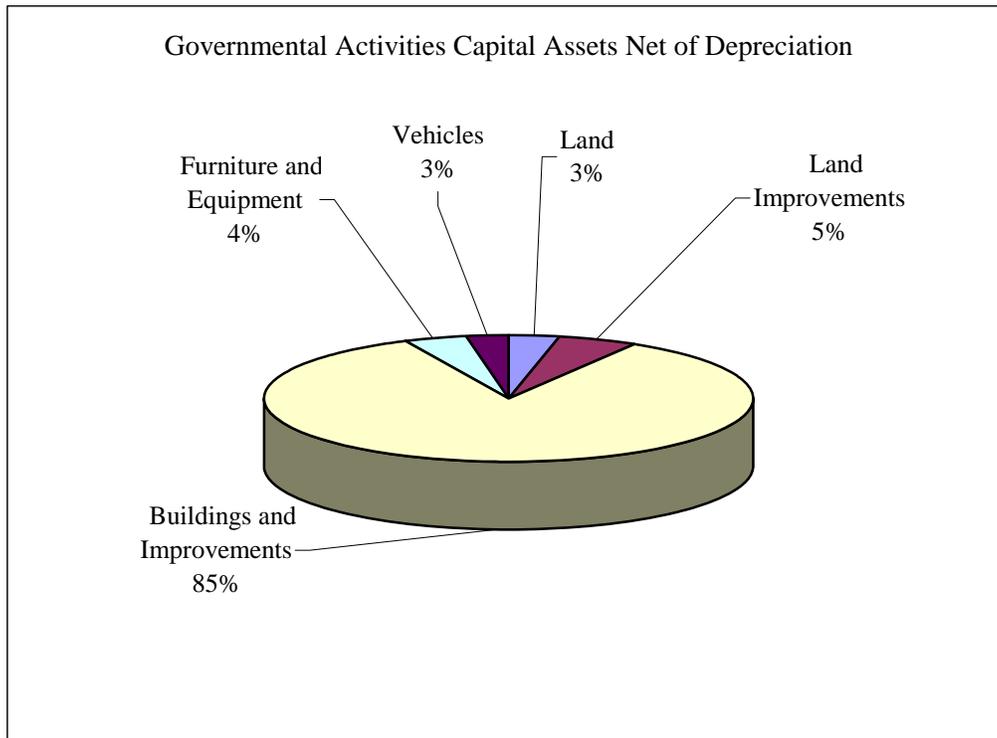
Total capital assets decreased from \$25.6 million in 2008 to \$24.7 million for 2009. This decrease was the result of capital acquisitions not fully offsetting depreciation expense.

For additional information on capital assets, see Note 10 to the basic financial statements.

Graph 5 below shows the governmental activities capital assets by category and the percentage to total assets for each category for capital assets, net at June 30, 2009

Graph 5
Total Governmental Activities Capital Assets, Net
(In millions)

	June 30, 2009
Land	\$0.8
Land Improvements	1.3
Building and Improvements	20.9
Furniture and Equipment	1.0
Vehicles	0.7
Total	\$24.7



**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
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Debt

At June 30, 2009 the District had \$16.5 million in bonds outstanding. Table 5 below summarizes the District's bonds outstanding at June 30, 2009, 2008 and 2007.

Table 5
Outstanding Bonded Debt at Year End
(In millions)

	Governmental Activities		
	2009	2008	2007
School Building General Obligation Bonds	\$13.9	\$15.1	\$16.2
School Building Refunding Bonds	2.6	3.2	3.9
<i>Total</i>	<u>\$16.5</u>	<u>\$18.3</u>	<u>\$20.1</u>

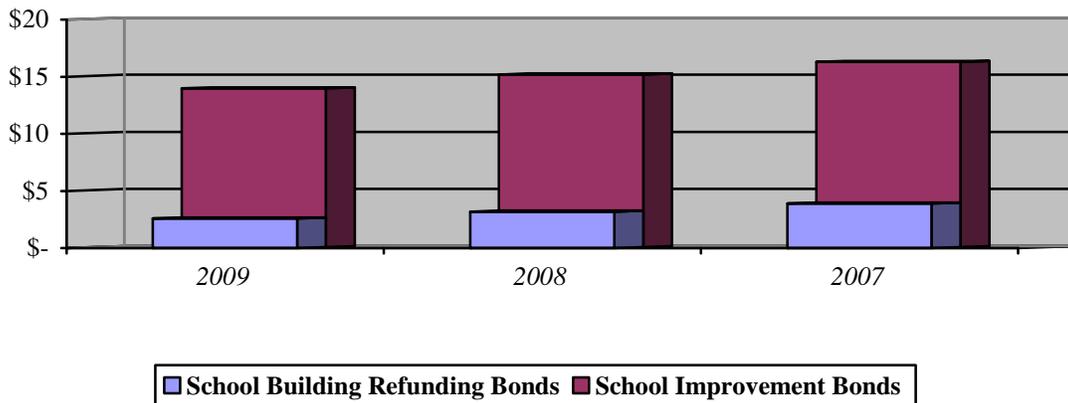
The School Building Improvement Bonds were issued following passage of the bond issue in November 1997. The bonds were issued in February 1998 in the amount of \$24.5 million. The proceeds of the issue funded the construction of the new middle school and renovations of the other facilities in the District.

The School Building Refunding Bonds were issued in September 1996 in the amount of \$10.0 million to advance refund bonds issued in January 1991. The original issue of these bonds followed passage of a bond issue at the regular election held in November 1989.

For additional information on debt, see Note 12 to the basic financial statements. Graph 7 below shows the District's debt outstanding at June 30, 2008, 2007 and 2006.

Graph 7
Outstanding Debt at Year End

Rocky River City School District Outstanding Debt at Year End
(In Millions)



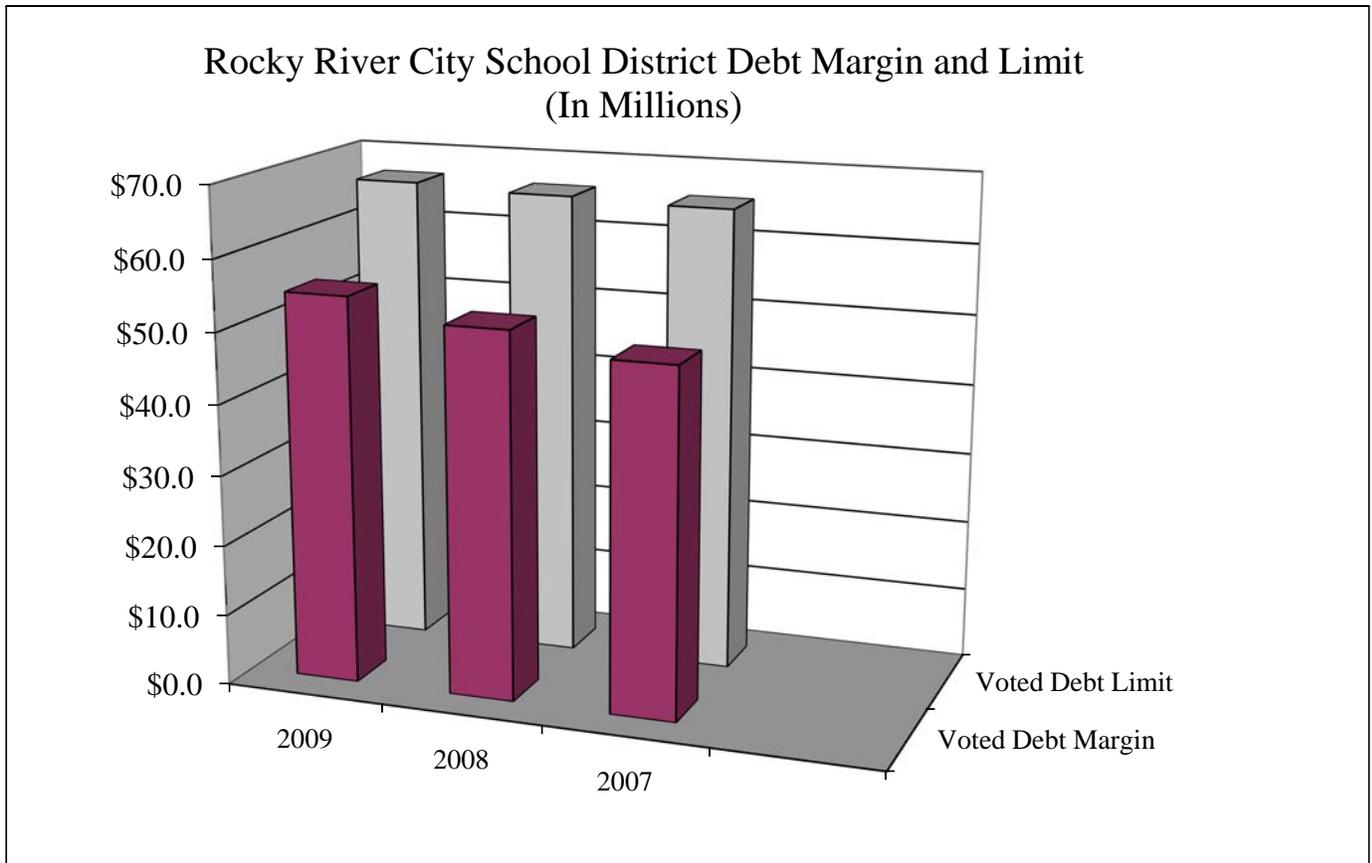
**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

Graph 8 below shows the District's legal debt limit and debt margin at June 30, 2009, 2008 and 2007.

Graph 8
Debt Limit and Margin
(In millions)

	2009	2008	2007
Voted Debt Limit	\$66.8	\$66.1	\$65.6
Voted Debt Margin	54.8	51.9	48.9



**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
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District Outlook

The Rocky River City School District continues to experience many financial challenges based on the current state of the economy and the District's most recent financial issues that have been dealt the District's way over the last several years. As the preceding information shows, the District heavily depends on its property taxpayers. Fortunately, with the passage of a 5.9 mill operating levy in May of 2008 for a continuing period of time, the District is currently in the first year of a three year levy cycle that was planned to enable the District to continue its currently excellent education program level. This new levy is expected to generate approximately \$4.3 million per year with collection starting in January 2009. While the District was successful in increasing its annual tax revenue base by this amount, this increase is a one-time increase. State law fixes the amount of this increase, forcing it to remain nearly constant as time moves forward. Thus, management must diligently plan expenses, staying carefully within the District's available revenue streams.

However, with the continued financial pressures of personnel needs to continue the level of services offered to our students, employee healthcare costs, facilities needs, the continued erosion of the commercial tax base through state tax law changes detrimental to schools (e.g. the "phase out" of the personal property tax) as well as commercial and residential reductions in property values leading to significant lost revenues and an increase in the amount of delinquent taxes due to the housing market and general economic downturn over the past year, this goal will be very challenging to meet. A once healthy General Fund cash balance was brought down to a dangerously low level at the end of fiscal year 2005 and did not significantly improve by the end of fiscal year 2008. The District continued operating with a dangerously low General Fund cash balance during fiscal year 2009 as well, although the District ended the year with a larger balance than it did at the end of fiscal year 2008. Unfortunately, this amount still does not leave much of a "safety net" for the District in the case of less-than-expected revenues and/or higher-than-expected costs going forward.

To this end, the District continued some of the steps during fiscal year 2009 that were started in fiscal year 2006 to stabilize the District's finances for the current fiscal year as well as for fiscal year 2010 and beyond in order to minimize reductions to the District's educational and related programs. Employee negotiations that were completed by May of 2008 became effective for fiscal year 2009 salaries for a three year period that resulted in an average 2.5 percent annual base salary increase over the previous year's salary schedules for the next three fiscal years. This 2.5 percent average increase was also extended to the salaries of all non-bargaining employees, which includes administrators and certain non-teaching personnel. This increase compared very favorably to the almost 3 percent annual increases that were agreed to by many other Districts throughout the local area.

Additionally, the District's management was successful in negotiating meaningful cost sharing and cost controls over the District's employee group medical insurance plan that actually lowered the District's projected premium for fiscal year 2009 by over \$400,000. This will enable the District's plan to be much more competitive in the open market upon renewal time than it had been previously. The District also reduced projected salary costs by hiring in certificated staff replacements at a lower placement on the teacher salary schedule wherever possible. District management held, wherever possible, to zero-growth in fiscal year 2009 non-personnel spending levels as compared to fiscal year 2008 while targeting funds to needed areas such as student technology and textbooks.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

As promised to the voters of the District during March levy campaign, the District included appropriations starting in fiscal year 2009 to bring back items such as new textbooks, classroom supplies, technology purchasing and the like that were drastically cut over the last several years due to our financial condition. One of the major points of focus of the next three-year levy cycle will be the upgrading of the District's student and staff technology, which was a cornerstone of the levy campaign. These items have been addressed in the District's financial plan for fiscal years 2009 – 2011. This will all have to be done while dealing with the economic conditions and other factors outlined above, so the District's management will need to be flexible and creative in managing the District's limited resources to make this happen.

Some of the District's facilities are in need of significant repairs and remodeling/redesign in order to be brought up to acceptable standards. Since the District does not have a dedicated revenue stream or other resources to address these issues, the Board of Education is contemplating a bond issue and exploring the possibility of entering into strategic partnerships with outside entities in order to secure the necessary funding to address these needs. The Board of Education has taken a very measured and thoughtful approach to this issue by way of developing a strategic plan that addresses the educational and operational needs of the District going forward for the next 5 – 10 years and, as part of that plan, determining what the exact capital needs will be in order to achieve the objectives of that plan. As of the date of this report, the Board is in the community engagement phase of this capital planning project and is actively surveying the community as to what they would be willing to support and to determine what is expected of the District's facilities going forward. If the Board decides to go forward with such an endeavor, the District will need to place a bond levy issue on the ballot in May of 2010 in order to fund the majority of this project while working with outside entities in order to partner with them to help fund some specific components of the proposed capital plan.

Educationally, the District continues to perform among the highest level as determined by the State of Ohio, which is measured by an objectively defined set of proficiency criteria. The District's most recent state report card shows its students having met or exceeded the minimum requirements on 29 out of 30 objective performance indicators as mandated by the State of Ohio, therefore receiving an "Excellent with Distinction" designation from the State.

In June 2005, the State Legislature made landmark changes to the State's taxing structure with the passage of House Bill 66 that took effect July 1, 2005. Of the many changes to Ohio's taxing structure, one of the most significant changes was the phase-out of the tangible personal property (TPP) tax on most businesses inventory, manufacturing machinery and equipment, and furniture and fixtures over four years at about 25 percent annually beginning in tax year 2006. Most new manufacturing machinery and equipment that would have been first taxable in tax year 2006 and thereafter will be subject to no TPP tax. Ohio School Districts were to be "held harmless" for lost revenue through tax year 2010 by the State. Reimbursements will then be phased out starting in tax year 2011 through tax year 2017. The District began receiving these "hold harmless" payments in May of 2006. The District continues to be unable to determine what long-term effects, if any, this new taxing structure contained in House Bill 66 will have on future state school funding in general and its specific state funding in particular.

Further, due to the economic recession over the last two years, the State of Ohio has had to institute funding cuts to many areas, including education. While to date there have not been any meaningful reductions to any of our state funding, this is a distinct possibility as the economic conditions around the country, and especially in Ohio, continue to move along their current path or deteriorate even further.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(UNAUDITED)**

Effective July 1, 2009, the State of Ohio passed landmark education reform in the form of HB 1 that begins to implement an "Evidenced Based Model" for education funding. Unfortunately, due to the State's current financial condition and the state of the economy in general, many of the funding reforms will not be fully funded until at least fiscal year 2012 and most likely will not be fully funded until sometime after fiscal year 2012. For District's such as Rocky River with relative property and median-income wealth, there is no significant change in the overall state funding as compared to recent history and, in fact, the District has incurred some slight funding loss as compared to fiscal year 2009. Fortunately the District, like most others, was the beneficiary of additional federal funding through the American Reinvestment and Recovery Act of 2009 that provided targeted funding for special education and disadvantaged student programs that will last through fiscal year 2011.

Contacting the District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, investors, creditors and the general public with an overview of the District's finances and to show accountability for the money it receives. If you have any questions about this report or would like additional financial information about the District, please contact Greg R. Markus, CPA, Treasurer/CFO, Rocky River City School District, 21600 Center Ridge Road, Rocky River, Ohio, 44116-3980 or by email at Markus.Greg@rrcs.org. You may also visit the District's website at www.rrcs.org.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET ASSETS
JUNE 30, 2009

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and cash equivalents.	\$ 4,525,015
Receivables:	
Taxes	28,912,886
Accounts	81,317
Intergovernmental	251,975
Accrued interest	23,993
Materials and supplies inventory.	42,171
Inventory held for resale	11,902
Capital assets:	
Land	770,821
Depreciable capital assets, net.	23,915,804
Total capital assets, net	<u>24,686,625</u>
 Total assets.	 <u>58,535,884</u>
Liabilities:	
Accounts payable.	175,754
Accrued wages and benefits	3,046,862
Pension obligation payable.	725,385
Intergovernmental payable	517,029
Accrued interest payable	90,138
Unearned revenue	23,536,228
Long-term liabilities:	
Due within one year.	3,144,351
Due within more than one year	17,688,434
 Total liabilities	 <u>48,924,181</u>
Net Assets:	
Invested in capital assets, net of related debt.	10,230,730
Restricted for:	
Capital projects	114,950
Debt service.	4,539,127
Locally funded programs	31,851
State funded programs	66,786
Federally funded programs	45,118
Other purposes	108,210
Unrestricted (deficit)	<u>(5,525,069)</u>
 Total net assets	 <u>\$ 9,611,703</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Governmental Activities
Governmental activities:					
Instruction:					
Regular	\$ 14,733,245	\$ 304,643	\$ 108,650	\$ -	\$ (14,319,952)
Special	4,068,587	-	751,431	-	(3,317,156)
Vocational	397,153	-	-	-	(397,153)
Other	29,452	-	-	-	(29,452)
Support services:					
Pupil.	1,861,316	62,949	73,944	-	(1,724,423)
Instructional staff	874,144	-	68,877	-	(805,267)
Board of education	41,586	-	-	-	(41,586)
Administration.	2,150,914	2,272	-	-	(2,148,642)
Fiscal.	757,846	3,186	-	-	(754,660)
Business.	466,440	-	-	-	(466,440)
Operations and maintenance	4,030,992	191,234	-	-	(3,839,758)
Pupil transportation.	1,608,530	83,687	99,680	22,028	(1,403,135)
Central	757,888	12,235	7,937	-	(737,716)
Operation of non-instructional services:					
Food service operations.	446,698	351,342	111,136	-	15,780
Other non-instructional services	1,705,982	31,665	1,491,222	-	(183,095)
Extracurricular activities.	1,206,220	327,396	10,794	-	(868,030)
Interest and fiscal charges	1,195,718	-	-	-	(1,195,718)
Total governmental activities	\$ 36,332,711	\$ 1,370,609	\$ 2,723,671	\$ 22,028	(32,216,403)

General Revenues:

Property taxes levied for:	
General purposes	24,814,979
Debt service.	3,016,324
Grants and entitlements not restricted to specific programs	
Investment earnings	142,032
Miscellaneous	94,749
Total general revenues	33,959,586
Change in net assets	1,743,183
Net assets at beginning of year (restated)	7,868,520
Net assets at end of year.	\$ 9,611,703

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents	\$ 643,791	\$ 3,372,710	\$ 112,291	\$ 396,223	\$ 4,525,015
Receivables:					
Taxes	26,025,581	2,887,305	-	-	28,912,886
Accounts	81,317	-	-	-	81,317
Intergovernmental	160,000	-	-	91,975	251,975
Accrued interest	15,927	-	2,659	5,407	23,993
Interfund loans	28,482	660,000	-	-	688,482
Materials and supplies inventory	39,926	-	-	2,245	42,171
Inventory held for resale	-	-	-	11,902	11,902
Total assets	\$ 26,995,024	\$ 6,920,015	\$ 114,950	\$ 507,752	\$ 34,537,741
Liabilities:					
Accounts payable	\$ 81,481	\$ -	\$ -	\$ 94,273	\$ 175,754
Accrued wages and benefits	3,020,354	-	-	26,508	3,046,862
Compensated absences payable	550,443	-	-	-	550,443
Pension obligation payable	711,735	-	-	13,650	725,385
Intergovernmental payable	499,332	17	-	17,680	517,029
Interfund loan payable	-	-	-	688,482	688,482
Deferred revenue	1,167,474	119,674	668	54,945	1,342,761
Unearned revenue	21,245,495	2,290,733	-	-	23,536,228
Total liabilities	27,276,314	2,410,424	668	895,538	30,582,944
Fund Balances:					
Reserved for encumbrances	267,389	-	20,376	107,973	395,738
Reserved for property tax unavailable for appropriation	3,817,641	476,668	-	-	4,294,309
Reserved for debt service	-	4,032,923	-	-	4,032,923
Reserved for unclaimed monies	12,065	-	-	-	12,065
Unreserved, undesignated (deficit), reported in:					
General fund	(4,378,385)	-	-	-	(4,378,385)
Special revenue funds	-	-	-	157,608	157,608
Capital projects funds	-	-	93,906	(653,367)	(559,461)
Total fund balances (deficit)	(281,290)	4,509,591	114,282	(387,786)	3,954,797
Total liabilities and fund balances	\$ 26,995,024	\$ 6,920,015	\$ 114,950	\$ 507,752	\$ 34,537,741

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2009

Total governmental fund balances		\$ 3,954,797
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		24,686,625
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	\$ 1,078,147	
Interest	6,027	
Intergovernmental	53,587	
Rental	<u>205,000</u>	
Total		1,342,761
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(16,470,932)	
Compensated absences	(3,514,643)	
Lease-purchase obligation	(296,767)	
Accrued interest payable	<u>(90,138)</u>	
Total		<u>(20,372,480)</u>
Net assets of governmental activities		<u><u>\$ 9,611,703</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
From local sources:					
Taxes	\$ 25,018,311	\$ 3,081,553	\$ -	\$ -	\$ 28,099,864
Tuition	73,480	-	-	2,170	75,650
Transportation	3,480	-	-	10,339	13,819
Earnings on investments.	134,301	-	3,447	7,246	144,994
Charges for services	-	-	-	351,342	351,342
Extracurricular.	-	-	-	261,450	261,450
Classroom materials and fees	39,344	-	-	178,250	217,594
Contributions and donations.	1,500	-	-	120,970	122,470
Rentals.	24,720	-	141,008	129,542	295,270
Other local revenues.	145,022	-	-	165,211	310,233
Intergovernmental - State	5,580,351	432,022	-	1,390,135	7,402,508
Intergovernmental - Federal.	-	-	-	1,063,772	1,063,772
Total revenue	<u>31,020,509</u>	<u>3,513,575</u>	<u>144,455</u>	<u>3,680,427</u>	<u>38,358,966</u>
Expenditures:					
Current:					
Instruction:					
Regular	13,849,057	-	12,786	556,112	14,417,955
Special.	3,188,961	-	-	734,251	3,923,212
Vocational.	378,009	-	-	-	378,009
Other	28,300	-	-	-	28,300
Support Services:					
Pupil.	1,643,675	-	-	176,290	1,819,965
Instructional staff	751,830	-	-	63,814	815,644
Board of education	40,458	-	-	-	40,458
Administration.	1,922,404	-	1,791	-	1,924,195
Fiscal	680,337	43,379	2,512	-	726,228
Business	445,663	-	-	-	445,663
Operations and maintenance.	3,664,713	-	60,680	86,957	3,812,350
Pupil transportation	1,442,893	-	31,697	157,111	1,631,701
Central.	691,509	-	1,696	19,737	712,942
Operation of non-instructional services:					
Food service operations	-	-	-	470,604	470,604
Other non-instructional services	4,648	-	-	1,639,760	1,644,408
Extracurricular activities.	788,521	-	-	414,033	1,202,554
Facilities acquisition and construction	49	-	75,231	-	75,280
Debt service:					
Principal retirement	74,123	2,250,000	-	-	2,324,123
Interest and fiscal charges	5,732	781,139	10,855	-	797,726
Total expenditures	<u>29,600,882</u>	<u>3,074,518</u>	<u>197,248</u>	<u>4,318,669</u>	<u>37,191,317</u>
Excess of revenues over (under) expenditures.	<u>1,419,627</u>	<u>439,057</u>	<u>(52,793)</u>	<u>(638,242)</u>	<u>1,167,649</u>
Other financing sources (uses):					
Transfers in.	-	-	-	31,000	31,000
Transfers (out)	(31,000)	-	-	-	(31,000)
Lease-purchase transaction	-	-	-	321,818	321,818
Total other financing sources (uses)	<u>(31,000)</u>	<u>-</u>	<u>-</u>	<u>352,818</u>	<u>321,818</u>
Net change in fund balances	1,388,627	439,057	(52,793)	(285,424)	1,489,467
Fund balances (deficit) at beginning of year (restated).					
	(1,669,917)	4,070,534	167,075	(102,362)	2,465,330
Fund balances (deficit) at end of year	<u>\$ (281,290)</u>	<u>\$ 4,509,591</u>	<u>\$ 114,282</u>	<u>\$ (387,786)</u>	<u>\$ 3,954,797</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Net change in fund balances - total governmental funds	\$	1,489,467
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the current period.		
Capital asset additions	\$ 768,906	
Current year depreciation	(1,698,921)	
Total		(930,015)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported on the statement of activities:		
Decrease in accrued interest payable	8,861	
Accretion of interest on "capital appreciation" bonds	(406,853)	
Total		(397,992)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Taxes	(268,561)	
Interest	5,476	
Rentals	(60,000)	
Intergovernmental	40,013	
Total		(283,072)
Repayment of bonds, capital lease and lease-purchase obligations are expenditures in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets. Principal payments during the year were:		
Bonds	2,250,000	
Lease-purchase	25,051	
Capital lease	49,072	
Total		2,324,123
Inception of lease-purchase transactions are recorded as an other financing source in the funds; however, in the statement of activities they are not reported as revenues as they increase liabilities on the statement of net assets.		
		(321,818)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(137,510)
Change in net assets of governmental activities	\$	1,743,183

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Taxes	\$ 24,182,432	\$ 24,042,304	\$ 24,011,704	\$ (30,600)
Tuition	92,000	82,599	73,480	(9,119)
Transportation.	500	500	3,480	2,980
Earnings on investments.	290,000	115,000	123,310	8,310
Classroom materials and fees	25,986	25,986	39,344	13,358
Rentals.	92,200	80,200	74,908	(5,292)
Contributions and donations.	1,000	1,000	1,500	500
Contract services.	108,000	95,000	78,738	(16,262)
Other local revenues.	-	-	4,742	4,742
Intergovernmental - State	5,442,586	5,551,430	5,580,351	28,921
Total revenue	<u>30,234,704</u>	<u>29,994,019</u>	<u>29,991,557</u>	<u>(2,462)</u>
Expenditures:				
Current:				
Instruction:				
Regular	13,767,120	13,779,651	13,760,021	19,630
Special.	3,257,739	3,263,398	3,258,268	5,130
Vocational.	438,000	380,000	379,912	88
Other	26,165	28,165	28,024	141
Support Services:				
Pupil	1,648,330	1,678,361	1,664,012	14,349
Instructional staff	808,006	870,736	863,382	7,354
Board of education	38,195	38,378	30,392	7,986
Administration.	1,783,183	2,018,040	2,015,855	2,185
Fiscal	1,034,714	695,838	687,257	8,581
Business	484,035	499,361	479,108	20,253
Operations and maintenance.	3,371,471	3,639,786	3,638,400	1,386
Pupil transportation	1,505,865	1,517,728	1,486,004	31,724
Central.	860,166	796,468	791,423	5,045
Operation of non-instructional services	-	2,733	2,644	89
Extracurricular activities.	695,018	800,664	782,847	17,817
Facilities acquisition and construction	-	200	49	151
Debt service:				
Principal retirement	40,000	40,000	40,000	-
Total expenditures	<u>29,758,007</u>	<u>30,049,507</u>	<u>29,907,598</u>	<u>141,909</u>
Excess of revenues over (under) expenditures.	<u>476,697</u>	<u>(55,488)</u>	<u>83,959</u>	<u>139,447</u>
Other financing sources (uses):				
Refund of prior year expenditure	21,335	24,065	23,500	(565)
Refund of prior year receipts	-	(2,000)	(2,000)	-
Proceeds from sale of capital assets	1,000	1,000	4,983	3,983
Transfers out	-	(35,000)	(31,000)	4,000
Total other financing sources (uses)	<u>22,335</u>	<u>(11,935)</u>	<u>(4,517)</u>	<u>7,418</u>
Net change in fund balance	499,032	(67,423)	79,442	146,865
Fund balance at beginning of year (restated).	12,549	12,549	12,549	-
Prior year encumbrances appropriated	260,677	260,677	260,677	-
Fund balance at end of year	<u>\$ 772,258</u>	<u>\$ 205,803</u>	<u>\$ 352,668</u>	<u>\$ 146,865</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2009

	Private-Purpose Trust	
	Scholarship	Agency
Assets:		
Equity in pooled cash and cash equivalents	\$ 50,118	\$ 110,696
Receivables:		
Accrued interest	1,170	254
	51,288	110,950
Total assets	51,288	\$ 110,950
Liabilities:		
Accounts payable	-	\$ 553
Due to students	-	110,397
	-	110,950
Total liabilities	-	\$ 110,950
Net Assets:		
Held in trust for scholarships	51,288	
Total net assets	\$ 51,288	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Private-Purpose Trust
	Scholarship
Additions:	
Interest	\$ 1,702
Gifts and contributions.	38,827
	40,529
Total additions.	40,529
Deductions:	
Scholarships awarded	63,868
	(23,339)
Change in net assets	(23,339)
Net assets at beginning of year	74,627
Net assets at end of year	\$ 51,288

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Rocky River City School District (the "District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by State statute and federal guidelines.

The District is located in a suburban area west of Cleveland, Ohio. It is located in Cuyahoga County, and encompasses the entire City of Rocky River and a small portion of the City of Fairview Park. It is staffed by 190 certificated, 149 non-certificated, and 16 administrative personnel who provide services to 2,681 students and other community members. The District currently operates a primary school, an intermediate school, a middle school and a high school. The District ranks as the 180th largest by enrollment among the 922 public school districts and community schools in the State of Ohio.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the District's accounting policies are described below.

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units". When applying GASB Statement No. 14, management has considered all potential component units. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary governments financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The financial statements of the reporting entity include only those of the District (the primary government). The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service and student related activities of the District.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The following organization is described due to its relationship to the District:

RELATED ORGANIZATION

Rocky River Public Library

The Rocky River Public Library (the "Library") is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the District's Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. The Library did not receive any funding from the District during fiscal year 2008. Financial information can be obtained from the Rocky River Public Library, Gary Hawkinson Clerk/Treasurer, at 1600 Hampton, Rocky River, Ohio 44116.

JOINTLY GOVERNED ORGANIZATIONS

Lakeshore Northeast Ohio Computer Association

The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed computer service bureau owned and operated by thirty-three public school districts and community schools. The primary function of LNOCA is to provide data services to the member districts. Major areas of service provided by LNOCA include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. Each school is represented on the LNOCA Board of Directors by its superintendent. Each year, the Board of Directors elects a Chairman, a Vice Chairman and a Recording Secretary. The Treasurer of the fiscal agent is a nonvoting, ex-officio member of the Board of Directors. The Cuyahoga County Board of Education serves as the fiscal agent of LNOCA. Each school district supports LNOCA based upon a per pupil charge dependent upon the software packages used. Rocky River City School District paid \$124,491 to LNOCA during fiscal year 2009. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 5700 West Canal Road, Valleyview, OH 44125.

Ohio Schools Council Association

The Ohio Schools Council Association (the "Council") is a jointly governed organization comprised of one hundred and twenty-one member districts. The mission of the Council is to identify, plan and provide services to member districts that can be more effectively achieved by cooperative endeavors of member districts than by an individual district operating on its own. Each district supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2009, the District paid \$2,077 to the Council for membership fees. Financial information can be obtained by contacting David Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The District participates in the Council's Energy for Education Program. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating in the program for an extended period of time. The current, three year contract expires in December 2008. The participants make monthly payments based upon estimated usage. At the end of each fiscal year, these estimated payments are compared to actual usage for the year and additional billings are made or refunds are issued accordingly.

In April 2005, the Energy Acquisition Corporation II, a non-profit corporation with a self-appointing board, issued \$246 million in bonds and used the proceeds to prepay for the estimated electric energy costs for 249 entities from Cleveland Electric Illuminating, Ohio Edison and Toledo Edison. The participating school districts are not obligated in any manner for this debt.

The District also participates in the Council's prepaid natural gas program which was implemented during fiscal year 2000. This program allows school districts to purchase natural gas at reduced rates, if the school districts will commit to participating in the program for a twelve year period. The participants make monthly payments based upon estimated usage. Annually, these estimated payments are compared to actual usage and any necessary adjustments are made.

The City of Hamilton, a municipal corporation and political subdivision duly organized and existing under the laws of the State of Ohio, issued \$89,450,000 in debt to purchase twelve years of natural gas from CMS Energy Corporation for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is entitled to recover that amount, if any, of its contributions to the operating fund which are not encumbered for its share of program administrative costs.

INSURANCE PURCHASING POOL

Ohio School Boards Association Workers' Compensation Group Rating Program

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member board of directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. 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.

B. Fund Accounting

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

GOVERNMENTAL FUNDS

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

The following are the District's major governmental funds:

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

Bond Retirement Fund - The bond retirement fund is used to account for the accumulation of property tax revenues for the payment of general obligation bonds issued for school improvement and the construction of a new middle school.

Permanent Improvement Fund - The permanent improvement fund accounts for resources to be used for various capital improvements within the District.

Other governmental funds of the District are used to account for (a) financial resources to be used for the acquisition, construction, or improvement of capital facilities; (b) for food service, uniform school supplies and community programs and; (c) for grants and other resources whose use is restricted to a particular purpose.

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District has no proprietary funds.

FIDUCIARY FUNDS

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Basis of Presentation and Measurement Focus

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements distinguish between those activities that are governmental and those that are considered business-type activities. The District has no business-type activities.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the statement of net assets.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

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

Like the government-wide statements, the private-purpose trust fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Agency funds do not report a measurement focus as they do not report operations.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donation. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6).

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Unearned Revenue and Deferred Revenue - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2009, but which were levied to finance fiscal year 2010 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2009 are recorded as deferred revenue.

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. Budgetary Process

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

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

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

F. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During fiscal year 2009, investments were limited to nonnegotiable certificates of deposit, a federal agency security and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The District has invested funds in STAR Ohio during fiscal 2009. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on June 30, 2009.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Under existing Ohio statute, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal 2009 amounted to \$134,301 which includes \$121,046 assigned from other District funds.

For presentation on the basic financial statements, investments purchased by 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 to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

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

G. Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost. Donated commodities are reported at their entitlement value. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption and donated food, purchased food, and school supplies held for resale. The costs of inventory items are recorded as expenditures in the governmental funds when purchased. Inventories for governmental funds are accounted for using the consumption method.

H. Capital Assets

General capital assets are those assets specifically related to governmental activities. These assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$1,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>
Land improvements	30 years
Building/ improvements	10-30 years
Furniture/equipment	5-10 years
Vehicles	10 years

I. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivable” and “interfund loans payable.” These amounts are eliminated in the governmental column of the statement of net assets. At fiscal year-end, the District had \$660,000 in interfund loans receivable/payable related internal borrowings (manuscript bonds) between governmental funds and \$28,482 in interfund loans receivable/payable related to negative cash balances in certain nonmajor governmental funds (see Note 5).

J. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Transfers between governmental funds are eliminated for reporting on the government-wide statement of activities. Interfund services provided and used are not eliminated for reporting on the government-wide statement of activities.

K. Compensated Absences

Compensated absences of the District consist of vacation leave and severance liability to the extent that payments 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 GASB Statement No. 16, “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 termination method; i.e., a liability is accrued for earned sick leave to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the District’s past experience of making termination payments.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The total liability for vacation and severance payments has been calculated using pay rates in effect at June 30, 2009, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

L. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and notes are recognized as a liability in the fund financial statements when due.

M. Fund Balance Reserves

The District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, unclaimed monies, debt service and property taxes unavailable for appropriation.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute. Under Ohio law, unclaimed monies must be held for five years before it becomes available for appropriation. Money not yet held for the five year period is presented as reserved.

N. Non-public Schools

Within the School District boundaries, St. Christopher, St. Thomas, and Ruffing Montessori Elementary Schools, and Lutheran West and Magnificat High Schools are operated as non-public schools. Current State legislation provides funding to these schools. These monies are received and disbursed on behalf of the schools by the Treasurer of the District, as directed by the schools. This activity is reflected as a governmental activity for financial reporting purposes.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

O. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes consist of monies restricted for unclaimed monies, uniform school supply and food service operations.

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

P. Estimates

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

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2009.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Fund Reclassifications

For fiscal year 2009, the District has restated fund balances of the governmental funds to report certain fund reclassifications. The District has reclassified funds previously reported as enterprise funds to governmental funds and the internal service fund to a component of the general fund. These fund reclassifications were made to better report the activities and purposes of the funds. The fund reclassifications had the following effect of fund balances as previously reported:

	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total
Fund balances (deficit), June 30, 2008	\$ (1,671,151)	\$ 4,070,534	\$ 167,075	\$ (228,521)	\$ 2,337,937
Fund reclassifications	1,234	-	-	126,159	127,393
Restated fund balances (deficit), June 30, 2008	<u>\$ (1,669,917)</u>	<u>\$ 4,070,534</u>	<u>\$ 167,075</u>	<u>\$ (102,362)</u>	<u>\$ 2,465,330</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The net assets of the governmental activities have been restated to account for the effect of reclassifying former enterprise funds (business-type activities) to governmental activities. The net assets of the former internal service fund have also been restated to record the reclassification to a component of the general fund (governmental activities). Net assets of governmental activities, business-type activities and internal service fund have been restated as follows:

	Governmental Activities	Business-Type Activities Enterprise Funds	Internal Service Fund
Net assets, June 30, 2008	\$ 7,492,672	\$ 375,848	\$ 1,234
Fund reclassifications	<u>375,848</u>	<u>(375,848)</u>	<u>(1,234)</u>
Restated net assets, June 30, 2008	<u>\$ 7,868,520</u>	<u>\$ -</u>	<u>\$ -</u>

B. Change in Accounting Principles

For fiscal year 2009, the District has implemented GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations", GASB Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments", GASB Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", and GASB Statement No. 56 "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards".

GASB Statement No. 49 addresses accounting and financial reporting standards for pollution remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of GASB Statement No. 49 did not have an effect on the financial statements of the District.

GASB Statement No. 52 improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. The implementation of GASB Statement No. 52 did not have an effect on the financial statements of the District.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB's authoritative literature. The implementation of GASB Statement No. 55 did not have an effect on the financial statements of the District.

GASB Statement No. 56 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' (AICPA) Statements on Auditing Standards. The implementation of GASB Statement No. 56 did not have an effect on the financial statements of the District.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

C. Deficit Fund Balance

Fund balances at June 30, 2009 included the following individual fund deficits:

<u>Major Funds</u>	<u>Deficit</u>
General	\$ 281,290
<u>Nonmajor Funds</u>	
Building	653,367
District Managed Activity	21,087
Entry Year Programs	24
Title VI-B	261
Title III	439
Title I	2,017
Title II-A	122

The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances result from adjustments for accrued liabilities. The deficit balance in the Building fund is the result of recording a fund liability for manuscript bonds (See Note 5).

D. Compliance

Contrary to Ohio Revised Code Section 5705.39, the following funds had appropriations in excess of estimated revenues:

<u>Nonmajor Funds</u>	<u>Excess</u>
Beach Building Fund	\$ 13
Building Rotary Fund	11,628
Other Grants Fund	10

The non-compliance in the Beach Building Fund and the Building Rotary fund occurred as a result of the fund reclassifications described in Note 3.A.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

Protection of 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 monies deposited with the institution.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

A. Cash on Hand

At year-end, the District had \$200 in undeposited cash on hand which is included on the financial statements of the District as part of "Equity in Pooled Cash and Cash Equivalents."

B. Deposits with Financial Institutions

At June 30, 2009, the carrying amount of all District deposits was \$4,127,448. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2009, \$3,336,861 of the District's bank balance of \$4,422,729 was exposed to custodial risk as discussed below, while \$1,085,868 was covered by Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. It is the District's policy that all deposits be collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

C. Investments

As of June 30, 2009, the District had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>	
		<u>6 months or less</u>	<u>19 to 24 months</u>
FFCB	\$ 497,845	\$ -	\$ 497,845
STAR Ohio	<u>60,336</u>	<u>60,336</u>	<u>-</u>
	<u>\$ 558,181</u>	<u>\$ 60,336</u>	<u>\$ 497,845</u>

The weighted average maturity of investments is 1.75 years.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

Credit Risk: Standard & Poor's has assigned STAR Ohio an AAAM money market rating. STAR Ohio must maintain the highest letter or numerical rating provided by at least one nationally recognized standard service. The federal agency security was rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The District's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency security is exposed to custodial credit risk in that it is uninsured, unregistered and held by the counterparty's trust department or agent but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2009:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FFCB	\$ 497,845	89.19%
STAR Ohio	<u>60,336</u>	<u>10.81%</u>
	<u>\$ 558,181</u>	<u>100.00%</u>

D. Reconciliation of cash and investments to the statement of net assets

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the statement of net assets as of June 30, 2009:

<u>Cash and investments per footnote</u>	
Carrying amount of deposits	\$ 4,127,448
Investments	558,181
Cash on hand	<u>200</u>
Total	<u>\$ 4,685,829</u>
 <u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 4,525,015
Private-purpose trust fund	50,118
Agency fund	<u>110,696</u>
Total	<u>\$ 4,685,829</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund loans receivable/payable consisted of the following at June 30, 2009, as reported on the fund statements:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Bond Retirement	Nonmajor Governmental Funds	\$ 660,000
General	Nonmajor Governmental Funds	<u>28,482</u>
Total		<u>\$ 688,482</u>

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received.

The interfund receivable in the Bond Retirement fund represents the balance of interfund loans made to the Building capital projects fund (a nonmajor governmental fund). The interfund loan balance represents the fiscal year-end balance of manuscript bonds that were issued during fiscal year 2004 and 2009. The interfund receivable in the general fund represents the amount to cover cash overdrafts in certain nonmajor governmental funds.

Interfund loans between governmental funds are eliminated on the government-wide financial statements.

- B. Interfund transfers for the year ended June 30, 2009, consisted of the following, as reported on the fund statements:

	<u>Amount</u>
Transfers from general fund to:	
Nonmajor governmental funds	<u>\$ 31,000</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported on the statement of activities.

NOTE 6 - PROPERTY TAXES

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

NOTE 6 - PROPERTY TAXES - (Continued)

Property taxes include amounts levied against all real property, public utility property, and tangible personal (used in business) property located in the District. Real property tax revenues received in calendar year 2009 represent the collection of calendar year 2008 taxes. Real property taxes received in calendar year 2009 were levied after April 1, 2008, on the assessed values as of January 1, 2008, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2009 represent the collection of calendar year 2008 taxes. Public utility real and tangible personal property taxes received in calendar year 2009 became a lien on December 31, 2007, were levied after April 1, 2008, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in calendar year 2009 (other than public utility property) represent the collection of calendar year 2009 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2009 were levied after October 1, 2008, on the value as of December 31, 2008. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

The District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2009, are available to finance fiscal year 2009 operations. The amount available as an advance at June 30, 2009 was \$3,817,641 in the general fund and \$476,668 in the bond retirement debt service fund. The amount available for advance at June 30, 2008 was \$2,798,621 in the general fund and \$445,406 in the bond retirement debt service fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary depending upon when the tax bills are sent by the County Auditor.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2009 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to unearned revenue.

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 6 - PROPERTY TAXES - (Continued)

The assessed values upon which the fiscal year 2009 taxes were collected are:

	2008 Second Half Collections		2009 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 728,712,840	97.98%	\$ 735,800,820	98.53%
Public utility personal	6,044,760	0.81%	6,322,670	0.85%
Tangible personal property	<u>8,975,082</u>	<u>1.21%</u>	<u>4,651,620</u>	<u>0.62%</u>
Total	<u>\$ 743,732,682</u>	<u>100.00%</u>	<u>\$ 746,775,110</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation:	\$77.10		\$82.70	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2009 consisted of taxes, accounts (billings for user charged services and student fees), accrued interest, and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the statement of net assets follows:

Governmental Activities

Taxes	\$ 28,912,886
Accounts	81,317
Intergovernmental	251,975
Accrued interest	<u>23,993</u>
Total governmental activities	<u>\$ 29,270,171</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

NOTE 8 - CAPITAL LEASES - LESSEE DISCLOSURE

In a prior year, the District entered into a capitalized lease for a phone system. This lease agreement meets the criteria of capital lease as defined by FASB Statement No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 8 - CAPITAL LEASES - LESSEE DISCLOSURE - (Continued)

Capital assets consisting of equipment have been capitalized in the amount of \$229,845. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability is recorded in the government-wide financial statements. Principal payments in fiscal year 2009 of \$49,072 were paid by the general fund. The capital lease was retired in fiscal year 2009 and no liability remains at June 30, 2009.

NOTE 9 – LEASE-PURCHASE OBLIGATIONS

During fiscal year 2009, the District entered into lease-purchase agreements with Key Government Finance, Inc. to finance the acquisition of computers. Lease payments made under the lease-purchase agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The lease-purchase agreements bear interest rates of 4.81% and 4.294%.

Capital assets consisting of computers have been capitalized in the amount of \$321,818. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability is recorded in the government-wide financial statements. Principal payments in fiscal year 2009 totaled \$25,051 were paid by the general fund.

The following is a schedule of the future long-term minimum lease payments required under the lease-purchase agreements and the present value of the future minimum lease payments as of June 30, 2009:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2010	\$ 94,787
2011	94,786
2012	65,240
2013	35,692
2014	<u>35,692</u>
Total minimum lease payments	326,197
Less amount representing interest	<u>(29,430)</u>
Total	<u>\$ 296,767</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 10 - CAPITAL ASSETS

The capital asset balances of the governmental activities have been restated by \$341,648 due the inclusion of funds previously reported as enterprise funds as a result of the fund reclassifications described in Note 3.A. The fund reclassifications had the following effect on capital asset balances as previously reported:

	Balance		Restated Balance
	<u>June 30, 2008</u>	<u>Adjustment</u>	<u>June 30, 2008</u>
Governmental Activities:			
<i>Capital assets, not being depreciated:</i>			
Land	\$ 722,230	\$ 48,591	\$ 770,821
Total capital assets, not being depreciated	<u>722,230</u>	<u>48,591</u>	<u>770,821</u>
<i>Capital assets, being depreciated:</i>			
Land improvements	2,314,471	25,000	2,339,471
Building/improvements	44,352,011	901,548	45,253,559
Furniture/equipment	3,483,869	242,009	3,725,878
Vehicles	<u>1,500,717</u>	<u>-</u>	<u>1,500,717</u>
Total capital assets, being depreciated	<u>51,651,068</u>	<u>1,168,557</u>	<u>52,819,625</u>
<i>Accumulated depreciation:</i>			
Land improvements	(1,016,598)	(14,583)	(1,031,181)
Building/improvements	(22,481,295)	(731,414)	(23,212,709)
Furniture/equipment	(2,698,634)	(129,503)	(2,828,137)
Vehicles	<u>(901,779)</u>	<u>-</u>	<u>(901,779)</u>
Total accumulated depreciation	<u>(27,098,306)</u>	<u>(875,500)</u>	<u>(27,973,806)</u>
Governmental activities capital assets, net	<u>\$ 25,274,992</u>	<u>\$ 341,648</u>	<u>\$ 25,616,640</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 10 - CAPITAL ASSETS - (Continued)

Capital asset activity for the fiscal year-ended June 30, 2009, was as follows:

	Restated Balance <u>June 30, 2008</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2009</u>
Governmental Activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 770,821	\$ -	\$ -	\$ 770,821
Total capital assets, not being depreciated	<u>770,821</u>	<u>-</u>	<u>-</u>	<u>770,821</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	2,339,471	18,840	-	2,358,311
Building/improvements	45,253,559	75,099	-	45,328,658
Furniture/equipment	3,725,878	491,208	-	4,217,086
Vehicles	<u>1,500,717</u>	<u>183,759</u>	<u>(98,756)</u>	<u>1,585,720</u>
Total capital assets, being depreciated	<u>52,819,625</u>	<u>768,906</u>	<u>(98,756)</u>	<u>53,489,775</u>
<i>Accumulated depreciation:</i>				
Land improvements	(1,031,181)	(51,615)	-	(1,082,796)
Building/improvements	(23,212,709)	(1,233,473)	-	(24,446,182)
Furniture/equipment	(2,828,137)	(311,115)	-	(3,139,252)
Vehicles	<u>(901,779)</u>	<u>(102,718)</u>	<u>98,756</u>	<u>(905,741)</u>
Total accumulated depreciation	<u>(27,973,806)</u>	<u>(1,698,921)</u>	<u>98,756</u>	<u>(29,573,971)</u>
Governmental activities capital assets, net	<u>\$ 25,616,640</u>	<u>\$ (930,015)</u>	<u>\$ -</u>	<u>\$ 24,686,625</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 10 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular	\$ 775,627
Special	158,438
Vocational	19,144
Other	1,051
Support Services:	
Pupil	70,995
Instructional staff	34,670
Board of education	1,128
Administration	86,159
Fiscal	27,783
Business	17,097
Operations and maintenance	155,575
Pupil transportation	165,531
Central	33,291
Operation of non-instructional:	
Food service operations	34,192
Other non-instructional services	61,318
Extracurricular activities	56,922
Total depreciation expense	<u>\$ 1,698,921</u>

NOTE 11 - CONTRACTUAL COMMITMENTS

As of June 30, 2009, the District had the following contractual purchase commitments outstanding:

Contractor	Purpose	Amount
Applewood Centers, Inc.	Special education instructional services	\$ 10,515
Ohio Bureau of Workers' Compensation	Portion of Worker's Comp. Premium	79,898
ESC of Cuyahoga County	Special education instructional services	22,418
Boiler Specialists, Inc.	Installation of new boilers and repair of existing boilers	18,829
Digital Integrated Systems, Inc.	Purchase of student computers for non-public schools through auxillary funds	12,546
GEM Industrial, Inc.	HVAC and plumbing equipment, supplies and repairs	19,603
CDW, Inc.	Purchase of student computers for non-public schools through auxillary funds	23,080
House of Blues Cleveland, LLC	Hosting of High School Prom for 2010	17,000
Prentice-Hall Pearson	Purchase of online textbook subscriptions for non-public schools through auxillary funds	21,603
Suburban Transportation, Inc.	Special education transportation services	12,105
Squire, Sanders & Dempsey, LLP	Legal Services	14,000
Lakewood City School District	Vocational education and tuition and ancillary costs	307,738
North Olmsted City School District	Special education tuition/excess costs	33,044
Total		<u>\$ 592,379</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 12 - LONG-TERM OBLIGATIONS

- A. The balance of the governmental activities long-term obligations has been restated by \$91,959 from \$22,468,913 to \$22,560,872 to include compensated absences for the former enterprise funds due to the fund reclassifications described in Note 3.A. The following is a schedule of the changes in long-term obligations during fiscal year 2009:

	Restated Balance <u>June 30, 2008</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2009</u>	Amounts Due in <u>One Year</u>
Governmental Activities:					
General obligation bonds:					
1998 School Building Improvement Bonds	\$ 15,055,000	\$ -	\$ (1,200,000)	\$ 13,855,000	\$ 1,250,000
1996 School Improvement Refunding Serial Bonds	1,050,000	-	(1,050,000)	-	-
Capital appreciation bonds	304,128	-	-	304,128	118,648
Accretion on capital appreciation bonds	<u>1,904,951</u>	<u>406,853</u>	<u>-</u>	<u>2,311,804</u>	<u>991,352</u>
Total general obligation bonds	<u>18,314,079</u>	<u>406,853</u>	<u>(2,250,000)</u>	<u>16,470,932</u>	<u>2,360,000</u>
Capital lease obligation	49,072	-	(49,072)	-	-
Lease-purchase obligations	-	321,818	(25,051)	296,767	82,268
Compensated absences	<u>4,197,721</u>	<u>448,193</u>	<u>(580,828)</u>	<u>4,065,086</u>	<u>702,083</u>
Total governmental activities long-term liabilities	<u>\$ 22,560,872</u>	<u>\$ 1,176,864</u>	<u>\$ (2,904,951)</u>	<u>\$ 20,832,785</u>	<u>\$ 3,144,351</u>

In 1998, the District issued \$24,500,000 in current interest general obligations bonds for the renovations of various school buildings. These bonds bear interest rates ranging from 3.65%-5.375%. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2017. These bonds are paid from the bond retirement fund.

In 1996, the District issued bonds for the advance refunding of series 1991 school building improvement bonds. The series 1991 general obligation bonds are considered defeased since the proceeds of new bonds were placed in an irrevocable trust to provide for all future debt service payments. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. On June 30, 2009, \$2,520,000 of bonds outstanding are considered defeased.

The refunding issue was comprised of both current interest bonds, par value \$9,690,000, and capital appreciation bonds, par value \$304,128. The bonds bear interest rates ranging from 4.25%-5.75%. The capital appreciation bonds mature on June 1 in each year 2010-2012 at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$3,340,000. This year, the addition on the capital appreciation bonds was \$406,853, which represents the annual accretion of discounted interest. Total accreted interest of \$2,311,804 has been included in the statement of net assets at June 30, 2009.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity of the current interest bonds was December 1, 2008. The current interest bonds were retired in full during fiscal year 2009.

Compensated absences will be paid from the fund which the employee is paid which, for the District, is primarily the general fund and the food service fund (a nonmajor governmental fund).

The capital lease obligation will be repaid from the general fund. See Note 8 for further detail on the District's capital lease obligation.

The lease-purchase obligations will be repaid from the general fund. See Note 9 for further detail on the District's lease-purchase obligations.

B. The following is a summary of the future debt service requirements to retire bonded debt:

Fiscal Year Ending	General Obligation Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 1,250,000	\$ 697,739	\$ 1,947,739	\$ 118,648	\$ 991,352	\$ 1,110,000
2011	1,310,000	637,890	1,947,890	100,584	1,014,416	1,115,000
2012	1,370,000	570,288	1,940,288	84,896	1,030,104	1,115,000
2013	1,445,000	494,634	1,939,634	-	-	-
2014	1,525,000	414,816	1,939,816	-	-	-
2015 - 2018	6,955,000	772,254	7,727,254	-	-	-
Total	<u>\$ 13,855,000</u>	<u>\$ 3,587,621</u>	<u>\$ 17,442,621</u>	<u>\$ 304,128</u>	<u>\$ 3,035,872</u>	<u>\$ 3,340,000</u>

C. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The Code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The Code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2009, are a voted debt margin of \$54,829,773 (including available funds of \$4,509,591) and an unvoted debt margin of \$546,775.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

NOTE 13 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements, Board of Education policies and State laws. Teachers do not earn vacation. Support staff personnel assigned to work less than 240 days annually do not earn vacation. Support staff personnel assigned to work 240 days or more and managers earn annual vacation leave from 10 to 25 days, based on years of service. Administrators are entitled to 20 to 25 days of vacation leave annually, based on years of service and performance evaluations or specific contractual terms. Administrators may not carry forward more than five vacation days, which must be used by January 31st of the subsequent year.

All regular employees earn sick leave at a rate of one and one-fourth days per month. Support staff personnel and managers employed by the District for a minimum of two years, and eligible to retire pursuant to State statute, are entitled to severance benefits based on accumulated sick leave.

Teachers who resign with ten or more years of service or those who meet the requirements of Ohio Revised Code Section 124.39 - Section B may choose between one of four plans for their severance payment. Each plan offers a varying percentage of their sick leave balance ranging between 20% and 33% of their accumulated but unused sick leave and some plans offer an additional payment depending upon their years of service ranging between \$200 and \$1,800 for each year. Teachers may choose between plans for which they are eligible.

Classified non-union employees, with two or more years and who meet the requirements of ORC Section 124.39, are eligible for severance payments equal to 33% of their accumulated but unused sick leave to a maximum of 75 days.

Classified executive non-union secretaries who have been in employ of the District for 30 years or who have reached their first year of eligibility to retire under the School Employees Retirement System rules may choose between one of two plans for their severance payment. Each plan offers a varying percentage of their sick leave balance ranging between 75% and 80% of their accumulated but unused sick leave depending upon years of service. Each plan also offers an additional payment depending upon their years of service ranging between \$200 and \$300 for each year of service. Classified executive non-union secretaries may choose between plans for which they are eligible.

Classified union employees who have been in employ of the District for at least two years and who meet the requirements of ORC Section 124.39 may choose between one of three plans for their severance payment. Each plan offers a sick leave payment equal to 60% of their accumulated but unused sick leave up to a maximum number of days depending upon the plan chosen. In addition, employees with ten or more years of service are eligible for an additional payment depending upon their years of service ranging between \$50 and \$175 for each year of service with the District. Classified union employees may choose between plans for which they are eligible.

Administrators are eligible for severance payments equal to 33% of their accumulated but unused sick leave up to a maximum of 70 days. Also, administrators will receive an amount equal to 30% of the administrator's current daily rate for each day of accumulated sick leave beyond 120 days as certified by the Treasurer's office. In addition, administrators shall receive a longevity payment equal to \$1,500 per year of employment as an administrator with the District. Certified administrators may also receive severance payments in accordance with teachers above to the extent the severance payments are beyond those listed here.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 14 - RISK MANAGEMENT

A. Comprehensive

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. For fiscal year 2009, the District contracted with various insurance companies through the Ohio Schools Council insurance program. Indiana Insurance provides property, inland marine and crime insurance coverage. There is a \$5,000 deductible on building and contents, along with a \$250 deductible for crime insurance.

The boiler and machinery coverage is provided by Travelers Insurance Company. The coverage provides a \$30,000,000 limit and a \$1,000 deductible.

Indiana Insurance Company provides fleet and liability insurance. Automobile liability has a limit of \$1,000,000 per accident/occurrence and an equal amount of uninsured motorist coverage with a \$500 deductible for comprehensive and \$250 deductible for collision. The general liability provides coverage with a limit of \$1,000,000 per occurrence and a \$2,000,000 per year aggregate limit. Coverage provided by these companies was as follows:

Coverage	Amount
Building and Contents- replacement cost	\$ 96,751,772
Boiler and Machinery	30,000,000
Automobile Liability	1,000,000
General Liability	
Per occurrence	1,000,000
Umbrella	10,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from last year.

B. Group Health, Dental, Life and Vision Insurance

For fiscal year 2009, the District provided employee major medical, preventative care and prescription benefits through a fully insured, 85/110% contingent premium insurance program administered by Medical Mutual of Ohio. This plan is provided through a PPO (preferred provider organization) with a co-insurance level of 90% subject to annual maximum out-of-pocket limits if they choose an in-network provider for services. The plan allows for an employee to choose a provider outside of the network subject to an annual deductible of \$200 for a single plan and \$400 for a family plan along with a co-insurance level of 70% subject to annual maximum out-of-pocket limits. The District was responsible for 98% of the premium (2% employee premium contribution) of \$1,076.12 for family coverage and \$398.60 for single coverage per month for all staff. Any employee who is scheduled to work at a full-time equivalency (FTE) below 1.0 but greater than 0.5 is eligible for this coverage, but they are required to pay the difference in premium based on the difference between 1.0 and their scheduled FTE on top of the aforementioned 2% employee premium contribution. The premium is generally paid by the fund that pays the salary for the employee.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 14 - RISK MANAGEMENT - (Continued)

The District also provides employee dental benefits through a fully insured, 85/110% contingent premium insurance program administered by Medical Mutual of Ohio that offers different levels of coverage through two plan structures. One plan is based on UCR (usual, customary and reasonable) that offers a higher level of coverage than the other plan, which is a fee schedule plan that pays a predetermined amount for various covered procedures. These plans provide dental benefits with a \$50 family and \$25 single deductible per year. The District paid \$65.48 for a family plan and \$19.64 for a single plan per employee per month for the UCR plan for all certificated and classified staff not considered administrators (the administrator rate is paid in full by the District), which represents 60% of the entire premium required. The District paid \$57.72 for a family plan and \$17.32 for a single plan per employee per month for the fee schedule plan for all certificated and classified staff not considered administrators (the administrator rate is paid in full by the District), which represents 80% of the entire premium required. The premium is generally paid by the fund that pays the salary for the employee.

A group life with accidental death and dismemberment insurance plan is maintained for all employees who are scheduled to work at least a 0.5 FTE basis. The dollar amount of coverage generally ranges from \$30,000 - \$50,000 and is based on an employee's position within the District. The entire premium cost of \$0.12 per \$1,000 of coverage per month is paid by the District.

A group vision plan is also offered by the District to all employees. Employees who elect this coverage are responsible for 100% of the monthly premium.

C. Workers' Compensation Program

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 2A). The intent of the GRP is to achieve the benefits of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The worker's compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its worker's compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings is 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 share 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 CompManagement Inc. provides administrative, cost control and actuarial services to the GRP.

NOTE 15 - PENSION PLANS

A. School Employees Retirement System

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under *Employer/Audit Resources*.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 15 - PENSION PLANS - (Continued)

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008 and 2007 were \$385,507, \$378,905 and \$398,859, respectively; 45.59 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System of Ohio

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

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

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 15 - PENSION PLANS - (Continued)

Funding Policy - For fiscal year 2009, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2009, 2008 and 2007 were \$1,854,674, \$1,777,057 and \$1,763,793, respectively; 83.37 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007. Contributions to the DC and Combined Plans for fiscal year 2009 were \$32,165 made by the District and \$46,983 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the SERS/STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2009, certain members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

NOTE 16 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2009, the surcharge amount was \$63,380.

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

NOTE 16 - POSTEMPLOYMENT BENEFITS - (Continued)

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2009, 2008, and 2007 were \$258,620, \$251,782 and \$212,626, respectively; 45.59 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2009, this actuarially required allocation was 0.75 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007 were \$31,808, \$27,301 and \$27,122, respectively; 45.59 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System of Ohio

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$142,667, \$136,697 and \$135,676, respectively; 83.37 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

NOTE 17 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

B. Litigation

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

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

The Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to a reservation of fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).
- (d) Investments are reported at fair value (GAAP basis) rather than cost (budget basis).
- (e) Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance	<u>General Fund</u>
Budget basis	\$ 79,442
Net adjustment for revenue accruals	1,028,952
Net adjustment for expenditure accruals	(13,177)
Net adjustment for other sources/uses	(26,483)
Adjustment for encumbrances	<u>319,893</u>
GAAP basis	<u>\$ 1,388,627</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 19 - STATUTORY RESERVES

The District is required by state statute to annually set-aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year-end. These amounts must be carried forward to be used for the same purposes in future years.

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

	<u>Textbooks/ Instructional Materials</u>	<u>Capital Acquisition</u>
Set-aside balance as of June 30, 2008	\$ 343,553	\$ -
Current year set-aside requirement	432,317	432,317
Qualifying disbursements	<u>(789,528)</u>	<u>(1,036,411)</u>
Total	<u>\$ (13,658)</u>	<u>\$ (604,094)</u>
Balance carried forward to FY 2010	<u>\$ (13,658)</u>	<u>\$ -</u>

The District had qualifying disbursements during the year that reduced the set-aside amounts below zero for the textbook/instructional materials and capital acquisition reserves. These extra amounts may be used to reduce the set-aside requirement for future years for the textbook/instructional materials. The negative amount is therefore presented as being carried forward to next fiscal year. Although the District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. The negative amount is therefore not presented as being carried forward to next fiscal year.

NOTE 20 - NOTES PAYABLE

In June 2008, the District issued \$78,800 in bus acquisition notes. The notes had an interest rate of 2.4% and matured June 23, 2009. The following is a summary of the note activity for fiscal year 2009:

	<u>Balance June 30, 2008</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2009</u>
Notes Payable	<u>\$ 78,800</u>	<u>\$ -</u>	<u>\$ (78,800)</u>	<u>\$ -</u>

The notes were retired from the permanent improvement fund, the fund which received the initial proceeds.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES
SUPPLEMENTAL INFORMATION

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Taxes	\$ 24,182,432	\$ 24,042,304	\$ 24,011,704	\$ (30,600)
Tuition	92,000	82,599	73,480	(9,119)
Transportation	500	500	3,480	2,980
Earnings on investments	290,000	115,000	123,310	8,310
Classroom materials and fees	25,986	25,986	39,344	13,358
Rentals	92,200	80,200	74,908	(5,292)
Contributions and donations	1,000	1,000	1,500	500
Contract services	108,000	95,000	78,738	(16,262)
Other local revenues	-	-	4,742	4,742
Intergovernmental - State	5,442,586	5,551,430	5,580,351	28,921
<i>Total revenues</i>	<u>30,234,704</u>	<u>29,994,019</u>	<u>29,991,557</u>	<u>(2,462)</u>
Expenditures:				
Current:				
Instruction-regular:				
Salaries and wages	9,743,982	9,538,982	9,535,572	3,410
Fringe benefits	3,260,317	3,470,317	3,464,497	5,820
Purchased services	349,558	371,380	370,626	754
Materials and supplies	310,656	326,879	326,763	116
Capital outlay	40,468	16,660	11,025	5,635
Other	62,139	55,433	51,538	3,895
<i>Total instruction-regular</i>	<u>13,767,120</u>	<u>13,779,651</u>	<u>13,760,021</u>	<u>19,630</u>
Instruction-special:				
Salaries and wages	2,156,426	2,126,426	2,126,141	285
Fringe benefits	697,023	770,023	769,521	502
Purchased services	367,201	352,661	352,241	420
Materials and supplies	11,973	11,072	7,164	3,908
Capital outlay	25,116	3,216	3,201	15
<i>Total instruction-special</i>	<u>3,257,739</u>	<u>3,263,398</u>	<u>3,258,268</u>	<u>5,130</u>
Instruction-vocational:				
Purchased services	438,000	380,000	379,912	88
<i>Total instruction-vocational</i>	<u>438,000</u>	<u>380,000</u>	<u>379,912</u>	<u>88</u>
Instruction-other:				
Salaries and wages	17,706	17,706	17,586	120
Fringe benefits	8,459	10,459	10,438	21
<i>Total instruction-other</i>	<u>26,165</u>	<u>28,165</u>	<u>28,024</u>	<u>141</u>
Support services-pupil:				
Salaries and wages	1,169,950	1,169,950	1,163,929	6,021
Fringe benefits	335,959	363,059	363,020	39
Purchased services	127,431	127,053	119,738	7,315
Materials and supplies	14,860	18,169	17,195	974
Other	130	130	130	-
<i>Total support services-pupil</i>	<u>1,648,330</u>	<u>1,678,361</u>	<u>1,664,012</u>	<u>14,349</u>

-- Continued

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Support services-instructional staff:				
Salaries and wages	\$ 473,730	\$ 539,376	\$ 539,069	\$ 307
Fringe benefits	178,276	228,316	228,287	29
Purchased services	36,575	45,614	40,806	4,808
Materials and supplies.	10,795	22,220	20,243	1,977
Capital outlay	105,500	35,210	34,977	233
Other	3,130	-	-	-
Total support services-instructional staff	808,006	870,736	863,382	7,354
Support services-board of education:				
Salaries and wages	13,750	13,750	6,250	7,500
Fringe benefits	-	1,500	1,133	367
Purchased services	12,400	11,139	11,025	114
Materials and supplies.	350	358	353	5
Other	11,695	11,631	11,631	-
Total support services-board of education	38,195	38,378	30,392	7,986
Support services-administration:				
Salaries and wages	1,253,276	1,442,276	1,441,650	626
Fringe benefits	505,003	548,486	548,070	416
Purchased services	13,793	20,800	20,399	401
Materials and supplies.	6,310	3,706	2,964	742
Capital outlay	1,801	-	-	-
Other	3,000	2,772	2,772	-
Total support services-administration.	1,783,183	2,018,040	2,015,855	2,185
Support services-fiscal:				
Salaries and wages	146,835	173,835	173,431	404
Fringe benefits	450,486	58,535	58,671	(136)
Purchased services	49,775	48,226	39,988	8,238
Materials and supplies.	2,418	2,518	2,467	51
Other	385,200	412,724	412,700	24
Total support services-fiscal	1,034,714	695,838	687,257	8,581
Support services-business:				
Salaries and wages	110,149	112,649	112,461	188
Fringe benefits	33,764	47,964	47,867	97
Purchased services	263,116	269,160	258,272	10,888
Materials and supplies.	44,470	37,422	28,720	8,702
Capital outlay	3,500	3,958	3,580	378
Other	29,036	28,208	28,208	-
Total support services-business	484,035	499,361	479,108	20,253

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Support services-operations and maintenance:				
Salaries and wages	\$ 1,240,284	\$ 1,243,784	\$ 1,243,701	\$ 83
Fringe benefits	446,179	525,179	525,175	4
Purchased services	1,449,156	1,557,736	1,557,670	66
Materials and supplies	211,352	246,344	246,060	284
Capital outlay	20,000	63,628	62,709	919
Other	4,500	3,115	3,085	30
Total support services-operations and maintenance	<u>3,371,471</u>	<u>3,639,786</u>	<u>3,638,400</u>	<u>1,386</u>
Support services-pupil transportation:				
Salaries and wages	721,445	743,145	743,085	60
Fringe benefits	252,416	294,916	294,730	186
Purchased services	281,420	328,806	317,967	10,839
Materials and supplies	244,494	144,634	123,995	20,639
Capital outlay	6,050	6,187	6,187	-
Other	40	40	40	-
Total support services-pupil transportation	<u>1,505,865</u>	<u>1,517,728</u>	<u>1,486,004</u>	<u>31,724</u>
Support services-central:				
Salaries and wages	414,280	400,380	398,316	2,064
Fringe benefits	323,136	230,971	230,884	87
Purchased services	110,005	149,849	149,935	(86)
Materials and supplies	11,150	13,894	10,998	2,896
Capital outlay	1,295	-	-	-
Other	300	1,374	1,290	84
Total support services-central	<u>860,166</u>	<u>796,468</u>	<u>791,423</u>	<u>5,045</u>
Operation of non-instructional services - other non-instructional services:				
Salaries and wages	-	2,500	2,417	83
Fringe benefits	-	60	54	6
Other	-	173	173	-
Total operation on non-instructional services - other non-instructional services	<u>-</u>	<u>2,733</u>	<u>2,644</u>	<u>89</u>
Extracurricular activities:				
Salaries and wages	626,590	631,890	618,014	13,876
Fringe benefits	32,564	131,304	131,100	204
Purchased services	29,514	30,283	26,933	3,350
Materials and supplies	4,550	6,620	6,233	387
Capital outlay	1,800	567	567	-
Total extracurricular activities	<u>695,018</u>	<u>800,664</u>	<u>782,847</u>	<u>17,817</u>
Facilities acquisition and construction				
Purchased services	-	200	49	151
Total facilities acquisition and construction	<u>-</u>	<u>200</u>	<u>49</u>	<u>151</u>
Debt service:				
Principal retirement	40,000	40,000	40,000	-
Total debt service	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total expenditures	<u>29,758,007</u>	<u>30,049,507</u>	<u>29,907,598</u>	<u>141,909</u>

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Excess (deficiency) of revenues over (under) expenditures</i>	\$ 476,697	\$ (55,488)	\$ 83,959	\$ 139,447
Other financing sources (uses):				
Refund of prior year's expenditures	21,335	24,065	23,500	(565)
Refund of prior year's receipts	-	(2,000)	(2,000)	-
Sale of capital assets	1,000	1,000	4,983	3,983
Transfers out.	-	(35,000)	(31,000)	4,000
<i>Total other financing sources (uses)</i>	<u>22,335</u>	<u>(11,935)</u>	<u>(4,517)</u>	<u>7,418</u>
<i>Net change in fund balance</i>	499,032	(67,423)	79,442	146,865
<i>Fund balance at beginning of year (restated)</i>	12,549	12,549	12,549	-
<i>Prior year encumbrances appropriated.</i>	<u>260,677</u>	<u>260,677</u>	<u>260,677</u>	<u>-</u>
<i>Fund balance at end of year.</i>	<u>\$ 772,258</u>	<u>\$ 205,803</u>	<u>\$ 352,668</u>	<u>\$ 146,865</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BOND RETIREMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Taxes	\$ 2,907,015	\$ 2,930,472	\$ 3,051,156	\$ 120,684
Intergovernmental - State	451,569	451,569	432,022	(19,547)
<i>Total revenues.</i>	<u>3,358,584</u>	<u>3,382,041</u>	<u>3,483,178</u>	<u>101,137</u>
Expenditures:				
Current:				
Support services-fiscal				
Other	48,050	48,050	43,702	4,348
<i>Total support services-fiscal</i>	<u>48,050</u>	<u>48,050</u>	<u>43,702</u>	<u>4,348</u>
Debt service:				
Principal retirement.	2,250,000	2,250,000	2,250,000	-
Interest and fiscal charges	781,139	781,139	781,139	-
<i>Total debt service</i>	<u>3,031,139</u>	<u>3,031,139</u>	<u>3,031,139</u>	<u>-</u>
<i>Total expenditures</i>	<u>3,079,189</u>	<u>3,079,189</u>	<u>3,074,841</u>	<u>4,348</u>
<i>Net change in fund balance</i>	279,395	302,852	408,337	105,485
<i>Fund balance at beginning of year</i>	3,624,373	3,624,373	3,624,373	-
<i>Fund balance at end of year.</i>	<u>\$ 3,903,768</u>	<u>\$ 3,927,225</u>	<u>\$ 4,032,710</u>	<u>\$ 105,485</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Earnings on investments	\$ 5,000	\$ 3,000	\$ 2,045	\$ (955)
Rentals	<u>141,008</u>	<u>141,008</u>	<u>141,008</u>	<u>-</u>
<i>Total revenues.</i>	<u>146,008</u>	<u>144,008</u>	<u>143,053</u>	<u>(955)</u>
Expenditures:				
Current:				
Instruction-regular				
Purchased services	-	9,000	9,000	-
Capital outlay	<u>12,911</u>	<u>5,698</u>	<u>5,697</u>	<u>1</u>
<i>Total instruction-regular.</i>	<u>12,911</u>	<u>14,698</u>	<u>14,697</u>	<u>1</u>
Support services-administration				
Capital outlay	<u>1,791</u>	<u>1,791</u>	<u>1,791</u>	<u>-</u>
<i>Total support services-administration.</i>	<u>1,791</u>	<u>1,791</u>	<u>1,791</u>	<u>-</u>
Support services-fiscal:				
Capital outlay	<u>25,000</u>	<u>26,826</u>	<u>2,512</u>	<u>24,314</u>
<i>Total support services-fiscal</i>	<u>25,000</u>	<u>26,826</u>	<u>2,512</u>	<u>24,314</u>
Support services-operations and maintenance:				
Capital outlay	<u>89,202</u>	<u>81,703</u>	<u>81,601</u>	<u>102</u>
<i>Total support services-operations and maintenance.</i>	<u>89,202</u>	<u>81,703</u>	<u>81,601</u>	<u>102</u>
Support services-pupil transportation:				
Capital outlay	<u>15,000</u>	<u>40,000</u>	<u>31,697</u>	<u>8,303</u>
<i>Total support services-pupil transportation.</i>	<u>15,000</u>	<u>40,000</u>	<u>31,697</u>	<u>8,303</u>
Support services-central:				
Capital outlay	-	1,696	1,696	-
<i>Total support services-central.</i>	<u>-</u>	<u>1,696</u>	<u>1,696</u>	<u>-</u>

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENTS FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Facilities acquisition and construction:				
Capital outlay	\$ 15,831	\$ 83,921	\$ 75,231	\$ 8,690
Total facilities acquisition and construction.	<u>15,831</u>	<u>83,921</u>	<u>75,231</u>	<u>8,690</u>
Debt service:				
Principal retirement.	78,800	78,800	78,800	-
Interest and fiscal charges	<u>4,851</u>	<u>10,951</u>	<u>10,891</u>	<u>60</u>
Total debt service	<u>83,651</u>	<u>89,751</u>	<u>89,691</u>	<u>60</u>
<i>Total expenditures</i>	<u>243,386</u>	<u>340,386</u>	<u>298,916</u>	<u>41,470</u>
<i>Net change in fund balance</i>	(97,378)	(196,378)	(155,863)	40,515
<i>Fund balance at beginning of year</i>	192,043	192,043	192,043	-
<i>Prior year encumbrances appropriated.</i>	<u>55,735</u>	<u>55,735</u>	<u>55,735</u>	<u>-</u>
<i>Fund balance at end of year.</i>	<u>\$ 150,400</u>	<u>\$ 51,400</u>	<u>\$ 91,915</u>	<u>\$ 40,515</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 389,590	\$ 6,633	\$ 396,223
Receivables:			
Intergovernmental	91,975	-	91,975
Accrued interest	5,407	-	5,407
Materials and supplies inventory	2,245	-	2,245
Inventory held for resale	11,902	-	11,902
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 501,119</u>	<u>\$ 6,633</u>	<u>\$ 507,752</u>
Liabilities:			
Accounts payable	\$ 94,273	\$ -	\$ 94,273
Accrued wages and benefits	26,508	-	26,508
Pension obligation payable	13,650	-	13,650
Intergovernmental payable	17,680	-	17,680
Interfund loan payable	28,482	660,000	688,482
Deferred revenue	54,945	-	54,945
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>235,538</u>	<u>660,000</u>	<u>895,538</u>
Fund Balances:			
Reserved for encumbrances	107,973	-	107,973
Unreserved, undesignated (deficit), reported in:			
Special revenue funds	157,608	-	157,608
Capital projects funds	-	(653,367)	(653,367)
	<hr/>	<hr/>	<hr/>
Total fund balances (deficit)	<u>265,581</u>	<u>(653,367)</u>	<u>(387,786)</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 501,119</u>	<u>\$ 6,633</u>	<u>\$ 507,752</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:			
From local sources:			
Tuition	\$ 2,170	\$ -	\$ 2,170
Transportation.	10,339	-	10,339
Earnings on investments	7,233	13	7,246
Charges for services.	351,342	-	351,342
Extracurricular activities	261,450	-	261,450
Classroom materials and fees.	178,250	-	178,250
Contributions and donations	120,970	-	120,970
Rentals	89,542	40,000	129,542
Other local revenues	165,211	-	165,211
Intergovernmental - State	1,390,135	-	1,390,135
Intergovernmental - Federal	1,063,772	-	1,063,772
	<hr/>	<hr/>	<hr/>
Total revenue	3,640,414	40,013	3,680,427
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current:			
Instruction:			
Regular.	235,578	320,534	556,112
Special	734,251	-	734,251
Support services:			
Pupil	176,290	-	176,290
Instructional staff.	63,814	-	63,814
Operations and maintenance of plant	86,957	-	86,957
Pupil transportation	900	156,211	157,111
Central	19,737	-	19,737
Operation of non-instructional services:			
Food service operations	470,604	-	470,604
Other non-instructional services	1,639,760	-	1,639,760
Extracurricular activities	414,033	-	414,033
	<hr/>	<hr/>	<hr/>
Total expenditures	3,841,924	476,745	4,318,669
	<hr/>	<hr/>	<hr/>
Excess of revenues under expenditures	(201,510)	(436,732)	(638,242)
	<hr/>	<hr/>	<hr/>
Other financing sources:			
Transfers in	31,000	-	31,000
Lease-purchase transaction	-	321,818	321,818
	<hr/>	<hr/>	<hr/>
Total other financing sources.	31,000	321,818	352,818
	<hr/>	<hr/>	<hr/>
Net change in fund balances	(170,510)	(114,914)	(285,424)
	<hr/>	<hr/>	<hr/>
Fund balances (deficit)			
at beginning of year (restated).	436,091	(538,453)	(102,362)
	<hr/>	<hr/>	<hr/>
Fund balances (deficit) at end of year	<u>\$ 265,581</u>	<u>\$ (653,367)</u>	<u>\$ (387,786)</u>

ROCKY RIVER CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor 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:

Food Service Fund

This fund accounts for the financial transactions related to the food service operations of the District.

Uniform School Supplies Fund

This fund accounts for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

Beach Building Fund

This fund accounts for the revenues and expenditures related to the operation of the Beach School facility that is leased to educational and service organizations for the benefit of the school community at-large.

Building Rotary Fund

This fund accounts for curricular and related activities (e.g. field trips) within a school building that are paid for mainly by fees.

Public School Support Fund

A fund provided to account for specific local revenue sources (i.e. profits from vending machines, sales of pictures, etc.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

Other Grants Fund

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

District Managed Activity Fund

A fund provided to account for monies for those student activity programs which have student participation in the activity but do not have student management of the programs.

Auxiliary Services Fund

A fund provided to account for monies which provide services and materials to pupils attending non-public schools within the School District.

Education Management Information System Fund

A fund provided to account for hardware and software development, or other costs associated with the management information system.

Entry Year Programs Fund

To implement entry-year programs pursuant to Section 3317.024(T) of the Revised Code.

Data Communication Fund

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

SchoolNet Professional Development Fund

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

School Conflict Management Fund

To account for State monies provided to educate students on proper social behavior.

ROCKY RIVER CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds - (Continued)

Title VI-B Fund

A fund provided to account for federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Title III Fund

A fund provided to account for federal monies used to assist the School District in meeting the special needs of children of limited English proficiency.

Title I Fund

To account for State of Ohio and federal grants that provide financial assistance to meet the special needs of educationally deprived children.

Title V Fund

To account for State of Ohio and federal tech-prep grants that provide for assessing students' vocational interests and aptitudes, and planning and implementing intervention for those students at risk.

Drug Free Schools Grant Fund

A fund provided to account for federal monies which support the implementation of programs for drug abuse education and prevention.

Preschool Disability Fund

To account for monies received for the improvement and expansion of services for handicapped children ages three through five years.

Title II-A Fund

To account for grant monies used for the hiring of additional teachers.

Miscellaneous Federal Grants Fund

To account for monies received from the federal government which are not classified elsewhere.

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2009

	Food Service	Uniform School Supplies	Beach Building	Building Rotary
Assets:				
Equity in pooled cash and cash equivalents	\$ 111,084	\$ 17,061	\$ 6,081	\$ 24,948
Receivables:				
Intergovernmental	-	-	-	-
Accrued interest	2,632	-	-	-
Materials and supplies inventory	2,245	-	-	-
Inventory held for resale.	4,356	7,546	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets.	<u>\$ 120,317</u>	<u>\$ 24,607</u>	<u>\$ 6,081</u>	<u>\$ 24,948</u>
Liabilities:				
Accounts payable.	\$ 390	\$ -	\$ 3,064	\$ 2,346
Accrued wages and benefits	13,388	-	200	1,928
Pension obligation payable.	9,317	-	718	672
Intergovernmental payable	1,266	-	48	33
Interfund loan payable	-	-	-	-
Deferred revenue	661	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities.	<u>25,022</u>	<u>-</u>	<u>4,030</u>	<u>4,979</u>
Fund Balances:				
Reserved for encumbrances	423	-	150	2,315
Unreserved, undesignated (deficit)	94,872	24,607	1,901	17,654
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances (deficit).	<u>95,295</u>	<u>24,607</u>	<u>2,051</u>	<u>19,969</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 120,317</u>	<u>\$ 24,607</u>	<u>\$ 6,081</u>	<u>\$ 24,948</u>

Public School Support	Other Grant	District Managed Student Activity	Auxiliary Services	Emergency Management Information Systems	Entry Year Programs
\$ 70,100	\$ 10,632	\$ 13,099	\$ 117,115	\$ 5,852	\$ -
-	-	-	-	-	3,500
-	-	-	2,775	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 70,100</u>	<u>\$ 10,632</u>	<u>\$ 13,099</u>	<u>\$ 119,890</u>	<u>\$ 5,852</u>	<u>\$ 3,500</u>
\$ 1,292	\$ 800	\$ 34,107	\$ 51,258	\$ -	\$ -
-	-	21	1,791	302	-
-	-	-	1,679	838	-
-	1	58	200	7	24
-	-	-	-	-	3,500
-	-	-	697	-	-
<u>1,292</u>	<u>801</u>	<u>34,186</u>	<u>55,625</u>	<u>1,147</u>	<u>3,524</u>
2,806	855	3,546	78,492	-	-
<u>66,002</u>	<u>8,976</u>	<u>(24,633)</u>	<u>(14,227)</u>	<u>4,705</u>	<u>(24)</u>
<u>68,808</u>	<u>9,831</u>	<u>(21,087)</u>	<u>64,265</u>	<u>4,705</u>	<u>(24)</u>
<u>\$ 70,100</u>	<u>\$ 10,632</u>	<u>\$ 13,099</u>	<u>\$ 119,890</u>	<u>\$ 5,852</u>	<u>\$ 3,500</u>

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2009

	Title VI-B	Title III	Title I	Drug Free Schools
Assets:				
Equity in pooled cash and cash equivalents	\$ 13,618	\$ -	\$ -	\$ -
Receivables:				
Intergovernmental	19,983	-	58,936	387
Accrued interest	-	-	-	-
Materials and supplies inventory	-	-	-	-
Inventory held for resale	-	-	-	-
	33,601	-	58,936	387
Total assets	\$ 33,601	\$ -	\$ 58,936	\$ 387
Liabilities:				
Accounts payable	\$ 423	\$ -	\$ 198	\$ -
Accrued wages and benefits	4,765	393	3,590	-
Pension obligation payable	-	-	426	-
Intergovernmental payable	14,882	46	858	-
Interfund loan payable	-	-	16,930	-
Deferred revenue	13,792	-	38,951	387
	33,862	439	60,953	387
Total liabilities	33,862	439	60,953	387
Fund Balances:				
Reserved for encumbrances	6,936	-	12,194	-
Unreserved, undesignated (deficit)	(7,197)	(439)	(14,211)	-
	(261)	(439)	(2,017)	-
Total fund balances (deficit)	(261)	(439)	(2,017)	-
Total liabilities and fund balances	\$ 33,601	\$ -	\$ 58,936	\$ 387

Title IIA	Total Nonmajor Special Revenue Funds
\$ -	\$ 389,590
9,169	91,975
-	5,407
-	2,245
-	11,902
<u>\$ 9,169</u>	<u>\$ 501,119</u>
\$ 395	\$ 94,273
130	26,508
-	13,650
257	17,680
8,052	28,482
457	54,945
<u>9,291</u>	<u>235,538</u>
256	107,973
<u>(378)</u>	<u>157,608</u>
<u>(122)</u>	<u>265,581</u>
<u>\$ 9,169</u>	<u>\$ 501,119</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Food Service	Uniform School Supplies	Beach Building	Building Rotary
Revenues:				
From local sources:				
Tuition	\$ -	\$ -	\$ -	\$ 2,170
Transportation.	-	-	-	10,339
Earnings on investments	2,890	-	-	-
Charges for services.	351,342	-	-	-
Extracurricular activities	-	-	-	13,176
Classroom materials and fees.	-	28,850	-	149,400
Contributions and donations	-	-	-	1,200
Rentals	-	-	89,542	-
Other local revenues	-	-	-	63,459
Intergovernmental - State	1,436	-	-	-
Intergovernmental - Federal	106,149	-	-	-
Total revenue	461,817	28,850	89,542	239,744
Expenditures:				
Current:				
Instruction:				
Regular.	-	-	-	124,803
Special	-	-	-	-
Support services:				
Pupil	-	-	-	79,166
Instructional staff.	-	-	-	-
Operations and maintenance of plant	-	-	86,957	-
Pupil transportation	-	-	-	-
Central	-	-	-	12,681
Operation of non-instructional services:				
Food service operations	470,604	-	-	-
Other non-instructional services.	-	26,223	-	3,756
Extracurricular activities	-	-	-	-
Total expenditures	470,604	26,223	86,957	220,406
Excess of revenues over (under) expenditures	(8,787)	2,627	2,585	19,338
Other financing sources:				
Transfers in.	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	(8,787)	2,627	2,585	19,338
Fund balances (deficit) at beginning of year (restated).	104,082	21,980	(534)	631
Fund balances (deficit) at end of year	\$ 95,295	\$ 24,607	\$ 2,051	\$ 19,969

<u>Public School Support</u>	<u>Other Grants</u>	<u>District Managed Activity</u>	<u>Auxiliary Services</u>	<u>Education Management Information Systems</u>	<u>Entry Year Programs</u>	<u>Data Communication</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	60	4,283	-	-	-
-	-	-	-	-	-	-
-	-	248,274	-	-	-	-
-	-	-	-	-	-	-
66,943	42,093	10,734	-	-	-	-
-	-	-	-	-	-	-
22,630	-	79,122	-	-	-	-
-	-	-	1,354,972	7,937	3,500	12,000
-	-	-	-	-	-	-
<u>89,573</u>	<u>42,093</u>	<u>338,190</u>	<u>1,359,255</u>	<u>7,937</u>	<u>3,500</u>	<u>12,000</u>
6,677	40,573	-	-	-	3,478	12,000
-	574	-	-	-	-	-
85,339	-	-	-	-	-	-
-	3,257	-	-	-	-	-
-	-	-	-	-	-	-
-	900	-	-	-	-	-
-	-	-	-	7,056	-	-
-	-	-	-	-	-	-
-	-	-	1,475,936	-	-	-
-	-	414,033	-	-	-	-
<u>92,016</u>	<u>45,304</u>	<u>414,033</u>	<u>1,475,936</u>	<u>7,056</u>	<u>3,478</u>	<u>12,000</u>
<u>(2,443)</u>	<u>(3,211)</u>	<u>(75,843)</u>	<u>(116,681)</u>	<u>881</u>	<u>22</u>	<u>-</u>
-	-	31,000	-	-	-	-
-	-	31,000	-	-	-	-
<u>(2,443)</u>	<u>(3,211)</u>	<u>(44,843)</u>	<u>(116,681)</u>	<u>881</u>	<u>22</u>	<u>-</u>
<u>71,251</u>	<u>13,042</u>	<u>23,756</u>	<u>180,946</u>	<u>3,824</u>	<u>(46)</u>	<u>-</u>
<u>\$ 68,808</u>	<u>\$ 9,831</u>	<u>\$ (21,087)</u>	<u>\$ 64,265</u>	<u>\$ 4,705</u>	<u>\$ (24)</u>	<u>\$ -</u>

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	SchoolNet Professional Development	School Conflict Management	Title VI-B	Title III
Revenues:				
From local sources:				
Tuition	\$ -	\$ -	\$ -	\$ -
Transportation.	-	-	-	-
Earnings on investments	-	-	-	-
Charges for services.	-	-	-	-
Extracurricular activities	-	-	-	-
Classroom materials and fees.	-	-	-	-
Contributions and donations	-	-	-	-
Rentals	-	-	-	-
Other local revenues	-	-	-	-
Intergovernmental - State	2,970	7,320	-	-
Intergovernmental - Federal	-	-	669,792	13,703
	<u>2,970</u>	<u>7,320</u>	<u>669,792</u>	<u>13,703</u>
Total revenue	<u>2,970</u>	<u>7,320</u>	<u>669,792</u>	<u>13,703</u>
Expenditures:				
Current:				
Instruction:				
Regular.	-	-	-	13,613
Special	-	-	559,411	-
Support services:				
Pupil	-	7,320	-	-
Instructional staff.	2,967	-	-	300
Operations and maintenance of plant	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services.	-	-	124,344	-
Extracurricular activities	-	-	-	-
	<u>2,967</u>	<u>7,320</u>	<u>683,755</u>	<u>13,913</u>
Total expenditures	<u>2,967</u>	<u>7,320</u>	<u>683,755</u>	<u>13,913</u>
Excess of revenues over (under) expenditures	<u>3</u>	<u>-</u>	<u>(13,963)</u>	<u>(210)</u>
Other financing sources:				
Transfers in.	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3	-	(13,963)	(210)
Fund balances (deficit) at beginning of year (restated).	<u>(3)</u>	<u>-</u>	<u>13,702</u>	<u>(229)</u>
Fund balances (deficit) at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (261)</u>	<u>\$ (439)</u>

Title I	Title V	Drug Free Schools Grant	Preschool Disability	Title II-A	Miscellaneous Federal Grant	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,170
-	-	-	-	-	-	10,339
-	-	-	-	-	-	7,233
-	-	-	-	-	-	351,342
-	-	-	-	-	-	261,450
-	-	-	-	-	-	178,250
-	-	-	-	-	-	120,970
-	-	-	-	-	-	89,542
-	-	-	-	-	-	165,211
-	-	-	-	-	-	1,390,135
180,338	3,343	5,175	13,855	69,364	2,053	1,063,772
180,338	3,343	5,175	13,855	69,364	2,053	3,640,414
-	1,851	-	-	32,583	-	235,578
156,932	-	-	17,334	-	-	734,251
-	-	4,465	-	-	-	176,290
25,423	-	-	-	30,290	1,577	63,814
-	-	-	-	-	-	86,957
-	-	-	-	-	-	900
-	-	-	-	-	-	19,737
-	-	-	-	-	-	470,604
-	1,578	710	-	6,737	476	1,639,760
-	-	-	-	-	-	414,033
182,355	3,429	5,175	17,334	69,610	2,053	3,841,924
(2,017)	(86)	-	(3,479)	(246)	-	(201,510)
-	-	-	-	-	-	31,000
-	-	-	-	-	-	31,000
(2,017)	(86)	-	(3,479)	(246)	-	(170,510)
-	86	-	3,479	124	-	436,091
\$ (2,017)	\$ -	\$ -	\$ -	\$ (122)	\$ -	\$ 265,581

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Earnings on investments	\$ 4,000	\$ 2,000	\$ 1,303	\$ (697)
Charges for services	440,800	440,800	351,342	(89,458)
Intergovernmental - State	1,900	1,900	1,436	(464)
Intergovernmental - Federal	66,000	66,000	76,255	10,255
<i>Total revenues.</i>	<u>512,700</u>	<u>510,700</u>	<u>430,336</u>	<u>(80,364)</u>
Expenditures:				
Current:				
Operation of non-instructional services - food service operations:				
Salaries and wages	167,802	168,802	152,500	16,302
Fringe benefits	56,933	56,384	54,409	1,975
Purchased services	24,900	24,662	13,474	11,188
Materials and supplies	267,485	266,547	211,023	55,524
Capital outlay	11,480	12,205	10,115	2,090
Total operation of non-instructional services - food service operations	<u>528,600</u>	<u>528,600</u>	<u>441,521</u>	<u>87,079</u>
<i>Total expenditures</i>	<u>528,600</u>	<u>528,600</u>	<u>441,521</u>	<u>87,079</u>
<i>Net change in fund balance</i>	(15,900)	(17,900)	(11,185)	6,715
<i>Fund balance at beginning of year</i>	120,946	120,946	120,946	-
<i>Prior year encumbrances appropriated.</i>	900	900	900	-
<i>Fund balance at end of year.</i>	<u>\$ 105,946</u>	<u>\$ 103,946</u>	<u>\$ 110,661</u>	<u>\$ 6,715</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Classroom materials and fees	\$ 16,950	\$ 24,750	\$ 28,850	\$ 4,100
<i>Total revenues.</i>	<u>16,950</u>	<u>24,750</u>	<u>28,850</u>	<u>4,100</u>
Expenditures:				
Current:				
Operation of non-instructional services - other non-instructional services:				
Materials and supplies.	19,671	27,171	25,979	1,192
Total operation of non-instructional services - other non-instructional services	<u>19,671</u>	<u>27,171</u>	<u>25,979</u>	<u>1,192</u>
<i>Total expenditures</i>	<u>19,671</u>	<u>27,171</u>	<u>25,979</u>	<u>1,192</u>
<i>Net change in fund balance</i>	(2,721)	(2,421)	2,871	5,292
<i>Fund balance at beginning of year</i>	14,190	14,190	14,190	-
<i>Fund balance at end of year.</i>	<u>\$ 11,469</u>	<u>\$ 11,769</u>	<u>\$ 17,061</u>	<u>\$ 5,292</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BEACH BUILDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Rentals	\$ 100,796	\$ 100,796	\$ 89,542	\$ (11,254)
<i>Total revenues.</i>	<u>100,796</u>	<u>100,796</u>	<u>89,542</u>	<u>(11,254)</u>
Expenditures:				
Current:				
Support services-operations and maintenance:				
Salaries and wages	6,300	6,300	6,082	218
Fringe benefits	1,037	1,037	866	171
Purchased services	93,048	80,091	80,007	84
Materials and supplies.	800	800	-	800
Total support services-operations and maintenance	<u>101,185</u>	<u>88,228</u>	<u>86,955</u>	<u>1,273</u>
<i>Total expenditures</i>	<u>101,185</u>	<u>88,228</u>	<u>86,955</u>	<u>1,273</u>
<i>Net change in fund balance</i>	(389)	12,568	2,587	(9,981)
<i>Fund balance at beginning of year (restated)</i>	<u>376</u>	<u>376</u>	<u>376</u>	<u>-</u>
<i>Fund balance at end of year.</i>	<u>\$ (13)</u>	<u>\$ 12,944</u>	<u>\$ 2,963</u>	<u>\$ (9,981)</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUILDING ROTARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Tuition	\$ -	\$ 5,000	\$ 2,170	\$ (2,830)
Transportation	7,025	9,025	10,339	1,314
Extracurricular activities	-	-	13,176	13,176
Classroom materials and fees	94,450	150,450	149,400	(1,050)
Other local revenues	34,100	45,350	61,443	16,093
<i>Total revenues</i>	<u>135,575</u>	<u>209,825</u>	<u>236,528</u>	<u>26,703</u>
Expenditures:				
Current:				
Instruction-regular:				
Salaries and wages	-	261	260	1
Fringe benefits	-	300	37	263
Purchased services	-	1,320	1,316	4
Materials and supplies	71,701	119,761	119,747	14
Capital outlay	4,400	5,896	5,893	3
<i>Total instruction-regular</i>	<u>76,101</u>	<u>127,538</u>	<u>127,253</u>	<u>285</u>
Support services-pupil:				
Purchased services	25,026	50,500	49,514	986
Materials and supplies	8,475	22,023	21,813	210
Capital outlay	-	325	324	1
Other	10,179	7,702	7,701	1
<i>Total support services-pupil</i>	<u>43,680</u>	<u>80,550</u>	<u>79,352</u>	<u>1,198</u>
Support services-central:				
Other	-	14,750	14,708	42
<i>Total support services-central</i>	<u>-</u>	<u>14,750</u>	<u>14,708</u>	<u>42</u>
Operation of non-instructional services - other non-instructional services:				
Salaries and wages	1,486	3,046	3,035	11
Fringe benefits	302	896	355	541
Purchased services	-	2,600	2,580	20
<i>Total operation of non-instructional services</i>	<u>1,788</u>	<u>6,542</u>	<u>5,970</u>	<u>572</u>
<i>Total expenditures</i>	<u>121,569</u>	<u>229,380</u>	<u>227,283</u>	<u>2,097</u>
<i>Excess of revenues over (under) expenditures</i>	<u>14,006</u>	<u>(19,555)</u>	<u>9,245</u>	<u>28,800</u>
Other financing sources::				
Sale of capital assets	100	100	3,215	3,115
<i>Total other financing sources</i>	<u>100</u>	<u>100</u>	<u>3,215</u>	<u>3,115</u>
<i>Net change in fund balance</i>	14,106	(19,455)	12,460	31,915
<i>Fund balance at beginning of year (restated)</i>	1,627	1,627	1,627	-
<i>Prior year encumbrances appropriated</i>	6,200	6,200	6,200	-
<i>Fund balance at end of year</i>	<u>\$ 21,933</u>	<u>\$ (11,628)</u>	<u>\$ 20,287</u>	<u>\$ 31,915</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC SCHOOL SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Contributions and donations	\$ -	\$ 40,315	\$ 66,943	\$ 26,628
Miscellaneous	37,855	51,040	22,630	(28,410)
<i>Total revenues.</i>	<u>37,855</u>	<u>91,355</u>	<u>89,573</u>	<u>(1,782)</u>
Expenditures:				
Current:				
Instruction-regular:				
Capital outlay	-	6,680	6,678	2
<i>Total instruction-regular.</i>	<u>-</u>	<u>6,680</u>	<u>6,678</u>	<u>2</u>
Support services-pupil:				
Purchased services	9,850	12,664	12,658	6
Materials and supplies	27,015	39,426	37,682	1,744
Capital outlay	17,859	31,003	28,201	2,802
Other	12,939	38,684	26,882	11,802
<i>Total support services-pupil.</i>	<u>67,663</u>	<u>121,777</u>	<u>105,423</u>	<u>16,354</u>
<i>Total expenditures</i>	<u>67,663</u>	<u>128,457</u>	<u>112,101</u>	<u>16,356</u>
<i>Excess of revenues under expenditures.</i>	<u>(29,808)</u>	<u>(37,102)</u>	<u>(22,528)</u>	<u>14,574</u>
Other financing uses::				
Refund of prior year's receipts	(17,181)	(10,151)	-	10,151
<i>Total other financing uses</i>	<u>(17,181)</u>	<u>(10,151)</u>	<u>-</u>	<u>10,151</u>
<i>Net change in fund balance</i>	(46,989)	(47,253)	(22,528)	24,725
<i>Fund balance at beginning of year</i>	66,505	66,505	66,505	-
<i>Prior year encumbrances appropriated.</i>	22,025	22,025	22,025	-
<i>Fund balance at end of year.</i>	<u>\$ 41,541</u>	<u>\$ 41,277</u>	<u>\$ 66,002</u>	<u>\$ 24,725</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OTHER GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Contributions and donations	\$ -	\$ 42,052	\$ 42,093	\$ 41
<i>Total revenues.</i>	<u>-</u>	<u>42,052</u>	<u>42,093</u>	<u>41</u>
Expenditures:				
Current:				
Instruction-regular:				
Salaries and wages	-	75	75	-
Fringe benefits	-	11	11	-
Purchased services	247	1,673	1,425	248
Materials and supplies	1,538	2,597	102	2,495
Capital outlay	21,225	56,958	54,089	2,869
Total instruction-regular	<u>23,010</u>	<u>61,314</u>	<u>55,702</u>	<u>5,612</u>
Instruction-special:				
Purchased services	-	574	574	-
Materials and supplies	24	18	-	18
Capital outlay	213	213	-	213
Total instruction-special	<u>237</u>	<u>805</u>	<u>574</u>	<u>231</u>
Support services-pupil:				
Purchased services	182	182	-	182
Materials and supplies	55	55	55	-
Capital outlay	50	50	-	50
Total support services-pupil	<u>287</u>	<u>287</u>	<u>55</u>	<u>232</u>
Support services-instructional staff:				
Fringe benefits	-	880	880	-
Materials and supplies	258	258	-	258
Capital outlay	-	1,390	1,390	-
Other	4,090	3,430	987	2,443
Total support services-instructional staff	<u>4,348</u>	<u>5,958</u>	<u>3,257</u>	<u>2,701</u>
Support services-pupil transportation:				
Purchased services	-	900	900	-
Total support services-pupil transportation	<u>-</u>	<u>900</u>	<u>900</u>	<u>-</u>
Extracurricular activities:				
Purchased services	300	300	-	300
Total extracurricular activities	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>
<i>Total expenditures</i>	<u>28,182</u>	<u>69,564</u>	<u>60,488</u>	<u>9,076</u>
<i>Net change in fund balance</i>	(28,182)	(27,512)	(18,395)	9,117
<i>Fund balance at beginning of year</i>	12,960	12,960	12,960	-
<i>Prior year encumbrances appropriated.</i>	15,212	15,212	15,212	-
<i>Fund balance at end of year.</i>	<u>\$ (10)</u>	<u>\$ 660</u>	<u>\$ 9,777</u>	<u>\$ 9,117</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DISTRICT MANAGED ACTIVITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Earnings on investments	\$ -	\$ -	\$ 60	\$ 60
Extracurricular activities	165,130	247,641	248,274	633
Contributions and donations	6,100	6,100	10,734	4,634
Miscellaneous.	131,112	131,112	79,122	(51,990)
<i>Total revenues.</i>	<u>302,342</u>	<u>384,853</u>	<u>338,190</u>	<u>(46,663)</u>
Expenditures:				
Current:				
Extracurricular activities:				
Salaries and wages	19,405	18,318	17,645	673
Fringe benefits	1,946	2,641	2,560	81
Purchased services	88,940	115,115	111,525	3,590
Materials and supplies.	130,700	205,484	205,343	141
Capital outlay	19,900	23,420	20,995	2,425
Other	42,080	35,717	32,267	3,450
Total extracurricular activities.	<u>302,971</u>	<u>400,695</u>	<u>390,335</u>	<u>10,360</u>
<i>Total expenditures</i>	<u>302,971</u>	<u>400,695</u>	<u>390,335</u>	<u>10,360</u>
<i>Excess of revenues under expenditures</i>	<u>(629)</u>	<u>(15,842)</u>	<u>(52,145)</u>	<u>(36,303)</u>
Other financing sources:				
Transfers in	-	-	31,000	31,000
<i>Total other financing sources</i>	<u>-</u>	<u>-</u>	<u>31,000</u>	<u>31,000</u>
<i>Net change in fund balance</i>	<u>(629)</u>	<u>(15,842)</u>	<u>(21,145)</u>	<u>(5,303)</u>
<i>Fund balance at beginning of year</i>	21,090	21,090	21,090	-
<i>Prior year encumbrances appropriated.</i>	<u>2,979</u>	<u>2,979</u>	<u>2,979</u>	<u>-</u>
<i>Fund balance at end of year.</i>	<u>\$ 23,440</u>	<u>\$ 8,227</u>	<u>\$ 2,924</u>	<u>\$ (5,303)</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUXILIARY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Earnings on investments	\$ 6,600	\$ 2,880	\$ 2,677	\$ (203)
Intergovernmental	<u>1,412,448</u>	<u>1,354,972</u>	<u>1,354,972</u>	<u>-</u>
<i>Total revenues.</i>	<u>1,419,048</u>	<u>1,357,852</u>	<u>1,357,649</u>	<u>(203)</u>
Expenditures:				
Current:				
Operation of non-instructional services - other non-instructional services:				
Salaries and wages	-	24,740	25,096	(356)
Fringe benefits	2,933	7,887	7,738	149
Purchased services	479,134	811,622	811,532	90
Materials and supplies.	26,176	490,301	489,161	1,140
Capital outlay	<u>27,559</u>	<u>221,984</u>	<u>223,007</u>	<u>(1,023)</u>
Total operation on non-instructional services - other non-instructional services	<u>535,802</u>	<u>1,556,534</u>	<u>1,556,534</u>	<u>-</u>
<i>Total expenditures</i>	<u>535,802</u>	<u>1,556,534</u>	<u>1,556,534</u>	<u>-</u>
<i>Net change in fund balance</i>	883,246	(198,682)	(198,885)	(203)
<i>Fund balance at beginning of year</i>	145,150	145,150	145,150	-
<i>Prior year encumbrances appropriated.</i>	<u>53,735</u>	<u>53,735</u>	<u>53,735</u>	<u>-</u>
<i>Fund balance at end of year.</i>	<u>\$ 1,082,131</u>	<u>\$ 203</u>	<u>\$ -</u>	<u>\$ (203)</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EDUCATION MANAGEMENT INFORMATION SYSTEMS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 9,400	\$ 8,523	\$ 7,937	\$ (586)
<i>Total revenues.</i>	<u>9,400</u>	<u>8,523</u>	<u>7,937</u>	<u>(586)</u>
Expenditures:				
Current:				
Support services-central:				
Salaries and wages	6,000	6,722	6,121	601
Fringe benefits	890	915	855	60
Purchased services	<u>2,510</u>	<u>886</u>	<u>-</u>	<u>886</u>
Total support services-central	<u>9,400</u>	<u>8,523</u>	<u>6,976</u>	<u>1,547</u>
<i>Total expenditures</i>	<u>9,400</u>	<u>8,523</u>	<u>6,976</u>	<u>1,547</u>
<i>Net change in fund balance</i>	-	-	961	961
<i>Fund balance at beginning of year</i>	<u>4,891</u>	<u>4,891</u>	<u>4,891</u>	<u>-</u>
<i>Fund balance at end of year.</i>	<u>\$ 4,891</u>	<u>\$ 4,891</u>	<u>\$ 5,852</u>	<u>\$ 961</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENTRY YEAR PROGRAMS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 3,500	\$ 3,500	\$ -	\$ (3,500)
Total revenues.	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>(3,500)</u>
Expenditures:				
Current:				
Instruction-regular:				
Salaries and wages	3,500	3,500	3,500	-
Total instruction-regular.	<u>3,500</u>	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Total expenditures	<u>3,500</u>	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Net change in fund balance	-	-	(3,500)	(3,500)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,500)</u>	<u>\$ (3,500)</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DATA COMMUNICATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 12,000	\$ 12,000	\$ 12,000	\$ -
Total revenues	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Expenditures:				
Current:				
Instruction-regular:				
Purchased services	2,940	2,940	2,940	-
Materials and supplies	898	898	898	-
Capital outlay	<u>8,162</u>	<u>8,162</u>	<u>8,162</u>	<u>-</u>
Total instruction-regular	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Total expenditures	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOOLNET PROFESSIONAL DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 2,970	\$ 2,970	\$ 2,970	\$ -
<i>Total revenues.</i>	<u>2,970</u>	<u>2,970</u>	<u>2,970</u>	<u>-</u>
Expenditures:				
Current:				
Support services-instructional staff:				
Purchased services	2,970	2,970	2,970	-
Total support services-instructional staff	<u>2,970</u>	<u>2,970</u>	<u>2,970</u>	<u>-</u>
<i>Total expenditures</i>	<u>2,970</u>	<u>2,970</u>	<u>2,970</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance at beginning of year</i>	-	-	-	-
<i>Fund balance at end of year.</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOOL CONFLICT MANAGEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - State	\$ 7,000	\$ 7,320	\$ 7,320	\$ -
<i>Total revenues.</i>	<u>7,000</u>	<u>7,320</u>	<u>7,320</u>	<u>-</u>
Expenditures:				
Current:				
Support services-pupil				
Purchased services	7,000	7,320	7,320	-
Total support services-pupil.	<u>7,000</u>	<u>7,320</u>	<u>7,320</u>	<u>-</u>
<i>Total expenditures</i>	<u>7,000</u>	<u>7,320</u>	<u>7,320</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance at beginning of year</i>	-	-	-	-
<i>Fund balance at end of year.</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE VI-B FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 683,583	\$ 690,896	\$ 663,601	\$ (27,295)
<i>Total revenues.</i>	<u>683,583</u>	<u>690,896</u>	<u>663,601</u>	<u>(27,295)</u>
Expenditures:				
Current:				
Instruction-special:				
Salaries and wages	-	37,086	37,086	-
Fringe benefits	-	17,745	16,822	923
Purchased services	688,805	520,030	516,599	3,431
<i>Total instruction-special.</i>	<u>688,805</u>	<u>574,861</u>	<u>570,507</u>	<u>4,354</u>
Operation of non-instructional services - other non-instructional services:				
Purchased services	2,259	133,920	124,227	9,693
Supplies	-	2,700	1,010	1,690
<i>Total operation of non-instructional services - other non-instructional services.</i>	<u>2,259</u>	<u>136,620</u>	<u>125,237</u>	<u>11,383</u>
<i>Total expenditures.</i>	<u>691,064</u>	<u>711,481</u>	<u>695,744</u>	<u>15,737</u>
<i>Net change in fund balance.</i>	(7,481)	(20,585)	(32,143)	(11,558)
<i>Fund balance at beginning of year.</i>	3,246	3,246	3,246	-
<i>Prior year encumbrances appropriated.</i>	20,585	20,585	20,585	-
<i>Fund balance at end of year.</i>	<u>\$ 16,350</u>	<u>\$ 3,246</u>	<u>\$ (8,312)</u>	<u>\$ (11,558)</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE III FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 13,703	\$ 13,703	\$ 13,703	\$ -
<i>Total revenues.</i>	<u>13,703</u>	<u>13,703</u>	<u>13,703</u>	<u>-</u>
Expenditures:				
Current:				
Instruction-regular:				
Salaries and wages	10,401	10,401	10,401	-
Fringe benefits	<u>3,065</u>	<u>3,065</u>	<u>3,065</u>	<u>-</u>
<i>Total instruction-regular.</i>	<u>13,466</u>	<u>13,466</u>	<u>13,466</u>	<u>-</u>
Support services-instructional staff:				
Purchased services	<u>300</u>	<u>300</u>	<u>300</u>	<u>-</u>
<i>Total support services-instructional staff</i>	<u>300</u>	<u>300</u>	<u>300</u>	<u>-</u>
<i>Total expenditures</i>	<u>13,766</u>	<u>13,766</u>	<u>13,766</u>	<u>-</u>
<i>Net change in fund balance</i>	(63)	(63)	(63)	-
<i>Fund balance at beginning of year</i>	<u>63</u>	<u>63</u>	<u>63</u>	<u>-</u>
<i>Fund balance at end of year.</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE I FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 214,668	\$ 219,289	\$ 160,353	\$ (58,936)
<i>Total revenues.</i>	<u>214,668</u>	<u>219,289</u>	<u>160,353</u>	<u>(58,936)</u>
Expenditures:				
Current:				
Instruction-special:				
Salaries and wages	107,762	94,707	90,652	4,055
Fringe benefits	39,265	21,311	16,098	5,213
Supplies	46,190	19,949	16,624	3,325
Capital outlay	21,451	37,451	37,320	131
<i>Total instruction-special</i>	<u>214,668</u>	<u>173,418</u>	<u>160,694</u>	<u>12,724</u>
Support services-instructional staff:				
Salaries and wages	-	8,000	733	7,267
Fringe benefits	-	1,316	75	1,241
Purchased services	-	36,055	28,173	7,882
<i>Total support services-instructional staff</i>	<u>-</u>	<u>45,371</u>	<u>28,981</u>	<u>16,390</u>
Operation of non-instructional services - other non-instructional services:				
Purchased services	-	500	-	500
<i>Total operation of non-instructional services - other non-instructional services</i>	<u>-</u>	<u>500</u>	<u>-</u>	<u>500</u>
<i>Total expenditures</i>	<u>214,668</u>	<u>219,289</u>	<u>189,675</u>	<u>29,614</u>
<i>Net change in fund balance</i>	-	-	(29,322)	(29,322)
<i>Fund balance at beginning of year</i>	-	-	-	-
<i>Fund balance at end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (29,322)</u>	<u>\$ (29,322)</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE V FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 4,495	\$ 3,343	\$ 3,343	\$ -
<i>Total revenues.</i>	<u>4,495</u>	<u>3,343</u>	<u>3,343</u>	<u>-</u>
Expenditures:				
Current:				
Instruction-regular:				
Materials and supplies	4,495	-	-	-
Capital outlay	-	1,851	1,851	-
<i>Total instruction-regular.</i>	<u>4,495</u>	<u>1,851</u>	<u>1,851</u>	<u>-</u>
Operation of non-instructional services - other non-instructional services:				
Purchased services	-	50	50	-
Materials and supplies	-	681	931	(250)
Capital outlay	-	847	597	250
<i>Total operation of non-instructional services - other non-instructional services.</i>	<u>-</u>	<u>1,578</u>	<u>1,578</u>	<u>-</u>
<i>Total expenditures</i>	<u>4,495</u>	<u>3,429</u>	<u>3,429</u>	<u>-</u>
<i>Net change in fund balance</i>	-	(86)	(86)	-
<i>Fund balance at beginning of year</i>	<u>86</u>	<u>86</u>	<u>86</u>	<u>-</u>
<i>Fund balance at end of year.</i>	<u>\$ 86</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG FREE SCHOOLS GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 5,562	\$ 5,562	\$ 5,175	\$ (387)
<i>Total revenues.</i>	<u>5,562</u>	<u>5,562</u>	<u>5,175</u>	<u>(387)</u>
Expenditures:				
Current:				
Support services-pupil:				
Purchased services	5,261	4,465	4,465	-
<i>Total support services-pupil.</i>	<u>5,261</u>	<u>4,465</u>	<u>4,465</u>	<u>-</u>
Operation of non-instructional services - other non-instructional services:				
Purchased services	-	710	710	-
Materials and supplies.	-	387	-	387
<i>Total operation of non-instructional services - other non-instructional services.</i>	<u>-</u>	<u>1,097</u>	<u>710</u>	<u>387</u>
<i>Total expenditures</i>	<u>5,261</u>	<u>5,562</u>	<u>5,175</u>	<u>387</u>
<i>Net change in fund balance.</i>	301	-	-	-
<i>Fund balance at beginning of year</i>	-	-	-	-
<i>Fund balance at end of year.</i>	<u>\$ 301</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PRESCHOOL DISABILITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 13,039	\$ 15,994	\$ 15,994	\$ -
<i>Total revenues.</i>	<u>13,039</u>	<u>15,994</u>	<u>15,994</u>	<u>-</u>
Expenditures:				
Current:				
Instruction-special:				
Purchased services	12,071	14,379	14,379	-
Materials and supplies.	-	2,955	2,955	-
<i>Total instruction-special.</i>	<u>12,071</u>	<u>17,334</u>	<u>17,334</u>	<u>-</u>
<i>Total expenditures.</i>	<u>12,071</u>	<u>17,334</u>	<u>17,334</u>	<u>-</u>
<i>Net change in fund balance.</i>	968	(1,340)	(1,340)	-
<i>Fund balance at beginning of year.</i>	-	-	-	-
<i>Prior year encumbrances appropriated.</i>	1,340	1,340	1,340	-
<i>Fund balance at end of year.</i>	<u>\$ 2,308</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE II-A FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 69,222	\$ 69,365	\$ 60,652	\$ (8,713)
<i>Total revenues.</i>	<u>69,222</u>	<u>69,365</u>	<u>60,652</u>	<u>(8,713)</u>
Expenditures:				
Current:				
Instruction-regular:				
Salaries and wages	-	28,095	28,095	-
Fringe benefits	-	4,529	4,544	(15)
<i>Total instruction-regular.</i>	<u>-</u>	<u>32,624</u>	<u>32,639</u>	<u>(15)</u>
Support services-instructional staff:				
Salaries and wages	-	9,000	9,000	-
Fringe benefits	-	1,492	1,467	25
Purchased services	69,222	20,094	20,094	-
<i>Total support services-instructional staff</i>	<u>69,222</u>	<u>30,586</u>	<u>30,561</u>	<u>25</u>
Operation of non-instructional services - other non-instructional services:				
Purchased services	-	6,737	6,737	-
<i>Total operation of non-instructional services - other non-instructional services</i>	<u>-</u>	<u>6,737</u>	<u>6,737</u>	<u>-</u>
<i>Total expenditures</i>	<u>69,222</u>	<u>69,947</u>	<u>69,937</u>	<u>10</u>
<i>Net change in fund balance</i>	-	(582)	(9,285)	(8,703)
<i>Fund balance at beginning of year</i>	582	582	582	-
<i>Fund balance at end of year</i>	<u>\$ 582</u>	<u>\$ -</u>	<u>\$ (8,703)</u>	<u>\$ (8,703)</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MISCELLANEOUS FEDERAL GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental - Federal	\$ 2,161	\$ 2,054	\$ 2,054	\$ -
<i>Total revenues</i>	<u>2,161</u>	<u>2,054</u>	<u>2,054</u>	<u>-</u>
Expenditures:				
Current:				
Instruction-regular:				
Capital outlay	2,161	-	-	-
Total instruction-regular	<u>2,161</u>	<u>-</u>	<u>-</u>	<u>-</u>
Support services-instructional staff:				
Purchased services	-	1,577	1,577	-
Total support services-instructional staff	<u>-</u>	<u>1,577</u>	<u>1,577</u>	<u>-</u>
Operation of non-instructional services - other non-instructional services:				
Capital outlay	-	477	477	-
Total operation of non-instructional services - other non-instructional services	<u>-</u>	<u>477</u>	<u>477</u>	<u>-</u>
<i>Total expenditures</i>	<u>2,161</u>	<u>2,054</u>	<u>2,054</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance at beginning of year</i>	-	-	-	-
<i>Fund balance at end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ROCKY RIVER CITY SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Capital Project Fund

The capital project fund accounts for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds and trust funds). A description of the District's capital project fund follows:

Building Fund

A fund provided to account for all transactions related to the acquiring, construction, or improving of such permanent improvements.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUND
JUNE 30, 2009

	Building	Total Nonmajor Capital Project Fund
Assets:		
Equity in pooled cash and cash equivalents	\$ 6,633	\$ 6,633
Total assets.	\$ 6,633	\$ 6,633
Liabilities:		
Interfund loan payable	\$ 660,000	\$ 660,000
Total liabilities	660,000	660,000
Fund Balances:		
Unreserved, undesignated (deficit)	(653,367)	(653,367)
Total fund balances (deficit).	(653,367)	(653,367)
Total liabilities and fund balances	\$ 6,633	\$ 6,633

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Building	Total Nonmajor Capital Project Fund
Revenues:		
From local sources:		
Earnings on investments	\$ 13	\$ 13
Rentals	40,000	40,000
Total revenue	40,013	40,013
Expenditures:		
Current:		
Instruction:		
Regular	320,534	320,534
Support services:		
Pupil transportation	156,211	156,211
Total expenditures	476,745	476,745
Excess of revenues under expenditures.	(436,732)	(436,732)
Other financing sources:		
Lease-purchase transaction	321,818	321,818
Total other financing sources.	321,818	321,818
Net change in fund balances	(114,914)	(114,914)
Fund balances (deficit) at beginning of year.	(538,453)	(538,453)
Fund balances (deficit) at end of year	\$ (653,367)	\$ (653,367)

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUILDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
From local sources:				
Interest	\$ -	\$ 100	\$ 13	\$ (87)
<i>Total revenues.</i>	<u>-</u>	<u>100</u>	<u>13</u>	<u>(87)</u>
Expenditures:				
Current:				
Instruction-regular:				
Purchased services	-	100	-	100
Capital outlay	-	321,818	320,534	1,284
<i>Total instruction-regular.</i>	<u>-</u>	<u>321,918</u>	<u>320,534</u>	<u>1,384</u>
Support services-pupil transportation:				
Capital outlay	1,454	161,547	156,211	5,336
<i>Total support services-pupil transportation.</i>	<u>1,454</u>	<u>161,547</u>	<u>156,211</u>	<u>5,336</u>
Debt service:				
Principal retirement	-	300,000	300,000	-
<i>Total debt service.</i>	<u>-</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
<i>Total expenditures.</i>	<u>1,454</u>	<u>783,465</u>	<u>776,745</u>	<u>6,720</u>
<i>Excess of revenues over (under) expenditures.</i>	<u>(1,454)</u>	<u>(783,365)</u>	<u>(776,732)</u>	<u>6,633</u>
Other financing sources:				
Inception of lease purchase transactions.		321,818	321,818	-
Proceeds from sale of notes	-	460,000	460,000	-
<i>Total other financing sources.</i>	<u>-</u>	<u>781,818</u>	<u>781,818</u>	<u>-</u>
<i>Net change in fund balance.</i>	(1,454)	(1,547)	5,086	6,633
<i>Fund balance at beginning of year.</i>	93	93	93	-
<i>Prior year encumbrances appropriated.</i>	1,454	1,454	1,454	-
<i>Fund balance at end of year.</i>	<u>\$ 93</u>	<u>\$ -</u>	<u>\$ 6,633</u>	<u>\$ 6,633</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
FIDUCIARY FUND DESCRIPTIONS**

Fiduciary Funds

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

Private-Purpose Trust Fund

Special Trust Fund

A fund provided to account for monies set aside from endowments for scholarships for students enrolled in the District. The principal and income from such a fund may be expended.

Agency Fund

Student Managed Activities Fund

This fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 1,400	\$ 1,020	\$ 781	\$ (239)
Contributions and donations	<u>39,000</u>	<u>39,000</u>	<u>38,827</u>	<u>(173)</u>
<i>Total revenues</i>	<u>40,400</u>	<u>40,020</u>	<u>39,608</u>	<u>(412)</u>
Expenses:				
Other	<u>29,807</u>	<u>77,807</u>	<u>68,407</u>	<u>9,400</u>
<i>Total expenses</i>	<u>29,807</u>	<u>77,807</u>	<u>68,407</u>	<u>9,400</u>
<i>Net change in fund equity</i>	10,593	(37,787)	(28,799)	8,988
<i>Fund equity at beginning of year</i>	59,378	59,378	59,378	-
<i>Prior year encumbrances appropriated</i>	<u>19,539</u>	<u>19,539</u>	<u>19,539</u>	<u>-</u>
<i>Fund equity at end of year</i>	<u>\$ 89,510</u>	<u>\$ 41,130</u>	<u>\$ 50,118</u>	<u>\$ 8,988</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Beginning Balance July 1, 2008	Additions	Deletions	Ending Balance June 30, 2009
Student Managed Activities				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 118,247	\$ 190,318	\$ 197,869	\$ 110,696
Receivables				
Accounts	235	254	235	254
Accrued interest	106	-	106	-
Total assets	<u>\$ 118,588</u>	<u>\$ 190,572</u>	<u>\$ 198,210</u>	<u>\$ 110,950</u>
Liabilities:				
Accounts payable.	\$ 270	\$ 553	\$ 270	\$ 553
Due to students.	118,318	190,019	197,940	110,397
Total liabilities	<u>\$ 118,588</u>	<u>\$ 190,572</u>	<u>\$ 198,210</u>	<u>\$ 110,950</u>

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Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2009

Statistical Section



ROCKY RIVER CITY SCHOOL DISTRICT
Cuyahoga County, Ohio

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	132-143
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	144-151
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	152-155
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	156-157
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	158-169

Sources: Sources are noted on the individual schedules. The District implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2009 (1)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 10,230,730	\$ 8,737,992	\$ 8,356,023	\$ 7,597,331
Restricted	4,906,042	4,928,512	4,196,704	3,466,093
Unrestricted	(5,525,069)	(6,173,832)	(4,774,288)	(4,648,254)
Total governmental activities net assets	<u>\$ 9,611,703</u>	<u>\$ 7,492,672</u>	<u>\$ 7,778,439</u>	<u>\$ 6,415,170</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ -	\$ 341,648	\$ 295,026	\$ 303,835
Unrestricted	-	34,200	39,385	56,717
Total business-type activities net assets	<u>\$ -</u>	<u>\$ 375,848</u>	<u>\$ 334,411</u>	<u>\$ 360,552</u>
Primary government				
Invested in capital assets, net of related debt	\$ 10,230,730	\$ 9,079,640	\$ 8,651,049	\$ 7,901,166
Restricted	4,906,042	4,928,512	4,196,704	3,466,093
Unrestricted	(5,525,069)	(6,139,632)	(4,734,903)	(4,591,537)
Total primary government net assets	<u>\$ 9,611,703</u>	<u>\$ 7,868,520</u>	<u>\$ 8,112,850</u>	<u>\$ 6,775,722</u>

Source: School District financial records.

Note (1): In fiscal year 2009, the District has reclassified all former business-type activities to governmental activities.

Note (2): The District implemented GASB Statement No. 34 in fiscal year 2001.

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001 (2)</u>
\$ 7,268,356	\$ 6,142,045	\$ 4,349,221	\$ 4,276,001	\$ 2,467,127
3,278,482	3,608,820	4,669,876	5,681,352	7,437,474
(4,997,534)	(240,144)	496,171	2,049,851	175,223
<u>\$ 5,549,304</u>	<u>\$ 9,510,721</u>	<u>\$ 9,515,268</u>	<u>\$ 12,007,204</u>	<u>\$ 10,079,824</u>
\$ 305,639	\$ 321,849	\$ 333,205	\$ 331,722	\$ 293,167
52,327	64,756	103,447	113,693	131,367
<u>\$ 357,966</u>	<u>\$ 386,605</u>	<u>\$ 436,652</u>	<u>\$ 445,415</u>	<u>\$ 424,534</u>
\$ 7,573,995	\$ 6,463,894	\$ 4,682,426	\$ 4,607,723	\$ 2,760,294
3,278,482	3,608,820	4,669,876	5,681,352	7,437,474
(4,945,207)	(175,388)	599,618	2,163,544	306,590
<u>\$ 5,907,270</u>	<u>\$ 9,897,326</u>	<u>\$ 9,951,920</u>	<u>\$ 12,452,619</u>	<u>\$ 10,504,358</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2009 (1)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenses				
Governmental activities:				
Instruction:				
Regular	\$ 14,733,245	\$ 14,272,906	\$ 13,861,514	\$ 13,050,129
Special	4,068,587	3,884,987	3,717,779	3,496,076
Vocational	397,153	443,201	409,280	356,268
Other	29,452	28,836	28,320	25,934
Support services:				
Pupil	1,861,316	2,001,434	1,752,641	1,698,202
Instructional staff	874,144	803,996	811,663	674,629
Board of education	41,586	36,505	33,198	23,938
Administration	2,150,914	2,230,446	1,743,637	1,451,888
Fiscal	757,846	765,655	489,910	821,449
Business	466,440	472,923	383,535	392,739
Operations and maintenance	4,030,992	3,515,979	3,235,860	3,366,885
Pupil transportation	1,608,530	1,579,159	1,458,464	1,277,514
Central	757,888	710,439	876,022	697,162
Operation of non-instructional services:				
Food service operations	446,698	-	-	-
Other non-instructional services	1,705,982	1,589,312	1,561,863	1,291,828
Extracurricular activities	1,206,220	1,160,128	1,163,814	951,808
Interest and fiscal charges	1,195,718	1,229,402	1,276,812	1,325,848
Total governmental activities expenses	<u>36,332,711</u>	<u>34,725,308</u>	<u>32,804,312</u>	<u>30,902,297</u>
Business-type activities:				
Food service	-	520,334	504,529	454,896
Uniform school supplies	-	26,144	27,002	22,860
Community programs	-	344,804	347,036	334,881
Total business-type activities expenses	<u>-</u>	<u>891,282</u>	<u>878,567</u>	<u>812,637</u>
Total primary government expenses	<u>\$ 36,332,711</u>	<u>\$ 35,616,590</u>	<u>\$ 33,682,879</u>	<u>\$ 31,714,934</u>

	2005	2004	2003	2002	2001 (2)
\$	13,350,039	\$ 12,507,709	\$ 11,997,416	\$ 11,354,919	\$ 6,732,218
	3,117,764	3,189,411	3,015,213	2,992,102	2,938,803
	507,790	223,699	272,121	254,075	339,407
	30,999	-	-	-	-
	1,741,857	1,638,968	1,455,209	1,372,246	1,441,604
	1,231,668	906,393	843,360	715,646	1,197,071
	231,170	22,850	29,123	130,178	20,275
	1,626,494	1,518,691	1,495,752	1,268,525	2,374,172
	836,877	664,869	630,446	676,445	799,415
	387,559	478,341	327,517	481,778	1,052,019
	3,369,609	3,344,093	3,010,065	2,725,763	2,967,923
	1,248,582	1,410,415	1,050,482	852,648	896,795
	936,664	594,391	635,583	648,400	2,303,118
	-	-	-	-	-
	1,487,234	1,301,536	1,352,962	1,244,624	1,196,061
	743,811	1,253,542	926,228	812,311	808,624
	1,474,379	1,411,684	1,458,885	1,510,459	1,585,232
	<u>32,322,496</u>	<u>30,466,592</u>	<u>28,500,362</u>	<u>27,040,119</u>	<u>26,652,737</u>
	468,612	459,559	442,704	425,612	403,527
	32,643	21,370	25,223	22,444	25,404
	334,067	303,886	290,065	253,247	334,427
	<u>835,322</u>	<u>784,815</u>	<u>757,992</u>	<u>701,303</u>	<u>763,358</u>
	<u>\$ 33,157,818</u>	<u>\$ 31,251,407</u>	<u>\$ 29,258,354</u>	<u>\$ 27,741,422</u>	<u>\$ 27,416,095</u>

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Program Revenues	<u>2009 (1)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 304,643	\$ 201,032	\$ 194,811	\$ 222,426
Special	-	-	-	-
Support services:				
Pupil	62,949	37,392	54,668	-
Instructional staff	-	-	-	-
Board of education	-	3,683	-	-
Administration	2,272	2,103	-	-
Fiscal	3,186	911	-	-
Business	-	5,468	-	-
Operations and maintenance	191,234	120,793	183,697	220,420
Pupil transportation	83,687	95,793	-	-
Central	12,235	1,006	-	-
Operation of non-instructional services:				
Food service operations	351,342	-	-	-
Other non-instructional services	31,665	-	-	-
Extracurricular activities	327,396	312,012	333,815	161,421
Operating grants and contributions:				
Instruction:				
Regular	108,650	121,565	81,500	116,214
Special	751,431	581,242	579,995	565,052
Vocational	-	-	-	595
Support services:				
Pupil	73,944	123,347	106,874	125,889
Instructional staff	68,877	52,438	29,379	49,684
Administration	-	-	250	521
Pupil transportation	99,680	617	69,392	1,278
Central	7,937	9,410	9,125	8,907
Operation of non-instructional services				
Food service operations	111,136	-	-	-
Other non-instructional services	1,491,222	1,583,365	1,498,419	1,485,947
Extracurricular activities	10,794	7,457	5,038	5,212
Capital grants and contributions:				
Instruction:				
Regular	-	19,188	-	-
Support services:				
Operations and maintenance	-	-	3,869	-
Pupil transportation	22,028	87,131	19,245	-
Operation of non-instructional services	-	-	-	-
Total governmental program revenues	<u>4,116,308</u>	<u>3,365,953</u>	<u>3,170,077</u>	<u>2,963,566</u>
Business-type activities:				
Charges for services:				
Food service	-	364,937	378,379	388,335
Uniform school supplies	-	24,096	24,950	27,041
Community programs	-	240,631	243,447	298,381
Operating grants and contributions:				
Food service	-	112,969	101,179	89,299
Total business-type activities program revenues	<u>-</u>	<u>742,633</u>	<u>747,955</u>	<u>803,056</u>
Total primary government program revenue	<u>\$ 4,116,308</u>	<u>\$ 4,108,586</u>	<u>\$ 3,918,032</u>	<u>\$ 3,766,622</u>
Net (Expense)/Revenue				
Governmental activities	(32,216,403)	(31,359,355)	(29,634,235)	(27,938,731)
Business-type activities	-	(148,649)	(130,612)	(9,581)
Total primary government net expense	<u>\$ (32,216,403)</u>	<u>\$ (31,508,004)</u>	<u>\$ (29,764,847)</u>	<u>\$ (27,948,312)</u>

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001 (2)</u>
\$ 245,703	\$ 152,570	\$ -	\$ 345,856	\$ 222,513
-	-	157,949	-	-
-	39,731	101,077	46,112	23,664
-	119,609	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
435,848	146,517	145,753	54,378	150,996
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
200,644	230,704	237,144	211,870	160,418
-	-	-	-	-
128,139	118,397	58,030	83,808	83,746
504,261	341,721	414,167	214,180	205,303
-	-	-	-	-
86,261	35,173	46,345	44,263	22,158
75,560	28,369	52,201	15,015	14,770
-	-	-	-	-
-	-	-	-	-
8,302	9,493	9,387	9,122	21,618
-	-	-	-	-
1,414,531	1,319,171	1,189,099	1,241,607	1,139,879
4,119	58,087	55,356	5,589	-
-	-	-	-	-
22,575	12,000	49,190	22,700	70,102
-	-	-	-	-
-	-	15,611	16,623	17,637
-	-	-	-	36,569
<u>3,125,943</u>	<u>2,611,542</u>	<u>2,531,309</u>	<u>2,311,123</u>	<u>2,169,373</u>
375,545	353,749	370,478	356,716	362,545
27,622	25,147	26,951	23,881	26,682
301,436	272,209	279,325	215,939	186,234
96,418	78,887	68,293	64,113	59,535
<u>801,021</u>	<u>729,992</u>	<u>745,047</u>	<u>660,649</u>	<u>634,996</u>
<u>\$ 3,926,964</u>	<u>\$ 3,341,534</u>	<u>\$ 3,276,356</u>	<u>\$ 2,971,772</u>	<u>\$ 2,804,369</u>
(29,196,553)	(27,855,050)	(25,969,053)	(24,728,996)	(24,483,364)
(34,301)	(54,823)	(12,945)	(40,654)	(128,362)
<u>\$ (29,230,854)</u>	<u>\$ (27,909,873)</u>	<u>\$ (25,981,998)</u>	<u>\$ (24,769,650)</u>	<u>\$ (24,611,726)</u>

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2009 (1)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 24,814,979	\$ 22,319,494	\$ 22,597,480	\$ 21,672,596
Debt service	3,016,324	3,305,489	3,151,471	2,724,776
Grants and entitlements not restricted to specific programs	5,891,502	5,102,939	4,622,584	4,439,789
Investment earnings	142,032	289,371	406,434	253,614
Gain on sale of capital assets	-	-	-	-
Miscellaneous	94,749	56,295	259,535	185,323
Transfers	-	-	(40,000)	-
Total governmental activities	<u>33,959,586</u>	<u>31,073,588</u>	<u>30,997,504</u>	<u>29,276,098</u>
Business-type activities:				
Investment earnings	-	4,663	5,273	3,197
Miscellaneous	-	185,423	59,198	8,970
Transfers	-	-	40,000	-
Total business-type activities	<u>-</u>	<u>190,086</u>	<u>104,471</u>	<u>12,167</u>
Total primary government	<u>\$ 33,959,586</u>	<u>\$ 31,263,674</u>	<u>\$ 31,101,975</u>	<u>\$ 29,288,265</u>
Change in Net Assets				
Governmental activities	1,743,183	(285,767)	1,363,269	1,337,367
Business-type activities	-	41,437	(26,141)	2,586
Total primary government	<u>\$ 1,743,183</u>	<u>\$ (244,330)</u>	<u>\$ 1,337,128</u>	<u>\$ 1,339,953</u>

Note (1): In fiscal year 2009, the District has reclassified all former business-type activities to governmental activities.

Note (2): The District implemented GASB Statement No. 34 in fiscal year 2001.

Source: School District financial records.

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001 (2)</u>
\$	17,833,031	\$ 20,408,336	\$ 16,560,615	\$ 18,808,983	\$ 16,754,585
	2,622,588	2,909,441	2,437,060	3,393,332	3,231,309
	4,443,667	4,432,768	4,264,539	4,043,817	3,831,578
	174,957	94,157	160,029	412,505	988,182
	5,942	-	-	-	6,016
	154,951	5,801	54,874	52,078	153,417
	-	-	-	-	(54,000)
	<u>25,235,136</u>	<u>27,850,503</u>	<u>23,477,117</u>	<u>26,710,715</u>	<u>24,911,087</u>
	-	898	1,515	2,602	5,414
	5,662	3,878	2,667	4,594	43,014
	-	-	-	-	54,000
	<u>5,662</u>	<u>4,776</u>	<u>4,182</u>	<u>7,196</u>	<u>102,428</u>
\$	<u><u>25,240,798</u></u>	<u><u>27,855,279</u></u>	<u><u>23,481,299</u></u>	<u><u>26,717,911</u></u>	<u><u>25,013,515</u></u>
	(3,961,417)	(4,547)	(2,491,936)	1,981,719	427,723
	(28,639)	(50,047)	(8,763)	(33,458)	(25,934)
\$	<u><u>(3,990,056)</u></u>	<u><u>(54,594)</u></u>	<u><u>(2,500,699)</u></u>	<u><u>1,948,261</u></u>	<u><u>401,789</u></u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2009 (1)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund:				
Reserved	\$ 4,097,095	\$ 3,377,689	\$ 2,878,496	\$ 2,509,215
Unreserved	<u>(4,378,385)</u>	<u>(5,048,840)</u>	<u>(3,497,628)</u>	<u>(3,247,658)</u>
Total general fund	<u>\$ (281,290)</u>	<u>\$ (1,671,151)</u>	<u>\$ (619,132)</u>	<u>\$ (738,443)</u>
All Other Governmental Funds:				
Reserved	\$ 4,637,940	\$ 4,189,258	\$ 3,701,362	\$ 3,223,074
Unreserved, reported in:				
Special revenue funds	157,608	245,941	172,108	288,723
Capital projects funds	(559,461)	(426,111)	(62,930)	(336,449)
Debt service funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 4,236,087</u>	<u>\$ 4,009,088</u>	<u>\$ 3,810,540</u>	<u>\$ 3,175,348</u>
Total governmental funds	<u>\$ 3,954,797</u>	<u>\$ 2,337,937</u>	<u>\$ 3,191,408</u>	<u>\$ 2,436,905</u>

Source: School District financial records.

Note (1): In fiscal year 2009, the District has reclassified all former proprietary funds to governmental funds.

Note: Prior to 2005, the fund balance of the bond retirement fund was reported as "unreserved, reported in debt service funds". Beginning in 2005, this amounts is reported as a component of "reserved" fund balance.

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 2,959,435 (3,714,265)	\$ 3,916,515 3,235	\$ 2,758,577 1,050,818	\$ 4,395,473 1,290,213	\$ 2,848,735 1,493,764	\$ 2,416,811 1,017,454
<u>\$ (754,830)</u>	<u>\$ 3,919,750</u>	<u>\$ 3,809,395</u>	<u>\$ 5,685,686</u>	<u>\$ 4,342,499</u>	<u>\$ 3,434,265</u>
\$ 3,142,625	\$ 1,271,044	\$ 926,268	\$ 1,361,732	\$ 1,150,679	\$ 4,249,336
101,848 (419,205) -	190,557 (787,440) 2,595,902	164,196 947,189 2,488,390	333,755 1,310,726 2,317,805	165,748 1,614,950 2,285,147	225,992 2,936,160 2,218,465
<u>\$ 2,825,268</u>	<u>\$ 3,270,063</u>	<u>\$ 4,526,043</u>	<u>\$ 5,324,018</u>	<u>\$ 5,216,524</u>	<u>\$ 9,629,953</u>
<u>\$ 2,070,438</u>	<u>\$ 7,189,813</u>	<u>\$ 8,335,438</u>	<u>\$ 11,009,704</u>	<u>\$ 9,559,023</u>	<u>\$ 13,064,218</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2009 (1)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Revenues				
From local sources:				
Taxes	\$ 28,099,864	\$ 25,419,002	\$ 25,666,088	\$ 24,240,672
Tuition	75,650	89,613	87,308	117,209
Transportation	13,819	2,340	-	-
Earnings on investments	144,994	291,928	405,647	257,199
Charges for services	351,342	-	-	-
Extracurricular	261,450	209,092	232,094	161,421
Classroom materials and fees	217,594	23,026	16,277	18,354
Contributions and donations	122,470	95,691	65,102	82,263
Rentals	295,270	273,984	201,196	165,420
Other local revenues	310,233	279,509	508,575	272,186
Intergovernmental - State	7,402,508	6,659,186	6,089,404	5,818,963
Intergovernmental - Federal	1,063,772	918,098	870,993	897,862
Total revenues	<u>38,358,966</u>	<u>34,261,469</u>	<u>34,142,684</u>	<u>32,031,549</u>
Expenditures				
Current:				
Instruction:				
Regular	14,417,955	13,326,223	13,218,752	12,449,859
Special	3,923,212	3,715,276	3,548,628	3,427,201
Vocational	378,009	413,149	404,383	351,372
Other	28,300	26,948	26,574	24,803
Current:				
Pupil	1,819,965	1,873,323	1,732,285	1,671,187
Instructional staff	815,644	861,608	798,914	723,752
Board of education	40,458	38,499	31,896	22,987
Administration	1,924,195	2,053,567	1,721,160	1,371,377
Fiscal	726,228	714,321	468,239	793,486
Business	445,663	450,682	362,302	370,679
Operations and maintenance	3,812,350	3,329,102	3,120,493	3,220,950
Pupil transportation	1,631,701	1,845,272	1,277,071	1,138,481
Central	712,942	664,206	896,374	638,532
Operation of non-instructional services				
Food service operations	470,604	-	-	-
Other non-instructional services	1,644,408	1,576,174	1,561,811	1,296,794
Extracurricular activities	1,202,554	1,110,154	1,100,494	928,085
Facilities acquisitions and construction	75,280	34,638	2,425	9,683
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	2,324,123	2,192,469	2,085,918	1,999,419
Interest and fiscal charges	797,726	889,329	990,462	1,084,854
Total expenditures	<u>37,191,317</u>	<u>35,114,940</u>	<u>33,348,181</u>	<u>31,523,501</u>
Excess of revenues over (under) expenditures	1,167,649	(853,471)	794,503	508,048
Other Financing Sources (Uses)				
Transfers in	31,000	-	231,148	-
Transfers (out)	(31,000)	-	(271,148)	-
Lease-purchase transactions	321,818	-	-	-
Sale of assets	-	-	-	-
Total other financing sources (uses)	<u>321,818</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ 1,489,467</u>	<u>\$ (853,471)</u>	<u>\$ 754,503</u>	<u>\$ 508,048</u>
Capital expenditures (included in expenditures above)	768,906	656,267	458,047	92,209
Debt service as a % of noncapital expenditures	8.57%	8.94%	9.35%	9.81%

Source: School District financial records.

Note (1): In fiscal year 2009, the District has reclassified all former proprietary funds to governmental funds.

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$	20,851,323	\$ 23,364,027	\$ 19,029,507	\$ 21,845,773	\$ 19,429,224	\$ 17,528,574
	132,903	257,255	235,612	237,665	165,032	112,045
	-	119,609	101,077	57,811	50,026	47,832
	171,372	94,157	160,029	412,505	988,182	1,214,158
	-	-	-	-	-	-
	200,644	165,750	159,481	211,870	160,418	262,935
	13,595	-	-	-	-	-
	39,420	92,997	84,382	49,022	23,664	35,959
	165,848	146,517	145,753	150,870	158,451	123,469
	254,156	5,801	54,874	52,078	153,417	211,474
	5,828,143	6,310,864	6,050,505	5,617,061	5,443,360	5,016,095
	820,849	-	-	-	-	-
	<u>28,478,253</u>	<u>30,556,977</u>	<u>26,021,220</u>	<u>28,634,655</u>	<u>26,571,774</u>	<u>24,552,541</u>
	12,993,678	11,947,488	10,552,236	10,010,024	9,308,947	9,268,400
	3,203,256	2,802,837	2,885,559	2,554,350	2,471,026	2,328,681
	481,957	223,699	272,121	251,032	339,407	207,541
	26,928	-	-	-	-	-
	1,656,203	1,431,489	1,355,789	1,317,073	1,247,248	1,134,765
	1,096,046	849,848	787,712	730,385	713,446	760,082
	229,603	23,573	28,340	24,156	20,275	18,970
	1,473,548	1,393,006	1,370,287	1,246,165	1,110,961	1,152,030
	792,747	674,754	622,920	683,643	610,468	980,260
	381,943	435,357	325,115	284,907	290,860	264,947
	3,083,886	3,030,354	2,775,288	2,632,355	2,445,296	2,474,137
	1,153,653	1,071,030	1,046,926	871,363	932,466	896,073
	873,912	631,871	691,370	667,325	444,069	636,378
	-	-	-	-	-	-
	1,506,059	1,316,648	1,352,924	1,202,083	1,209,458	1,025,094
	1,057,464	953,534	913,470	747,362	773,846	786,259
	510,675	-	-	-	-	-
	229,845	1,882,525	658,375	630,039	4,767,246	13,603,085
	1,902,967	1,780,000	1,729,348	1,922,867	1,851,461	1,785,125
	1,179,045	1,254,589	1,327,706	1,408,845	1,492,505	1,571,256
	<u>33,833,415</u>	<u>31,702,602</u>	<u>28,695,486</u>	<u>27,183,974</u>	<u>30,028,985</u>	<u>38,893,083</u>
	(5,355,162)	(1,145,625)	(2,674,266)	1,450,681	(3,457,211)	(14,340,542)
	1,324	33,668	56,061	71,778	-	9,425
	(1,324)	(33,668)	(56,061)	(71,778)	(54,000)	(9,425)
	-	-	-	-	-	-
	5,942	-	-	-	6,016	16,081
	<u>5,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(47,984)</u>	<u>16,081</u>
\$	<u>(5,349,220)</u>	<u>(1,145,625)</u>	<u>(2,674,266)</u>	<u>1,450,681</u>	<u>(3,505,195)</u>	<u>(14,324,461)</u>
	1,235,538	1,178,435	251,820	345,097	4,135,091	13,603,085
	9.45%	9.94%	10.75%	12.41%	12.91%	13.27%

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Collection Year	Real Property		Tangible Personal Property		Public Utility	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2009	\$ 735,800,820	\$ 2,102,288,057	\$ 4,651,620	\$ 74,425,920	\$ 6,322,670	\$ 7,184,852
2008	728,712,840	2,082,036,686	8,975,082	143,601,312	6,044,760	6,869,045
2007 (2)	722,592,150	2,064,549,000	12,471,366	99,770,928	8,839,250	10,044,602
2006	655,102,590	1,871,721,686	13,668,520	72,898,773	9,304,440	10,573,227
2005	666,296,240	1,903,703,543	15,226,500	66,202,174	10,341,880	11,752,136
2004 (3)	663,153,590	1,894,724,543	18,767,823	78,199,263	10,150,730	11,534,920
2003	604,957,220	1,728,449,200	20,434,063	81,736,252	10,146,330	11,529,920
2002	610,185,370	1,743,386,771	22,528,229	90,112,916	10,476,890	11,905,557
2001 (2)	601,385,550	1,718,244,429	21,603,344	86,413,376	13,190,950	14,989,716
2000	524,675,910	1,499,074,029	21,160,548	84,642,192	12,877,130	14,633,102

Source: Cuyahoga County Auditor's Office

(1) This amount is calculated based on the following percentages:

Real estate is assessed at 35% of actual value.

Public utility personal is assessed at 88% of actual value.

For collection years 2008 and 2009, capital assets and inventory for tangible personal property is assessed at 6.25% of actual value.

For collection year 2007, capital assets and inventory for tangible personal property is assessed at 12.5% of actual value.

For collection year 2006, capital assets and inventory for tangible personal property was assessed at 18.75% of actual value.

For collection years 1998-2005, capital assets for tangible personal property was assessed at 25% of actual value.

For collection years 1998-2005, inventory for tangible personal property was assessed at 23% actual value.

(2) Reappraisal of property values.

(3) Triennial update of property values.

Total			
Assessed Value	Estimated Actual Value	%	Direct Tax Rates
\$ 746,775,110	\$ 2,183,898,829	34.19%	82.70
743,732,682	2,232,507,043	33.31%	77.10
743,902,766	2,174,364,530	34.21%	77.20
678,075,550	1,955,193,686	34.68%	77.00
691,864,620	1,981,657,853	34.91%	72.00
692,072,143	1,984,458,726	34.87%	72.00
635,537,613	1,821,715,372	34.89%	72.40
643,190,489	1,845,405,244	34.85%	67.50
636,179,844	1,819,647,520	34.96%	68.00
558,713,588	1,598,349,323	34.96%	68.60

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

Tax Year/ Collection Year	Overlapping Rates			Direct Rates			
	County	Library	City	Voted		Unvoted	Total
				General	Bond		
2008/2009	\$ 18.10	\$ 6.10	\$ 10.90	\$ 73.55	\$ 4.58	\$ 4.57	\$ 82.70
2007/2008	18.20	6.10	10.90	67.70	4.83	4.57	77.10
2006/2007	18.20	6.10	10.90	67.70	4.93	4.57	77.20
2005/2006	18.30	6.10	10.90	67.70	4.73	4.57	77.00
2004/2005	18.30	6.10	10.90	62.80	4.63	4.57	72.00
2003/2004	18.00	4.70	9.90	62.80	4.63	4.57	72.00
2002/2003	16.20	4.70	9.90	62.80	5.03	4.57	72.40
2001/2002	16.20	4.70	9.90	57.90	5.03	4.57	67.50
2000/2001	16.20	4.70	9.90	57.90	5.53	4.57	68.00
1999/2000	15.30	4.70	9.90	57.90	6.13	4.57	68.60

Source: Cuyahoga County Auditor's Office

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS
REAL ESTATE TAX
DECEMBER 31, 2008 AND DECEMBER 31, 1999

December 31, 2008			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Real Estate Assessed Value
Westgate Mall, LLC	\$ 12,876,330	1	1.00%
Westwood Town Center	7,274,720	2	0.75%
Cleveland Electric Illuminating Co.	5,474,660	3	0.75%
Normandy Associates, Ltd.	5,324,110	4	0.73%
Beachcliff Properties	4,009,750	5	0.55%
Presidential Apartments Ltd.	3,992,940	6	0.55%
Westwood Country Club	3,278,840	7	0.45%
W & F Plaza Investments	2,624,310	8	0.36%
Linden Apartments Co.	2,548,600	9	0.35%
Gross Management, Inc.	2,500,790	10	0.34%
Total	\$ 49,905,050		5.83%
Total Real Estate Valuation	\$ 735,800,820		

December 31, 1999			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Real Estate Assessed Value
Westgate Joint Venture	\$ 12,568,900	1	2.40%
Westwood Town Center	4,730,600	2	0.90%
Presidential Apartments Ltd.	3,512,600	3	0.67%
Westgate Joint Venture	2,747,500	4	0.52%
Gross Management, Inc.	2,630,740	5	0.50%
Higbee Company	2,578,940	6	0.49%
Linden Apartments Co.	2,450,000	7	0.47%
Normandy Associates, Ltd.	2,002,000	8	0.38%
Rockport Assoc. Co. Ltd.	1,944,950	9	0.37%
Normandy Associates, Ltd.	1,929,200	10	0.37%
Total	\$ 37,095,430		7.07%
Total Real Estate Valuation	\$ 524,675,910		

Source: Cuyahoga County Auditor's Office

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS
TANGIBLE PERSONAL PROPERTY TAX
DECEMBER 31, 2008 AND DECEMBER 31, 1999

December 31, 2008			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Tangible Assessed Value
Ohio Bell Telephone Company	\$ 590,600	1	12.70%
New Par	97,060	2	2.09%
Alltell Ohio Limited	50,510	3	1.09%
Ameritech Advanced Data	43,290	4	0.93%
Cox Ohio Telecom, LLC	39,330	5	0.85%
American Fiber Systems, Inc.	26,410	6	0.57%
Cleveland Unlimited Inc.	14,640	7	0.31%
New Cingular Wireless PCS LLC	10,750	8	0.23%
Tmobile Central LLC	9,340	9	0.20%
Sprint Nextel Corporation	5,530	10	0.12%
Total	\$ 887,460		19.09%
Total Tangible Assessed Valuation	\$ 4,651,620		

December 31, 1999			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Tangible Assessed Value
Higbee Co.	\$ 4,040,440	1	19.09%
Riser Foods Company	871,680	2	4.12%
Dayton Hudson, Corporation	768,128	3	3.63%
Lesco, Inc.	592,130	4	2.80%
Marc Glassman, Inc.	436,670	5	2.06%
Heinens, Inc.	395,470	6	1.87%
OfficeMax, Inc.	382,970	7	1.81%
Revco D. S., Inc.	356,250	8	1.68%
Cox Cable Cleveland	301,240	9	1.42%
North American Benefits	270,300	10	1.28%
Total	\$ 8,415,278		39.76%
Total Tangible Assessed Valuation	21,160,548		

Source: Cuyahoga County Auditor's Office

Note: Per Ohio House Bill 66 that was signed into law effective 7/1/2005, all tangible personal property previously taxed under Ohio was no longer taxable with the exception of telephone company legacy property, local telephone company property placed into use after 1995 and all long distance and cellular property starting 1/1/2009.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS
PUBLIC UTILITIES REAL AND TANGIBLE PROPERTY TAX
DECEMBER 31, 2008 AND DECEMBER 31, 1999

December 31, 2008			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$ 5,474,660	1	86.59%
East Ohio Gas Company	721,420	2	11.41%
American Transmission Systems Company	484,520	3	7.66%
Norfolk Southern	26,210	4	0.41%
Total	\$ 6,706,810		106.07%
Total Public Utility Assessed Valuation	\$ 6,322,670 *		

* The reason the total reflected here is less than the sum of the top four taxpayers shown here is due to the fact that the total is the total certified by the State Dept. of Taxation as of 1/1/2009, while the totals reflected for the individual taxpayers shown above are the updated totals for tax year 2009 as of 12/14/2009.

December 31, 1999			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$ 5,974,830	1	46.40%
Ohio Bell Telephone Company	3,664,270	2	28.46%
East Ohio Gas Company	2,195,850	3	17.05%
Norfolk Southern Railroad	219,500	4	1.70%
GTE Mobilnet	143,910	5	1.12%
Total	\$ 12,198,360		94.73%
Total Public Utility Assessed Value	12,877,130		

Source: Cuyahoga County Auditor's Office

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2008/2009	\$ 32,504,011	\$ 1,191,057	\$ 33,695,068	\$ 31,583,352	97.17%
2007/2008	28,241,365	1,137,993	29,379,358	27,363,631	96.89%
2006/2007	27,707,351	1,081,982	28,789,333	25,588,848	92.35%
2005/2006	25,290,081	926,743	26,216,824	24,113,013	95.35%
2004/2005	25,109,123	1,070,529	26,179,652	23,985,396	95.52%
2003/2004	24,772,327	1,521,061	26,293,388	24,182,240	97.62%
2002/2003	21,942,966	1,704,967	23,647,933	21,209,241	96.66%
2001/2002	22,372,013	1,309,954	23,681,967	21,772,318	97.32%
2000/2001	21,734,779	701,301	22,436,080	21,407,883	98.50%
1999/2000	19,446,461	919,915	20,366,376	18,924,826	97.32%

Source: Cuyahoga County Auditor's Office

Delinquent Collection	Total Collection	Total Collection As a Percent of Total Levy
\$ 754,216	\$ 32,337,568	95.97%
885,454	28,249,085	96.15%
596,088	26,184,936	90.95%
493,234	24,606,247	93.86%
593,588	24,578,984	93.89%
698,404	24,880,644	94.63%
767,998	21,977,239	92.94%
446,303	22,218,621	93.82%
208,654	21,616,537	96.35%
597,807	19,522,633	95.86%

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				(a)	(b)	(b)	(c)
	General Obligation Bonds	Bond Anticipation Notes	Lease Purchase Obligations	Capital Leases	Total Primary Government	Per Capita	Per ADM	Percentage of Personal Income
2009	\$ 16,470,932	\$ -	\$ 296,767	\$ -	\$ 16,767,699	\$ 823	\$ 6,254	2.37%
2008	18,314,079	78,800	-	49,072	18,441,951	905	6,866	2.61%
2007	20,115,503	-	-	96,541	20,212,044	992	7,497	2.86%
2006	21,865,363	-	-	142,459	22,007,822	1,080	8,336	3.12%
2005	23,575,348	-	-	186,878	23,762,226	1,146	9,059	N/A
2004	25,148,563	-	-	-	25,148,563	1,213	9,680	N/A
2003	26,765,768	-	-	-	26,765,768	1,291	10,394	N/A
2002	28,328,371	-	-	29,348	28,357,719	1,368	11,266	N/A
2001	30,162,928	-	-	57,215	30,220,143	1,457	12,295	N/A
2000	31,881,394	-	-	83,676	31,965,070	1,566	13,335	N/A

Sources:

(a) See notes to the financial statements regarding the District's outstanding debt information.

(b) See schedule " Demographic and Economic Statistic, Last Ten Years" for per capita personal income, population and enrollment information.

(c) See schedule " Demographic and Economic Statistic, Last Ten Years" for per capita personal income, and population. Personal income equals per capita personal income times population.

N/A - Data Not Accessible

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt Outstanding		Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Total		
2009	\$ 16,470,932	\$ 16,470,932	0.75%	\$ 808
2008	18,314,079	18,314,079	0.82%	899
2007	20,115,503	20,115,503	0.93%	987
2006	21,865,363	21,865,363	1.12%	1,073
2005	23,575,348	23,575,348	1.19%	1,137
2004	25,148,563	25,148,563	1.27%	1,213
2003	26,765,768	26,765,768	1.47%	1,291
2002	28,328,371	28,328,371	1.54%	1,366
2001	30,162,928	30,162,928	1.66%	1,455
2000	31,881,394	31,881,394	1.99%	1,562

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Rocky River City School District	\$ 16,767,699	100.00%	\$ 16,767,699
Overlapping debt:			
City of Rocky River	19,280,000	97.06%	18,713,168
Cuyahoga County	248,899,326	2.34%	5,824,244
Regional Transit Authority	172,765,000	2.34%	4,042,701
City of Fairview Park	<u>22,965,000</u>	2.94%	<u>675,171</u>
 Total direct and overlapping debt	 <u>\$ 480,677,025</u>		 <u>\$ 46,022,983</u>

Source: Ohio Municipal Advisory Council

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2009 (1)	\$ 66,791,114	\$ 16,470,932	4,509,591	\$ 11,961,341	\$ 54,829,773	17.91%
2008 (1)	66,128,184	18,314,079	4,070,534	14,243,545	51,884,639	21.54%
2007 (1)	65,555,924	20,115,503	3,471,661	16,643,842	48,912,082	25.39%
2006	61,026,800	21,865,363	3,054,434	18,810,929	42,215,871	30.82%
2005	62,267,816	23,575,348	3,062,031	20,513,317	41,754,499	32.94%
2004	62,286,493	25,148,563	3,064,003	22,084,560	40,201,933	35.46%
2003	57,198,385	26,765,768	2,806,234	23,959,534	33,238,851	41.89%
2002	57,887,144	28,328,371	3,006,437	25,321,934	32,565,210	43.74%
2001	57,256,186	30,162,928	2,594,000	27,568,928	29,687,258	48.15%
2000	50,284,223	31,881,394	2,418,709	29,462,685	20,821,538	58.59%

Source: Cuyahoga County Auditor and District financial records

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

(1) In accordance with House Bill No. 66, the assessed valuation of tangible personal property is excluded from the total assessed valuation used to calculate the voted debt limit.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age(1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rates</u>		
					<u>Cuyahoga County (3)</u>	<u>Ohio (3)</u>	<u>United States (4)</u>
2009	20,375	\$ 34,663	44	2,681	10.2%	11.2%	10.2%
2008	20,375	34,663	44	2,686	8.1%	6.6%	5.5%
2007	20,375	34,663	44	2,696	6.5%	6.1%	4.5%
2006	20,375	34,663	44	2,640	4.8%	5.1%	4.4%
2005	20,735	N/A	N/A	2,623	6.1%	5.9%	5.0%
2004	20,735	N/A	N/A	2,598	6.2%	5.7%	5.1%
2003	20,735	N/A	N/A	2,575	6.2%	5.5%	5.7%
2002	20,735	N/A	N/A	2,517	5.6%	5.3%	6.0%
2001	20,735	N/A	N/A	2,458	4.4%	4.8%	5.8%
2000	20,410	N/A	N/A	2,397	4.1%	3.9%	4.0%

(1) U. S. Census Bureau - 2000 Census

(2) District records

(3) Ohio Department of Jobs and Family Services

(4) www.economagic.com

N/A - Data Not Accessible

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL EMPLOYERS
CURRENT YEAR

Employer	Employees	December 31, 2008 Percentage of Total City Employment per Number of Employees
City of Rocky River	603	4.21%
Rocky River City School District	573	4.00%
Normandy Manor of Rocky River	386	2.70%
Riser Foods	326	2.28%
Cuyahoga County Auditor	286	2.00%
Target Stores	284	1.98%
Westwood Country Club	279	1.95%
Marc Glassman Inc.	277	1.94%
Heinens Inc.	241	1.68%
Cleveland Yacht Club Inc.	237	1.66%
Total	3,492	24.40%
Total Number of Employees (1), (2)	14,310	

Source: City of Rocky River; City of Cleveland - Central Collection Agency

* Estimated number of employees based on previous filings with CCA

(1) Only includes employee count located within the City of Rocky River. Employment numbers for the portion of the Rocky River City School District located in the City of Fairview Park was not available.

(2) Total City employment based upon an estimate from the central collection agency on number of W-2's filed

Note: Information for nine years earlier is not available.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY TYPE AND FUNCTION
LAST TEN FISCAL YEARS**

<u>Type</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Professional Staff:										
Teaching Staff:										
Elementary	27.50	26.25	28.00	27.75	28.10	28.10	28.10	N/A	N/A	N/A
Intermediate	33.27	31.52	31.27	32.76	34.57	34.82	33.94	N/A	N/A	N/A
Middle	37.82	38.20	37.40	37.16	37.53	38.35	38.45	N/A	N/A	N/A
High	52.28	52.73	51.13	50.93	50.78	49.93	49.93	N/A	N/A	N/A
Tutors	18.72	17.12	16.20	17.94	15.89	13.66	14.55	N/A	N/A	N/A
Others	0.00	0.00	2.00	2.00	2.00	2.00	2.00	N/A	N/A	N/A
Administration	16.00	16.00	16.00	16.00	16.00	16.00	16.00	N/A	N/A	N/A
Auxiliary Positions:										
Counselors	6.75	7.00	7.00	7.00	7.00	7.00	7.00	N/A	N/A	N/A
Speech	2.80	2.80	2.80	2.80	2.80	2.80	2.80	N/A	N/A	N/A
Mental Health Specialists	*	*	*	*	*	*	*	N/A	N/A	N/A
Support Staff:										
Secretarial	30.04	30.70	30.40	30.20	29.20	30.20	29.20	N/A	N/A	N/A
Aides	19.57	20.47	21.80	20.12	19.40	18.80	19.61	N/A	N/A	N/A
Learning Assistants	1.94	3.89	4.96	6.86	6.73	7.68	5.76	N/A	N/A	N/A
Lunch and Hall Monitors/Security	6.19	6.19	7.11	5.31	5.20	4.90	4.90	N/A	N/A	N/A
Cooks/Food Service	4.52	5.35	5.91	5.88	4.60	5.10	4.66	N/A	N/A	N/A
Custodial	20.74	17.10	19.16	21.46	21.86	19.85	19.87	N/A	N/A	N/A
Maintenance	7.00	8.00	6.00	7.00	7.00	8.00	8.00	N/A	N/A	N/A
Bus Driver	14.07	12.20	11.67	12.58	10.77	11.83	11.89	N/A	N/A	N/A
Mechanics	2.00	2.00	2.00	2.00	2.00	2.00	2.00	N/A	N/A	N/A
Athletic Trainer	*	*	*	*	0.70	0.70	0.70			
Other Central Support	1.50	1.17	1.17	1.17	1.17	1.17	1.17	N/A	N/A	N/A
Total	302.71	298.69	301.98	306.92	303.30	302.89	300.53	0.00	0.00	0.00

<u>Function</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Instruction:										
Regular	138.00	136.60	136.10	136.70	139.28	140.25	139.72	N/A	N/A	N/A
Special	47.75	50.31	49.39	48.18	47.83	48.28	46.07	N/A	N/A	N/A
Vocational	**	**	**	**	**	**	**	N/A	N/A	N/A
Other	14.90	14.90	17.08	18.05	14.89	12.51	13.25	N/A	N/A	N/A
Support Services:										
Pupil	7.75	8.00	8.00	8.00	8.00	8.00	8.00	N/A	N/A	N/A
Instructional staff	12.00	12.00	12.00	12.00	12.00	12.00	12.00	N/A	N/A	N/A
Administration	17.80	17.80	17.80	18.00	18.00	18.00	18.00	N/A	N/A	N/A
Fiscal	4.00	4.00	4.00	4.20	4.20	4.20	4.20	N/A	N/A	N/A
Business	1.00	1.00	1.00	1.00	1.00	1.00	1.00	N/A	N/A	N/A
Operations and maintenance	28.74	25.10	27.16	30.46	30.86	29.85	29.87	N/A	N/A	N/A
Pupil transportation	19.38	16.76	15.67	16.58	14.77	15.83	15.89	N/A	N/A	N/A
Central	4.17	4.17	4.17	4.17	4.17	4.17	4.17	N/A	N/A	N/A
Food Service Operations	4.52	5.35	6.91	6.88	5.60	6.10	5.66	N/A	N/A	N/A
Extracurricular activities	2.70	2.70	2.70	2.70	2.70	2.70	2.70	N/A	N/A	N/A
Total	302.71	298.69	301.98	306.92	303.30	302.89	300.53	0.00	0.00	0.00

Source: School District records

* These services were contracted out to a third party in lieu of being provided by a staff member

** These services were contracted out through the Lakewood City School District as part of a career technical planning district that includes the Districts of Rocky River, Lakewood, Westlake and Bay Village

N/A - Information Not Accessible

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2009	2008	2007	2006	2005	2004
Instruction:						
Regular, Special and Vocational						
Enrollment (students)	2,681	2,686	2,696	2,640	2,623	2,598
Graduation Count	244	211	229	186	199	202
Graduation Rate	99.20%	99.10%	96.90%	98.00%	98.00%	95.30%
Student attendance rate	96.60%	96.50%	96.40%	96.60%	96.30%	96.50%
Support services:						
Board of education						
Regular meetings per year (based on calendar year)	22	21	22	22	22	22
Special meetings per year (based on calendar year)	10	14	18	6	4	7
Administration						
Teacher attendance rate	95.30%	95.50%	94.90%	95.40%	95.70%	95.90%
Fiscal						
Nonpayroll checks issued	4,363	4,157	4,374	4,533	5,369	5,279
Payroll checks/direct deposits issued	10,926	10,836	10,771	10,891	11,305	11,013
Operations and maintenance						
Work orders completed	*	1,200	1,220	900	1,100	1,100
Square footage maintained	451,773	451,773	451,773	451,773	451,773	451,773
Pupil transportation						
Avg. students transported daily	1,179	1,230	1,455	1,366	1,497	1,549
Food service operations						
Meals served to students	**	104,621	104,800	110,719	112,953	109,467
Milk served to students	**	56,687	64,926	61,564	60,888	60,797
Percentage of students receiving free/reduced cost meals	9.66%	7.55%	7.12%	12.45%	10.02%	8.95%

Source: District records

* In addition to processing these work orders, the facilities department processes numerous routine maintenance-type jobs as well as emergency requests that would not be tracked through a formal work order.

** The District does not operate a lunch program for its two elementary buildings, but does serve milk to these students in these buildings.

2003	2002	2001	2000
2,575	2,517	2,458	2,397
190	145	183	165
95.00%	94.80%	97.30%	96.50%
96.40%	96.30%	95.50%	95.50%
22	22	22	22
5	3	2	4
96.60%	96.20%	96.50%	96.60%
5,468	5,339	5,681	5,966
10,850	10,584	10,541	10,314
1,100	1,100	1,100	1,100
451,773	451,773	451,773	451,773
1,525	1,421	1,406	1,454
98,199	92,627	94,306	82,361
58,251	53,579	51,933	48,694
9.56%	5.02%	6.95%	8.46%

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**CAPITAL ASSET STATISTICS
LAST NINE FISCAL YEARS**

	<u>2009 (1)</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Land	\$ 770,821	\$ 722,230	\$ 722,230	\$ 722,230
Construction in progress	-	-	-	-
Land improvements	1,275,515	1,297,873	1,588,029	1,698,598
Building/improvements	20,882,476	21,870,716	23,561,292	24,879,954
Furniture/equipment	1,077,834	785,235	839,466	653,439
Vehicles	679,979	598,938	295,675	379,697
Total Governmental Activities Capital Assets, net	<u>\$ 24,686,625</u>	<u>\$ 25,274,992</u>	<u>\$ 27,006,692</u>	<u>\$ 28,333,918</u>

Source: School District financial records.

Note (1): In fiscal year 2009, the District has reclassified all former business-type activities to governmental activities.

Note: The District implemented GASB Statement No. 34 in fiscal year 2001.

Note: Amounts above are presented net of accumulated depreciation.

2005	2004	2003	2002	2001
\$ 722,230	\$ 722,230	\$ 722,230	\$ 722,230	\$ 722,230
-	108,213	-	-	-
1,711,678	920,719	969,461	1,014,454	1,374,792
30,093,136	31,415,477	32,183,211	33,538,235	34,913,837
1,044,361	883,709	885,349	970,586	957,090
531,159	599,027	452,940	457,069	449,321
<u>\$ 34,102,564</u>	<u>\$ 34,649,375</u>	<u>\$ 35,213,191</u>	<u>\$ 36,702,574</u>	<u>\$ 38,417,270</u>

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Goldwood Elementary (1927)					
Square feet	55,070	55,070	55,070	55,070	55,070
Capacity (students)	588	588	588	588	588
Enrollment	563	558	568	559	519
Kensington Intermediate (1926)					
Square feet	71,720	71,720	71,720	71,720	71,720
Capacity (students)	596	596	596	596	596
Enrollment	584	588	577	566	591
Rocky River Middle School (2000)					
Square feet***	110,000	110,000	110,000	110,000	110,000
Capacity (students)	659	659	659	659	659
Enrollment	606	631	643	626	640
Rocky River High School (1950)					
Square feet	141,631	141,631	141,631	141,631	141,631
Capacity (students)	936	936	936	936	936
Enrollment	928	909	908	889	844
Beach Education Center (1930)				591	
Square feet	37,780	37,780	37,780	37,780	37,780
Capacity (students)	404	404	404	404	404
Enrollment	*	*	*	*	29
Wooster Road Elementary (1955)					
Square feet	19,172	19,172	19,172	19,172	19,172
Capacity (students)	205	205	205	205	205
Enrollment	**	**	**	**	**
Board of Education Administrative Offices (1927)					
Square feet	16,400	16,400	16,400	16,400	16,400
Capacity (students)	N/A	N/A	N/A	N/A	N/A
Enrollment	-	-	-	-	-
Total Square Feet	451,773	451,773	451,773	451,773	451,773
Total Capacity	3,388	3,388	3,388	3,388	3,388
Total Enrollment	2,681	2,686	2,696	2,640	2,623

Source: District records

Note: Year of original construction is in parentheses. Any increases in square footage and capacity are the result of new construction, renovations and additions.

Capacity is expressed in the estimated number of students a building is equipped to handle and is subject to changes in federal, state or local standards as well as modifications to physical building characteristics.

* Only a small portion of this building was being utilized for pre-kindergarten special education students through the 2004-2005 school year. This program was moved to Goldwood Primary School of the 2005-2006 school year. A portion of this building is now being leased out to a private pre-school and the Cuyahoga County Board of Mental Retardation and Developmental Disabilities.

** This building has not been needed for pre-kindergarten through 12 educational purposes during the last 10 years and is currently being leased to the Cleveland Clinic Health System for use as a healthcare facility.

N/A - Data Not Available or Not Applicable

2004	2003	2002	2001	2000
55,070	55,070	55,070	55,070	55,070
588	588	588	588	588
514	543	533	541	540
71,720	71,720	71,720	71,720	71,720
596	596	596	596	596
603	597	587	586	591
110,000	110,000	110,000	110,000	110,000
659	659	659	659	659
623	602	594	568	540
141,631	141,631	141,631	141,631	141,631
936	936	936	936	936
827	795	769	748	712
37,780	37,780	37,780	37,780	37,780
404	404	404	404	404
31	38	34	15	14
19,172	19,172	19,172	19,172	19,172
205	205	205	205	205
**	**	**	**	**
16,400	16,400	16,400	16,400	16,400
N/A	N/A	N/A	N/A	N/A
-	-	-	-	-
451,773	451,773	451,773	451,773	451,773
3,388	3,388	3,388	3,388	3,388
2,598	2,575	2,517	2,458	2,397

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities (2)		Enrollment	Percent Change
	Expenditures (1)	Cost per pupil	Expenses (1)	Cost per pupil		
2009	\$ 34,069,468	\$ 12,708	\$ 35,136,993	\$ 13,106	2,681	-0.19%
2008	32,033,142	11,926	33,495,906	12,471	2,686	-0.37%
2007	30,271,801	11,228	31,527,500	11,694	2,696	2.12%
2006	28,434,728	10,771	29,571,949	11,201	2,640	0.65%
2005	30,751,403	11,724	30,848,117	11,761	2,623	0.96%
2004	28,210,549	10,859	29,054,984	11,184	2,598	0.89%
2003	25,608,776	9,945	27,011,865	10,490	2,575	2.30%
2002	23,852,262	9,476	25,324,173	10,061	2,517	2.40%
2001	26,751,965	10,884	25,067,505	10,198	2,458	2.54%
2000	35,536,891	14,826	N/A	N/A	2,397	2.39%

Source: District records

Note: In fiscal year 2009, the District has reclassified all former business-type activities to governmental activities.

(1) Debt Service totals have been excluded.

(2) The District implemented GASB 34 in fiscal year 2001.

N/A - Data Not Accessible

Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage
166	16.15	96.60%
162	16.58	96.50%
163	16.54	96.40%
165	16.00	96.60%
169	15.52	96.30%
162	16.04	96.50%
161	15.99	96.40%
161	15.63	96.30%
161	15.27	95.50%
158	15.17	95.50%

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CERTIFICATED TEACHING STAFF EDUCATION, EXPERIENCE AND AVERAGE SALARY INFORMATION
LAST TEN FISCAL YEARS

	<u>2009</u>		<u>2008</u>		<u>2007</u>		<u>2006</u>	
Education								
<i>College Degree Attained (Number of Staff/% of Total)</i>								
Bachelor's Degree	9	5.42%	7	4.32%	8	4.91%	8	4.85%
Bachelor's Degree + 9 hours	10	6.02%	9	5.56%	13	7.98%	11	6.67%
Bachelor's Degree + 18 hours	18	10.84%	24	14.81%	16	9.82%	17	10.30%
Master's Degree	49	29.52%	41	25.31%	47	28.83%	47	28.48%
Master's Degree + 9 hours	28	16.87%	27	16.67%	26	15.95%	29	17.58%
Master's Degree + 18 hours	16	9.64%	17	10.49%	16	9.82%	18	10.91%
Master's Degree + 27 hours	14	8.43%	13	8.02%	13	7.98%	14	8.48%
Master's Degree + 36 hours	22	13.25%	24	14.81%	24	14.72%	21	12.73%
Ph. D.	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	166	100.00%	162	100.00%	163	100.00%	165	100.00%
Experience								
<i>Range of Years' Experience (Number of Staff/% of Total)</i>								
0 - 5	26	15.66%	20	12.35%	20	12.27%	19	11.52%
6 - 10	29	17.47%	31	19.14%	33	20.25%	47	28.48%
11 and over	111	66.87%	111	68.52%	110	67.48%	99	60.00%
Total	166	100.00%	162	100.00%	163	100.00%	165	100.00%
Average Teacher Salary	\$67,535		\$65,596		\$64,697		\$63,161	

Source: District Records and Ohio Department of Education

Note: Excludes administrators, tutors and other certificated personnel that are certified teachers under Ohio law.

N/A - Information Not Accessible

2005		2004		2003		2002		2001		2000	
11	6.51%	10	6.17%	19	11.80%	19	11.80%	18	11.18%	18	11.39%
10	5.92%	9	5.56%	7	4.35%	7	4.35%	13	8.07%	15	9.49%
18	10.65%	19	11.73%	24	14.91%	24	14.91%	17	10.56%	18	11.39%
52	30.77%	50	30.86%	50	31.06%	50	31.06%	52	32.30%	57	36.08%
24	14.20%	23	14.20%	23	14.29%	23	14.29%	19	11.80%	15	9.49%
18	10.65%	15	9.26%	9	5.59%	9	5.59%	13	8.07%	12	7.59%
15	8.88%	14	8.64%	12	7.45%	12	7.45%	9	5.59%	8	5.06%
21	12.43%	22	13.58%	17	10.56%	17	10.56%	20	12.42%	15	9.49%
0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
169	100.00%	162	100.00%	161	100.00%	161	100.00%	161	100.00%	158	100.00%
26	15.38%	33	20.37%	45	27.95%	45	27.95%	45	27.95%	45	28.48%
46	27.22%	54	33.33%	42	26.09%	42	26.09%	37	22.98%	32	20.25%
97	57.40%	75	46.30%	74	45.96%	74	45.96%	79	49.07%	81	51.27%
169	100.00%	162	100.00%	161	100.00%	161	100.00%	161	100.00%	158	100.00%
\$59,376		\$57,168		\$51,730		\$50,040		\$47,700		N/A	

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Ally Cavaros
Grade 6

ROCKY RIVER CITY SCHOOL DISTRICT
Cuyahoga County, Ohio

ROCKY RIVER CITY SCHOOL DISTRICT

Cuyahoga County, Ohio



Carla Diab
Grade 10

Rr Globally Competitive
Exceptional Opportunities
Caring Environment
Successful Students



Mary Taylor, CPA
Auditor of State

ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA 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
FEBRUARY 9, 2010