

## **AGENDA**

**ROCKY RIVER CITY SCHOOL DISTRICT**  
Office of the Superintendent of Schools  
**BOARD OF EDUCATION MEETING**

**7:00 P.M., THURSDAY, OCTOBER 15, 2009**  
**Board Room, Rocky River Board of Education**  
**21600 Center Ridge Road**

## **AGENDA**

### **A. REGULAR BUSINESS**

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Adoption of Agenda**

BE IT RESOLVED by the Board of Education of the Rocky River City School District that it hereby adopts this Agenda, including any addendum attached hereto, for the October 15, 2009 meeting.

- 5. Special Recognition**

State Representative Nan Baker will attend the October Board Meeting so that she may present a proclamation recognizing the Rocky River City School District's Excellent with Distinction rating on the state report card.

- 6. Reports**

- a. Superintendent's Update**

- 7. Oral and Written Communications**

*Residents, students, staff, and others are welcomed by the President of the Board or the Superintendent to address the Board at this time.*

- 8. Minutes of Preceding Meetings**

- a. Board of Education Committee Meeting – September 9, 2009**
- b. Board of Education Finance Committee Meeting – September 17, 2009**
- c. Board of Education Meeting – September 17, 2009**

**9. Committee Reports\***

**a. Policy and Legislation - Mr. Milano**

**(1) Resolution to Adopt New and Revised Board Policies**

BE IT RESOLVED by the Board of Education of the Rocky River City School District that the following Board Policy, Ohio Operating Standards for Ohio Educational Agencies Serving Children with Disabilities be adopted, and a copy included in the Bylaws and Policies Manual.

*\* The Highlights of the October 7, 2009 Committee of the Whole meeting will be available at the reception desk the night of the regular board meeting.*

**10. Representative Reports\***

**a. Representative to the Finance Committee – Mr. Swartz**

**b. Representative to the Rocky River Parks and Recreation Commission – Ms. Goepfert**

**c. Representative to Community Challenge/Recovery Resources – Mrs. Rounds**

**d. Representative to the Rocky River Education Foundation – Ms. Goepfert**

**e. Representative to Strategic Planning Committees – Mr. Milano**

**11. Treasurer's Report – Mr. Markus -**

**a. Resolution to Approve Financial Statement and Intrafund Transfers for General Accounting – September, 2009**

WHEREAS, the Board of Education passed Resolution #7-09 to dispense with the Listing of Warrants; and

WHEREAS, the funds for payment of these vouchers are included in the 2009-2010 Appropriation; and

WHEREAS, the Finance Committee has reviewed the Financial Statement, Appropriation Expenditure Summary Report, and the List of Bills;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Rocky River City School District that the Financial Statement and intrafund transfers in the amount of \$63,216.01 for September 2009; and

BE IT FURTHER RESOLVED that the Financial Statements (**Exhibit A**) be included in the Minutes and that the Appropriation Expenditure Summary Report and the List of Bills be filed in the Treasurer's Office for Audit.

**b. Resolution to Amend Appropriation**

BE IT RESOLVED, by the Board of Education of the Rocky River City School District that the amount of the amended appropriation for all funds as of September 30, 2009 is \$38,517,356.00, and

BE IT FURTHER RESOLVED that the current Certificate of Resources (**Exhibit B**) in effect identifies sufficient resources to operate the education program for Fiscal 2008 (July 1, 2009 to June 30, 2010).

**c. Resolution to Approve Then and Now Certificate**

WHEREAS, the requirements of ORC Section 5705.41(D) state that no orders or contracts involving the expenditure of money are to be made unless there is a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances; and

WHEREAS, ORC Section 5705.41(D) provides an exception that, if the fiscal officer can certify that both at the time that the contract or order was made and at the time that he is completing his certification, sufficient funds were available or in the process of collection to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the taxing authority can authorize the drawing of a warrant. The taxing authority has 30 days from the receipt of such certificate to approve payment by resolution or ordinance.

NOW, THEREFORE, BE IT RESOLVED that the Then and Now Certificates submitted to the Rocky River Board of Education (**Exhibit C**) be approved and that the Treasurer is hereby authorized to draw a warrant for the orders or contracts associated with such certificates as soon as reasonably possible.

**d. Resolution to Approve the Five-Year Forecast**

BE IT RESOLVED that the Board of Education of the Rocky River City School District hereby approves the update of the District's Five-Year Forecast as of the fiscal year ending June 30, 2010 as submitted by its Treasurer to the Ohio Department of Education per the requirements of Ohio Administrative Code Section 3301-92-04 (F) (**Exhibit D**).

**B. SUPERINTENDENT'S REPORT**

**1. Retirements and Resignations**

<u>Name</u>	<u>Position</u>	<u>Date</u>
Melinda Counihan	Lunchroom Monitor – HS	10/9/09

**2. Appointments -- Certificated Staff\***

(SUBSTITUTE TEACHERS FOR THE 2009-2010 SCHOOL YEAR)\*

<u>Name</u>	<u>Name</u>	<u>Name</u>	<u>Name</u>
Michelle Brody	Michelle Guerra	Tina Mader	Kyle Romansky

Kevin Burke	Meghan Hennies	Nancy Martin	Amy Ruebsteck
Michael Columbro	Kristen Holy	Richard Martinek	Mark Saksa
Shelby Dennstedt	Caroline Hotra	Christine Merker	Nicole Shaner
Maggie Eaton	Thomas Huntley	Derek Miller	Gina Simeone
Monica English	Eileen Johnson	Jessica Novotny	Kimberlie Weaver
Samantha Fitzenrider	Jeana Kuhn	Elyse Roberts	Jennifer Weir
Mary Giese	Kathryn Logan	Kenneth Roeten	Emily Williams

**3. a. Supplemental Duty Appointments for the 2008-2009 School Year \***

<u>Name</u>	<u>Position</u>	<u>Rate of Pay</u>
<b><u>Co-Curricular</u></b>		
Amy Wilhelmy	Literary/Art Magazine Advisor-Kens.	\$ 989

**3. b. Supplemental Duty Appointments for the 2009-2010 School Year \***

<u>Name</u>	<u>Position</u>	<u>Rate of Pay</u>
<b><u>Interscholastic Coaching</u></b>		
Tom Augustine **	Softball, Asst., H.S.	\$ 3653
Rebecca Arsena **	Swimming, Asst., H.S.	2900
Brad McCoy **	Swimming, Asst., H.S.	2636
Jeff Sinnema	Tennis, Head, Boys, H.S.	3383
Thomas Huntley **	Tennis, Asst., Boys, H.S.	2291
Justin Cannon **	Track, Co-Asst., Boys, H.S.	1396
Brian Reynolds **	Track, Head, Boys, H.S.	5121
<b><u>Co-Curricular</u></b>		
John Caruso **	PLUS Activity, Spirit Club, H.S.	1301
Tara Grabowski	PLUS Activity, Bldg Level Title I Coord.	1014
Amy Wilhelmy	Literary/Art Magazine Advisor-Kens.	1115

\*\* No certificated employees expressed an interest in these positions which are being filled by qualified individuals.

**4. Appointments -- Support Personnel\***

(SUPPORT STAFF FOR THE 2009-2010 SCHOOL YEAR)\*

<u>Name</u>	<u>Classification</u>	<u>Effective Date</u>	<u>Rate of Pay</u>
Andre Druso Step 2	Custodial Worker I	10/5/09	\$11.46/hr.

**Name**

Lisa Schill	Janet Geddes
Tami Wilhelmy	Rose Mary Hovan

<u>Name</u>	<u>Classification</u>	<u>Effective Date</u>	<u>Rate of Pay</u>
Melinda Counihan	Lunchroom Monitor As needed 10/12/09 – 10/23/09	10/12/09	\$14.30

\* Employment conditional upon receipt of a negative drug test screening and a satisfactory criminal reference check

**5. Adjustments in Salary and Assignments**

It is recommended that the following adjustments in salary be made on the basis of further training or experience:

<u>Name</u>	<u>New Classification</u>	<u>Semester Hours</u>	<u>Step</u>	<u>Effective Date</u>	<u>Adjusted Rate of Pay</u>
Karyn Barrett	MA+18		15	10/16/09	\$78,277
Jessica Dessoffy	BA+9		4	10/16/09	\$44,825
David Opdycke	MA+9		19	10/16/09	\$90,136
Albert Wilhelmy	MA+9		14	10/16/09	\$74,397

It is recommended that the following adjustments in salary be made on the basis of a change in assignment:

<u>Name</u>	<u>Position</u>	<u>Effective Date</u>
Ann Masella	From: Lunchroom Monitor-Kens. .23 FTE To: Lunchroom Monitor – HS . 33 FTE	10/19/09

**6. Resolution to Approve Leave of Absence**

- a. BE IT RESOLVED by the Board of Education of the Rocky River City School District that **Natalie Corrigan** be granted an Unpaid Leave of Absence from October 12 through November 20, 2009; and

BE IT FURTHER RESOLVED that Natalie Corrigan will not be assured of any specific assignment or position; and

BE IT FURTHER RESOLVED that the Treasurer be and is hereby directed to provide said employee with a copy of this resolution.

- b. BE IT RESOLVED by the Board of Education of the Rocky River City School District that **Janine Walsh** be granted an Unpaid Leave of Absence from October 29 through November 25, 2009; and

BE IT FURTHER RESOLVED that Janine Walsh will not be assured of any specific assignment or position; and

BE IT FURTHER RESOLVED that the Treasurer be and is hereby directed to provide said employee with a copy of this resolution.

**7. Resolution to Enter into Lease Agreement with Community Challenge**

WHEREAS, the Board of Education of the Rocky River City School District has received from Community Challenge, a division of Recovery Resources, a request to enter into an Agreement of Lease for a portion of Beach School;

NOW, THEREFORE, BE IT RESOLVED that the Board of Education of the Rocky River City School District approves the lease for a portion of Beach School; and

BE IT FURTHER RESOLVED that the Treasurer and the President of the Board of Education be and are hereby directed to execute said lease, a copy of which is on file in the Office of Support Services.

**8. Notice of Decision on Suspension Appeal Hearings**

A hearing was held in Conference Room B of the Board of Education Office of the Rocky River City School District on September 28, 2009, by Mr. Ted Blank, Executive Director of Human Resources and Support Services. The hearing was held at the request of the parent of a Middle School student to hear the appeal against her child's out-of-school suspension at Rocky River Middle School. Based upon the information presented at the hearing, the out-of-school-suspension was upheld.

Hearings were held in Conference Room B of the Board of Education Office of the Rocky River City School District on September 28, 2009 and October 2, 2009, by Mr. Ted Blank, Executive Director of Human Resources and Support Services. The hearings were held at the request of the parents of High School students to hear the appeals against their children's out-of school suspensions from school at Rocky River High School. Based upon the information presented at the hearings, the suspensions were upheld.

**9. Resolution to Discard, Sell and/or Donate Surplus Property**

BE IT FURTHER RESOLVED by the Board of Education of the Rocky River City School District that, in accordance with **Board Policy 7310 – Disposition of Surplus Property**, the treasurer can discard, sell or donate (non-profit organizations) the following surplus property without any restrictions or reservations as to the future use thereof.

**Science**

Science-1<sup>st</sup> Gr.: 167

Science-2<sup>nd</sup> Gr: 200

Harcourt Science-3<sup>rd</sup> Gr: 215

Harcourt Science-4<sup>th</sup> Gr: 219

Harcourt Science-5<sup>th</sup> Gr: 205

Nature of Science: 217

Matter-Building Blocks of the Universe: 209

Ecology-Earth's Natural Resources: 201

*Prentice Hall Select Bind – Includes:*

Astronomy: 246

Motion, Energy, and Forces: 246

Cells and Heredity: 59

Heredity: 58

Cells: 61

Sound and Light: 220

Physical Science Concepts in Action  
with Earth & Space Science: 203

Chemistry-Holt: 157

Biology: 165

Essential Biology w/Physiology: 113

Environmental Science: 90

Chemistry-Prentice Hall: 81

Chemical Building Blocks: 246  
Chemical Interactions: 246  
*Prentice Hall Select Bind – Includes:*  
Cells and Heredity: 240  
From Bacteria to Plants: 240  
Astronomy: 60  
Inside Earth: 235  
Exploring Earth's Weather: 212  
Motion, Forces, and Energy: 210  
Environmental Science: 227  
Science Connections Red: 49  
Science Connections Blue: 88

Physics: 110  
Biology-6<sup>th</sup> Edition: 81  
Chemistry-The Central Science 8<sup>th</sup>  
Edition: 17  
General Chemistry: An Integrated  
Approach, 3<sup>rd</sup> Edition: 39  
College Physics, 6<sup>th</sup> Edition: 30  
Biology Principles and Explorations: 31  
Science Explorer: 3

**Foreign Language-German**  
Komm mit!, Level 3

#### **10. Resolution to Support Red Ribbon**

WHEREAS, alcohol and other drug abuse in this nation is a serious concern regarding our youth; and

WHEREAS, it is imperative that visible, unified prevention education efforts by community members be launched to reduce the demand for drugs; and

WHEREAS, The National Red Ribbon Celebration has been established by the National Family Partnership to help create awareness of the drug problems facing every community, to develop parent and community teams to combat illegal drugs, and to promote drug-free lifestyles; and

WHEREAS, the National Red Ribbon Campaign was celebrated formally during "Red Ribbon Week," October 18-23, 2009; and

WHEREAS, the Rocky River City School District continues to be committed to supporting Red Ribbon Campaign efforts;

NOW, THEREFORE, BE IT RESOLVED that the Board of Education of the Rocky River City School District does hereby declare its support of Red Ribbon Week, and the efforts conducted that made a visible statement that we are strongly committed to a drug-free community; and

BE IT FURTHER RESOLVED that the Rocky River Board of Education encourages all citizens to continue to pledge to be: Drug Free and Proud.

#### **11. Resolution to Adopt the Revised 2011-2012 School Calendar**

BE IT RESOLVED by the Board of Education of the Rocky River City School District that the Revised School Calendars for 2011-2012 (**Exhibit E**) be adopted.

#### **12. Resolution to Approve the Varsity Baseball Team Trip to Bradenton, Florida**

BE IT RESOLVED that the Rocky River Board of Education hereby authorizes the Superintendent to approve the application for the students on the Varsity Baseball Team to travel to Bradenton, Florida from April 4<sup>th</sup>, 2010 – April 10, 2010.

**13. Resolution to Approve Candidates for Graduation**

BE IT RESOLVED by the Board of Education of the Rocky River City School District that **Lauren Porochonski** who has completed the course requirements as specified by Policy, be approved for graduation from Rocky River High School.

**C. OTHER BUSINESS**

**1. Other**

**2. Resolution to Adjourn**

BE IT RESOLVED by the Board of Education of the Rocky River City School District that it hereby adjourn.



ROCKY RIVER CITY SCHOOLS  
 Financial Report by Fund  
 FINANCIAL REPORT FOR SEPT 2009

Begin Balance	MTD Receipts	FYTD Receipts	MTD Expenditures	FYTD Expenditures	Current Fund Balance	Current Encumbrances	Unencumbered Fund Balance
TOTAL FOR Fund 001 - GENERAL:							
660,270.16	1,692,514.43	12,626,283.20	2,453,441.68	7,067,392.60	6,219,160.76	1,568,203.11	4,650,957.65
TOTAL FOR Fund 002 - BOND RETIREMENT:							
4,032,709.70	71,136.70	1,342,878.46	8,865.78	8,891.26	5,366,696.90	0.00	5,366,696.90
TOTAL FOR Fund 003 - PERMANENT IMPROVEMENT:							
112,290.66	12,375.12	37,130.51	23,564.95	90,293.38	59,127.79	19,704.95	39,422.84
TOTAL FOR Fund 004 - BUILDING:							
6,633.14	0.00	0.00	1,297.21	1,297.21	5,335.93	4,094.00	1,241.93
TOTAL FOR Fund 006 - FOOD SERVICE:							
111,084.18	36,624.04	74,067.86	50,449.26	78,388.76	106,763.28	73,961.57	32,801.71
TOTAL FOR Fund 007 - SPECIAL TRUST:							
62,183.26	111.56	553.02	850.00	850.00	61,886.28	408.00	61,478.28
TOTAL FOR Fund 009 - UNIFORM SCHOOL SUPPLIES:							
17,060.59	2,487.75	9,957.25	4,506.25	18,568.59	8,449.25	3,183.75	5,265.50
TOTAL FOR Fund 011 - ROTARY-SPECIAL SERVICES:							
31,029.09	60,310.02	137,508.58	29,551.94	92,702.18	75,835.49	90,009.26	14,173.77-
TOTAL FOR Fund 018 - PUBLIC SCHOOL SUPPORT:							
70,099.74	8,429.84	20,844.17	5,469.45	8,236.65	82,707.26	21,562.86	61,144.40
TOTAL FOR Fund 019 - OTHER GRANT:							
10,631.95	0.00	0.00	981.85	981.85	9,650.10	54.64	9,595.46
TOTAL FOR Fund 024 - EMPLOYEE BENEFITS SELF INS.:							
226.26	13,245.32	39,299.02	13,635.32	40,608.87	1,083.59-	0.00	1,083.59-
TOTAL FOR Fund 200 - STUDENT MANAGED ACTIVITY:							
110,695.90	36,559.02	38,339.49	6,839.88	11,007.95	138,027.44	39,126.15	98,901.29
TOTAL FOR Fund 300 - DISTRICT MANAGED ACTIVITY:							
13,098.94	34,871.22	56,631.31	33,851.17	97,897.19	28,166.94-	54,153.47	82,320.41-
TOTAL FOR Fund 401 - AUXILIARY SERVICES:							
117,115.48	106.94	290,159.24	30,892.28	234,568.49	172,706.23	263,044.77	90,338.54-
TOTAL FOR Fund 432 - MANAGEMENT INFORMATION SYSTEM							
5,851.78	0.00	0.00	3,358.22	5,853.03	1.25-	0.00	1.25-
TOTAL FOR Fund 440 - ENTRY YEAR PROGRAMS:							
3,500.00-	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00

ROCKY RIVER CITY SCHOOLS  
 Financial Report by Fund  
 FINANCIAL REPORT FOR SEPT 2009

Begin Balance	MTD Receipts	FYTD Receipts	MTD Expenditures	FYTD Expenditures	Current Fund Balance	Current Encumbrances	Unencumbered Fund Balance	
TOTAL FOR Fund 450 - SCHOOLNET EQUIP/INFRASTRUCTUR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL FOR Fund 451 - DATA COMMUNICATION FUND:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL FOR Fund 452 - SCHOOLNET PROFESS. DEVELOPMEN	0.01	0.00	0.00	0.00	0.01	0.00	0.01	
TOTAL FOR Fund 459 - OHIO READS:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL FOR Fund 499 - MISCELLANEOUS STATE GRANT FUN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL FOR Fund 516 - IDEA PART B GRANTS:	13,618.15	20,000.00	95,716.12	34,524.55	52,883.23	56,451.04	320,881.53	264,430.49-
TOTAL FOR Fund 532 - FISCAL STABILIZATION FUND:	0.00	7,826.80	14,349.12	5,378.56	5,378.56	8,970.56	0.00	8,970.56
TOTAL FOR Fund 551 - LIMITED ENGLISH PROFICIENCY:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FOR Fund 572 - TITLE I DISADVANTAGED CHILDRE	16,930.02-	37,371.07	57,356.25	24,316.61	53,126.29	12,700.06-	14,507.72	27,207.78-
TOTAL FOR Fund 573 - TITLE V INNOVATIVE EDUC PGM:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FOR Fund 584 - DRUG FREE SCHOOL GRANT FUND:	0.00	1,092.51	1,772.50	0.00	0.00	1,772.50	1,471.58	300.92
TOTAL FOR Fund 587 - IDEA PRESCHOOL-HANDICAPPED:	0.00	0.00	1,176.36	0.00	0.00	1,176.36	8,750.00	7,573.64-
TOTAL FOR Fund 590 - IMPROVING TEACHER QUALITY:	8,052.37-	0.00	15,436.18	7,133.41	9,252.04	1,868.23-	5,465.80	7,334.03-
TOTAL FOR Fund 599 - MISCELLANEOUS FED. GRANT FUND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRAND TOTALS:	5,346,116.60	2,035,062.34	14,862,958.64	2,738,908.37	7,878,178.13	12,330,897.11	2,488,583.16	9,842,313.95

**ROCKY RIVER CITY SCHOOL DISTRICTS  
SUMMARY OF INVESTMENTS AND CASH BALANCES  
September 30, 2009**

**INVESTMENTS:**

	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Cost/ Balance</u>	<u>Rate</u>
<b><u>Operating Funds</u></b>				
STAR Ohio		Daily	\$ 60,354.81	0.17%
Charter One CD	1/23/2009	11/24/2009	\$ 250,000.00	1.62%
Tri State CDARS	8/25/2009	11/27/2009	\$ 500,000.00	0.90%
Tri State CDARS	8/25/2009	2/25/2010	\$ 250,000.00	1.39%
Huntington Bank CD	3/4/2009	3/4/2010	\$500,000.00	2.05%
Huntington Bank CD	4/16/2009	4/16/2010	\$250,000.00	1.90%
Huntington Bank CD	7/9/2009	7/9/2010	\$ 500,000.00	1.16%
JP Morgan Chase FFCB	6/24/2009	6/17/2011	\$ 498,133.33	1.20%
JP Morgan Chase FHLB	7/10/2009	6/17/2011	\$ 500,079.31	1.25%
			\$ -	
Subtotal			\$ 3,308,567.45	1.36%
			\$128,577.00	0.35%
Charter One			7,516.43	0.05%
Huntington			\$6,915,599.89	0.57%
NCB MMA			297,316.02	0.35%
Charter One MRA				
Subtotal			\$ 7,349,009.34	
Total Investments			\$ 10,657,576.79	
<b><u>CASH:</u></b>				
Demand Deposit Accounts - Net			\$ 1,671,625.32	
Petty Cash and Change Funds			\$ 1,695.00	
Sub-Total			\$ 1,673,320.32	
Total Investments and Cash			\$12,330,897.11	

<u>Date</u>	<u>Advancing Fund</u>	<u>Receiving Fund</u>
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**Rocky River City School District**  
 Appropriation Summary as of September 30, 2009 - All Funds  
 With Certified Resources For FY 2010 To Date

Fund Name	USAS Fund No.	Budget as of 8/31/09	Net Changes September 2009	Revised Budget as of 9/30/09	P/Y Encumbrances	Total Expendable as of 9/30/09	Certificate of Estimated Resources - Amendment #5	Resources Over/(Under) Revised Budget	Add/(Reduce) Amount of "Other Sources" on Amendment #5	Revised Est. Resources Amendment #6
General Fund	001	\$31,267,645	(\$61,470)	\$31,206,175	\$319,893	\$31,526,068	\$32,131,967 x	\$925,792	(\$84,790)	\$32,047,177
Bond Retirement	002	3,107,839	0	3,107,839	-	3,107,839	7,753,028 x	4,645,189		7,753,028
Permanent Improvement	003	199,214	0	199,214	20,376	219,590	241,473 x	42,259		241,473
Building	004	1,297	5,336	6,633	-	6,633	6,633 x	0		6,633
Food Service	006	537,131	0	537,131	423	537,554	628,186 x	91,055		628,186
Trust - Band Uniform Fund	007-9007	0	0	-	-	-	30,049 x	30,049		30,049
Trust - Scholarship	007-9008	25,000	0	25,000	-	25,000	41,849 x	16,849		41,849
Trust - Unclaimed Funds	007-9009	500	0	500	-	500	12,065 x	11,565		12,065
Trust - Rocky River Angel Fund	007-9907	2,000	0	2,000	-	2,000	7,030 x	5,030		7,030
Trust - Rocky River Angel Fund - Goldwood	007-9908	500	0	500	-	500	1,011 x	511		1,011
Trust - Technology Improvement Fund	007-9909	2,915	0	2,915	-	2,915	2,952 x	37		2,952
Uniform School Supply	009	26,400	0	26,400	-	26,400	43,561 x	17,161		43,561
Rotary Funds	011	303,093	500	303,593	7,779	311,372	320,436 x	16,843		320,436
School Support Funds	018	52,000	4,000	56,000	4,098	60,098	109,002 x	53,002	5,591	114,593
Private Source Grants	019	9,506	0	9,506	855	10,361	9,777 x	271		9,777
Self-Insurance Fund	024	180,569	0	180,569	-	180,569	180,795 x	226		180,795
Student Activities	200	212,104	0	212,104	17,950	230,054	292,991 x	80,887		292,991
Athletic and Co-Curricular	300	285,919	90,157	376,076	10,175	386,251	287,876 x	(88,200)	100,757	388,633
<i>State Grants:</i>										
Auxiliary Services (Private Schools)	401	667,146	0	667,146	117,115	784,262	667,146 x	0		667,146
EMIS	432	7,000	0	7,000	-	7,000	12,852 x	5,852		12,852
Entry Year Programs	440	0	0	-	-	-	-	0		-
School Net - Capital	450	0	0	-	-	-	-	0		-
Data Communications	451	0	0	-	-	-	-	0		-
School Net - Professional Dev.	452	0	0	-	-	-	0 x	0		0
Misc State Grants	499	0	0	-	-	-	-	0		0
<i>Federal Grants:</i>										
IDEA-B	516	1,110,882	0	1,110,882	21,930	1,132,811	1,110,882 x	0		1,110,882
School District Fiscal Stabilization	532	39,134	45,656	84,790	-	84,790	39,134 x	(45,656)	45,656	84,790
Title III - Limited English Proficiency	551	12,931	0	12,931	-	12,931	12,931 x	0		12,931
Title I	572	280,284	0	280,284	12,392	292,676	285,671 x	5,388		285,671
Title V	573	0	0	-	-	-	-	0		-
Drug-Free Schools	584	7,187	0	7,187	-	7,187	7,187 x	0		7,187
Preschool - Special Education	587	25,954	0	25,954	-	25,954	25,954 x	0		25,954
Title II-A	590	67,237	0	67,237	651	67,888	67,247 x	9		67,247
Misc. Federal Grants	599	1,790	0	1,790	-	1,790	1,790 x	0		1,790
<b>Total All Funds</b>		<b>\$38,433,177</b>	<b>\$84,179</b>	<b>\$38,517,356</b>	<b>\$533,637</b>	<b>\$39,050,993</b>	<b>\$44,331,475</b>	<b>\$5,814,119</b>	<b>\$67,214</b>	<b>\$44,398,689</b>

Amended appropriation passed at the 10/15/09 meeting of the Rocky River Board of Education  
 Amended Certificate has been or will be requested from the County Budget Commission

VENDOR NO	FUND	FUNC	OBJ	SPCC	SUBJ	OPU	IL	AMOUNT	INVOICE NO.	PAYMENT
187170	001	2610	419	0000	000000	046	00	\$ 21,856.18		

APPROPRIATION TRANSFER ATTACHED



**ROCKY RIVER CITY SCHOOL DISTRICT**  
 21600 CENTER RIDGE ROAD  
 ROCKY RIVER, OHIO 44116-3980  
 440-333-6000

**PURCHASE ORDER NO.**  
 56096

ORIGINATOR DATE 9/11/09	DATE REQUESTED FOR DELIVERY BY for encumbering only	AUTHORIZATION #	CHECK IF GROUP PURCHASING <input type="checkbox"/>
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VENDOR	ATTN:	<input type="checkbox"/> OTHER _____ <input type="checkbox"/> Board Office 21600 Center Ridge Rd. <input type="checkbox"/> Service Building 20951 Detroit Rd. <input type="checkbox"/> Beach Education Center 1101 Morewood Pkwy. <input type="checkbox"/> Goldwood Primary School 21600 Center Ridge Rd. <input type="checkbox"/> Kensington Intermediate School 20140 Lake Rd. <input type="checkbox"/> Middle School 1631 Lakeview Rd. <input type="checkbox"/> High School 20951 Detroit Rd.	
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QUANTITY	DESCRIPTION AND CATALOG NUMBER	UNIT PRICE	AMOUNT
	Development of a facilities and technology master plan		21,856.18
<b>TOTAL ...</b>			<b>21,856.18</b>

<p><b>TREASURER'S CERTIFICATE</b></p> <p>It is hereby certified that the amount required to meet the contract, agreement, obligation, payment or expenditure, for the above, has been lawfully appropriated or authorized or directed for such purposes and is in the Treasury or in process of collection to the credit of the Rocky River City School District free from any obligation or certification now outstanding.</p> <p>9/11/09 DATE</p> <p><i>[Signature]</i> TREASURER</p>	<p><b>INSTRUCTIONS TO VENDOR</b></p> <ol style="list-style-type: none"> <li>ALL SHIPMENTS MUST BE PREPAID</li> <li>EXEMPT FROM FEDERAL EXCISE TAX - FEDERAL ID #34-6002315 - AND OHIO SALES TAX</li> <li>ROCKY RIVER BOARD OF EDUCATION WILL NOT IN ANY MANNER BE RESPONSIBLE FOR GOODS DELIVERED OR WORK DONE ON ITS ACCOUNT UNLESS AUTHORIZED</li> <li>THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS</li> </ol> <p>DATE _____ ADMINISTRATIVE SERVICES _____</p>
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ORIGINATOR'S OFFICE	CENTRAL OFFICE	APPROVED FOR PAYMENT
T. Blank/L. Hower	<b>ENCUMBERED</b>	<input type="checkbox"/> PARTIAL <input checked="" type="checkbox"/> FULL
ORIGINATOR	PRINCIPAL	BY <i>L. Hower</i>
COORDINATOR/MANAGER/FOREMAN/OTHER	DIVISION ADMINISTRATOR	DATE <u>9-11-09</u>

**EXHIBIT C-2**

**From:** Thomas, Rich  
**Sent:** Friday, September 25, 2009 3:10 PM  
**To:** Markus, Greg  
**Cc:** Maier, Laurel  
**Subject:** RE: PO#56737 Boiler Specialists, Inc. @ \$5,012.11

The subject boiler work could not be planned in the same manner as the summer boiler prep for all boilers in the District. The work done via PO#56737 was done incrementally over time (as you noted) in response to additional "hidden" problems observed as a repair is made. The incremental repairs become necessary because of the inherent unpredictability. The root cause of all this is due to boiler parts that are over 60 years old.

If you wish, I can ask the contractor to resubmit the invoices at today's date or later. Please advise.

**From:** Denham, Janice  
**Sent:** Friday, September 25, 2009 10:09 AM  
**To:** Thomas, Rich  
**Cc:** Maier, Laurel; Markus, Greg  
**Subject:** PO#56737 Boiler Specialists, Inc. @ \$5,012.11

Good morning, Rich,  
The above purchase order is dated 09/14/2009. The invoices to be paid against this purchase order are variously dated from August 3rd through September 10th, and the attached Service Reports are variously dated July 7th through August 25th. Greg would like a written explanation of why the purchase order is dated after the work was completed. Also, please note that because the invoice dates precede the purchase order's encumbrance, and the amount to be paid is in excess of \$5,000.00, we will need board approval prior to payment. Please respond directly to Greg with your explanation.  
Thanks!  
Janice

VENDOR NO	FUND	FUNC	OBJ	SPCC	SUBJ	OPU	IL	AMOUNT	INVOICE NO	PAYMENT
171846	001	2720	423	0000	000000	041	00	\$5012.11	42744	5012.11

8.3-09

APPROPRIATION TRANSFER ATTACHED



**ROCKY RIVER CITY SCHOOL DISTRICT**  
 21600 CENTER RIDGE ROAD  
 ROCKY RIVER, OHIO 44116-3980  
 440-333-6000

**PURCHASE ORDER NO.**  
**56737**

ORIGINATOR DATE <b>9/14/09</b>	DATE REQUESTED FOR DELIVERY BY <b>ENCUMBERING ONLY; PLEASE DO NOT MAIL</b>	AUTHORIZATION #	CHECK IF GROUP PURCHASING <input type="checkbox"/>
VENDOR <b>BOILER SPECIALISTS INC 1669 MERWIN AVE CLEVELAND OH 44113</b>		ATTN: <input type="checkbox"/> OTHER	<input type="checkbox"/> Board Office 21600 Center Ridge Rd. <input type="checkbox"/> Goldwood Primary School 21600 Center Ridge Rd <input type="checkbox"/> Kensington Intermediate School 20140 Lake Rd <input type="checkbox"/> Service Bldg 20951 Detroit Rd <input type="checkbox"/> Middle School 1631 Lakeview Rd <input type="checkbox"/> Beach Education Center 1101 Morewood Pkwy <input type="checkbox"/> High School 20951 Detroit Rd

QUANTITY	DESCRIPTION AND CATALOG NUMBER	UNIT PRICE	AMOUNT
	REFRACTORY REPAIR, KENSINGTON #2 BOILER		\$ 669.61 ✓
	OPEN WATER SIDES - HS BOILERS #1 & #2		3297.50 ✓
	CASING REPAIR - ESC BOILER #2		1045.00 ✓
<b>TOTAL</b>			<b>\$5012.11</b>

TREASURER'S OFFICE  
SEP 23 2009  
RECEIVED

<p><b>TREASURER'S CERTIFICATE</b></p> <p>It is hereby certified that the amount required to meet the contract, agreement, obligation, payment or expenditure, for the above, has been lawfully appropriated or authorized or directed for such purposes and is in the Treasury or in process of collection to the credit of the Rocky River City School District free from any obligation or certification now outstanding.</p> <p><u>9/14/09</u> _____ DATE TREASURER</p>	<p><b>INSTRUCTIONS TO VENDOR</b></p> <ol style="list-style-type: none"> <li>ALL SHIPMENTS MUST BE PREPAID</li> <li>EXEMPT FROM FEDERAL EXCISE TAX - FEDERAL I.D. #34-6002315 - AND OHIO SALES TAX</li> <li>ROCKY RIVER BOARD OF EDUCATION WILL NOT IN ANY MANNER BE RESPONSIBLE FOR GOODS DELIVERED OR WORK DONE ON ITS ACCOUNT UNLESS AUTHORIZED</li> <li>THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS</li> </ol>
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ORIGINATOR'S OFFICE	CENTRAL OFFICE	APPROVED FOR PAYMENT
LAUREL MAIER	ENCUMBERED	<input type="checkbox"/> PARTIAL <input checked="" type="checkbox"/> FULL
ORIGINATOR	PRINCIPAL	BY <u>L. Maier</u>
RICH THOMAS	DIVISION ADMINISTRATOR	DATE <u>9/22/09</u>
COORDINATOR/MANAGER/FOREMAN/OTHER		

**ROCKY RIVER CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEARS ENDED JUNE 30, 2007, 2008 AND 2009 ACTUAL;  
FORECASTED FISCAL YEARS ENDING JUNE 30, 2010 THROUGH 2014

LINE NUMBER	Fiscal Year 2007 Actual	Fiscal Year 2008 Actual	Fiscal Year 2009 Actual	Average Annual Change	Fiscal Year 2010 Forecasted	Fiscal Year 2011 Forecasted	Fiscal Year 2012 Forecasted	Fiscal Year 2013 Forecasted	Fiscal Year 2014 Forecasted
<b>Revenues</b>									
1.010 General Property Tax (Real Estate)	\$20,706,659	\$20,968,499	\$23,222,645	6.01%	\$24,897,366	\$24,809,379	\$24,933,425	\$25,058,093	\$25,183,383
1.020 Tangible Personal Property Tax	1,468,204	1,049,061	789,059	-26.67%	527,014	464,142	400,000	400,000	400,000
1.030 Income Tax									
1.035 Unrestricted Grants-in-Aid (All 3100's except 313x)	1,347,940	1,362,450	1,383,225	1.30%	1,284,602	1,270,770	1,270,770	1,270,770	1,270,770
1.040 Restricted State Grants-in-Aid (All 3200's)	165,505	116,112	182,314		89,334	89,334	89,334	89,334	89,334
1.045 Restricted Federal Grants-in-Aid - SFSF (4220)	xxxxxxxx	xxxxxxxx	xxxxxxxx	xxxxxxxx	84,790	84,790	xxxxxxxx	xxxxxxxx	xxxxxxxx
1.050 Property Tax Allocation (313x)	2,842,709	3,299,095	4,014,812	18.87%	\$4,449,164	\$4,471,304	\$4,471,304	\$4,471,304	\$3,968,151
1.060 All Other Revenues except 1931,1933,1940,1950,5100, 5200	839,285	647,982	398,836	-30.62%	366,225	407,212	449,428	462,911	476,798
1.070 <i>Total Revenues</i>	<u>27,370,302</u>	<u>27,443,199</u>	<u>29,990,891</u>	<u>4.77%</u>	<u>31,698,496</u>	<u>31,596,931</u>	<u>31,614,262</u>	<u>31,752,412</u>	<u>31,388,436</u>
<b>Other Financing Sources</b>									
2.010 Proceeds from Sale of Notes (1940)									
2.020 State Emergency Loans and Advancements (Approved - 1950)									
2.040 Operating Transfers-In (5100)									
2.050 Advances-In (Return of Advances) (5200)		4,027	0	#DIV/0!					
2.060 All Other Financing Sources (including 1931 and 1933)	<u>26,800</u>	<u>54,357</u>	<u>24,765</u>	<u>24.19%</u>	<u>61,000</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
2.070 <i>Total Other Financing Sources</i>	<u>26,800</u>	<u>58,384</u>	<u>24,765</u>	<u>30.13%</u>	<u>61,000</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
<b>2.080 <i>Total Revenues and Other Financing Sources</i></b>	<b><u>27,397,102</u></b>	<b><u>27,501,583</u></b>	<b><u>30,015,656</u></b>	<b><u>4.76%</u></b>	<b><u>31,759,496</u></b>	<b><u>31,597,431</u></b>	<b><u>31,614,762</u></b>	<b><u>31,752,912</u></b>	<b><u>31,388,936</u></b>
<b>Expenditures</b>									
3.010 Personal Services	17,145,215	17,368,346	18,121,619	2.82%	18,433,710	19,355,395	19,964,503	20,413,793	20,822,069
3.020 Employees' Retirement/Insurance Benefits	6,187,213	6,154,124	6,588,540	3.26%	7,265,667	7,524,376	8,198,710	8,901,713	9,827,629
3.030 Purchased Services	3,003,326	3,281,831	3,456,342	7.30%	3,734,172	3,461,172	3,651,172	3,751,172	3,851,172
3.040 Supplies and Materials	576,804	613,006	752,592	14.52%	861,448	904,521	904,521	904,521	904,521
3.050 Capital Outlay	71,243	97,048	113,095	26.38%	225,452	195,452	195,452	195,452	195,452
3.060 Intergovernmental (7600 and 7700 functions)									
Debt Service:									
4.010 Principal-All (History Only)									
4.020 Principal-Notes									
4.030 Principal-State Loans									
4.040 Principal-State Advancements									
4.050 Principal-HB 264 Loans									
4.055 Principal-Other	35,000	40,000	40,000	0.00%	40,000	40,000	40,000	40,000	40,000
4.060 Interest and Fiscal Charges	0	0	0		6,000	4,800	3,600	2,400	1,200
4.300 Other Objects	450,914	466,681	509,997	6.39%	535,497	562,272	590,385	619,905	650,900
4.500 <i>Total Expenditures</i>	<u>27,469,715</u>	<u>28,021,036</u>	<u>29,582,185</u>	<u>3.79%</u>	<u>31,101,945</u>	<u>32,047,987</u>	<u>33,548,342</u>	<u>34,828,955</u>	<u>36,292,942</u>
<b>Other Financing Uses</b>									
5.010 Operating Transfers-Out	271,148	0	32,000	#DIV/0!	128,000				
5.020 Advances-Out	4,027	0	0	#DIV/0!					
5.030 All Other Financing Uses	821	0	2,000						
5.040 <i>Total Other Financing Uses</i>	<u>275,996</u>	<u>0</u>	<u>34,000</u>	<u>#DIV/0!</u>	<u>128,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>5.050 <i>Total Expenditures and Other Financing Uses</i></b>	<b><u>27,745,711</u></b>	<b><u>28,021,036</u></b>	<b><u>29,616,185</u></b>	<b><u>3.34%</u></b>	<b><u>31,229,945</u></b>	<b><u>32,047,987</u></b>	<b><u>33,548,342</u></b>	<b><u>34,828,955</u></b>	<b><u>36,292,942</u></b>



<i>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</i>										
6.010		(348,609)	(519,453)	399,471	-63.95%	529,551	(450,556)	(1,933,581)	(3,076,043)	(4,904,006)
7.010	Cash Balance July 1	<u>1,128,865</u>	<u>780,256</u>	<u>260,803</u>	-48.73%	<u>660,274</u>	<u>1,189,825</u>	<u>739,269</u>	<u>(1,194,312)</u>	<u>(4,270,356)</u>
7.020	Cash Balance June 30	<u>780,256</u>	<u>260,803</u>	<u>660,274</u>	43.30%	<u>1,189,825</u>	<u>739,269</u>	<u>(1,194,312)</u>	<u>(4,270,356)</u>	<u>(9,174,362)</u>
8.010	Estimated Encumbrances June 30	<u>386,573</u>	<u>260,235</u>	<u>319,893</u>	-4.88%	<u>600,000</u>	<u>600,000</u>	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>
Reservation of Fund Balance										
9.010	Textbooks and Instructional Materials									
9.020	Capital Improvements									
9.030	Budget Reserve									
9.040	DPIA									
9.045	SFSF			#						
9.050	Debt Service									
9.060	Property Tax Advances									
9.070	Bus Purchases									
9.080	Subtotal	<u>0</u>	<u>0</u>	<u>0</u>	#DIV/0!	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance June 30 for Certification of Appropriations</i>										
10.010		<u>393,683</u>	<u>568</u>	<u>340,381</u>	29837.93%	<u>589,825</u>	<u>139,269</u>	<u>(1,844,312)</u>	<u>(4,920,356)</u>	<u>(9,824,362)</u>
Revenue from Replacement/Renewal Levies										
11.010	Income Tax - Renewal									
11.020	Property Tax - Renewal or Replacement									
11.300	Cumulative Balance of Replacement/Renewal Levies	<u>0</u>	<u>0</u>	<u>0</u>	#DIV/0!	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>										
12.010		<u>393,683</u>	<u>568</u>	<u>340,381</u>	29837.93%	<u>589,825</u>	<u>139,269</u>	<u>(1,844,312)</u>	<u>(4,920,356)</u>	<u>(9,824,362)</u>
Revenue from New Levies										
13.010	Income Tax - New									
13.020	Property Tax - New									
13.030	Cumulative Balance of New Levies	<u>0</u>	<u>0</u>	<u>0</u>	#DIV/0!	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
14.010	Revenue from Future State Advancements									
15.010	<b>Unreserved Fund Balance June 30</b>	<b><u>\$393,683</u></b>	<b><u>\$568</u></b>	<b><u>\$340,381</u></b>	<b>29837.93%</b>	<b><u>\$589,825</u></b>	<b><u>\$139,269</u></b>	<b><u>(\$1,844,312)</u></b>	<b><u>(\$4,920,356)</u></b>	<b><u>(\$9,824,362)</u></b>

**See accompanying summary of significant forecast assumptions and accounting policies**

Includes: General fund, emergency levy fund, SDFSF, PBA fund, and any portion of debt service service fund related to general fund debt.

21.010	Personal Services SFSF	xxxxxxxx	xxxxxxxx	xxxxxxxx		84,790	84,790	xxxxxxxx	xxxxxxxx	xxxxxxxx
21.020	Employees Retirement/Insurance Benefits SFSF	xxxxxxxx	xxxxxxxx	xxxxxxxx				xxxxxxxx	xxxxxxxx	xxxxxxxx
21.030	Purchased Services SFSF	xxxxxxxx	xxxxxxxx	xxxxxxxx				xxxxxxxx	xxxxxxxx	xxxxxxxx
21.040	Supplies and Materials SFSF	xxxxxxxx	xxxxxxxx	xxxxxxxx				xxxxxxxx	xxxxxxxx	xxxxxxxx
21.050	Capital Outlay SFSF	xxxxxxxx	xxxxxxxx	xxxxxxxx				xxxxxxxx	xxxxxxxx	xxxxxxxx

21.060 Total Expenditures - SDFSF

xxxxxxxxx

xxxxxxxxx

xxxxxxxxx

\$84,790

\$84,790

xxxxxxxxx

xxxxxxxxx

xxxxxxxxx

**Rocky River City School District  
IRN 044701  
Greg R. Markus, CPA, Treasurer/CFO  
October 2009**

**DRAFT - To be submitted to the Rocky River BOE for approval at their  
10/15/09 Regular Board Mtg.**

General Background/Assumptions:

***Local Property Tax Revenue:***

Since the District receives approximately 94% of its revenue for the General Operating Fund from local property taxes and related state subsidies, the key assumptions for revenue rest with property tax revenue.

- The District is now in the second year of what has historically been a three-year levy cycle. The voters approved a continuous operating levy of 5.9 mills in March 2008 to be used for continuing operations of the District. This levy was estimated to generate approximately \$4.3M for a full year of collection and is included in the revenue estimates contained in this forecast. FY 10 represents the first full fiscal year collection on the new levy since property taxes are assessed and collected on a calendar year (January – December) basis versus a school district’s fiscal year of July - June.
- Cuyahoga County finalized their most recent reappraisal of all real property within the County as of December 2006. This process is required to be performed every six years per Ohio Revised Code Section 5715.33. The new values for Cuyahoga County are for the 2006 tax (calendar) year that became the taxable values used to calculate real tax bills starting in January 2007. In between required appraisals, Counties are required to perform an update of those values based on factors relevant to real property values at the time of the update (e.g. actual sales). The next update is scheduled to occur during 2009 to take effect in January 2010.
- Because House Bill 920 effectively freezes revenue for the vast majority of the real property tax millage that is collected by a School District to the amount that was calculated at the time the millage was approved by the voters, The Rocky River Schools will not see an increase in real property tax revenue from any increase in taxable value for most of the millage that we collect. The only increases in revenue from an increase in existing property tax values would be from the statutory inside millage that the District collects, which is minimal as compared to the outside (i.e. voted) millage. The District currently collects on 36.29 effective mills in its General Fund for *residential* real estate vs. 73.6 voted mills. The District currently collects on 51.14

effective mills in its General Fund for *commercial* real estate vs. the same 73.6 voted mills.

- Tangible personal property tax revenue will continue to be phased out (for the most part) over the next two fiscal years per Ohio H.B. 66 signed into law by the Governor effective 7/1/05. Only telephone personal property will remain taxable through fiscal year 2011, after which time no tangible personal property will be taxable per current law.
- H.B. 66 included a "hold harmless" provision for school districts to receive full reimbursement of "base year" valuation (i.e. tax year 2004) losses attributed to the elimination of this tax revenue source through fiscal year 2010. HB 1 signed into law by the Governor as of July 1, 2009 included a provision to extend the full (100%) reimbursement of "base year" valuation losses through fiscal year 2013.
- Since the District does not receive state share (i.e. "per-pupil formula") funding, we will receive the "hold harmless" reimbursements as direct payments from the state. These replacement payments have been reflected on line 1.050 of this forecast starting in fiscal 2007.
- Under current law, after 2013 it is assumed that these reimbursements will begin to phase out based on the prior phase-out schedule until they are eliminated completely after fiscal 2018. The exempt personal property tax reimbursement currently received by the State of Ohio will now be phased out on the same accelerated schedule, which means that this reimbursement will no longer be received starting in FY 2010.
- Also, this forecast assumes that the public utility deregulation reimbursements currently being received from the State of Ohio as a result of SB's 3 & 287 that commenced in Feb. 2002 will continue at the current level of \$192,000 per year for the length of this forecast. The state is required to perform a calculation by October 31 of each year to determine which Districts are eligible to continue to receive payments. Based on the calculation performed in 2008 and assumptions regarding state funding going forward, the District expects to be eligible for these reimbursement payments for the foreseeable future.

***State of Ohio and Federal Stimulus Revenue:***

- The district anticipates a reduction of 1% in its revenue from the state of Ohio (called foundation revenue, as reported on line 1.035) from FY 09 levels in 2010 and a 2% reduction from FY 09 levels in FY 11 based on a guarantee from the State for those years as included in HB 1 as part of the new

Evidenced Based Model (EBM) being used to provide state support to schools. The District is not currently anticipating any changes for the remainder of this forecast; however, this assumes that the state will continue some type of minimum “guarantee” payment for fiscal years 2012 - 2014.

- Because Rocky River is considered to have a strong and relatively wealthy tax base, the state of Ohio provides minimal funding per student and some additional funding for special education, vocation education, gifted programs and pupil transportation. None of this state support covers any substantive amount of these program costs. The majority of the costs are paid by the citizens of the community through their property tax support.
- Line 1.040 includes funding received from the State of Ohio that is restricted to be used for the programs for which the money is earmarked. Starting in FY 2010, this line included \$89,334 from the State’s catastrophic aide reimbursement appropriation for certain special education expenditures above specific thresholds. This amount is assumed to remain constant through the end of this forecast.
- Line 1.045 includes amounts expected to be received through the State as authorized by the American Recovery and Reinvestment Act (ARRA), aka the “federal stimulus bill”. The amounts are expected to be received only in FY’s 2010 and 2011 at the indicated amounts. The District is not anticipating the continuation of these funds nor the replacement of these funds from State sources starting in fiscal year 2012 moving forward.

***Other Local Revenue:***

- Local revenue makes up approximately 1.2% of all operating revenue. This local revenue is primarily investment revenue, rentals, student and other fees.
- During FY 07, the District received a one-time payment relating to a legal settlement of an insurance claim from the District's new middle school building project back in 1999. Since these monies are related to expenditures made from the 1998 bond issue, these monies are restricted by Ohio law to be used for the stated purpose of the bonds. Therefore, the entire amount of \$231,148 was transferred to the District's Permanent Improvement Fund where the funds will be used for capital purchases and improvements of District facilities. This one-time receipt is not included in the estimates for fiscal years 2010 – 2014.

## **Expenditures:**

As is consistent for typical school districts, salaries and benefits comprise a little less than 83% of the District's operating expenditures. Key assumptions regarding salaries and fringe benefits are as follows:

### ***Salaries:***

- Both of the District's collective bargaining agreements and arrangements with non-bargaining employees were settled for fiscal years 2009-2011 in May 2008. Base salary increases of 2% (2009), 2.5% (2010) and 3% (2011) have been agreed to as part of these agreements along with an adjustment for an additional half-step for teachers and non-bargaining employees (Step 18 on the teacher schedule, which equated to half of a normal step percentage increase as compared to steps 1 – 17). For FY's 2012 - 2014, no base salary increases have been assumed (only step increases).
- Overall staffing levels during the life of this forecast are assumed to be flexible (may move up or down) based upon enrollment, class sizes, special needs and fiscal restrictions. Attrition and selected replacement due to retirements and resignations will be managed to keep salary levels in line with projections and allow for additional staffing needs as appropriate. Additionally, targeted reductions in non-instructional personnel have been executed for fiscal year 2010 as explained below.

### ***Fringe Benefits:***

- Fringe benefits are primarily composed of retirement system payments and health insurance benefits, but also include payments to the State Workers Compensation Fund and other employee-related items.
- Retirement Payments - Retirement payments are required by state law to be paid. The employer pays 14% of the employees' earnings to one of two state retirement systems. Retirement costs are projected to increase or decrease consistent with salary costs.
- Health Insurance - Employee health insurance costs are expected to increase moderately to significantly during the life of this forecast based on actual claim activity, but will be mitigated somewhat as compared to prior years based on a plan design changed negotiated as part of the new bargaining unit agreements mentioned above. These plan design changes affected the cost structure of the health insurance plan offered by the District that calls for premium contributions from all employees of 3% (more for part-time employees based on their percentage of time worked) and a co-insurance amount of 10% of eligible claim charges with maximum out-of-pocket limits

along with increased co-pays for prescription drugs. Additionally, the District is currently under an 85%/110% contingent premium arrangement with its current health insurer and may incur additional levels of funding under this arrangement based on claims experience. This contingent premium percentage will increase to 85%/125% starting in FY 10 (payable in FY 11) per the most recent negotiated renewal agreed to with the District's current insurer.

***Other Expenditure areas:***

The remaining 17% of expenditures consist of Purchased Services, Supplies and Textbooks, and Equipment (Capital Outlay),

- Purchased Services - increases were incurred in 2009 as compared to the 2008 amount. Large sustained increases in electricity, natural gas and vehicle fuel prices could potentially drive this expenditure area higher than expected, although as of May 2009 these expenditure areas appear to have stabilized somewhat. These obligations are virtually all utilities and student contracted services (i.e. vocational education and special education tuition to other districts) required by statute or need. In addition, capital lease expenditures for the upgrading of the District's technology that occurred in FY 09 are included in this area and will continue through the end of this forecast.

Payment of the preliminary billing for the District's 2006-2007 school year vocational education participation was deferred until FY 08 to help ensure a positive ending General Fund balance for FY 07 to comply with state law. Deferral of all of the FY 08 payment(s) for such services was necessary again in FY 09 based on projections. This forecast includes a one-time "catch-up" payment in FY 10 so that the majority of this annual expenditure will be paid in the year the services were incurred.

Starting in FY 11, this area is assumed to increase slightly (less adjustment downward in FY 10 to account for the one-time vocational education catch-up payment mentioned previously).

- Supplies - These supplies are primarily student textbooks, computer software, supplemental materials, supplies for buildings and buses and library materials. This category increased substantially for FY 09 to allow for continued program needs and textbook replacements and to replace funds that have been cut from building/departmental budgets since FY 06 due to the District's fiscal situation. For FY 11, this area will assume a 5% increase and is then assumed flat through the end of this forecast.

- Equipment - Primarily equipment for classrooms (computers, audio-visual) and replacement of district maintenance and transportation equipment. This category increased from prior levels starting in FY 08 and is projected to increase through fiscal year 2011 and then hold flat through the end of this forecast to purchase needed equipment for the District's educational programs and support areas. For FY's 08 and 09, the District incurred a large portion of its capital expenditures out of the construction settlement funds contained in the District's Permanent Improvement Fund (as mentioned previously) as well as additional funding available in the Permanent Improvement Fund. This is expected to continue to some degree for FY 10.
- Other - The largest portion of this amount is collection fees paid to the Cuyahoga County Auditor and Treasurer for collection of property taxes and to the State of Ohio for the District's required annual financial and compliance audit. These fees are set by state law and/or administrative code. The property tax collection fees are in proportion to property tax collections. They also include election expenses that every governmental entity is statutorily required to pay. An 5% increase is expected in FY 10 as compared to FY 09.
- Debt Repayment - In fiscal 2004 the district borrowed \$385,000 from the unobligated portion of its Bond Retirement Fund for stadium improvements. The bonds are to be repaid over a ten year period from the General Operating Fund. Scheduled principal and interest payments for the forecast are as shown.
- Estimated Encumbrances (line 8.010) - The amounts contained on this line represent contractual and other purchase commitments that existed or are anticipated to exist at June 30 of each year. This amount cannot be more than the ending cash balance as contained on line 7.020 in order to be in compliance with state law governing public entity expenditures. In most instances, these amounts will be expended in the subsequent year. This amount was significantly lower than the District's historical average at the end of FY 08 in order to be in compliance with state budgetary law. This amount increased moderately in FY 09 vs. FY 08 to account for additional commitments carried over from FY 08 and then continue closer to historical averages throughout the remainder of this forecast. The District routinely reviews any purchasing commitments in June of each year and will cancel any that are no longer needed or applicable. Additionally, the District will have to plan to cancel any outstanding commitments to be in compliance with Ohio law governing public entity expenditures, if necessary.



*Update/review of fiscal years 2008 and 2009 and key detailed assumptions used in preparing the District's Five-Year Forecast through FY 2014.*

**Review of FY's 2008 and 2009:**

- The District had estimated that we would end FY 08 with a deficit of approximately \$1M (when taking into account the deferral of the District's vocational technical district billing from the Lakewood City Schools to FY 09) unless corrective action was taken. This situation would have placed the District in non-compliance with State budgetary law and could put the District at risk of fiscal oversight (fiscal caution or watch) by the State of Ohio.
- **In order to avoid this situation and to ensure that the District would be able to fund the final payroll of the fiscal year on June 27, 2008, the District was forced to take the following actions:**
  - 1) **Continued to defer payment of the Vocational Technical District billing from Lakewood to FY 09 (approx. \$400K)**
  - 2) **Obtained approval from Medical Mutual to defer the June insurance premium billing to July of 2008 (approx. \$230K)**
  - 3) **Eliminated/delayed encumbrances for any supplies and services wherever possible that would otherwise be outstanding as of 6/30/08 and encumber and pay any of these obligations that are critically needed into FY 09, therefore effectively increasing the District's General Fund appropriation for FY 09 (mainly out-of-district tuition of approximately \$200K - \$300K)**
  - 4) **Shifted eligible capital expenditures from the General Fund to the District's Permanent Improvement (PI) fund, effectively reducing the amount available in the PI fund for future capital and building needs (approximately \$30K)**

**The District's administration, with clear communication with and approval from the Board of Education, planned for the events outlined above and planned to be in compliance with state budgetary law. This plan played out as shown in the accompanying forecast that produced a very minimal ending actual unencumbered balance for FY 08.**

- FY 09 saw the District recover somewhat from the fiscal issues that have been prevalent starting back in FY 05.
- By 6/30/09, the only expenditures/liabilities that were deferred to FY 10 was a billing of approximately \$320K for the Vocational Technical District billing from Lakewood as well as \$181K for a contingent premium originally due to the District's health insurer in FY 09 that was above the amount budgeted for such purposes. These items amount to a total of \$501K.
- No other significant expenditure items were deferred into FY 10 or beyond and the District has budgeted for the complete payoff of these carryover liabilities to be paid during FY 10.

### **FY's 10 – 14:**

#### *Revenue:*

- Property tax revenue (and related property tax allocation) is anticipated to increase in FY 10 due to full-year collection of the recently passed 5.9 mill levy. The original estimated full-year collection for this levy was \$4.315M, but based on very recent information we received from the Cuyahoga County Auditor that residential values within Rocky River will be *reduced* by 5% as part of the 2009 triennial update, this will cause an annual decrease of \$181K to this estimate. Further, the 5% reduction in residential property values will also cause an additional loss of revenue from the inside millage portion of our tax rate of \$140K annually. The initial annual total loss of \$321K will be realized by the District over two fiscal years (FY's 10 and 11) since the reduced property values will not take effect until 1/1/2010. As a point of reference, the District had originally estimated no change in residential and commercial values based on information that was available from the County Auditor back in October of 2008.
- Thereafter, modest increases are estimated based on new construction, net of Board of Revision losses. These estimates are subject to revision by the County Budget Commission each year based on an updated fiscal year Schedule A.
- As stated previously, a decrease in revenue from the real property triennial update will affect property tax revenue collections negatively starting 1/1/2010.
- No factor for additional revenue due to the Westgate situation has been included in property tax revenue estimates for FY's 10 – 14 with the exception of the new Lowe's store located in the Westgate development. Westgate was, until recently, the District's single largest taxpayer, which now is the beneficiary of seven-year tax abatement on new construction. Their

property is mainly located within the City of Fairview Park but within the District boundaries.

- As mentioned previously, the tangible personal and some former public utility revenue sources are being phased out completely after FY 13 due to an extension of the 100% level “hold harmless” as part of HB 1. Only certain tangible public utility property is set in current law to remain taxable in FY 12 and beyond. The state subsidy used to replace this revenue source is assumed to phase out starting in FY 14 and will be completely eliminated in FY 18 unless current law is amended.
- State unrestricted grants-in-aid are expected to decline by 1% and 2% of FY 09 levels for FY’s 10 and 11, respectively. We are assuming this source will remain flat for FY’s 12 - 13 as compared to FY 11 levels.
- State restricted grants-in-aid has been reduced by 51% for FY 10 vs. FY 09 based on the fact that the State has reduced their appropriation for catastrophic aid reimbursement by this same percentage. This amount is also capped by a statewide appropriation level since the State has historically received a significantly larger amount of claims from school districts than they have appropriations from which to fund these reimbursements. We are assuming that this reimbursement will continue at this lowered level through the end of this forecast.
- Other revenue is expected to increase very modestly through FY 14 based on a very slight increase in investment income as well as additional revenue from cell phone tower leases. If investment returns recover, this line could show moderate to significant growth on a percentage basis.

#### Expenditures:

- Salary and wages include step increases for education and experience and also include an overall 2.5% salary increase for FY 10 and a 3% increase in FY 11. No base salary increase is assumed in FY’s 12 - 14 since bargaining agreements and non-bargaining salary schedules are not assumed to be approved past their current expiration date of 6/30/2011.
- For FY 10, this forecast assumes a reduction of non-instructional aides in the amount of 1.96 full-time-equivalent positions as a cost-saving measure that will not negatively impact the District’s educational program.
- For FY’s 10 and 11, this forecast assumes the use of half of the one-time federal stimulus funding being made available to the District through the federal IDEA-B grant program to supplant personnel expenditures related to the special education area. These expenditures are assumed to be picked back up into the General Fund for FY’s 12 - 14.

- This forecast has also assumed the addition of one foreign language teacher at the primary grade level starting in FY 13 at a cost of approximately \$77,000.
- HB 1 requires Districts to implement all day kindergarten starting with the 2010-2011 school year. However, Districts can apply for a waiver from that requirement from the Ohio Department of Education based on space considerations and alternate delivery approaches, although the Ohio Dept. of Education is still working on finalizing the specific waiver requirements at this time. The District intends to apply for this waiver for the 2010-2011 school year as it does not currently have adequate space that is suitable for kindergarten classes without investing substantial dollars in capital improvements. Further, the cost to fund the four additional teachers it would take would be a huge burden on the District since no additional state funding would be received at this point in time and the costs for just the teaching staff alone for this mandate could be in the \$300K area annually. Additionally, there is legislation currently being considered in the Ohio legislature to extend the implementation of this requirement for at least one more year with a waiver provision included as well. Based on the uncertainties, the District has not assumed implementation of all-day kindergarten in this forecast, but will review any guidance and requirements prior to the May 2010 five-year forecast update.
- Employees' Retirement/Insurance Benefits are expected to increase based on salary increases and health insurance increases. This forecast assumes a 15% increase in the District's current insurance program for FY's 10 and 11 based on the negotiated renewal agreed to by the District's current insurer. It is also assumed for FY 10 that the District will pay \$181K for a contingent premium originally due in FY 09 that was deferred until FY 10 as well as an additional \$625K in an estimated contingent premium based on deteriorating medical claim activity during FY 09. The assumption for the remaining years of the forecast is also a 15% increase in billed premium levels. It is assumed that the contingent premium amount payable in FY 11 will be \$600K and will increase by \$50K per year thereafter. The District is looking at alternative arrangements for providing healthcare that will hopefully reduce the rates of increase going forward, but nothing is in place yet as of the date of this forecast.
- Purchased services are expected to increase slightly – moderately mainly because of assumed increases in certain utility rates/usage through FY 14 as well as the one time catch-up payment for our vocational education billing due to the Lakewood City School District that is expected to be paid during FY 10 as previously mentioned. The increases expected in this area have been mitigated by the fact that the District entered into a cooperative electricity purchasing agreement for FY's 10 and 11 through the Ohio School Council reducing electricity generation costs by approximately 23% as well as

receiving an additional discount on the distribution portion of our electric billing based on the outcome of the recent PUCO FirstEnergy rate case.

- Supplies and materials are projected to increase moderately in FY 10 and by an additional 5% in FY 11 to keep pace with inflation and provide for needed instructional materials. This area is assumed flat for FY's 12 - 14.
- Equipment/Building (Capital Outlay) is budgeted to increase significantly in FY 10 vs. FY 09 due to the purchase of additional new technology and other instructional and support equipment needs. This area will then be reduced in FY 10 by \$30,000 in FY 11 and then remain flat for FY's 12 - 14.
- Other objects are assumed to increase by 5% through FY 14, mainly due to county and state property tax and related collection fees and general inflation for other items such as liability insurance.
- A transfer of \$125,000 is anticipated in FY 10 to cover a deficit in the District's Adult and Community Education program that has developed over several years. The District administration reviewed this area again as of June 2008 and decided to recommend the discontinuation of this program due to financial reasons. The Board of Education approved this recommendation, so this program no longer existed starting in FY 09. The remaining portion of the transfer is to fund service fees related to the District's Section 125 Plan that is accounted for in a USAS 024 fund. Due to a new arrangement, this transfer will no longer be needed. However, the District was required to transfer \$31,000 to the Athletic Fund (USAS 300 Fund) in FY 09 due to much lower than expected gate receipts from football and boys basketball. The District, with the help of the athletic boosters, is working to get the Athletic Fund to be self-sustaining again in FY 10, so no further transfers are assumed at this point in time.

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## **IN SUMMARY:**

During the past several years, the Rocky River City School District's finances have been through as tough a time as they have ever experienced in recent memory. With the passage of a 5.9 continuing operating levy and continuing cost containment and reduction efforts, the District regained some financial stability in the second half of FY 09 and into the beginning of FY 10. However, due to the local and national economic situation that has affected property tax collections in the form of higher levels of delinquencies, a reduced residential property tax base and corresponding loss of revenue in addition to significant increases in health insurance premiums, the District is now again facing another challenging time financially.

In addition, the revenue projections in this forecast are also vulnerable to fluctuations downward due to actual collection of property taxes less than expected as well as the following possibilities: the loss of revenue due to unfavorable findings by the County Board or Revision or State Board of Tax Appeals against the district; not meeting revenue growth estimates; and unfavorable changes to the State of Ohio's school funding system. Further, any negative deviations from this forecast that are even somewhat significant (e.g. 1% less in actual revenue as compared to estimates and 1% more in expenditures over budgeted amounts) could force the District to implement cuts in educational programs and/or support areas above and beyond what has already been put into place during prior fiscal years.

The District recently completed a strategic planning process and is currently finalizing a master facility planning initiative whose ultimate goals are to provide a renewed vision and action plan to take an already excellent school district and improve opportunities for all students into the future. These endeavors should help the District in its fiscal planning process by providing a framework to find alternative sources of revenue and achieve cost-containments/reductions that will allow the District to again have financial stability.

# 2011-2012 SCHOOL CALENDAR

(3) **AUGUST**

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24 <sup>T</sup>	25 <sup>T</sup>	26	27
28	29	30	31			

(21) **SEPTEMBER**

S	M	T	W	T	F	S
				1	2	3
4	<del>5</del>	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

(20) **OCTOBER**

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25	26	27	28*	29

(18) **NOVEMBER**

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	<del>24</del>	<del>25</del>	26
27	28	29	30			

(16) **DECEMBER**

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	<del>26</del>	<del>27</del>	28	<del>29</del>	<del>30</del>	31

(19) **JANUARY**

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	<del>16</del>	17	18	19*	20	21
22	23	24	25	26	27	28
29	30	31				

(20) **FEBRUARY**

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	<del>20</del>	21	22	23	24	25
26	27	28	29			

(22) **MARCH**

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23*	24
25	26	27	28	29	30	31

(15) **APRIL**

S	M	T	W	T	F	S
1	2	3	4	5	<del>6</del>	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

(22) **MAY**

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	<del>28</del>	29	30	31		

(4) **JUNE**

S	M	T	W	T	F	S
					1	2
3	4	5	6*	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

**JULY**

S	M	T	W	T	F	S
1	2	3	<del>4</del>	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

School Not In Session   
  Professional Day   
  Parent Conference Day  
 X=Holiday for 12 Month Employees   
 T=New Teacher Orientation   
 \*=End of Quarter

Month	Total Student Days	Teacher Professional Days	Total Teacher Days
August	3	1	4
September	21		21
October	20	1	21
November	18	2	20
December	16		16
January	19	1	20
February	20		20
March	22		22
April	15		15
May	22		22
June	4	1	5
<b>Total</b>	<b>180</b>	<b>6</b>	<b>186</b>



**Rocky River  
School District**

**Holidays for 12 Month Employees (12 Days)**

Labor Day	September 5
Thanksgiving Day	November 24
Day After Thanksgiving Day	November 25
Christmas Day Holiday	December 26
Day After Christmas Day Holiday	December 27
Day Before New Years Holiday	December 29
New Years Holiday	December 30
Martin Luther King Day	January 16
Presidents' Day	February 20
Day During Spring Break	April 6
Memorial Day Holiday	May 28
Fourth of July	July 4

**Grading Periods**

First Quarter:	August 29	October 28	= 43 days
Second Quarter:	October 31	January 19	= 47 days
Third Quarter:	January 23	March 23	= 44 days
Fourth Quarter:	March 26	June 6	= 46 days

**Important Dates**

August 24/25	New Teacher Orientation	January 3	School Reopens
August 26	Teacher Professional Day	January 16	Martin Luther King Day
August 29	First Day of School	January 20	Teacher Professional Day
September 5	Labor Day	February 20	Presidents' Day
October 14	NEOEA Day	April 6	Spring Vacation Begins
November 10	Parent Conference Day	April 16	School Reopens
November 11	Teacher Professional Day	May 28	Memorial Day Holiday
November 24/25	Thanksgiving Vacation	June 6	Last Day of School
December 23	Winter Vacation Begins	June 7	Teacher Record Day

Contingency Calamity Days: June 7, 8, 11, 12 and 13, 2012 are designated as student make-up calamity days as required by O.R.C. 3317.01.

Adopted : 11/20/08, Resolution # 204-08