

**BRECKSVILLE - BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2006**



**Auditor of State  
Betty Montgomery**



**BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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**BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2006**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disburse- ments	Non-Cash Disburse- ments
<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Donation	NA	10.550	\$0	\$111,060	\$0	\$111,060
School Breakfast Program	05PU-2005	10.553	892	0	892	0
School Breakfast Program	05PU-2006	10.553	2,154	0	2,154	0
Total School Breakfast Program			3,046	0	3,046	0
National School Lunch Program	LLP4-2005	10.555	40,095	0	40,095	0
National School Lunch Program	LLP4-2006	10.555	102,057	0	102,057	0
Total National School Lunch Program			142,152	0	142,152	0
<b>Total Department of Agriculture - Nutrition Cluster</b>			<b>145,198</b>	<b>111,060</b>	<b>145,198</b>	<b>111,060</b>
<b>UNITED STATES DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education:</i>						
Title I, Part A	C1S1-2003	84.010	0	0	768	0
Title I, Part A	C1S1-2004	84.010	0	0	1,456	0
Title I, Part A	C1S1-2005	84.010	903	0	5,484	0
Title I, Part A	C1S1-2006	84.010	125,167	0	119,556	0
Total Title I, Part A			126,070	0	127,264	0
Special Education Cluster:						
IDEA Part B	6BSF-2004	84.027	0	0	233	0
IDEA Part B	6BSF-2005	84.027	0	0	16,838	0
IDEA Part B	6BSF-2006	84.027	878,167	0	842,019	0
Total IDEA Part B			878,167	0	859,090	0
Preschool Disability Grant	PGS1-2004	84.173	0	0	1	0
Preschool Disability Grant	PGS1-2005	84.173	2,448	0	2,448	0
Preschool Disability Grant	PGS1-2006	84.173	26,202	0	26,202	0
Total Preschool Disability Grant			28,650	0	28,651	0
<b>Total Special Education Cluster</b>			<b>906,817</b>	<b>0</b>	<b>887,741</b>	<b>0</b>
Drug Free School Grant	DRS1-2003	84.186	0	0	571	0
Drug Free School Grant	DRS1-2004	84.186	0	0	44	0
Drug Free School Grant	DRS1-2006	84.186	13,542	0	12,261	0
Total Drug Free School Grant			13,542	0	12,876	0
Title V - Innovative Programs	C2S1-2005	84.298	7,403	0	5,515	0
Title V - Innovative Programs	C2S1-2006	84.298	10,840	0	9,969	0
Total Title V - Innovative Programs			18,243	0	15,484	0
Title II-D Education Technology Grant	TJS1-2003	84.318	0	0	56	0
Title II-D Education Technology Grant	TJS1-2004	84.318	0	0	117	0
Title II-D Education Technology Grant	TJS1-2005	84.318	24	0	2,634	0
Title II-D Education Technology Grant	TJS1-2006	84.318	2,012	0	2,012	0
Total Title II-D Education Technology Grant			2,036	0	4,819	0
Advanced Placement Program	AVS1-2001	84.330	1,000	0	1,000	0
Title III - Limited English Proficiency Grant	T3S1-2003	84.365	0	0	1,566	0
Title III - Limited English Proficiency Grant	T3S1-2004	84.365	0	0	660	0
Title III - Limited English Proficiency Grant	T3S1-2005	84.365	0	0	2,743	0
Title III - Limited English Proficiency Grant	T3S1-2006	84.365	18,792	0	15,272	0
Total Title III - Limited English Proficiency Grant			18,792	0	20,241	0
Title II, Part A - Teacher and Principal Training and Recruiting	TRS1-2003	84.367	0	0	1,050	0
Title II, Part A - Teacher and Principal Training and Recruiting	TRS1-2005	84.367	0	0	9,167	0
Title II, Part A - Teacher and Principal Training and Recruiting	TRS1-2006	84.367	76,741	0	69,110	0
Total Title II, Part A - Teacher and Principal Training and Recruiting			76,741	0	79,327	0
<b>TOTAL U. S. DEPARTMENT OF EDUCATION</b>			<b>1,163,241</b>	<b>0</b>	<b>1,148,752</b>	<b>0</b>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<b>\$1,308,439</b>	<b>\$111,060</b>	<b>\$1,293,950</b>	<b>\$111,060</b>

*The accompanying notes to this schedule are an integral part of this schedule.*

**BRECKSVILLE–BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2006**

**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**

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 market value of the commodities received.

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

**N/A – Not Applicable**

**CFDA – Catalog of Federal Domestic Assistance**



**Auditor of State  
Betty Montgomery**

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

Brecksville-Broadview Heights City School District  
Cuyahoga County  
6638 Mill Road  
Brecksville, Ohio 44141

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 Brecksville-Broadview Heights City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2006, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 15, 2006. 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 to determine our auditing procedures to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the District's management dated November 15, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

**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*. In a separate letter to the District's management dated November 15, 2006, we reported other matters related to noncompliance we deemed immaterial.

Brecksville-Broadview Heights City School District  
Cuyahoga County  
Independent Accountants' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Required by *Government Auditing Standards*  
Page 4

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

November 15, 2006





## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Brecksville–Broadview Heights City School District  
Cuyahoga County  
6638 Mill Road  
Brecksville, Ohio 44141

To the Board of Education:

#### Compliance

We have audited the compliance of the Brecksville–Broadview Heights City School District, Cuyahoga County, Ohio, (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, 2006. 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 Brecksville–Broadview Heights City School District, Cuyahoga County, Ohio, 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, 2006.

#### Internal Control Over Compliance

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

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

#### **Federal Awards Expenditures Schedule**

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Brecksville-Broadview Heights City School District, Cuyahoga County, Ohio, as of and for the year ended June 30, 2006, and have issued our report thereon dated November 15, 2006. Our audit was performed to form opinion on the financial statements that collectively comprise the District's basic financial statements. 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 the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

November 15, 2006

**BRECKSVILLE–BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
FISCAL YEAR END JUNE 30, 2006**

**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 weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions 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 weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions 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 (10.550, 10.553, 10.555) Title I (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**

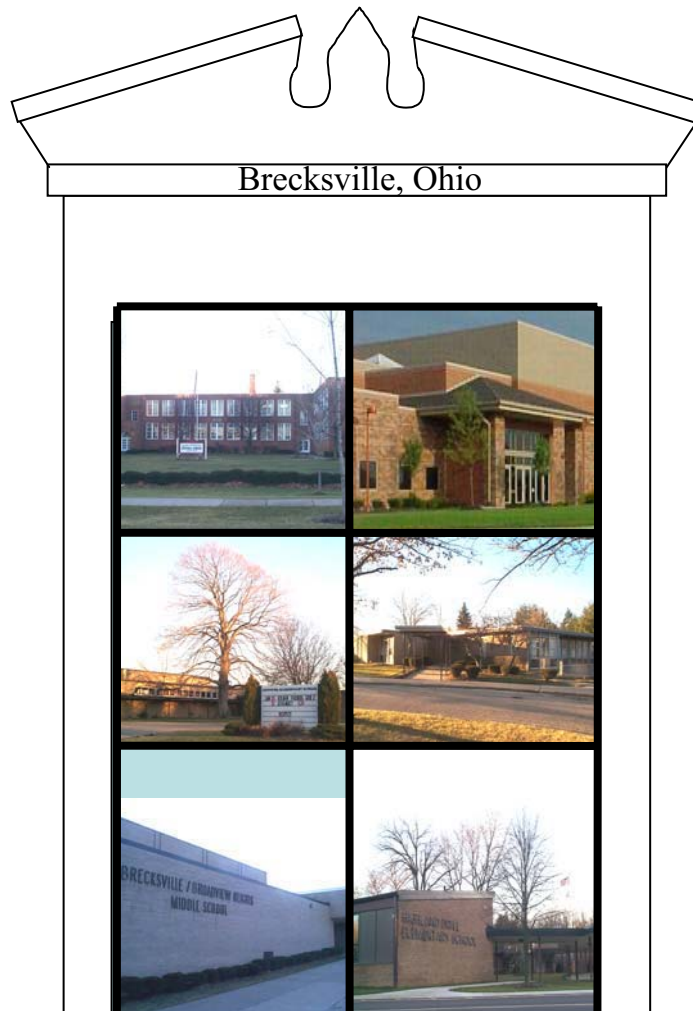
None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None



*Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2006*



**Brecksville- Broadview  
Heights School District**

*“where fine education is a heritage”*



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Brecksville-Broadview Heights  
City School District

Brecksville, Ohio

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Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2006



Prepared by:

Karen E. Obratil, Treasurer/CFO



# **Introductory Section**



**Brecksville-Broadview Heights City School District**

*Comprehensive Annual Financial Report*

*For the Fiscal Year Ended June 30, 2006*

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Brecksville-Broadview Heights City School District

6638 Mill Road • Brecksville, Ohio 44141 • (440) 740-4000

*“where fine education is a heritage”*

November 15, 2006

Board of Education Members and  
Residents of Brecksville-Broadview Heights City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Brecksville-Broadview Heights City School District (the “School District”) for the fiscal year ended June 30, 2006. This CAFR, which includes an opinion from the State Auditor, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School 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 School District. This report will provide the taxpayers of Brecksville-Broadview Heights City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District’s financial affairs. Copies will be made available to the Cuyahoga County Public Library, major taxpayers, financial rating services and other interested parties and also can be found on the School District’s web-site, [www.bbhcisd.org](http://www.bbhcisd.org).

The comprehensive annual financial report is presented in three sections as follows:

The Introductory Section contains a Table of Contents, Letter of Transmittal, List of Principal Officials, an Organizational Chart of the School District, a GFOA Certificate of Achievement for Excellence in Financial Reporting and an ASBO Certificate of Excellence in Financial Reporting.

The Financial Section begins with the Independent Accountants’ Report and includes the Management’s Discussion and Analysis, the Basic Financial Statements and Notes that provides an overview of the School District’s financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements.

The Statistical Section presents social, economic and demographic information, financial trends and the fiscal capacity of the School District.

### **School District Organization**

Brecksville-Broadview Heights City School District is one of 613 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District provides education to 4,720 students in preschool through twelfth grade. Geographically, the School District encompasses the entire City of Brecksville, all but the southwestern portion of the City of Broadview Heights and a small section of the City of North Royalton. The School District’s total area is approximately 27 square miles.

The growing suburban communities of Brecksville and Broadview Heights are located fifteen miles south of downtown Cleveland and eighteen miles north of Akron.

The students enrolled in the Brecksville-Broadview Heights City School District attend classes in the following buildings:

- Brecksville-Broadview Heights High School built in 1997 consists of students in grades 9 through 12
- Brecksville-Broadview Heights Middle School built in 1960, with additions in 1965, 1971 and 1986, consists of students in grades 6 through 8
- Central School built in 1915, with additions in 1929, 1950, 1964 and 1981, consists of students in grades 4 and 5
- Chippewa Elementary School built in 1962 consists of students in kindergarten through third grade
- Highland Drive Elementary School built in 1953, with an addition in 1957, consists of students in kindergarten through third grade
- Hilton Elementary School built in 1967 consists of students in kindergarten through third grade

All second and third grade students who participate in the gifted program attend classes at Highland Drive Elementary School. Services are provided in all buildings to meet the needs of the special education students. Vocational students attend the Cuyahoga Valley Career Center, which is located in Brecksville, and operates as a separate entity from the School District.

An elected five-member Board of Education (the “Board”) serves as the taxing authority and policy maker for the School District. The Board adopts an annual tax budget and an annual appropriation resolution which serves as the basis for control over and authorization for all expenditures of School District tax money. The Board directly approves all personnel-related expenditures.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. Steven L. Farnsworth served as superintendent for the School District for eight years and retired effective September 1, 2006 at which time Dr. Thomas P. Diringier became superintendent.

The Treasurer/CFO is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the School District, acting as custodian of all School District funds and investing idle funds as permitted by Ohio law. Karen E. Obratil has served as Treasurer/CFO for the past five years.

### **Reporting Entity**

The School District has reviewed its operating entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, “The Financial Reporting Entity.” In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Brecksville-Broadview Heights City School District (the primary government) and its potential component units. The School District is not a component unit and has no component units.

The City of Brecksville, City of Broadview Heights, Cuyahoga County Public Library, Parent School Organization and the Brecksville-Broadview Heights Schools Foundation have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are the organizations fiscally dependent on the School District.

Lakeshore Northeast Ohio Computer Association, the Cuyahoga Valley Career Center, the Ohio Schools’ Council and the Suburban Health Consortium are reported as jointly governed organizations and a risk sharing pool. The School District participates in the Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan, an insurance purchasing pool.

Statutorily, the School District operates under the standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services prescribed by State and Federal agencies.

## **Economic Condition and Outlook**

The School District is located in a residential area with limited industrial and commercial facilities. The valuation increase for the period 1996 through 2005 was an average of 4.82 percent annually including updates and reappraisals. All new construction is closely monitored. Considerable residential development has been occurring and is continuing to be planned for within the School District. Enrollment for the 1997 school year was 3,920. Enrollment for the 2006 school year was 4,720. During the past ten years the School District has experienced enrollment growth averaging two percent. In October 2005, the School District contracted with Planning Advocates, Inc. to conduct an enrollment study to determine future enrollment projections based on births, planned housing developments, survival ratios and historical enrollments including private, parochial and community schools. Based upon their study, the most likely enrollment figure for the 2011 school year is 4,882.

Annually, the School District prepares a five-year financial forecast. The financial forecast is the foundation for the School District's operations and is used as a financial planning tool to assist the School District in determining its ability to meet certain financial obligations and plan future funding needs. The forecast shows revenue and expenditures for the general operating fund for the past three fiscal years and projects revenue and expenditures for the ensuing five-year period. Through a collaborative process, the administration assists the Board of Education in determining and prioritizing the needs of the School District. In accordance with State law, the Board of Education approves the financial forecast and submits it to the Ohio Department of Education prior to October 31 and reviews it again prior to May 31. The financial forecast can be found on the School District's web-site at [www.bbhcsc.org](http://www.bbhcsc.org).

The School District, along with many other public school systems in the State, still faces some difficult economic situations in the future since the primary funding source is property tax revenue. Ohio law limits growth in real estate tax revenues by reducing most voted millage as assessed values increase. This keeps revenues from each levy relatively constant. Cuyahoga County experienced a triennial update in 2003 and property values increased resulting in additional tax revenue on its inside (unvoted) millage of 4.69 mills. The School District's administration is closely monitoring the cost of operations and continues to look for cost savings opportunities and new funding sources in order to maintain the quality educational services that the School District has been accustomed to providing. The passage of a new levy in August 2004 provided the School District with a full year's tax collections in fiscal year 2006.

Public utility deregulation went into effect in January 2002 and caused a \$13,000,000 decrease in public utility property valuations resulting in a tax revenue loss in excess of \$1,000,000. In response to the deregulation legislation, legislatures enacted a "hold harmless" clause for school districts for a period of five years. The School District received \$603,028 from the State under this provision of the law.

State funding, specifically funding for general operations, remains unclear for future years. In March 1997, the Ohio Supreme Court ruled the present system of funding Ohio schools to be unconstitutional. The State legislature was directed to adequately fund schools without reducing funds to tax dependent schools such as Brecksville-Broadview Heights City Schools. Since the primary local source of funding Ohio schools is the property tax, the foundation formula was originally intended to compensate for the large differences in property values found throughout the State by allocating State funds based on property valuation per pupil. Modifications to the allocation formula over the years have failed to adequately subsidize school districts with lower property valuations.

It is generally understood that the State's school funding remedy will greatly benefit low wealth school districts. As a high-wealth district, the most likely outcome for the School District from a restructured system of school funding is to maintain current levels of State funding. The School District is a member of the Alliance for Adequate School Funding, an organization of wealthy school districts working for a funding solution that takes a "hold harmless" approach. The Alliance advocates a solution that will provide for needy

schools, avoid the “Robin Hood” effect of taking from wealthy districts to provide for the poorer ones and address the negative effects of House Bill 920 (H.B. 920). H.B. 920, passed by the Ohio legislature in 1976, prohibits the inflationary growth of revenue generated by most voted tax issues. When inflation increases the worth of taxable property in the School District, tax rates are reduced so income, or voted dollars, will remain about the same.

House Bill No. 66 (H.B. 66), the State’s biennial budget for fiscal years 2006 and 2007, was enacted in June 2005. This legislation adopted sweeping changes in the State’s tax structure. The most significant provisions impacting the School District are the elimination of the Cost of Doing Business factor (CODB) portion of the State Formula Aid calculation and the elimination of the tangible personal property tax on business.

The CODB is being phased-out over fiscal years 2006 and 2007. H.B. 66, however, provides for a “guarantee”, or a floor (the fiscal 2005 State formula Aid amount) below which school districts’ funding will not fall during this biennium. Absent the continuation of this biennial “guarantee”, the School District would lose approximately \$1 million per year.

H.B.66 eliminates the tangible personal property tax. The phase-out for the tangible personal property tax begins with the 2006 tax collection year, in which approximately 75 percent of the traditional amount will be payable, followed by 50 percent and 25 percent in tax collection years 2007 and 2008, respectively, with no tax due in tax collection year 2009. The estimated property valuation loss for tax year 2006 is \$12 million.

At the same time the tax phase-out is occurring, the phase-in of the H.B. 66 personal property tax loss reimbursement mechanism will begin to make payments to school districts to help offset the loss of personal property tax collections. The reimbursement payments will coincide with the phase-out, and will in essence approximate the reciprocal percentage of the phase-out tax payment percentage (i.e., 25, 50, 75, and 100 for the tax collection years 2006, 2007, 2008, and 2009, respectively). After a second 100 percent reimbursement year in tax collection 2010, the reimbursement payments will be phased-out over the ensuing five years.

Because personal property tax collections are unpredictable under normal circumstances, the exact impact of the tax phase-out and tax reimbursement phase-in is unknown at this time. It is vital for the School District’s Board and management team to continue to carefully and prudently plan to provide the educational resources required to meet the future needs of its students.

The School District attributes much of its past educational success to the community’s demand for, and support of, both a traditional and quality school system. Regardless of the improvements made to Ohio’s method of funding public education, our School District always will remain accountable to the residents and taxpayers who make the School District their school system of choice.

### **Educational Programs**

During the 2006 school year, the School District’s curriculum included a wide range of electives and comprehensive courses of study in college preparatory, liberal arts and vocational programs. The School District offers fifteen advanced placement and seventeen Honors courses at the high school. Test scores indicate students are achieving higher than State and national averages. The School District is among an elite group of school districts that earned the highest rating on the State of Ohio District Report Card for seven consecutive years and received a perfect score for five out of the seven years. The School District introduced new textbook series in the areas of Language Arts and Science in 2006. The hands-on ancillary teaching tools were well received by staff and students. The Social Studies Department reviewed and piloted new texts and teaching tools for adoption in 2007.

The 2006 graduating class exceeded or tied all time high scores on the American College Test (ACT) with a composite score of 24.2. The School District’s composite is well above the Ohio composite of 21.5 and the national composite of 21.1. The mean SAT scores earned by graduating seniors set are 544 for verbal, 557 for math, and 528 for writing. The mean scores for the State of Ohio were 535 for verbal, 544 for math, and



521 for writing. National mean scores were 503 for verbal, 518 for math, and 497 for writing. This year, the School District had six semi-finalists and six commended scholars in the National Merit Scholarship Program. A full range of extracurricular programs and activities are available to students beginning in the elementary grades. A complete competitive athletics program is offered beginning in the seventh grade at the middle school.

The School District's staff includes four certified librarians, six full time and three part time speech and language pathologists and six full time and one part time psychologists. Services of an occupational/physical therapist are contracted out.

The School District employs forty-seven teachers and forty teacher aides to work with special needs students. The Cuyahoga Valley Career Center (Career Center) provides a work study coordinator for students with special needs at the secondary level. Talented and gifted instruction is available to all qualified students and supervised by a part-time County Educational Center coordinator.

All teachers and students have access to the Internet through Lakeshore Northeast Ohio Computer Association (LNOCA), the School District's data acquisition site.

Achievement/Proficiency Intervention was offered to students in grades 3 through 12. A summer reading intervention academy was offered to students in grades 3 through 6.

More than 85 percent of the School District's high school graduates indicate they intend to continue their education at the University and College level, 72 percent at four-year colleges and 13 percent at two-year colleges. The remaining 15 percent chose the military or an alternative plan. The School District offers approximately 191 courses at the high school level and 50 course offerings are available at the Career Center. Students have been recognized as Commended Students, Semifinalists or Finalists in the National Merit Scholarship Program for the past 46 consecutive years.

The School District's Interactive Distance Learning Lab at the high school offered eleven on-line courses providing students with opportunities to take classes taught in other school districts and colleges in northeastern Ohio.

### **Financial Accomplishments**

The Brecksville-Broadview Heights City School District, like many school districts in Ohio, is financially challenged. However, the School District has a positive outlook for the future due to the early passage of two renewal levies in November 2005 that will provide financial stability by ensuring the continuity of funding from January 2007 for December 2011.

The School District continues to convert all usable space into classrooms for the students. Classroom space continues to be a challenge for the School District, particularly at Central School for grades 4 and 5. To respond to this challenge, the School District has leased classroom space from the United Church of Christ adjacent to Central School.

The School District authorized the issuance of a one-year renewable \$263,000 Energy Conservation Improvement Note at an interest rate of 3.75 percent. This note was purchased by the School District from the bond retirement fund and is held as an interfund payable in the building capital projects fund. This type of borrowing provides savings for the School District. With the note proceeds and a transfer from the general fund, the School District paid off the \$513,000 Energy Conservation Improvement Note issued in 2005. The general fund transfer was made possible from the savings as a result of the energy conservation project that replaced windows, boilers and lighting throughout the School District.



Policies and procedures are developed to ensure compliance with budgetary issues. Annually, a cut-off date is determined for purchase orders. After the established cut-off date, only emergency purchase orders are processed. This procedure provides sufficient time to pay invoices for items or services purchased during the fiscal year and close the purchase orders prior to June 30 which reduces the encumbrances. Encumbrances for this year were \$445,590 less than fiscal year 2005 in the School District's general fund.

For the eighth consecutive year, the School District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association (GFOA). For the first time, the School District received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO).

In May 2006, Auditor of State Betty Montgomery visited the School District to present the Treasurer/CFO with the Auditor of State's Award for the School District's exemplary 2003 Annual Financial Report. Of the nearly 5,000 audits conducted by Montgomery's office, less than five percent, or 250, received this prestigious award.

## **Community**

The School District has developed cooperative working relationships with the businesses and churches in the community through the Partnership in a Healthy Community program and participation in the Business Advisory Council.

The Brecksville-Broadview Heights Schools Foundation provides scholarships for students and grants for teachers for educational and instructional programs. The Foundation worked with the Alumni Association and the chambers of commerce for both Brecksville and Broadview Heights in selecting and honoring community and former staff members as inductees in the School District's Gallery of Achievement.

The School District developed a long range plan with input from the community five years ago. As a result of the finance planning team, a committee was formed of community members with financial expertise to review the School District's finances and to validate financial decisions made by the School District. This Financial Activities Communications Team (FACT) meets on a monthly basis and will continue to serve as an integral part of the School District's financial planning. Each year, a FACT finding report is prepared by the group, presented to the Board of Education and put on the School District's web-site, [www.bbhcsc.org](http://www.bbhcsc.org).

Community input is invaluable to the School District and is gathered in both formal and informal manners. Each year parents whose children are leaving a grade level building are given the opportunity to complete a survey.

## **Financial Information**

***Internal Accounting and Budgetary Control*** In developing the School District's accounting and internal control system, the Treasurer has considered the adequacy of internal accounting controls 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 financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation. The evaluation of costs and benefits requires estimates and judgments by management. Management believes that the internal controls adequately meet the above objectives.

Through its membership in Lakeshore Northeast Ohio Computer Association (LNOCA), the School District utilizes state-developed software for its financial accounting and payroll systems. These systems, coupled with oversight review procedures provide controls to ensure that the financial information generated is both accurate and reliable.

The Board of Education adopted a temporary appropriation measure on June 27, 2005, to allow the School District to operate until its annual appropriations were adopted. By Statute, permanent appropriations must be adopted upon receipt from the Cuyahoga County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The Board of Education adopted the permanent appropriation measure on September 29, 2005. The legal level of budgetary control is at the fund level. The appropriation measure may be amended or supplemented during the year as new information becomes available. Management controls the budget in their building or department level and may transfer funds within their individual budgets throughout the year. The final appropriations measure was approved by the Board of Education on June 28, 2006.

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. All requisitions for purchases must be approved by the building/department administrator, Director of Business Services and be certified by the Treasurer/CFO; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

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

All building and department administrators have access to an on-line inquiry system and are capable of printing monthly financial 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 School District are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

***Financial Condition*** This is the sixth year the School District has prepared financial statements following GASB Statement 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the School 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 businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no business-type activities.

***Fund financial statements*** These statements present information for individual major funds rather than by fund type. Nonmajor 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 government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

***Statement 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 new reporting model, management is responsible for preparing a Management's Discussion and Analysis of the School District. This transmittal letter is designed to complement the Management's Discussion and Analysis and should be read in conjunction with this letter. This discussion appears after the Independent Accountants' Report in the financial section of this report. Management's Discussion and Analysis provides an assessment of the School District's finances for fiscal year 2006. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

***Financial Highlights – Internal Service Fund*** The only internal service fund carried on the financial records of the School District is related to self-insurance. This fund accounts for the revenues and expenses related to the provision of prescription drug benefits to School District employees. The internal service fund had net assets of (\$115,403) at June 30, 2006, compared with net assets of \$119,192 at June 30, 2005, reflecting a net decrease in net assets of \$234,595. This is due to the rising cost of prescription drugs. During the fiscal year, the Board approved a fund advance in the amount of \$150,000 from the General fund to the self insurance fund to cover the prescription drug claims and maintain a positive cash balance at year end.

### **Cash Management**

The School District pursues an aggressive cash management program by expediting the receipt of revenues and prudently depositing and investing available cash balances. Temporarily idle cash during the year was invested in demand deposits, State Treasury Asset Reserve of Ohio (STAROhio) and repurchase agreements. The School District earned \$828,679 in governmental funds for the year ended June 30, 2006, \$824,806 being credited directly to the general fund. The School District's deposits are either insured by federal depository insurance or collateralized in accordance with the requirement of the State of Ohio.

### **Risk Management**

The School District established an internal service fund to account for and finance its prescription drug plan through Caremark. Claims are paid weekly by the School District. For more information, please see Note 9 to the basic financial statements.

General liability insurance is carried with Indiana Insurance through the Ohio Schools Council and has limits of \$1,000,000 for each occurrence and \$2,000,000 general aggregate, including employee benefit liability limits, qualified school groups, and employers' liability. The property insurance is carried with Indiana Insurance Company through the Ohio Schools' Council. Crime policy is carried with Indiana Insurance Company and has a policy limit of \$50,000 and a deductible of \$1,000. Boiler and machinery coverage is carried with Travelers Insurance Company and has a limit of \$30,000,000 and a deductible of \$1,000. The fleet insurance is carried with Indiana Insurance through the Ohio Schools' Council and has a \$1,000,000 limit.

The School District is part of a state-wide plan for workers' compensation insurance coverage and pays the premium based on a rate per \$100 of salaries. The School District is a member of Sheakeley Uniservice Plan.

### **Independent Audit**

State statutes require the School District to be subjected to an annual examination by an independent auditor if their federal funds' expenditures exceed \$500,000. Since the School District spent \$1,405,010 in federal funds, an annual audit was conducted. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent auditor Betty Montgomery, Auditor of State, was selected to render an opinion on the School District's financial statements as of June 30, 2006. The opinion appears at the beginning of the financial section of this report.

## **Awards**

### ***GFOA Certificate of Achievement Program***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Brecksville-Broadview Heights City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2005. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms 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 our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for review.

### ***ASBO Certificate***

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Brecksville-Broadview Heights City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2005. This award certifies that the Comprehensive Annual Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing business officials. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to ASBO for review.

## **Acknowledgements**

The publication of this report is a significant step toward professionalizing the financial reporting of the School District while enhancing the School District's accountability to the residents of the Brecksville-Broadview Heights City School District.

This Comprehensive Annual Financial Report was made possible by the diligence of the staff of the Office of the Treasurer/CFO. Their initiative and conscientious work ensured the integrity of the information contained herein and guaranteed this report's successful completion.

Finally, our thanks are extended to the Board of Education for their support in recognizing the importance of continuously improving our financial accountability to our citizens through the implementation of GASB 34, the new financial reporting model and their commitment to excellence by showing that Brecksville-Broadview Heights City School District is a place "where fine education is a heritage." As pianist Keith Jarrett has said, "The only standards worth having are the highest."

Respectfully submitted,



Karen E. Obratil  
Treasurer/CFO



Dr. Thomas P. Diring  
Superintendent

Brecksville-Broadview Heights City School District

Principal Officials

Board of Education

Mr. Alan Scheufler ..... President  
Mr. George J. Balasko ..... Vice President  
Mr. David Dosen ..... Member  
Mrs. Terri Neff ..... Member  
Mr. Alan Siebert..... Member

Treasurer/CFO

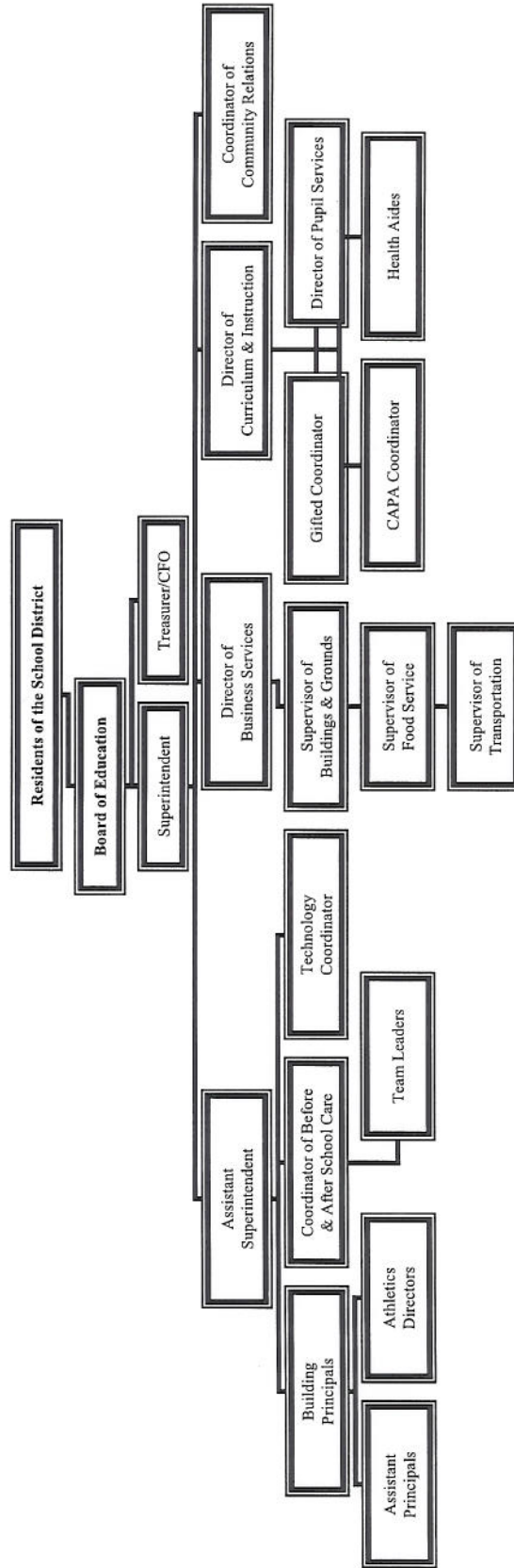
Mrs. Karen E. Obratil

Administration

Dr. Thomas P. Diringier ..... Superintendent\*  
Mr. Mark Robinson ..... Assistant Superintendent  
Mr. Paul Cevasco ..... Director of Business Services  
Ms. Carla Calevich..... Director of Curriculum & Instruction  
Ms. Cathy Harbinak ..... Coordinator of Community Relations

\*Mr. Steven L. Farnsworth was superintendent until August 31, 2006.

# Brecksville-Broadview Heights City School District Organizational Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Brecksville-Broadview Heights  
City School District,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2005

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.



*Carla E. Perry*

President

*Jeffrey R. Emer*

Executive Director



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT**

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2005

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Interim Executive Director



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# **Financial Section**



## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Brecksville–Broadview Heights City School District  
Cuyahoga County  
6638 Mill Road  
Brecksville, Ohio 44141

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 Brecksville–Broadview Heights City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2006, 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 Brecksville–Broadview Heights City School District, Cuyahoga County, Ohio, as of June 30, 2006, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparisons for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2006, 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 black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

November 15, 2006

## **Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*

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The discussion and analysis of Brecksville-Broadview Heights City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2006. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, basic financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

### **Financial Highlights**

Key financial highlights for 2006 are as follows:

- The community continued to show support for the Brecksville-Broadview Heights City School District by approving two renewal levies in November 2005, a 6.9 mill operating levy for five years and a 6.8 mill dual purpose levy with one mill designated for permanent improvements for three years. Tax collections on these two renewals were approved a year in advance to provide the School District with financial stability. The School District can plan for the future since tax collections will continue uninterrupted. These two levy renewal levies represent \$11,543,519, or 30 percent of all tax revenue.
- The final principal payment of \$70,000 was made in December 2005 for the school improvement bonds issued by the School District in January 1986. These bonds were issued in the amount of \$1,350,000 for the purpose of adding to, renovating, rehabilitating, constructing, furnishing and equipping athletic facilities and improving their sites.
- General revenues accounted for \$50,395,848 in revenue or 91.1 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$4,908,478 or 8.9 percent of total revenues of \$55,304,326.
- The School District had \$50,361,295 in expenses related to governmental activities; only \$4,908,478 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$50,395,848 were sufficient to cover the costs of these programs.
- The School District has established a textbook replacement schedule to ensure that we meet the academic needs of our students by providing them with updated textbooks and instructional materials to compete in a global environment. During fiscal year 2006, the School District adopted a new series of textbooks for language arts and science. These textbooks were purchased from permanent improvement funds in the amount of \$600,000.

### **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 Brecksville-Broadview Heights City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

## Brecksville-Broadview Heights City School District

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*

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presented in total in one column. In the case of Brecksville-Broadview Heights City School District, the general fund is by far the most significant fund.

### ***Reporting the School 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 School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2006?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

The Statement of Net Assets and the Statement of Activities usually distinguish between those activities of the School District that are governmental and those that are considered business type. The School District, however, has only governmental activities; therefore, no business-type activities are presented.

- Governmental Activities – All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. None of the School District's programs are reported as business-type activities.

### ***Reporting the School District's Most Significant Funds***

#### *Fund Financial Statements*

The analysis of the School District's major funds begins on page 10. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and the bond retirement debt service fund.

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

**Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*

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 School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Table I provides a summary of the School District's net assets for 2006 compared to 2005.

Table I  
Net Assets  
Governmental Activities

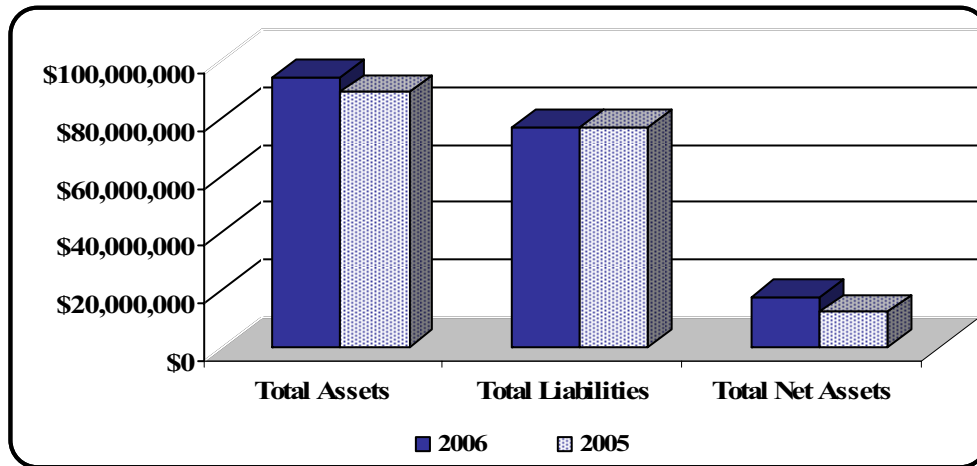
	<u>2006</u>	<u>2005</u>	<u>Change</u>
<b>Assets</b>			
Current and Other Assets	\$58,178,581	\$51,988,338	\$6,190,243
Capital Assets	<u>36,250,092</u>	<u>36,964,647</u>	<u>(714,555)</u>
Total Assets	<u>94,428,673</u>	<u>88,952,985</u>	<u>5,475,688</u>
<b>Liabilities</b>			
Current Liabilities	42,812,050	40,956,456	1,855,594
Long-Term Liabilities			
Due within One Year	1,705,923	1,702,565	3,358
Due in More than One Year	<u>32,529,452</u>	<u>33,855,747</u>	<u>(1,326,295)</u>
Total Liabilities	<u>77,047,425</u>	<u>76,514,768</u>	<u>532,657</u>
<b>Net Assets</b>			
Invested in Capital Assets			
Net of Related Debt	6,144,322	4,776,592	1,367,730
Restricted for:			
Capital Projects	1,652,532	1,496,479	156,053
Debt Service	3,104,310	2,958,709	145,601
Other Purposes	649,727	471,229	178,498
Unrestricted	<u>5,830,357</u>	<u>2,735,208</u>	<u>3,095,149</u>
Total Net Assets	<u>\$17,381,248</u>	<u>\$12,438,217</u>	<u>\$4,943,031</u>

**Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*

Graph 1  
Net Assets Governmental Activities

	<u>2006</u>	<u>2005</u>
Total Assets	\$94,428,673	\$88,952,985
Total Liabilities	77,047,425	76,514,768
Total Net Assets	17,381,248	12,438,217



Property taxes receivable contributed \$41,176,740 or 43.6 percent of total assets resulting in an increase of \$1,434,344 over 2005. Of this amount \$36,767,113 is offset as deferred revenue, revenue to be used in future periods. Total assets increased \$5,475,688, or 6.16 percent primarily due to a \$4,855,673 increase in equity in pooled cash and cash equivalents.

Liabilities for governmental activities totaled \$77,047,425; of this amount \$34,235,375 or 44.4 percent is long-term liabilities. By reviewing the Statement of Net Assets, it is clear the overall financial position of the School District is good. The majority of revenue supporting all governmental activities is general revenue. General revenue totaled \$50,395,848 or 91.1 percent of total revenue compared to 89.8 percent in 2005.

The net impact was an increase of net assets of the School District's governmental activities in the amount of \$4,943,031.

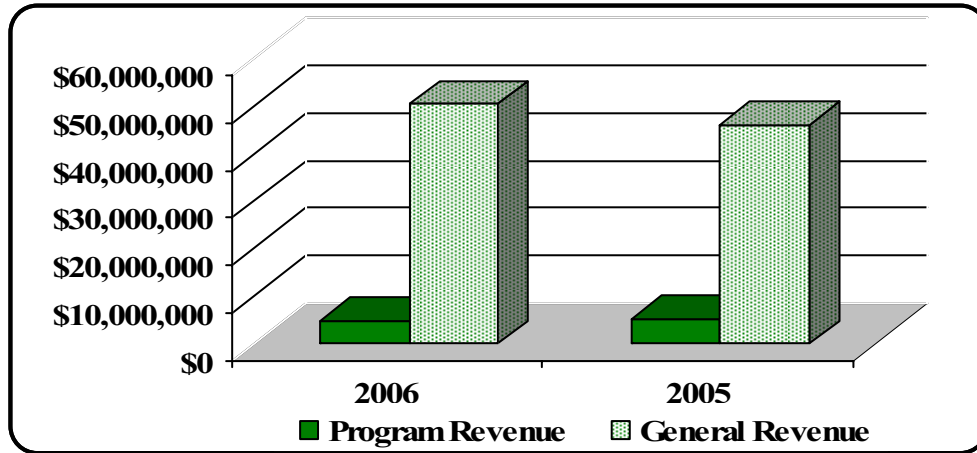
Graph 2  
Revenue for Governmental Activities

	<u>2006</u>	<u>2005</u>
Program Revenue	\$4,908,478	\$5,193,216
General Revenue	50,395,848	45,849,572



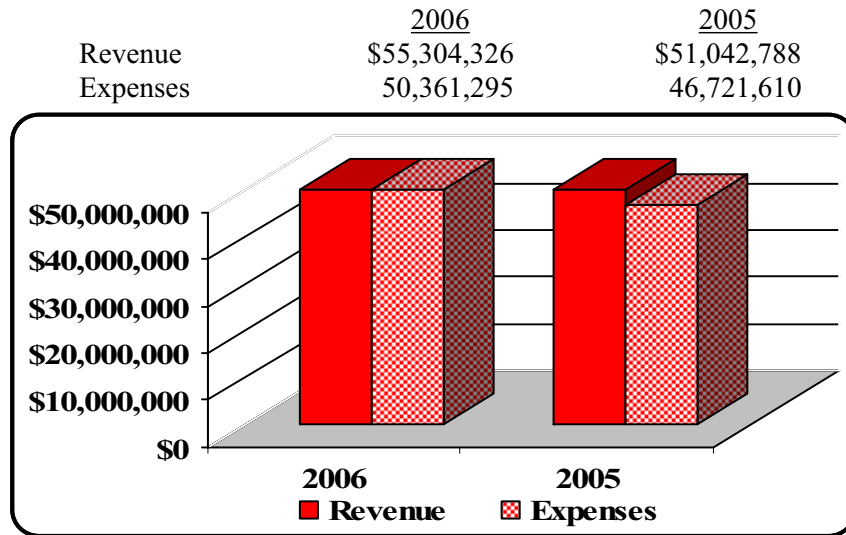
**Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*



Program revenue decreased for governmental activities from \$5,193,216 to \$4,908,478, 5.5 percent decrease. The majority of the revenue supporting governmental activities is general revenue, primarily taxes. General revenue increased from \$45,849,572 in 2005 to \$50,395,848. The majority of the increase is due to the passage of the 6.3 mill dual purpose levy in August 2004. General revenue comprised 91.1 percent of revenue supporting Governmental Activities.

Graph 3  
Revenues and Expenses for Governmental Activities



Program expenses increased from \$46,721,610 in 2005 to \$50,361,295, a 7.8 percent increase. The largest governmental activities program expense remains instruction, comprising 52.1 percent of expenses. When combined with pupil and instructional support these categories make up 63.4 percent of expenses.

Table 2 shows the changes in net assets for fiscal year 2006. Since this is the sixth year the School District has prepared financial statements following GASB Statement 34, revenue and expense analysis of government-wide data compares fiscal year 2006 to fiscal year 2005.

## Brecksville-Broadview Heights City School District

*Management's Discussion and Analysis*

*For the Fiscal Year Ended June 30, 2006*

*Unaudited*

Table 2  
Change in Net Assets  
Governmental Activities

	2006	2005	Change
<b>Revenues</b>			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$2,916,050	\$3,101,694	(\$185,644)
Operating Grants, Contributions and Interest	1,967,501	2,019,642	(52,141)
Capital Grants and Contributions	24,927	71,880	(46,953)
<b>Total Program Revenues</b>	<b>4,908,478</b>	<b>5,193,216</b>	<b>(284,738)</b>
<i>General Revenues:</i>			
Taxes	38,519,351	35,235,424	3,283,927
Intergovernmental	10,549,636	10,242,942	306,694
Payment in Lieu of Taxes	54,044	0	54,044
Unrestricted Contributions	30,095	0	30,095
Interest	825,528	300,889	524,639
Gain on Sale of Capital Assets	354,251	2,284	351,967
Miscellaneous	62,943	68,033	(5,090)
<b>Total General Revenues</b>	<b>50,395,848</b>	<b>45,849,572</b>	<b>4,546,276</b>
<b>Total Revenues</b>	<b>55,304,326</b>	<b>51,042,788</b>	<b>4,261,538</b>
<b>Program Expenses</b>			
<i>Instruction:</i>			
Regular	21,039,576	19,813,375	1,226,201
Special	4,819,318	4,649,733	169,585
Vocational	346,175	296,206	49,969
Adult/Continuing	24,051	30,824	(6,773)
<i>Support Services:</i>			
Pupil	3,176,132	2,868,628	307,504
Instructional Staff	2,528,519	2,148,023	380,496
Board of Education	99,775	82,551	17,224
Administration	3,455,646	3,131,675	323,971
Fiscal	978,835	902,114	76,721
Business	476,528	443,117	33,411
Operation and Maintenance of Plant	4,761,452	4,217,392	544,060
Pupil Transportation	3,344,629	2,885,018	459,611
Central	193,819	162,987	30,832
Operation of Non-Instructional Services	437,904	481,639	(43,735)
Food Service Operations	1,447,663	1,343,942	103,721
Child Care Operations	391,468	350,949	40,519
Extracurricular Activities	1,019,437	998,094	21,343
Interest and Fiscal Charges	1,820,368	1,915,343	(94,975)
<b>Total Program Expenses</b>	<b>50,361,295</b>	<b>46,721,610</b>	<b>3,639,685</b>
<b>Increase in Net Assets</b>	<b>4,943,031</b>	<b>4,321,178</b>	<b>621,853</b>
<b>Net Assets Beginning of Year</b>	<b>12,438,217</b>	<b>8,117,039</b>	<b>4,321,178</b>
<b>Net Assets End of Year</b>	<b>\$17,381,248</b>	<b>\$12,438,217</b>	<b>\$4,943,031</b>

## Brecksville-Broadview Heights City School District

*Management's Discussion and Analysis*

*For the Fiscal Year Ended June 30, 2006*

*Unaudited*

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### Governmental Activities

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. It increases as a result of new construction or collection from a new voted levy. Although school districts experience inflationary growth in expenses, tax revenue does not keep pace with increased expenses due to House Bill 920. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.00 mill would pay less than \$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 less than \$35.00 and the School District would collect the same dollar value the levy generated in the year it passed. The 10 percent rollback on all residential/agricultural property and the 2.5 percent rollback on all owner occupied homes would reduce the amount of taxes paid.

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 69.6 percent of revenues for governmental activities for Brecksville-Broadview Heights City School District in fiscal year 2006.

Instruction comprises 52.1 percent of governmental program expenses. Support services for pupils and instructional staff comprise 11.3 percent. Administrative expenses are 9.9 percent of the governmental program expenses. Due to the passage of the levy, the School District reinstated staff that was previously reduced in fiscal year 2005 which led to a 7.8 percent increase in total cost of services.

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  
Total and Net Cost of Program Services  
Governmental Activities

	2006		2005	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$26,229,120	(\$24,599,702)	\$24,790,138	(\$22,783,884)
Support Services				
Pupil and Instructional Staff	5,704,651	(5,301,455)	5,016,651	(4,633,178)
Board of Education, Administration, Fiscal and Business	5,010,784	(4,942,603)	4,559,457	(4,465,875)
Operation and Maintenance of Plant	4,761,452	(4,707,284)	4,217,392	(4,130,001)
Pupil Transportation	3,344,629	(3,265,130)	2,885,018	(2,803,067)
Central	193,819	(193,819)	162,987	(158,510)
Operation of Non-Instructional Services	437,904	50,374	481,639	(49,942)
Food Service Operations	1,447,663	(64,868)	1,343,942	1,228
Child Care Operations	391,468	47,867	350,949	60,636
Extracurricular Activities	1,019,437	(655,829)	998,094	(650,458)
Interest and Fiscal Charges	1,820,368	(1,820,368)	1,915,343	(1,915,343)
Total	<u>\$50,361,295</u>	<u>(\$45,452,817)</u>	<u>\$46,721,610</u>	<u>(\$41,528,394)</u>

## **Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*

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The dependence upon tax revenues for governmental activities is apparent. Over 93 percent of instruction activities are supported through taxes and other general revenues; for all governmental activities, general revenue support is 90 percent. The community, as a whole, is by far the primary support for Brecksville-Broadview Heights City School District students.

### **The School District's Funds**

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$54,531,866 and expenditures of \$50,581,243. The net change in fund balance for the year was most significant in the General Fund, an increase of \$3,348,193. This increase occurred due to receipt of half a year of tax collections on the 6.3 mill dual purpose levy approved by the voters in August 2004. Overall, the nonmajor funds increased by \$840,476 due to an increase in grant revenue.

### **General Fund Budgeting Highlights**

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

During the course of fiscal year 2006, the School District amended its general fund budget numerous times. The School District uses site-based budgeting and the budgeting systems are designed to control total site-based budgets but provide flexibility for site-based management.

For the general fund, the budget basis actual revenue was \$46,627,039, \$424,910 above final budget estimates of \$46,202,129. Most of this difference was due to receipt of higher tax collections than estimated by the Cuyahoga County Auditor. Prior to June 30, 2006, the School District revised its budget basis revenue estimate to better reflect actual collections.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$42,014,634, \$833,590 under final budget estimates of \$42,848,224. Excess of revenues over expenditures is \$4,612,405.

The School District's ending unobligated cash balance was \$1,258,500 above the final budget amount. This increase was due to receipt of higher than anticipated tax revenue and the early closing of purchase orders to reduce encumbrances.

The School District utilizes the five-year forecast as the original document from which to form the operating budget. The operating budget begins at the school or department level. Each school in the School District receives a per pupil allocation.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

At the end of fiscal year 2006, the School District had \$36,250,092 invested in land, buildings and improvements, furniture and equipment, vehicles and textbooks. Table 4 shows fiscal year 2006 balances compared to fiscal year 2005.

## Brecksville-Broadview Heights City School District

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*

Table 4  
Capital Assets at June 30  
Net of Depreciation  
Governmental Activities

	2006	2005
Land	\$3,088,833	\$3,209,781
Buildings and Improvements	28,390,483	29,478,421
Furniture and Equipment	2,331,776	2,500,848
Vehicles	1,122,784	1,044,686
Textbooks	1,316,216	730,911
Total Capital Assets	<u>\$36,250,092</u>	<u>\$36,964,647</u>

For fiscal year 2006, land decreased by \$120,948 and buildings and improvements decreased by \$1,087,938 due to the sale of the bus garage facility as well as the annual depreciation on the buildings and improvements. The bus garage was sold to the City of Brecksville for \$357,671 and the proceeds of the sale were deposited into the permanent improvement fund. The School District purchased four new school buses accounting for the increase in vehicles which was offset by the disposal of two school buses and the annual depreciation. Ohio law requires school districts to set aside three percent of certain revenues for capital improvements and an additional three percent for textbooks and instructional materials and supplies. For fiscal year 2006, this amounted to \$692,108 for each set aside. The adoption of a new textbook series and replacement textbooks accounted for an increase of \$585,305. See Note 10 for capital asset information.

### ***Debt***

At June 30, 2006, the School District had \$28,535,000 in bonds outstanding. Table 5 summarizes bonds and notes outstanding:

Table 5  
Outstanding Debt at Year End  
Governmental Activities

	2006	2005
General Obligation Bonds:		
Stadium Complex	\$0	\$70,000
New High School	28,535,000	29,550,000
Notes Payable:		
HB264 Energy Note	0	513,000
Total	<u>\$28,535,000</u>	<u>\$30,133,000</u>

The 1986 Stadium Complex bond issue, approved in the amount of \$1,350,000 for the purpose of adding to, renovating, rehabilitating, constructing, furnishing, and equipping athletic facilities and improving their sites, was completely paid off in 2006.

In 1996 the School District passed a 3.97 mill bond issue, providing \$36,000,000 for constructing, furnishing and equipping a new high school and renovating, improving, furnishing and equipping school facilities and their

## **Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*

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sites.

In 2001 the School District issued a \$1,270,000 energy conservation note used to replace windows, boilers and lighting in order to provide energy efficiencies and savings. Due to the energy savings, the School District was able to issue one-year renewable energy conservation notes over the past five years. The final energy conservation note was purchased from the bond retirement fund as an investment in the amount of \$263,000 and is held as an interfund payable from the general fund. Note proceeds plus a transfer of funds from the general fund were used to pay off the \$513,000 energy conservation note issued in 2005. See Notes 14 and 22 for detailed long term and short term debt information.

In 2004 the School District entered into an agreement with Bank One to purchase the Series 2006 Refunding bond anticipation notes pursuant to a "forward-starting" arrangement in order to retire \$8,920,000 of the December 1, 2016 maturity of the School District's outstanding Series 1996 School Improvement General Obligation Bonds on or about October 1, 2006. The Series 2006 Refunding BANs will be general obligations of the School District, payable from and secured by the proceeds of ad valorem taxes to be levied, without limitation as to rate or amount, on all taxable property within the School District, sufficient to pay both principal and interest. Interest shall be payable semi-annually beginning December 1, 2006. The School District received \$948,500 from Bank One representing gross upfront debt service savings and the 2 percent call premium owed on the Refunding Bonds. The School District will owe \$96,933.33 of interest on the Series 2006 Refunding BANs for the period beginning October 1, 2006 and ending December 1, 2006, \$178,400 to be applied to the call premium on the Refunded Bonds, and issuance costs of \$122,000. After subtracting such amount from gross savings, the result is a net debt service savings of \$551,166.67 (6.18 percent of the Refunded Bonds).

### **Current Financial Related Activities**

Brecksville-Broadview Heights City School District has continued to maintain the highest standards of services to our students, parents and community at one of the lowest costs in Cuyahoga County. As with all school districts in the State of Ohio, State funding issues are constantly monitored to determine the financial impact on the School District. Like many school districts in the State of Ohio, the District remains vigilant to financially meet the academic needs of all of the students as well as remain cost efficient in its operations. As the preceding information shows, the School District is heavily reliant on local property taxpayers.

By approving the two renewal levies a year early, the School District can count on the tax revenue from them to ensure financial forecasting stability and prudently plan for the School District's academic future. The School District remains reasonably optimistic and keeps a close eye on issues impacting its finances.

Thus management must diligently plan expenses, staying carefully within the School District's financial forecast. Additional revenues must not be treated as a windfall to expand programs but as an opportunity to extend the time horizon of the life of the levies.

In conclusion, Brecksville-Broadview Heights City School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1998. The School District also received the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting in 2005.

All of the School District's financial abilities will be needed to meet the challenges of the future.

**Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2006  
Unaudited*

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***Contacting the School District's Financial Management***

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information contact Karen Obratil, Treasurer/CFO at Brecksville-Broadview Heights City School District, 6638 Mill Road, Brecksville, Ohio 44141 or e-mail at [obratilk@bbhcsd.org](mailto:obratilk@bbhcsd.org).

**Brecksville-Broadview Heights City School District**

*Statement of Net Assets*

*June 30, 2006*

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$16,704,765
Accrued Interest Receivable	46,253
Accounts Receivable	42,419
Intergovernmental Receivable	57,403
Inventory Held for Resale	26,160
Materials and Supplies Inventory	7,865
Prepaid Items	16,506
Taxes Receivable	41,176,740
Unamortized Bond Issuance Costs	100,470
Nondepreciable Capital Assets	3,088,833
Depreciable Capital Assets, Net	<u>33,161,259</u>
<i>Total Assets</i>	<u>94,428,673</u>
<b>Liabilities</b>	
Accounts Payable	53,408
Accrued Wages	4,064,421
Intergovernmental Payable	1,355,828
Matured Compensated Absences Payable	292,867
Matured Special Termination Benefits Payable	60,878
Deferred Revenue	36,767,113
Accrued Interest Payable	144,358
Claims Payable	73,177
Long-Term Liabilities:	
Due Within One Year	1,705,923
Due In More Than One Year	<u>32,529,452</u>
<i>Total Liabilities</i>	<u>77,047,425</u>
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	6,144,322
Restricted for:	
Capital Projects	1,652,532
Debt Service	3,104,310
Other Purposes	649,727
Unrestricted	<u>5,830,357</u>
<i>Total Net Assets</i>	<u><u>\$17,381,248</u></u>

See accompanying notes to the basic financial statements



**Brecksville-Broadview Heights City School District**

*Statement of Activities*

*For the Fiscal Year Ended June 30, 2006*

	Expenses	Program Revenues			Net Revenue (Expense) and Change in Net Assets
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Instruction:					
Regular	\$21,039,576	\$673,134	\$267,768	\$0	(\$20,098,674)
Special	4,819,318	186,054	475,364	0	(4,157,900)
Vocational	346,175	0	0	0	(346,175)
Adult/Continuing	24,051	0	27,098	0	3,047
Support Services:					
Pupil	3,176,132	0	15,845	0	(3,160,287)
Instructional Staff	2,528,519	0	387,351	0	(2,141,168)
Board of Education	99,775	0	0	0	(99,775)
Administration	3,455,646	626	36,155	0	(3,418,865)
Fiscal	978,835	31,400	0	0	(947,435)
Business	476,528	0	0	0	(476,528)
Operation and Maintenance of Plant	4,761,452	50,354	3,814	0	(4,707,284)
Pupil Transportation	3,344,629	13,609	40,963	24,927	(3,265,130)
Central	193,819	0	0	0	(193,819)
Operation of Non-Instructional					
Services	437,904	3,862	484,416	0	50,374
Food Service Operations	1,447,663	1,157,568	225,227	0	(64,868)
Child Care Operations	391,468	439,335	0	0	47,867
Extracurricular Activities	1,019,437	360,108	3,500	0	(655,829)
Interest and Fiscal Charges	1,820,368	0	0	0	(1,820,368)
<b>Totals</b>	<b>\$50,361,295</b>	<b>\$2,916,050</b>	<b>\$1,967,501</b>	<b>\$24,927</b>	<b>(45,452,817)</b>

**General Revenues**

Property Taxes Levied for:

General Purposes	34,325,661
Debt Service	2,641,749
Capital Outlay	1,551,941
Grants and Entitlements not Restricted to Specific Programs	10,549,636
Payment in Lieu of Taxes	54,044
Unrestricted Contributions	30,095
Interest	825,528
Gain on Sale of Capital Assets	354,251
Miscellaneous	62,943

*Total General Revenues* 50,395,848

Change in Net Assets 4,943,031

*Net Assets Beginning of Year* 12,438,217

*Net Assets End of Year* \$17,381,248

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Balance Sheet*

**Governmental Funds**

*June 30, 2006*

	General	Bond Retirement Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and				
Cash Equivalents	\$10,648,027	\$3,297,378	\$2,651,586	\$16,596,991
Taxes Receivable	36,834,443	2,678,037	1,664,260	41,176,740
Accounts Receivable	30,775	0	11,644	42,419
Intergovernmental Receivable	0	0	57,403	57,403
Accrued Interest Receivable	46,253	0	0	46,253
Interfund Receivable	260,000	397,351	0	657,351
Inventory Held for Resale	0	0	26,160	26,160
Materials and Supplies Inventory	0	0	7,865	7,865
Prepaid Items	16,506	0	0	16,506
<i>Total Assets</i>	<u>\$47,836,004</u>	<u>\$6,372,766</u>	<u>\$4,418,918</u>	<u>\$58,627,688</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$17,026	\$0	\$36,382	\$53,408
Accrued Wages and Benefits	3,993,860	0	70,561	4,064,421
Matured Compensated Absences Payable	292,867	0	0	292,867
Interfund Payable	134,351	0	373,000	507,351
Matured Special Termination Benefits Payable	60,878	0	0	60,878
Intergovernmental Payable	1,268,258	0	87,570	1,355,828
Deferred Revenue	33,504,697	2,380,910	1,497,257	37,382,864
Accrued Interest Payable	2,743	0	946	3,689
<i>Total Liabilities</i>	<u>39,274,680</u>	<u>2,380,910</u>	<u>2,065,716</u>	<u>43,721,306</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	117,284	0	351,274	468,558
Reserved for Property Taxes	3,288,025	294,584	165,282	3,747,891
Unreserved, Undesignated				
Reported in:				
General Fund	5,156,015	0	0	5,156,015
Special Revenue Funds	0	0	695,357	695,357
Debt Service Fund	0	3,697,272	0	3,697,272
Capital Projects Funds	0	0	1,141,289	1,141,289
<i>Total Fund Balances</i>	<u>8,561,324</u>	<u>3,991,856</u>	<u>2,353,202</u>	<u>14,906,382</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$47,836,004</u>	<u>\$6,372,766</u>	<u>\$4,418,918</u>	<u>\$58,627,688</u>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities*  
 June 30, 2006

<b>Total Governmental Fund Balances</b>	<b>\$14,906,382</b>
 <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.	36,250,092
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property Taxes	1,544,041
Rentals	20,210
Total	1,564,251
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	(115,403)
In the statement of activities, interest is accrued on outstanding bonds and capital leases, whereas in governmental funds, an interest expenditure is reported when due.	(140,669)
Long-term liabilities, including bonds payable and capital leases payable, are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(28,535,000)
Compensated Absences	(4,129,605)
Capital Leases Payable	(1,570,770)
Total	(34,235,375)
In the statement of net assets, the swap payment is deferred revenue until the refunding bonds are issued.	(948,500)
In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditures is reported when bonds are issued.	100,470
<i>Net Assets of Governmental Activities</i>	<b>\$17,381,248</b>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
For the Fiscal Year Ended June 30, 2006

	General	Bond Retirement Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$33,955,224	\$2,615,831	\$1,535,235	\$38,106,290
Intergovernmental	10,075,970	315,680	1,998,102	12,389,752
Interest	824,806	0	3,873	828,679
Tuition and Fees	299,534	0	439,335	738,869
Extracurricular Activities	96,137	0	262,936	359,073
Payment in Lieu of Taxes	53,860	0	184	54,044
Rentals	44,057	0	0	44,057
Charges for Services	283,973	0	1,484,746	1,768,719
Contributions and Donations	30,095	0	149,161	179,256
Miscellaneous	62,812	315	0	63,127
<i>Total Revenues</i>	<u>45,726,468</u>	<u>2,931,826</u>	<u>5,873,572</u>	<u>54,531,866</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	19,149,759	0	594,064	19,743,823
Special	4,295,754	0	428,344	4,724,098
Vocational	364,207	0	0	364,207
Adult/Continuing	0	0	24,051	24,051
Support Services:				
Pupil	3,039,119	0	23,163	3,062,282
Instructional Staff	2,095,528	0	405,892	2,501,420
Board of Education	99,775	0	0	99,775
Administration	3,405,878	0	39,801	3,445,679
Fiscal	931,374	0	283	931,657
Business	395,751	0	0	395,751
Operation and Maintenance of Plant	4,308,607	0	3,814	4,312,421
Pupil Transportation	2,950,059	0	40,963	2,991,022
Central	188,759	0	0	188,759
Operation of Non-Instructional Services	0	0	435,623	435,623
Food Service Operations	0	0	1,373,670	1,373,670
Child Care Operations	0	0	363,778	363,778
Extracurricular Activities	782,085	0	233,665	1,015,750
Capital Outlay	0	0	1,375,083	1,375,083
Debt Service:				
Principal Retirement	87,325	1,085,000	242,791	1,415,116
Interest and Fiscal Charges	20,043	1,727,201	70,034	1,817,278
<i>Total Expenditures</i>	<u>42,114,023</u>	<u>2,812,201</u>	<u>5,655,019</u>	<u>50,581,243</u>
<i>Excess of Revenues Over Expenditures</i>	<u>3,612,445</u>	<u>119,625</u>	<u>218,553</u>	<u>3,950,623</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	0	0	357,671	357,671
Transfers In	0	0	264,252	264,252
Transfers Out	(264,252)	0	0	(264,252)
<i>Total Other Financing Sources (Uses)</i>	<u>(264,252)</u>	<u>0</u>	<u>621,923</u>	<u>357,671</u>
<i>Net Change in Fund Balances</i>	3,348,193	119,625	840,476	4,308,294
<i>Fund Balances Beginning of Year</i>				
Restated (See Note 3)	5,213,131	3,872,231	1,512,726	10,598,088
<i>Fund Balances End of Year</i>	<u>\$8,561,324</u>	<u>\$3,991,856</u>	<u>\$2,353,202</u>	<u>\$14,906,382</u>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2006*

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**Net Change in Fund Balances - Total Governmental Funds** \$4,308,294

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

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

Capital Outlay	1,209,703
Depreciation	<u>(1,799,890)</u>

Total	(590,187)
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Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (124,368)

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

Property Taxes	413,061
Rentals	6,297
Charges for Services	(965)
Miscellaneous	<u>(184)</u>

Total	418,209
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Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,415,116

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued Interest on Bonds	6,479
Amortization of Issuance Costs	<u>(9,569)</u>

Total	(3,090)
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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. (246,348)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. (234,595)

*Change in Net Assets of Governmental Activities* \$4,943,031

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Statement of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Taxes	\$38,308,765	\$34,611,870	\$34,894,977	\$283,107
Intergovernmental	5,333,437	10,075,969	10,075,970	1
Interest	325,000	700,000	768,772	68,772
Tuition and Fees	585,252	296,007	299,862	3,855
Extracurricular Activities	104,100	95,800	96,137	337
Payment in Lieu of Taxes	51,000	25,394	53,860	28,466
Rentals	65,000	40,000	45,286	5,286
Charges for Services	378,900	282,987	280,729	(2,258)
Contributions and Donations	38,300	34,102	30,095	(4,007)
Miscellaneous	72,500	40,000	81,351	41,351
<i>Total Revenues</i>	<u>45,262,254</u>	<u>46,202,129</u>	<u>46,627,039</u>	<u>424,910</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	19,792,515	19,496,663	19,397,627	99,036
Special	4,230,878	4,270,320	4,218,469	51,851
Vocational	313,569	341,412	340,852	560
Support Services:				
Pupil	3,048,136	3,024,895	2,997,499	27,396
Instructional Staff	1,982,530	2,091,534	2,075,114	16,420
Board of Education	84,079	101,083	99,855	1,228
Administration	3,449,955	3,160,031	3,113,884	46,147
Fiscal	1,203,716	942,126	938,380	3,746
Business	479,925	499,337	409,569	89,768
Operation and Maintenance of Plant	5,080,189	4,806,746	4,447,134	359,612
Pupil Transportation	3,310,018	3,089,905	2,979,800	110,105
Central	224,440	214,877	189,789	25,088
Extracurricular Activities	813,750	784,081	781,448	2,633
Debt Service:				
Principal Retirement	0	19,818	19,818	0
Interest and Fiscal Charges	0	5,396	5,396	0
<i>Total Expenditures</i>	<u>44,013,700</u>	<u>42,848,224</u>	<u>42,014,634</u>	<u>833,590</u>
<i>Excess of Revenues Over Expenditures</i>	<u>\$1,248,554</u>	<u>\$3,353,905</u>	<u>\$4,612,405</u>	<u>\$1,258,500</u>

(continued)

**Brecksville-Broadview Heights City School District**

*Statement of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (continued)  
For the Fiscal Year Ended June 30, 2006*

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	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Other Financing Sources (Uses)</b>				
Advances In	\$105,000	\$105,000	\$105,000	\$0
Advances Out	(4,000)	(260,000)	(260,000)	0
Transfers Out	0	(264,252)	(264,252)	0
<i>Total Other Financing Sources (Uses)</i>	<u>101,000</u>	<u>(419,252)</u>	<u>(419,252)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	1,349,554	2,934,653	4,193,153	1,258,500
<i>Fund Balance Beginning of Year</i>	5,741,824	5,741,824	5,741,824	0
Prior Year Encumbrances Appropriated	<u>579,900</u>	<u>579,900</u>	<u>579,900</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$7,671,278</u>	<u>\$9,256,377</u>	<u>\$10,514,877</u>	<u>\$1,258,500</u>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Statement of Fund Net Assets*

***Internal Service Fund***

*June 30, 2006*

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	<u>Insurance</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$107,774</u>
<b>Liabilities</b>	
Interfund Payable	150,000
Claims Payable	<u>73,177</u>
<i>Total Liabilities</i>	<u>223,177</u>
<b>Net Assets</b>	
Unrestricted (Deficit)	<u><u>(\$115,403)</u></u>

See accompanying notes to the basic financial statements



**Brecksville-Broadview Heights City School District**

*Statement of Revenues,*

*Expenses and Changes in Fund Net Assets*

***Internal Service Fund***

*For the Fiscal Year Ended June 30, 2006*

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	<u>Insurance</u>
<b>Operating Revenues</b>	
Charges for Services	<u>\$601,673</u>
<b>Operating Expenses</b>	
Purchased Services	32,190
Claims	<u>804,078</u>
<i>Total Operating Expenses</i>	<u>836,268</u>
<i>Change in Net Assets</i>	(234,595)
<i>Net Assets Beginning of Year</i>	<u>119,192</u>
<i>Net Assets (Deficit) End of Year</i>	<u><u>(\$115,403)</u></u>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Statement of Cash Flows*

**Internal Service Fund**

*For the Fiscal Year Ended June 30, 2006*

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	<u>Insurance</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Interfund Services	\$601,673
Cash Payments for Goods and Services	(32,460)
Cash Payments for Claims	<u>(764,866)</u>
<i>Net Cash Used for Operating Activities</i>	(195,653)
<b>Cash Flows from Noncapital Financing Activities</b>	
Advances In	<u>150,000</u>
<i>Net Decrease in Cash and Cash Equivalents</i>	(45,653)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>153,427</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$107,774</u></u>
 <b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</b>	
Operating Loss	(\$234,595)
Adjustments:	
Increase (Decrease) in Liabilities:	
Accounts Payable	(270)
Claims Payable	<u>39,212</u>
<i>Net Cash Used for Operating Activities</i>	<u><u>(\$195,653)</u></u>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Statement of Fiduciary Net Assets*

***Fiduciary Funds***

*June 30, 2006*

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	<u>Private Purpose Trust</u>	
	<u>Unclaimed Monies</u>	<u>Agency</u>
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$3,202	<u>\$162,422</u>
<b>Liabilities</b>		
Due to Students	<u>0</u>	<u>\$162,422</u>
<b>Net Assets</b>		
Held in Trust for Unclaimed Monies	<u>\$3,202</u>	

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Statement of Changes in Fiduciary Net Assets*

***Private Purpose Trust Fund***

*For the Fiscal Year Ended June 30, 2006*

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	<u>Unclaimed Monies</u>
<b>Additions</b>	
Contributions and Donations	\$2,317
<b>Deductions</b>	<u>0</u>
<i>Change in Net Assets</i>	2,317
<i>Net Assets Beginning of Year</i>	<u>885</u>
<i>Net Assets End of Year</i>	<u><u>\$3,202</u></u>

See accompanying notes to the financial statements

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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### **Note 1 - Description of The School District**

Brecksville-Broadview Heights City School District (the "School District") operates under a locally-elected Board form of government and provides educational services as authorized by state and federal agencies. This Board controls the School District's 8 instructional/support facilities staffed by 259 non-certificated employees, 307 certificated teaching personnel and 22 administrative employees to provide services to 4,728 students and other community members.

The School District was established in 1883 through the consolidation of existing land areas and school districts and is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. Under such laws there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at-large for staggered four year terms.

The School District serves an area of approximately 27 square miles. It is located in Cuyahoga County, including all of the territory of the City of Brecksville, most of the City of Broadview Heights and a small portion of the City of North Royalton.

#### ***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the basic financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Brecksville-Broadview Heights City School District, this includes the agencies and departments that provide the following services: general operations, food service and student related activities of the School District.

***Nonpublic Schools*** Within the School District boundaries, there is located the Assumption School, Lawrence School and South Suburban Montessori School. Current State legislation provides for funding to these nonpublic schools. These monies are received and disbursed by the School District on behalf of the nonpublic schools by the Treasurer/CFO of the School District, as directed by the nonpublic schools. These transactions are reported in a special revenue fund and as a governmental activity of the School District.

Component units are legally separate organizations for which the School District is financially accountable. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. The School District has no component units.

The following entities which perform activities within the School District's boundaries for the benefit of its residents are excluded from the accompanying financial statements because the School District is not financially accountable for these entities nor are they fiscally dependent on the School District.

***Cities of Brecksville and Broadview Heights*** The city governments of Brecksville and Broadview Heights are each a separate body politic and corporate. Each city elects a mayor and council independent of any School District relationships and administer the provision of traditional city services. Council acts as the taxing and budgeting authority.

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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***Cuyahoga County Public Library*** The Library is a distinct political subdivision of the State of Ohio governed by a board of trustees. The board of trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies.

***Parent School Organization*** The School District is not involved in budgeting or managing the association, is not responsible for any debt of the association and has no influence over the association.

The School District participates in three jointly governed organizations, an insurance purchasing pool and a risk sharing pool. These organizations are the Lakeshore Northeast Ohio Computer Association, Cuyahoga Valley Career Center, Ohio Schools' Council, Sheakley Uniservice Workers' Compensation Group Rating Plan and the Suburban Health Consortium. These organizations are presented in Notes 19 and 20 to the basic financial statements.

### **Note 2 - Summary of Significant Accounting Policies**

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (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 School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service fund unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

#### ***A. Basis of Presentation***

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

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

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

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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

### ***B. Fund Accounting***

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

***Governmental Funds*** Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

***General Fund*** The general fund 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 receives property taxes for the payment of general obligation bonds issued to build the high school and build a stadium complex.

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

***Proprietary Fund Type*** Proprietary funds are used to account for the School District's ongoing activities which are similar to those found in the private sector. The School District has no enterprise funds. The following is a description of the School District's internal service fund:

***Internal Service Fund*** The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund is a self insurance fund that accounts for prescription drug claims of School District employees.

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

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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### ***C. Measurement Focus***

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

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

Like the government-wide statements, the internal service 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. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activity.

The private purpose trust fund is reported using the economic resources measurement focus.

### ***D. Basis of Accounting***

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

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants and entitlements. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.



## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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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, student fees and rentals.

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

Property taxes for which there is an enforceable legal claim as of June 30, 2006, but which were levied to finance fiscal year 2007 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

### ***E. Budgetary Data***

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. The Treasurer/CFO has been given 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/CFO. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original and final appropriations were passed by the Board of Education.

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

### ***F. Cash and Cash Equivalents***

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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During fiscal year 2006, investments were limited to Victory federal money market mutual fund, a repurchase agreement, federal home loan mortgage corporation notes, federal home loan bank notes, federal national loan mortgage association notes and STAROhio.

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 deposits and repurchase agreements are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2006.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2006 amounted to \$824,806, which includes \$293,156 assigned from other School District funds.

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an original maturity of more than three months that are not made from the pool are reported as investments.

### ***G. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2006, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which the services are consumed.

### ***H. Inventory***

Inventories are presented on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food.

### ***I. Capital Assets***

The School District's only capital assets are general capital assets. General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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

Description	Governmental Activities Estimated Lives
Buildings and Improvements	20 - 40 years
Furniture and Equipment	5 - 20 years
Vehicles	5 - 10 years
Textbooks	8 years

***J. Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans and unpaid amounts for interfund services provided and used are classified as "interfund receivables/payables." These amounts are eliminated in the governmental activities columns of the statement of net assets.

***K. Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees after five years of service.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund(s) from which the employees who have resigned or retired will be paid.

***L. Accrued Liabilities and Long-term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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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, claims and judgments, compensated absences, and contractually required pension contributions 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 capital leases are recognized as a liability on the fund financial statements when due.

### ***M. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$5,406,569 of restricted net assets, of which \$5,176,342 is restricted by enabling legislation. Net assets restricted for other purposes include food services and extracurricular activities.

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

### ***N. Fund Balance Reserves***

The School District reserves those portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves are established for encumbrances and property taxes.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

### ***O. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Any revenues and expenses not meeting the definition of operating are reported as non-operating.

### ***P. Interfund Activity***

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

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

***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.

***R. Bond Issuance Costs***

Bond issuance costs for underwriting fees for the swap agreement are being amortized using the straight-line method over the life of the agreement on the government-wide statements. The straight-line method of amortization is not materially different from the effective-interest method.

***S. Estimates***

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

**Note 3 – Change in Accounting Principles and Restatement of Prior Year’s Balances**

***A. Change in Accounting Principles***

For fiscal year 2006, the School District has implemented GASB Statement No. 47, “Accounting for Termination Benefits.” GASB Statement No. 47 establishes standards of accounting and financial reporting for termination benefits.

The implementation of GASB Statement No. 47 did not materially affect the presentation of the financial statements of the School District.

***B. Restatement of Prior Year’s Balances***

During fiscal year 2006, interfund payables and accrued interest payable were restated due to reclassification of the manuscript bond to an interfund payable. These restatements had the following effect on fund balances as they were previously reported.

	General	Bond Retirement	Other Governmental Funds	Total
Fund Balances, June 30, 2005	\$5,370,448	\$3,872,231	\$1,512,726	\$10,755,405
Interfund Payable	(154,169)	0	0	(154,169)
Accrued Interest Payable	(3,148)	0	0	(3,148)
Adjusted Fund Balances, June 30, 2005	<u>\$5,213,131</u>	<u>\$3,872,231</u>	<u>\$1,512,726</u>	<u>\$10,598,088</u>

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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**Note 4 – Fund Deficit**

The building capital projects fund deficit of \$246,150 is due to the adjustments for accrued liabilities. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**Note 5 - Budgetary Basis of Accounting**

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of 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 Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual, 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 GAAP basis are that:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Investments reported at cost (budget) rather than at fair value (GAAP).
5. Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements on a fund type basis for the general fund.

Net Change in Fund Balance	
GAAP Basis	\$3,348,193
Net Adjustment for Revenue Accruals	910,352
Advance In	105,000
Beginning Fair Value Adjustment for Investments	(10,944)
Ending Fair Value Adjustment for Investments	1,163
Net Adjustment for Expenditure Accruals	233,702
Advance Out	(260,000)
Adjustment for Encumbrances	(134,313)
Budget Basis	<u><u>\$4,193,153</u></u>

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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### **Note 6 - Deposits and Investments**

Monies held by the School District are classified by State statute into three categories.

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

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

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

Interim monies held by the School District can 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 payment of principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, 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;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations; and
7. The State Treasurer's investment pool (STAR Ohio).
8. Commercial paper and bankers acceptances if training requirements have been met.

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. Investments may only be made through specified dealers and institutions.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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**Deposits**

**Custodial Credit Risk** Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in possession of an outside party. At fiscal year end, \$12,997,995 of the School District’s bank balance of \$13,397,995 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions’ trust department and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

**Investments**

Investments are reported at fair value. As of June 30, 2006, the School District had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Victory Money Market Mutual Fund	\$882,599	1 day
Repurchase Agreement	86,862	1 day
US Treasury Notes	2,800,196	June 1, 2007
STAROhio	<u>136,810</u>	34.7 days (average)
Total	<u>\$3,906,467</u>	

**Interest Rate Risk** As a means of limiting its exposure to fair value losses caused by rising interest rates, the School District’s investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the School District’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**Custodial Credit Risk** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School 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 Home Loan Mortgage Corporation Notes, Federal Home Loan Bank Notes, and Federal National Mortgage Association Notes are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty’s trust department or agent but not in the School District’s name. The School 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.



## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

**Credit Risk** The Federal Home Loan Mortgage Corporation Notes, Federal Home Loan Bank Notes, and Federal National Mortgage Association Notes carry a rating of AAA by Standard & Poor's and Victory Federal Money Market Mutual Fund and STAROhio also carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk** The School District places no limit on the amount it may invest in any one issuer. The following is the School District's allocation as of June 30, 2006:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Victory Federal Money Market Mutual Fund	22.60%
Repurchase Agreement	2.22%
US Treasury Notes	71.68%
STAROhio	3.50%

### Note 7 - Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the school district. Real property tax revenue received in calendar 2006 represents collections of calendar year 2005 taxes. Real property taxes received in calendar year 2006 were levied after April 1, 2005, on the assessed value listed as of January 1, 2005, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2006 represents collections of calendar year 2005 taxes. Public utility real and tangible personal property taxes received in calendar year 2006 became a lien December 31, 2004, were levied after April 1, 2005 and are collected in 2006 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2006 (other than public utility property) represents the collection of 2006 taxes. Tangible personal property taxes received in calendar year 2006 were levied after April 1, 2005, on the value as of December 31, 2005. Tangible personal property is currently assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30; however this year the settlement was late.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2006, are available to finance fiscal year 2006 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2006 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the late settlement of tangible personal property taxes and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2006, was \$3,288,025 in the general fund, \$294,584 in the bond retirement debt service fund and \$165,282 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2005, was \$4,157,498 in the general fund, \$372,391 in the bond retirement debt service fund and \$209,157 in the permanent improvement capital projects fund.

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

The assessed values upon which the fiscal year 2006 taxes were collected are:

	2005 Second Half Collections		2006 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$897,903,880	92.12%	\$932,594,310	92.43%
Public Utility	28,456,740	2.92	26,503,490	2.63
Tangible Personal Property	48,367,742	4.96	49,893,380	4.94
	<u>\$974,728,362</u>	<u>100.00%</u>	<u>\$1,008,991,180</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$77.60		\$77.40	

**Note 8 - Receivables**

Receivables at June 30, 2006, consisted of taxes, accounts (rent and student fees), and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds and all receivables will be collected within one year.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amounts</u>
Title VI-B	\$29,326
Food Service	22,616
Title V	3,332
Title II-A	1,864
Title II-D	265
<i>Total Intergovernmental Receivables</i>	<u><u>\$57,403</u></u>

**Note 9 - Risk Management**

***A. Property and Liability***

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2006, the School District participated in the Ohio Schools' Council's insurance program through Indiana Insurance Company for buildings and contents, buses, inland marine, crime and liability insurance and Travelers Insurance for boiler coverage.

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Indiana Insurance Company	Property	\$99,849,056
	Inland Marine	4,897,156
	Crime	50,000
	Extra Expense	1,000,000
	General Liability, in aggregate	2,000,000
	General Liability, per occurrence	1,000,000
	Fleet Insurance, single limit	1,000,000
	Fleet Insurance, uninsured	500,000
	Auto Medical Payments	5,000
Travelers Insurance	Boiler and Machinery	30,000,000
	Spoilage	100,000
	Water Damage	100,000
	Hazardous Substance	100,000
	Ammonia Contamination	100,000
	Off Premises Service Interruption	500,000
Ohio Casualty	Public Officials Bond	15,000

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

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

***B. Workers' Compensation***

The School District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. Participants in the GRP are placed on tiers according to their loss history. Participants with low loss histories are rewarded with greater savings than participants with higher loss histories.

Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required

to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley UniService provides administrative, cost control, assistance with safety programs and actuarial services to the GRP.

***C. Self-Insurance***

The District provides prescription drug benefits for its employees and their covered dependents through its self-insurance fund. The prescription drug plan utilizes a \$5 deductible per prescription for generic drugs and a \$9 deductible per prescription for brand name drugs. Caremark administers the plan and reviews all claims paid by the School District. The monthly prescription drug premium for single is \$59.71 and \$131.06 for family.

The claims liability of \$73,177 reported in the internal service fund at June 30, 2006 is based on the requirements of GASB Statement No. 30 "Risk Financing Omnibus", which requires that a liability for unpaid claims cost, including estimates of cost relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the Employee Benefits Internal Service Fund's claim liability amount in fiscal 2005 and 2006 were as follows:

	<u>Balance Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance End of Year</u>
2005	\$32,660	\$766,432	\$765,127	\$33,965
2006	33,965	804,078	764,866	73,177

***D. Employee Health Benefits***

The School District participates in the Suburban Health Consortium, a shared risk pool (Note 20) to provide employee medical/surgical benefits. Rates are set through an annual calculation process. The School District pays a monthly contribution which is placed in a common fund from which the claim payments are made for all participating districts. The School District's Board of Education pays the entire cost of a monthly premium for all full-time employees.

Claims are paid for all participants regardless of claims flow. Upon termination, all School District claims would be paid without regard to the School District's account balance or the Directors have the right to hold monies for an exiting school district subsequent to the settlement of all expenses and claims.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

**Note 10 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2006, was as follows:

	Balance 6/30/05	Additions	Deletions	Balance 6/30/06
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated</i>				
Land	3,209,781	\$0	(\$120,948)	3,088,833
<i>Capital Assets, being depreciated</i>				
Buildings and Improvements	44,493,317	0	(77,063)	44,416,254
Furniture and Equipment	7,790,373	256,819	(40,605)	8,006,587
Vehicles	2,812,826	228,488	(88,764)	2,952,550
Textbooks	1,336,861	724,396	(224,133)	1,837,124
<i>Total Capital Assets, being depreciated</i>	56,433,377	1,209,703	(430,565)	57,212,515
Less Accumulated Depreciation:				
Buildings and Improvements	(15,014,896)	(1,084,518)	73,643	(16,025,771)
Furniture and Equipment	(5,289,525)	(425,891)	40,605	(5,674,811)
Vehicles	(1,768,140)	(150,390)	88,764	(1,829,766)
Textbooks	(605,950)	(139,091)	224,133	(520,908)
<i>Total Accumulated Depreciation</i>	(22,678,511)	(1,799,890)*	427,145	(24,051,256)
<i>Total Capital Assets, being depreciated, Net</i>	33,754,866	(590,187)	(3,420)	33,161,259
<i>Governmental Activities Assets, Net</i>	36,964,647	(\$590,187)	(\$124,368)	36,250,092

\* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$991,451
Special	54,458
Vocational	16,879
Support Services:	
Pupil	60,324
Instructional Staff	32,996
Administration	72,284
Fiscal	12,540
Business	67,179
Operation and Maintenance of Plant	186,882
Pupil Transportation	199,605
Central	2,674
Operation of Non-Instructional Services	11,965
Food Service Operations	65,812
Extracurricular Activities	24,841
Total Depreciation Expense	<u>\$1,799,890</u>

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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**Note 11 - Other Employee Benefits**

***A. Compensated Absences***

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time. Twelve month administrative personnel earn 20 days vacation leave and after 10 years of service, 25 days of vacation leave are earned. The Superintendent earns 30 days of vacation leave and the Treasurer/CFO earns 20 days.

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum. Upon retirement, payment is made for 28 percent of the total sick leave accumulation, up to a maximum accumulation of 77 days for certificated employees and 90 days for classified employees. An employee receiving such payment must meet the retirement provisions set by STRS or SERS. Upon retirement for administrators, payment is made for 30 percent of the total sick leave accumulation.

***B. Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance in the amount of \$50,000 to full-time employees and in an amount equal to double the employee's annual salary for administrators through Anthem Life Insurance Company. The superintendent receives life insurance in an amount three times his annual salary.

***C. Retirement Incentive***

The School District Board of Education offered employees participation in a Retirement Incentive program beginning August 1, 2004 through June 30, 2008. Participation was open to teachers who were eligible for service retirement under the State Teachers Retirement System (STRS) pursuant to O.R.C. 3307.38 and any applicable STRS regulations. Each teacher who qualifies for and takes retirement receives a retirement incentive. The value of the retirement incentive is contingent upon the number of participants in any given year. If at least five but fewer than ten eligible teachers submit a timely Letter of Resignation, they will receive \$15,000. If at least ten but fewer than fifteen eligible teachers submit a timely Letter of Resignation, they will receive \$20,000. If at least fifteen teachers submit a timely Letter of Resignation, they will receive \$25,000. One-half of this retirement incentive is paid in January and the other half is paid in December following the first payment. Three employees submitted resignation letters during fiscal year 2006; however, no incentive payments are due since the established criteria was not met.

The superintendent's contract provides for a retirement incentive in the amount of 25 percent of the balance of accumulated sick leave days after the severance calculation. This retirement incentive will be completely paid within one year from the date of separation of employment. The current superintendent's contract does not provide for a retirement incentive.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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### **Note 12 - Pension Plans**

#### ***A. School Employees Retirement System***

The School 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 43215-3476, by calling (800) 878-5853 or by visiting the SERS website at [ohsers.org](http://ohsers.org).

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2006, 10.58 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, up to statutory maximum amounts, by the SERS Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2006, 2005 and 2004 were \$776,792, \$702,139 and \$625,397; 54.8 percent has been contributed for fiscal year 2006 and 100 percent for fiscal years 2005 and 2004.

#### ***B. State Teachers Retirement System***

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio website at [www.strsoh.org](http://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 member 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 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. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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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 dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2006, plan members were required to contribute 10 percent of their annual covered salaries. The School 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 recommendation 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 School District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2006, 2005, and 2004 were \$2,783,366, \$2,603,873 and \$2,531,815; 84.3 percent has been contributed for fiscal year 2006 and 100 percent for fiscal years 2005 and 2004. Contributions to the DC and Combined Plans for fiscal year 2006 were \$43,912 made by the School District and \$104,052 made by the plan members.

### ***C. Social Security System***

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement/State Teachers Retirement System. As of June 30, 2006, four members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

### **Note 13 - Postemployment Benefits**

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

All STRS Ohio retirees who participated in the DB or combined plans and their dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2006, the STRS Ohio Board allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. For the School District this amount equaled \$214,105 for fiscal year 2006.

STRS Ohio pays health care benefits from the Health Care Reserve Fund. At June 30, 2005, (the latest information available) the balance in the Fund was \$3.3 billion. For the fiscal year ended June 30, 2005, net health care costs paid by STRS Ohio were \$254,780,000 and STRS Ohio had 115,395 eligible benefit recipients.



**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, and to disability and survivor benefit recipients. All retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility, and retirement status.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2006, employer contributions to fund health care benefits were 3.42 percent of covered payroll, compared to 3.43 percent of covered payroll for fiscal year 2005. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2006, the minimum pay was established at \$35,800. However, the surcharge is capped at two percent of each employer's SERS salaries. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2006 fiscal year equaled \$398,674.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the projected claims less premium contributions for the next fiscal year. Expenses for health care for the fiscal year ended June 30, 2005 (the latest information available), were \$178,221,113. At June 30, 2005, SERS had net assets available for payment of health care benefits of \$267.5 million. SERS has 58,123 participants eligible to receive health care benefits.

**Note 14 - Long-Term Obligations**

The changes in the School District's long-term obligations during the year consist of the following:

	Principal Outstanding 6/30/05	Additions	Reductions	Principal Outstanding 6/30/06	Amounts Due in One Year
<b>Governmental Activities</b>					
General Obligation Bonds:					
8.12% 1986 Stadium Complex	\$70,000	\$0	(\$70,000)	\$0	\$0
5.60% 1996 New High School	29,550,000	0	(1,015,000)	28,535,000	1,085,000
Total General Obligation Bonds	29,620,000	0	(1,085,000)	28,535,000	1,085,000
Compensated Absences	3,883,257	513,979	(267,631)	4,129,605	276,784
Capital Lease	1,900,886	0	(330,116)	1,570,770	344,139
Total Governmental Activities Long-Term Liabilities	<u>\$35,404,143</u>	<u>\$513,979</u>	<u>(\$1,682,747)</u>	<u>\$34,235,375</u>	<u>\$1,705,923</u>

In January 1986, the School District issued bonds in the amount of \$1,350,000 for the purpose of adding to, renovating, rehabilitating, constructing, furnishing and equipping athletic facilities and improving their sites. These bonds are paid from the bond retirement fund and the final payment was made in December 2005.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

In March 1996, Brecksville-Broadview Heights City School District passed a 3.97 mill bond issue, providing \$36,000,000 for the construction, furnishing and equipping a new high school and renovating, improving, furnishing and equipping school facilities and their sites. These bonds are paid from the bond retirement fund and will mature in December 2021.

Compensated absences will be paid from the general fund and food service and child care special revenue funds. The capital lease will be paid from the general fund and the building capital projects fund.

The School District's overall debt margin was \$61,098,077 with an unvoted debt margin of \$951,569 at June 30, 2006. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2006 are as follows:

<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>
2007	\$1,085,000	\$1,648,701
2008	1,165,000	1,563,644
2009	1,255,000	1,484,346
2010	1,320,000	1,414,805
2011	1,395,000	1,340,124
2012-2016	8,375,000	5,215,025
2017-2021	11,305,000	2,251,850
2022	2,635,000	69,169
Total Principal and Interest	<u>\$28,535,000</u>	<u>\$14,987,664</u>

**Note 15 – Note Purchase Agreement/Swap Agreement**

In April 2004, the School District entered into an agreement to issue and sell to Bank One NA variable interest rate notes dated October 2, 2006, in the amount of \$8,920,000. The notes have scheduled maturities beginning December 1, 2012 and ending December 1, 2016. The notes will have a variable interest rate of .65 multiplied times the sum of the one-month London Interbank Offered Rate (LIBOR) plus .90. Proceeds of the notes are to be used to refund \$8,920,000 of the series 1996 bonds which will be called on December 1, 2006.

The School District and Bank One also entered into an interest rate swap agreement in which Bank One agreed to pay interest at a variable rate on a notional amount equal to the unpaid principal amount of the notes and the School District agreed to pay interest on the notional amount at a fixed rate. The School District received an upfront payment from Bank One, NA of \$948,500 representing the present value of the debt service savings to be achieved through the refunding based on a notional amount of \$8,920,000. The swap's fixed interest rate is set at 6.50 percent. The swap's variable interest rate is 1.83 percent.

**Fair Value** As of June 30, 2006, the swap had a negative fair value of \$1,316,229 estimated using the zero-coupon method. This method calculated the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments were then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

**Market Access Risk** In the event the School District fails to issue the refunding notes, the School District would be required to pay Bank One for its “loss” as that term is defined under the swap agreement.

**Note 16 – Interfund Transfers**

A transfer of \$264,252 was made from the general fund into the building capitals project fund to pay down the energy conservation note issued in fiscal year 2006.

**Note 17 – Interfund Balances**

Interfund Payable	Interfund Receivable	
	General	Bond Retirement
General	\$0	\$134,351
<b><i>Other Governmental Funds</i></b>		
Uniform School Supplies	110,000	0
Building	0	263,000
Total Other Governmental Funds	110,000	263,000
<b><i>Internal Service Fund</i></b>		
Self Insurance	150,000	0
Total All Funds	\$260,000	\$397,351

On the fund financial statements, the general fund reported an interfund payable and the bond retirement fund reported an interfund receivable for \$134,351. The general fund issued a real estate acquisition note for the purpose of purchasing property adjacent to Central School. The bond retirement fund purchased this note as an investment. This receivable will be completely repaid by December 1, 2011.

The general fund provided temporary funding for the uniform school supplies special revenue fund until funds are collected from student fees. The general fund also provided temporary funding for the self insurance internal service fund until funds can be collected from the increased prescription drug premiums. These will be repaid within one year.

On the fund financial statements, the building capital projects fund reported an interfund payable and the bond retirement debt service fund reported an interfund receivable for \$263,000. The building capital projects fund issued an energy conservation note to fund energy conservation projects under House Bill 264. This advance will be completely paid by May 24, 2007.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

**Note 18 – Capital Lease**

In prior years, the School District entered into capitalized lease obligations for a new phone system installed throughout the School District and constructed a transportation and maintenance center. These leases meet the criteria for a capital lease as defined by Statement of Financial Accounting Standards No. 13 “Accounting for Leases” and have been recorded on the government-wide statements. The assets acquired through the leases have been capitalized as a capital asset in the amount of \$2,369,946, the present value of the minimum lease payment at the inception of the lease. The book value as of June 30, 2006 was \$1,888,494.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2006.

	<u>Amounts</u>
2007	\$401,301
2008	401,301
2009	367,176
2010	298,925
2011	249,104
Total Minimum Lease Payments	<u>1,717,807</u>
Less: Amount representing interest	<u>147,037</u>
Present Value of Minimum Lease Payments	<u>\$1,570,770</u>

**Note 19 - Jointly Governed Organizations**

***A. Lakeshore Northeast Ohio Computer Association***

The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed computer service bureau owned and operated by eleven public school districts. The primary function of LNOCA is to provide data services to the eleven 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 Educational Service Center serves as the fiscal agent of LNOCA. Each school district supports LNOCA based upon a per pupil charge dependent upon the software packages used. Brecksville-Broadview Heights City School District paid \$100,102 to LNOCA during fiscal year 2006. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 5700 West Canal Road, Valley View, Ohio 44125.

***B. Cuyahoga Valley Career Center***

The Cuyahoga Valley Career Center (a joint vocational school district) is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of representatives from each participating school district’s elected board, which possesses its own budgeting and taxing authority. Accordingly, the Cuyahoga Valley Career Center is not part of the School District and its operations are not included as part of

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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the reporting entity. The School District made no contributions to the Cuyahoga Valley Career Center during fiscal year 2006. Financial information can be obtained by contacting the Treasurer at the Cuyahoga Valley Career Center, 8001 Brecksville Road, Brecksville, OH 44141.

### ***C. Ohio Schools' Council***

The Ohio Schools' Council Association (Council) is a jointly governed organization among ninety-one school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee.

The Council's Board consists of seven 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 2006, the School District paid \$3,666 to the Council. Financial information can be obtained by contacting David Cottrell, the Executive Director/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the Council's electric purchase program which was implemented during fiscal year 1998 and the natural gas program which was implemented during fiscal year 2000.

The electric purchase program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corp., a non profit corporation with a self appointing board, issued \$119,140,000 in debt to prepurchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates their agreement, they are required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp.

The natural gas program allows school districts to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. The participants make monthly payments based on estimated usage. Each November these estimates are compared to their actual usage for the year 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.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

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### **Note 20 – Public Entity Risk Pools**

#### ***A. Insurance Purchasing Pool***

The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP) was established through the Ohio Association of School Business Officials (OASBO) as a group purchasing pool. The Executive Director of the OASBO, or his designee, serves as coordinator of the GRP. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

#### ***B. Risk Sharing Pool***

The Suburban Health Consortium is a shared health risk pool created pursuant to State statute for the purpose of administering health care benefits. The council is governed by an assembly which consists of one representative from each participating school district (usually the superintendent or designee). The assembly elects officers for one year terms to serve on the Board of Directors. The assembly exercises control over the participating school districts, based on the established premiums for the insurance plans. Each school district reserves the right to terminate the plan in whole or in part at any time for their School District. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance with the terms of the contract.

### **Note 21 - Contingencies**

#### ***A. Grants***

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2006.

#### ***B. Litigation***

No litigation is pending at this time for the Brecksville-Broadview Heights City School District.

### **Note 22 – Notes Payable**

During fiscal year 2006, the School District paid a \$513,000 energy conservation note at 2.75 percent. The energy conservation improvement note was used to replace boilers, windows and lighting throughout the School District. The energy conservation improvement note was backed by the full faith and credit of the School District and matured on May 25, 2006.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2006*

**Note 23 - Set-Asides**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the 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 fiscal year-end set aside amounts for textbooks and capital acquisition. Disclosure of this information is required by State statute.

	Capital Improvements Reserve	Textbooks/ Instructional Materials Reserve
Set-aside Reserve Balance as of June 30, 2005	\$0	(\$76,556)
Current Year Set-aside Requirement	692,108	692,108
Qualifying Disbursements	(1,665,235)	(1,182,231)
Totals	(\$973,127)	(\$566,679)
Set-aside Balance Carried Forward to Future Fiscal Years	\$0	(\$566,679)
Set-aside Reserve Balance as of June 30, 2006	\$0	\$0

The School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition and textbook set-asides. The extra amount in the textbook set-aside may be used to reduce the set-aside requirement of future years. The extra amount in the capital acquisition set-aside may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years.

**Note 24 – Subsequent Events**

On October 2, 2006, the School District issued Bond Anticipation Notes in the aggregated principal amount of \$8,920,000 for the purpose of refunding a portion of the School District’s School Improvement Bonds, Series 1996. These notes were issued at 2.875 percent and mature on October 1, 2007.

As of the opinion letter date, it is the Board’s intention to refund \$17,365,000 of the 1996 New High School bonds at the Board’s regular meeting on November 20, 2006.

**Combining Statements  
and  
Individual Fund Schedules**



*Combining Statements – Nonmajor Funds*

*Nonmajor Special Revenue Funds*

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of the School District's nonmajor special revenue funds:

**Food Service Fund** – The fund accounts for the financial transactions related to the food service operations of the School District.

**Scholarship Fund** – This fund accounts for donations toward scholarships for the students.

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

**Public School Support Fund** – This fund accounts for school site sales revenue and expenditures for assemblies and other activity costs.

**Other Grants Fund** – This fund accounts for monies received to promote community involvement and to support activities between the school and community.

**Child Care Fund** – This fund accounts for monies received from parents for participation in the after school child care program and expenditures for all activities.

**Athletics Fund** – This fund accounts for gate receipts and other revenues from athletic events and costs (except supplemental coaching contracts) of the athletic program.

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

**Teacher Development Fund** – This fund accounts for State monies used to support locally developed teacher training and professional development.

**Educational Management Information Systems Fund** – This fund accounts for State grant monies used to support the costs associated with the requirements of the management information system.

**Entry Level Teachers Fund** – This fund accounts for State monies used for new teacher training.

**One Net Fund** – This fund accounts for State grant monies used for classroom wiring for technology.

**SchoolNet Professional Development Fund** – This fund accounts for State monies to assist staff in gaining knowledge of technology.

(continued)

*Combining Statements – Nonmajor Funds (continued)*

*Nonmajor Special Revenue Funds*

**Ohio Reads Volunteer Grant Fund** – This fund accounts for State monies to supplement the School District's reading programs.

**Reading Intervention Fund** – This fund accounts for State monies used to provide intervention opportunities for students.

**Safe School Help Line Fund** – This fund accounts for State monies used to provide a secured environment for the students.

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

**Title III Fund** – This fund accounts for Federal monies used for costs associated with limited English proficiency.

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

**Title V Fund** – This fund accounts for Federal monies used to support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

**Drug Free Schools Fund** – This fund accounts for Federal monies used to support the implementation of programs for drug abuse education and prevention.

**Pre-School Fund** – This fund accounts for Federal revenues used for speech therapy services and instructional supplies used in preschool programs.

**Title II-A Fund** – This fund accounts for Federal monies used for professional development of teachers.

**Title II-D Fund** – This fund accounts for Federal monies used for technology.

(continued)

*Combining Statements – Nonmajor Funds (continued)*

*Nonmajor Capital Projects Funds*

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. Following is a description of the nonmajor capital project funds:

**Permanent Improvement Fund** – This fund accounts for property taxes levied to be used for various capital improvements within the School District

**Building Fund** – This fund accounts for the 1996 school improvement bond proceeds to be used for the acquisition, construction, improvements and furnishings for the new high school.

**SchoolNet Plus Fund** – This fund accounts for State monies to be used to purchase computer hardware and software.

**Brecksville-Broadview Heights City School District**

*Combining Balance Sheet*

**Nonmajor Governmental Funds**

*June 30, 2006*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$954,319	\$1,697,267	\$2,651,586
Receivables:			
Taxes	0	1,664,260	1,664,260
Accounts	11,644	0	11,644
Intergovernmental	57,403	0	57,403
Inventory Held for Resale	26,160	0	26,160
Materials and Supplies Inventory	7,865	0	7,865
<i>Total Assets</i>	<u>\$1,057,391</u>	<u>\$3,361,527</u>	<u>\$4,418,918</u>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$25,800	\$10,582	\$36,382
Accrued Wages and Benefits	70,561	0	70,561
Interfund Payable	110,000	263,000	373,000
Intergovernmental Payable	87,570	0	87,570
Deferred Revenue	0	1,497,257	1,497,257
Accrued Interest Payable	0	946	946
<i>Total Liabilities</i>	<u>293,931</u>	<u>1,771,785</u>	<u>2,065,716</u>
 <b>Fund Balances</b>			
Reserved for Encumbrances	68,103	283,171	351,274
Reserved for Property Taxes	0	165,282	165,282
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	695,357	0	695,357
Capital Projects Funds	0	1,141,289	1,141,289
<i>Total Fund Balances</i>	<u>763,460</u>	<u>1,589,742</u>	<u>2,353,202</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,057,391</u>	<u>\$3,361,527</u>	<u>\$4,418,918</u>

**Brecksville-Broadview Heights City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Nonmajor Governmental Funds**  
*For the Fiscal Year Ended June 30, 2006*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Taxes	\$0	\$1,535,235	\$1,535,235
Intergovernmental	1,815,189	182,913	1,998,102
Interest	3,873	0	3,873
Tuition and Fees	439,335	0	439,335
Extracurricular Activities	262,936	0	262,936
Payment in Lieu of Taxes	0	184	184
Charges for Services	1,484,746	0	1,484,746
Contributions and Donations	149,161	0	149,161
<i>Total Revenues</i>	<u>4,155,240</u>	<u>1,718,332</u>	<u>5,873,572</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	594,064	0	594,064
Special	428,344	0	428,344
Adult/Continuing	24,051	0	24,051
Support Services:			
Pupil	23,163	0	23,163
Instructional Staff	405,892	0	405,892
Administration	39,801	0	39,801
Fiscal	283	0	283
Operation and Maintenance of Plant	3,814	0	3,814
Pupil Transportation	40,963	0	40,963
Operation of Non-Instructional Services	435,623	0	435,623
Food Service Operations	1,373,670	0	1,373,670
Child Care Operations	363,778	0	363,778
Extracurricular Activities	233,665	0	233,665
Capital Outlay	0	1,375,083	1,375,083
Debt Service:			
Principal Retirement	0	242,791	242,791
Interest and Fiscal Charges	0	70,034	70,034
<i>Total Expenditures</i>	<u>3,967,111</u>	<u>1,687,908</u>	<u>5,655,019</u>
<i>Excess of Revenues Over Expenditures</i>	<u>188,129</u>	<u>30,424</u>	<u>218,553</u>
<b>Other Financing Sources</b>			
Sale of Capital Assets	0	357,671	357,671
Transfers In	0	264,252	264,252
<i>Total Other Financing Sources</i>	<u>0</u>	<u>621,923</u>	<u>621,923</u>
<i>Net Change in Fund Balances</i>	188,129	652,347	840,476
<i>Fund Balances Beginning of Year</i>	<u>575,331</u>	<u>937,395</u>	<u>1,512,726</u>
<i>Fund Balances End of Year</i>	<u>\$763,460</u>	<u>\$1,589,742</u>	<u>\$2,353,202</u>

**Brecksville-Broadview Heights City School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*June 30, 2006*

	<u>Food Service</u>	<u>Scholarship</u>	<u>Uniform School Supplies</u>	<u>Public School Support</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$89,467	\$72,195	\$212,268	\$81,755
Receivables:				
Accounts	0	0	292	0
Intergovernmental	22,616	0	0	0
Inventory Held for Resale	26,160	0	0	0
Materials and Supplies Inventory	7,865	0	0	0
<i>Total Assets</i>	<u>\$146,108</u>	<u>\$72,195</u>	<u>\$212,560</u>	<u>\$81,755</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$1,936
Accrued Wages and Benefits	62,226	0	0	0
Interfund Payable	0	0	110,000	0
Intergovernmental Payable	59,799	0	0	0
<i>Total Liabilities</i>	<u>122,025</u>	<u>0</u>	<u>110,000</u>	<u>1,936</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	0	177	448
Unreserved, Undesignated	24,083	72,195	102,383	79,371
<i>Total Fund Balances</i>	<u>24,083</u>	<u>72,195</u>	<u>102,560</u>	<u>79,819</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$146,108</u>	<u>\$72,195</u>	<u>\$212,560</u>	<u>\$81,755</u>

<u>Other Grants</u>	<u>Child Care</u>	<u>Athletics</u>	<u>Auxiliary Services</u>	<u>Teacher Development</u>	<u>Educational Management Information Systems</u>
\$70,875	\$147,819	\$127,377	\$73,476	\$6,273	\$1,382
0	11,352	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$70,875</u>	<u>\$159,171</u>	<u>\$127,377</u>	<u>\$73,476</u>	<u>\$6,273</u>	<u>\$1,382</u>
\$825	\$9	\$0	\$6,106	\$0	\$388
0	8,335	0	0	0	0
0	0	0	0	0	0
0	23,628	0	0	0	0
<u>825</u>	<u>31,972</u>	<u>0</u>	<u>6,106</u>	<u>0</u>	<u>388</u>
3,889	1,870	12,700	24,890	6,273	994
<u>66,161</u>	<u>125,329</u>	<u>114,677</u>	<u>42,480</u>	<u>0</u>	<u>0</u>
<u>70,050</u>	<u>127,199</u>	<u>127,377</u>	<u>67,370</u>	<u>6,273</u>	<u>994</u>
<u>\$70,875</u>	<u>\$159,171</u>	<u>\$127,377</u>	<u>\$73,476</u>	<u>\$6,273</u>	<u>\$1,382</u>

(continued)

**Brecksville-Broadview Heights City School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds (continued)*

*June 30, 2006*

	SchoolNet Professional Development	Ohio Reads Volunteer Grant	Title VI-B	Title III
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,915	\$29	\$36,207	\$3,520
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	0	29,326	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$2,915</u>	<u>\$29</u>	<u>\$65,533</u>	<u>\$3,520</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$16,192	\$0
Accrued Wages and Benefits	0	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	0	0	4,143	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>20,335</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	29	16,610	0
Unreserved, Undesignated	2,915	0	28,588	3,520
<i>Total Fund Balances</i>	<u>2,915</u>	<u>29</u>	<u>45,198</u>	<u>3,520</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,915</u>	<u>\$29</u>	<u>\$65,533</u>	<u>\$3,520</u>



<u>Title I</u>	<u>Title V</u>	<u>Drug Free Schools</u>	<u>Title II-A</u>	<u>Title II-D</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$5,612	\$10,069	\$2,364	\$10,516	\$200	\$954,319
0	0	0	0	0	11,644
0	3,332	0	1,864	265	57,403
0	0	0	0	0	26,160
0	0	0	0	0	7,865
<u>\$5,612</u>	<u>\$13,401</u>	<u>\$2,364</u>	<u>\$12,380</u>	<u>\$465</u>	<u>\$1,057,391</u>
\$0	\$344	\$0	\$0	\$0	\$25,800
0	0	0	0	0	70,561
0	0	0	0	0	110,000
0	0	0	0	0	87,570
0	344	0	0	0	293,931
0	0	0	223	0	68,103
5,612	13,057	2,364	12,157	465	695,357
5,612	13,057	2,364	12,380	465	763,460
<u>\$5,612</u>	<u>\$13,401</u>	<u>\$2,364</u>	<u>\$12,380</u>	<u>\$465</u>	<u>\$1,057,391</u>

**Brecksville-Broadview Heights City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Nonmajor Special Revenue Funds**  
*For the Fiscal Year Ended June 30, 2006*

	Food Service	Scholarship	Uniform School Supplies
<b>Revenues</b>			
Intergovernmental	\$225,227	\$0	\$0
Interest	0	722	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Charges for Services	1,157,568	4,488	216,493
Contributions and Donations	0	57,723	0
<i>Total Revenues</i>	<u>1,382,795</u>	<u>62,933</u>	<u>216,493</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	0	1,785	192,573
Special	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	0	0	0
Administration	0	2,646	0
Fiscal	0	283	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Operation of Non-Instructional Services	0	61,585	0
Food Service Operations	1,373,670	0	0
Child Care Operations	0	0	0
Extracurricular Activities	0	0	0
<i>Total Expenditures</i>	<u>1,373,670</u>	<u>66,299</u>	<u>192,573</u>
<i>Net Change in Fund Balances</i>	9,125	(3,366)	23,920
<i>Fund Balances Beginning of Year</i>	<u>14,958</u>	<u>75,561</u>	<u>78,640</u>
<i>Fund Balances End of Year</i>	<u><u>\$24,083</u></u>	<u><u>\$72,195</u></u>	<u><u>\$102,560</u></u>

Public School Support	Other Grants	Child Care	Athletics	Auxiliary Services
\$0	\$0	\$0	\$0	\$350,741
0	0	0	0	3,151
0	0	439,335	0	0
0	0	0	262,936	0
106,197	0	0	0	0
13,039	74,899	0	3,500	0
<u>119,236</u>	<u>74,899</u>	<u>439,335</u>	<u>266,436</u>	<u>353,892</u>
110,944	15,855	0	0	0
0	0	0	0	0
0	24,051	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	27,602	0	0	322,156
0	0	0	0	0
0	0	363,778	0	0
0	0	0	233,665	0
<u>110,944</u>	<u>67,508</u>	<u>363,778</u>	<u>233,665</u>	<u>322,156</u>
8,292	7,391	75,557	32,771	31,736
<u>71,527</u>	<u>62,659</u>	<u>51,642</u>	<u>94,606</u>	<u>35,634</u>
<u>\$79,819</u>	<u>\$70,050</u>	<u>\$127,199</u>	<u>\$127,377</u>	<u>\$67,370</u>

(continued)

**Brecksville-Broadview Heights City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Nonmajor Special Revenue Funds (continued)**  
*For the Fiscal Year Ended June 30, 2006*

	Teacher Development	Educational Management Information Systems	Entry Level Teachers
<b>Revenues</b>			
Intergovernmental	\$0	\$15,845	\$7,200
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Charges for Services	0	0	0
Contributions and Donations	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>15,845</u>	<u>7,200</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	0	0	0
Special	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	0	20,170	0
Instructional Staff	3,304	0	7,200
Administration	0	0	0
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Operation of Non-Instructional Services	0	0	0
Food Service Operations	0	0	0
Child Care Operations	0	0	0
Extracurricular Activities	0	0	0
<i>Total Expenditures</i>	<u>3,304</u>	<u>20,170</u>	<u>7,200</u>
<i>Net Change in Fund Balances</i>	(3,304)	(4,325)	0
<i>Fund Balances Beginning of Year</i>	<u>9,577</u>	<u>5,319</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$6,273</u></u>	<u><u>\$994</u></u>	<u><u>\$0</u></u>

One Net	SchoolNet Professional Development	Ohio Reads Volunteer Grant	Reading Intervention	Title VI-B
\$18,000	\$3,925	\$8,000	\$0	\$907,493
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
18,000	3,925	8,000	0	907,493
21,035	0	9,834	2,822	0
0	0	0	0	424,418
0	0	0	0	0
0	0	489	0	0
0	4,290	0	0	349,315
0	0	0	0	36,155
0	0	0	0	0
0	0	0	0	3,814
0	0	0	0	40,963
0	0	0	0	23,703
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
21,035	4,290	10,323	2,822	878,368
(3,035)	(365)	(2,323)	(2,822)	29,125
3,035	3,280	2,352	2,822	16,073
\$0	\$2,915	\$29	\$0	\$45,198

(continued)

**Brecksville-Broadview Heights City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Nonmajor Special Revenue Funds (continued)**  
*For the Fiscal Year Ended June 30, 2006*

	Title III	Title I	Title V
<b>Revenues</b>			
Intergovernmental	\$18,792	\$125,167	\$14,172
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Charges for Services	0	0	0
Contributions and Donations	0	0	0
<i>Total Revenues</i>	<u>18,792</u>	<u>125,167</u>	<u>14,172</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	20,241	117,950	15,794
Special	0	3,925	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	0	4,188	0
Administration	0	1,000	0
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Operation of Non-Instructional Services	0	200	35
Food Service Operations	0	0	0
Child Care Operations	0	0	0
Extracurricular Activities	0	0	0
<i>Total Expenditures</i>	<u>20,241</u>	<u>127,263</u>	<u>15,829</u>
<i>Net Change in Fund Balances</i>	(1,449)	(2,096)	(1,657)
<i>Fund Balances Beginning of Year</i>	<u>4,969</u>	<u>7,708</u>	<u>14,714</u>
<i>Fund Balances End of Year</i>	<u><u>\$3,520</u></u>	<u><u>\$5,612</u></u>	<u><u>\$13,057</u></u>

Drug Free Schools	Pre-School	Title II-A	Title II-D	Total Nonmajor Special Revenue Funds
\$13,542	\$26,203	\$78,605	\$2,277	\$1,815,189
0	0	0	0	3,873
0	0	0	0	439,335
0	0	0	0	262,936
0	0	0	0	1,484,746
0	0	0	0	149,161
<u>13,542</u>	<u>26,203</u>	<u>78,605</u>	<u>2,277</u>	<u>4,155,240</u>
0	26,203	55,882	3,146	594,064
0	1	0	0	428,344
0	0	0	0	24,051
0	2,448	0	56	23,163
12,876	0	23,102	1,617	405,892
0	0	0	0	39,801
0	0	0	0	283
0	0	0	0	3,814
0	0	0	0	40,963
0	0	342	0	435,623
0	0	0	0	1,373,670
0	0	0	0	363,778
0	0	0	0	233,665
<u>12,876</u>	<u>28,652</u>	<u>79,326</u>	<u>4,819</u>	<u>3,967,111</u>
666	(2,449)	(721)	(2,542)	188,129
<u>1,698</u>	<u>2,449</u>	<u>13,101</u>	<u>3,007</u>	<u>575,331</u>
<u>\$2,364</u>	<u>\$0</u>	<u>\$12,380</u>	<u>\$465</u>	<u>\$763,460</u>

**Brecksville-Broadview Heights City School District**

*Combining Balance Sheet*

***Nonmajor Capital Projects Funds***

*June 30, 2006*

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,679,471	\$17,796	\$1,697,267
Taxes Receivable	<u>1,365,335</u>	<u>298,925</u>	<u>1,664,260</u>
<i>Total Assets</i>	<u><u>\$3,044,806</u></u>	<u><u>\$316,721</u></u>	<u><u>\$3,361,527</u></u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$10,582	\$0	\$10,582
Interfund Payable	0	263,000	263,000
Deferred Revenue	1,198,332	298,925	1,497,257
Accrued Interest Payable	<u>0</u>	<u>946</u>	<u>946</u>
<i>Total Liabilities</i>	<u>1,208,914</u>	<u>562,871</u>	<u>1,771,785</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	273,649	9,522	283,171
Reserved for Property Taxes	165,282	0	165,282
Unreserved, Undesignated (Deficit)	<u>1,396,961</u>	<u>(255,672)</u>	<u>1,141,289</u>
<i>Total Fund Balances (Deficit)</i>	<u>1,835,892</u>	<u>(246,150)</u>	<u>1,589,742</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$3,044,806</u></u>	<u><u>\$316,721</u></u>	<u><u>\$3,361,527</u></u>



**Brecksville-Broadview Heights City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Nonmajor Capital Projects Funds**  
*For the Fiscal Year Ended June 30, 2006*

	Permanent Improvement	Building	SchoolNet Plus	Total Nonmajor Capital Projects Funds
<b>Revenues</b>				
Taxes	\$1,236,310	\$298,925	\$0	\$1,535,235
Intergovernmental	182,897	16	0	182,913
Payment in Lieu of Taxes	184	0	0	184
<i>Total Revenues</i>	<u>1,419,391</u>	<u>298,941</u>	<u>0</u>	<u>1,718,332</u>
<b>Expenditures</b>				
Capital Outlay	1,312,883	62,140	60	1,375,083
Debt Service:				
Principal Retirement	0	242,791	0	242,791
Interest and Fiscal Charges	0	70,034	0	70,034
<i>Total Expenditures</i>	<u>1,312,883</u>	<u>374,965</u>	<u>60</u>	<u>1,687,908</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>106,508</u>	<u>(76,024)</u>	<u>(60)</u>	<u>30,424</u>
<b>Other Financing Sources</b>				
Sale of Capital Assets	357,671	0	0	357,671
Transfers In	0	264,252	0	264,252
<i>Total Other Financing Sources</i>	<u>357,671</u>	<u>264,252</u>	<u>0</u>	<u>621,923</u>
<i>Net Change in Fund Balances</i>	464,179	188,228	(60)	652,347
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,371,713</u>	<u>(434,378)</u>	<u>60</u>	<u>937,395</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,835,892</u>	<u>(\$246,150)</u>	<u>\$0</u>	<u>\$1,589,742</u>

## **Combining Statements – Fiduciary Funds**

### ***Fiduciary Funds***

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

### ***Private Purpose Trust Fund***

***Unclaimed Money Fund*** – This fund accounts for stale-dated payroll checks held for five years for employees.

### ***Agency Fund***

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

**Brecksville-Broadview Heights City School District**

*Statement of Changes in Assets and Liabilities*

**Agency Fund**

*For the Fiscal Year Ended June 30, 2006*

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	Balance July 1, 2005	Additions	Reductions	Balance June 30, 2006
<b>Student Activities Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$141,451</u>	<u>\$275,535</u>	<u>\$254,564</u>	<u>\$162,422</u>
<b>Liabilities</b>				
Due to Students	<u>\$141,451</u>	<u>\$275,535</u>	<u>\$254,564</u>	<u>\$162,422</u>

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

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes*

*In Fund Balance - Budget (Non-GAAP Basis) and Actual*

**General Fund**

*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Taxes	\$38,308,765	\$34,611,870	\$34,894,977	\$283,107
Intergovernmental	5,333,437	10,075,969	10,075,970	1
Interest	325,000	700,000	768,772	68,772
Tuition and Fees	585,252	296,007	299,862	3,855
Extracurricular Activities	104,100	95,800	96,137	337
Payment in Lieu of Taxes	51,000	25,394	53,860	28,466
Rentals	65,000	40,000	45,286	5,286
Charges for Services	378,900	282,987	280,729	(2,258)
Contributions and Donations	38,300	34,102	30,095	(4,007)
Miscellaneous	72,500	40,000	81,351	41,351
<i>Total Revenues</i>	<u>45,262,254</u>	<u>46,202,129</u>	<u>46,627,039</u>	<u>424,910</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	14,392,007	14,577,351	14,577,323	28
Fringe Benefits	4,177,500	4,194,907	4,184,589	10,318
Purchased Services	209,868	233,077	221,225	11,852
Materials and Supplies	887,065	348,535	285,039	63,496
Capital Outlay - New	73,584	96,710	89,281	7,429
Capital Outlay - Replacement	42,491	46,083	40,170	5,913
Other	10,000	0	0	0
Total Regular	<u>19,792,515</u>	<u>19,496,663</u>	<u>19,397,627</u>	<u>99,036</u>
Special:				
Salaries and Wages	2,500,650	2,600,680	2,589,539	11,141
Fringe Benefits	775,000	717,028	716,918	110
Purchased Services	545,905	620,102	585,358	34,744
Materials and Supplies	26,731	10,366	7,704	2,662
Capital Outlay - New	7,100	2,000	0	2,000
Other	375,492	320,144	318,950	1,194
Total Special	<u>4,230,878</u>	<u>4,270,320</u>	<u>4,218,469</u>	<u>51,851</u>
Vocational:				
Salaries and Wages	230,900	252,600	252,500	100
Fringe Benefits	68,000	65,645	65,591	54
Capital Outlay - New	12,494	20,578	20,509	69
Capital Outlay - Replacement	2,175	2,589	2,252	337
Total Vocational	<u>313,569</u>	<u>341,412</u>	<u>340,852</u>	<u>560</u>
Total Instruction	<u>\$24,336,962</u>	<u>\$24,108,395</u>	<u>\$23,956,948</u>	<u>\$151,447</u>

(continued)

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes*

*In Fund Balance - Budget (Non-GAAP Basis) and Actual*

**General Fund (continued)**

*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Support Services:</b>				
<b>Pupil:</b>				
Salaries and Wages	\$2,068,000	\$2,166,420	\$2,158,709	\$7,711
Fringe Benefits	600,000	617,375	616,599	776
Purchased Services	200,336	64,806	50,251	14,555
Materials and Supplies	28,120	22,564	22,335	229
Capital Outlay - New	150,930	151,255	149,605	1,650
Capital Outlay - Replacement	0	2,050	0	2,050
Other	750	425	0	425
<b>Total Pupil</b>	<b>3,048,136</b>	<b>3,024,895</b>	<b>2,997,499</b>	<b>27,396</b>
<b>Instructional Staff:</b>				
Salaries and Wages	1,295,950	1,437,173	1,434,048	3,125
Fringe Benefits	525,000	499,810	496,646	3,164
Purchased Services	33,108	33,568	29,657	3,911
Materials and Supplies	101,294	100,554	94,689	5,865
Capital Outlay - New	11,760	11,600	11,333	267
Capital Outlay - Replacement	5,812	4,312	4,290	22
Other	9,606	4,517	4,451	66
<b>Total Instructional Staff</b>	<b>1,982,530</b>	<b>2,091,534</b>	<b>2,075,114</b>	<b>16,420</b>
<b>Board of Education:</b>				
Salaries and Wages	9,600	8,160	8,160	0
Fringe Benefits	500	1,285	1,285	0
Purchased Services	17,127	28,427	27,901	526
Other	56,852	63,211	62,509	702
<b>Total Board of Education</b>	<b>84,079</b>	<b>101,083</b>	<b>99,855</b>	<b>1,228</b>
<b>Administration:</b>				
Salaries and Wages	2,175,000	2,015,150	2,014,595	555
Fringe Benefits	771,000	759,987	757,664	2,323
Purchased Services	288,143	183,832	148,763	35,069
Materials and Supplies	26,899	31,399	24,921	6,478
Capital Outlay - New	34,828	28,853	28,801	52
Capital Outlay - Replacement	5,500	2,150	1,610	540
Other	148,585	138,660	137,530	1,130
<b>Total Administration</b>	<b>3,449,955</b>	<b>3,160,031</b>	<b>3,113,884</b>	<b>46,147</b>
<b>Fiscal:</b>				
Salaries and Wages	295,000	287,900	287,785	115
Fringe Benefits	97,500	105,330	105,299	31
Purchased Services	66,700	41,800	38,727	3,073
Materials and Supplies	19,016	11,515	11,394	121
Capital Outlay - New	5,000	3,300	3,244	56
Capital Outlay - Replacement	10,000	5,000	4,918	82
Other	710,500	487,281	487,013	268
<b>Total Fiscal</b>	<b>\$1,203,716</b>	<b>\$942,126</b>	<b>\$938,380</b>	<b>\$3,746</b>

(continued)

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (continued)  
For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Business:</b>				
Salaries and Wages	\$210,000	\$222,395	\$222,317	\$78
Fringe Benefits	80,000	93,017	88,353	4,664
Purchased Services	157,029	156,729	72,834	83,895
Materials and Supplies	24,552	18,852	18,092	760
Capital Outlay - New	2,000	5,000	4,827	173
Capital Outlay - Replacement	3,000	0	0	0
Other	3,344	3,344	3,146	198
<b>Total Business</b>	<b>479,925</b>	<b>499,337</b>	<b>409,569</b>	<b>89,768</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries and Wages	1,875,000	1,874,350	1,873,905	445
Fringe Benefits	730,425	669,976	669,751	225
Purchased Services	2,108,344	1,853,445	1,561,637	291,808
Materials and Supplies	269,663	305,238	267,824	37,414
Capital Outlay - New	10,500	9,600	9,399	201
Capital Outlay - Replacement	85,507	52,007	51,911	96
Other	750	42,130	12,707	29,423
<b>Total Operation and Maintenance of Plant</b>	<b>5,080,189</b>	<b>4,806,746</b>	<b>4,447,134</b>	<b>359,612</b>
<b>Pupil Transportation:</b>				
Salaries and Wages	1,650,000	1,710,735	1,710,704	31
Fringe Benefits	595,000	519,827	519,568	259
Purchased Services	301,237	283,697	251,224	32,473
Materials and Supplies	512,381	543,408	467,132	76,276
Capital Outlay - Replacement	250,000	31,527	30,522	1,005
Other	1,400	711	650	61
<b>Total Pupil Transportation</b>	<b>3,310,018</b>	<b>3,089,905</b>	<b>2,979,800</b>	<b>110,105</b>
<b>Central:</b>				
Salaries and Wages	69,000	70,000	67,166	2,834
Fringe Benefits	30,000	20,677	20,570	107
Purchased Services	114,565	99,825	79,044	20,781
Materials and Supplies	5,875	14,375	13,710	665
Capital Outlay - New	4,000	9,000	8,664	336
Other	1,000	1,000	635	365
<b>Total Central</b>	<b>224,440</b>	<b>214,877</b>	<b>189,789</b>	<b>25,088</b>
<b>Total Support Services</b>	<b>18,862,988</b>	<b>17,930,534</b>	<b>17,251,024</b>	<b>679,510</b>
<b>Extracurricular Activities:</b>				
<b>Academic and Subject Oriented Activities:</b>				
Salaries and Wages	95,850	98,230	98,168	62
Fringe Benefits	25,000	18,152	18,097	55
Purchased Services	2,750	1,650	1,048	602
<b>Total Academic and Subject Oriented Activities</b>	<b>\$123,600</b>	<b>\$118,032</b>	<b>\$117,313</b>	<b>\$719</b>

(continued)

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes*

*In Fund Balance - Budget (Non-GAAP Basis) and Actual*

**General Fund (continued)**

*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Sports Oriented Activities:				
Salaries and Wages	\$495,500	\$490,321	\$490,235	\$86
Fringe Benefits	89,000	78,275	78,063	212
Purchased Services	54,400	65,243	65,233	10
Materials and Supplies	20,000	6,860	5,414	1,446
Other	750	0	0	0
<b>Total Sports Oriented Activities</b>	<b>659,650</b>	<b>640,699</b>	<b>638,945</b>	<b>1,754</b>
School and Public Service				
Co-Curricular Activities:				
Salaries and Wages	25,000	22,675	22,577	98
Fringe Benefits	5,500	2,675	2,613	62
<b>Total School and Public Service Co-Curricular Activities</b>	<b>30,500</b>	<b>25,350</b>	<b>25,190</b>	<b>160</b>
<b>Total Extracurricular Activities</b>	<b>813,750</b>	<b>784,081</b>	<b>781,448</b>	<b>2,633</b>
Debt Service:				
Principal Retirement	0	19,818	19,818	0
Interest and Fiscal Charges	0	5,396	5,396	0
<b>Total Debt Service</b>	<b>0</b>	<b>25,214</b>	<b>25,214</b>	<b>0</b>
<b>Total Expenditures</b>	<b>44,013,700</b>	<b>42,848,224</b>	<b>42,014,634</b>	<b>833,590</b>
<b>Excess of Revenues Over Expenditures</b>	<b>1,248,554</b>	<b>3,353,905</b>	<b>4,612,405</b>	<b>1,258,500</b>
<b>Other Financing Sources (Uses)</b>				
Advances In	105,000	105,000	105,000	0
Advances Out	(4,000)	(260,000)	(260,000)	0
Transfers Out	0	(264,252)	(264,252)	0
<b>Total Other Financing Sources (Uses)</b>	<b>101,000</b>	<b>(419,252)</b>	<b>(419,252)</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>1,349,554</b>	<b>2,934,653</b>	<b>4,193,153</b>	<b>1,258,500</b>
<b>Fund Balance Beginning of Year</b>	<b>5,741,824</b>	<b>5,741,824</b>	<b>5,741,824</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>579,900</b>	<b>579,900</b>	<b>579,900</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$7,671,278</b>	<b>\$9,256,377</b>	<b>\$10,514,877</b>	<b>\$1,258,500</b>



**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Bond Retirement Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Taxes	\$2,858,947	\$2,543,133	\$2,696,862	\$153,729
Intergovernmental	0	315,696	315,696	0
Miscellaneous	0	235	315	80
<i>Total Revenues</i>	<u>2,858,947</u>	<u>2,859,064</u>	<u>3,012,873</u>	<u>153,809</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	1,598,000	1,598,000	1,598,000	0
Interest and Fiscal Charges	1,726,909	1,741,469	1,741,469	0
<i>Total Expenditures</i>	<u>3,324,909</u>	<u>3,339,469</u>	<u>3,339,469</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(465,962)</u>	<u>(480,405)</u>	<u>(326,596)</u>	<u>153,809</u>
<b>Other Financing Sources</b>				
General Obligation Notes Issued	363,000	263,000	263,000	0
Transfers In	150,000	264,252	264,252	0
<i>Total Other Financing Sources</i>	<u>513,000</u>	<u>527,252</u>	<u>527,252</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	47,038	46,847	200,656	153,809
<i>Fund Balance Beginning of Year</i>	<u>3,494,073</u>	<u>3,494,073</u>	<u>3,494,073</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,541,111</u>	<u>\$3,540,920</u>	<u>\$3,694,729</u>	<u>\$153,809</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Food Service Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$136,000	\$148,380	\$148,378	(\$2)
Charges for Services	1,190,200	1,160,253	1,159,294	(959)
<i>Total Revenues</i>	<u>1,326,200</u>	<u>1,308,633</u>	<u>1,307,672</u>	<u>(961)</u>
<b>Expenditures</b>				
Current:				
Food Service Operations:				
Salaries and Wages	628,750	579,860	579,780	80
Fringe Benefits	203,650	225,644	225,617	27
Purchased Services	46,990	7,240	7,226	14
Materials and Supplies	428,421	461,967	458,356	3,611
Capital Outlay - New	20,000	14,500	13,780	720
Other	2,600	1,775	1,758	17
<i>Total Expenditures</i>	<u>1,330,411</u>	<u>1,290,986</u>	<u>1,286,517</u>	<u>4,469</u>
<i>Net Change in Fund Balance</i>	(4,211)	17,647	21,155	3,508
<i>Fund Balance Beginning of Year</i>	64,101	64,101	64,101	0
Prior Year Encumbrances Appropriated	4,211	4,211	4,211	0
<i>Fund Balance End of Year</i>	<u>\$64,101</u>	<u>\$85,959</u>	<u>\$89,467</u>	<u>\$3,508</u>

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Scholarship Fund  
For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$600	\$775	\$722	(\$53)
Charges for Services	4,800	4,490	4,488	(2)
Contributions and Donations	<u>62,175</u>	<u>57,730</u>	<u>57,723</u>	<u>(7)</u>
<i>Total Revenues</i>	<u>67,575</u>	<u>62,995</u>	<u>62,933</u>	<u>(62)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	1,000	0	0	0
Other	<u>4,500</u>	<u>2,943</u>	<u>1,785</u>	<u>1,158</u>
Total Instruction	<u>5,500</u>	<u>2,943</u>	<u>1,785</u>	<u>1,158</u>
Support Services:				
Administration:				
Purchased Services	0	100	100	0
Materials and Supplies	<u>300</u>	<u>2,700</u>	<u>2,546</u>	<u>154</u>
Total Administration	300	2,800	2,646	154
Fiscal:				
Materials and Supplies	<u>250</u>	<u>300</u>	<u>283</u>	<u>17</u>
Total Support Services	<u>550</u>	<u>3,100</u>	<u>2,929</u>	<u>171</u>
Operation of Non-Instructional Services:				
Community Services:				
Other	<u>62,000</u>	<u>62,000</u>	<u>61,585</u>	<u>415</u>
<i>Total Expenditures</i>	<u>68,050</u>	<u>68,043</u>	<u>66,299</u>	<u>1,744</u>
<i>Net Change in Fund Balance</i>	(475)	(5,048)	(3,366)	1,682
<i>Fund Balance Beginning of Year</i>	<u>75,561</u>	<u>75,561</u>	<u>75,561</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$75,086</u>	<u>\$70,513</u>	<u>\$72,195</u>	<u>\$1,682</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Uniform School Supplies Fund**  
*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$215,838	\$216,771	\$216,508	(\$263)
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	218,672	199,722	192,750	6,972
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,834)	17,049	23,758	6,709
<b>Other Financing Sources (Uses)</b>				
Advances In	130,000	109,700	110,000	300
Advances Out	(130,000)	(105,000)	(105,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	4,700	5,000	300
<i>Net Change in Fund Balance</i>	(2,834)	21,749	28,758	7,009
<i>Fund Balance Beginning of Year</i>	181,382	181,382	181,382	0
Prior Year Encumbrances Appropriated	1,951	1,951	1,951	0
<i>Fund Balance End of Year</i>	<u>\$180,499</u>	<u>\$205,082</u>	<u>\$212,091</u>	<u>\$7,009</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Public School Support Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$156,000	\$105,805	\$106,197	\$392
Contributions and Donations	40,000	13,431	13,039	(392)
<i>Total Revenues</i>	<u>196,000</u>	<u>119,236</u>	<u>119,236</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Purchased Services	6,850	1,665	1,615	50
Materials and Supplies	15,500	7,710	7,185	525
Capital Outlay - New	46,150	15,528	15,266	262
Other	127,906	89,745	87,326	2,419
<i>Total Expenditures</i>	<u>196,406</u>	<u>114,648</u>	<u>111,392</u>	<u>3,256</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(406)	4,588	7,844	3,256
<b>Other Financing Uses</b>				
Transfers Out	(2,000)	0	0	0
<i>Net Change in Fund Balance</i>	(2,406)	4,588	7,844	3,256
<i>Fund Balance Beginning of Year</i>	69,121	69,121	69,121	0
Prior Year Encumbrances Appropriated	2,406	2,406	2,406	0
<i>Fund Balance End of Year</i>	<u>\$69,121</u>	<u>\$76,115</u>	<u>\$79,371</u>	<u>\$3,256</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Other Grants Fund**  
*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Contributions and Donations	\$90,000	\$75,949	\$74,899	(\$1,050)
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	4,200	4,156	44
Fringe Benefits	0	212	203	9
Purchased Services	0	2,268	2,239	29
Materials and Supplies	463	6,556	3,653	2,903
Capital Outlay - New	599	7,970	6,873	1,097
Total Regular	1,062	21,206	17,124	4,082
Adult/Continuing:				
Salaries and Wages	16,000	15,600	15,573	27
Fringe Benefits	2,400	4,853	2,365	2,488
Purchased Services	1,298	2,448	2,241	207
Materials and Supplies	0	5,000	4,993	7
Capital Outlay - New	0	1,500	1,500	0
Total Adult/Continuing	19,698	29,401	26,672	2,729
Total Instruction	20,760	50,607	43,796	6,811
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	99,088	27,750	25,854	1,896
Materials and Supplies	5,010	6,010	1,748	4,262
Total Operation of Non-Instructional Services:	104,098	33,760	27,602	6,158
<i>Total Expenditures</i>	124,858	84,367	71,398	12,969
<i>Net Change in Fund Balance</i>	(34,858)	(8,418)	3,501	11,919
<i>Fund Balance Beginning of Year</i>	61,201	61,201	61,201	0
Prior Year Encumbrances Appropriated	1,458	1,458	1,458	0
<i>Fund Balance End of Year</i>	\$27,801	\$54,241	\$66,160	\$11,919

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Child Care Fund**  
*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Tuition and Fees	\$414,190	\$428,896	\$433,892	\$4,996
Contributions and Donations	4,750	0	0	0
<i>Total Revenues</i>	<u>418,940</u>	<u>428,896</u>	<u>433,892</u>	<u>4,996</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Pupil:				
Purchased Services	38,939	0	0	0
Child Care Operations				
Salaries and Wages	246,273	249,063	248,808	255
Fringe Benefits	63,152	67,255	67,177	78
Purchased Services	57,390	57,390	55,039	2,351
Materials and Supplies	11,300	11,750	8,245	3,505
Capital Outlay - New	1,350	1,350	1,101	249
Other	5,750	1,490	771	719
Total Child Care Operations	<u>385,215</u>	<u>388,298</u>	<u>381,141</u>	<u>7,157</u>
<i>Total Expenditures</i>	<u>424,154</u>	<u>388,298</u>	<u>381,141</u>	<u>7,157</u>
<i>Net Change in Fund Balance</i>	(5,214)	40,598	52,751	12,153
<i>Fund Balance Beginning of Year</i>	90,936	90,936	90,936	0
Prior Year Encumbrances Appropriated	<u>2,253</u>	<u>2,253</u>	<u>2,253</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$87,975</u></u>	<u><u>\$133,787</u></u>	<u><u>\$145,940</u></u>	<u><u>\$12,153</u></u>

**Brecksville-Broadview Heights City School District***Schedule of Revenues, Expenditures and Changes**In Fund Balance - Budget (Non-GAAP Basis) and Actual****Athletics Fund****For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Extracurricular Activities	\$271,600	\$257,766	\$262,936	\$5,170
Contributions and Donations	25,000	3,500	3,500	0
<i>Total Revenues</i>	<u>296,600</u>	<u>261,266</u>	<u>266,436</u>	<u>5,170</u>
<b>Expenditures</b>				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Purchased Services	100,040	48,611	45,709	2,902
Materials and Supplies	29,573	14,257	14,257	0
Capital Outlay - New	121,426	104,927	102,582	2,345
Other	107,029	110,503	83,817	26,686
<i>Total Expenditures</i>	<u>358,068</u>	<u>278,298</u>	<u>246,365</u>	<u>31,933</u>
<i>Net Change in Fund Balance</i>	(61,468)	(17,032)	20,071	37,103
<i>Fund Balance Beginning of Year</i>	80,138	80,138	80,138	0
Prior Year Encumbrances Appropriated	14,468	14,468	14,468	0
<i>Fund Balance End of Year</i>	<u>\$33,138</u>	<u>\$77,574</u>	<u>\$114,677</u>	<u>\$37,103</u>



**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Auxiliary Services Fund**  
*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$337,307	\$353,937	\$350,741	(\$3,196)
Interest	2,200	3,151	3,151	0
<i>Total Revenues</i>	<u>339,507</u>	<u>357,088</u>	<u>353,892</u>	<u>(3,196)</u>
<b>Expenditures</b>				
Current:				
Operation of Non-Instructional Services:				
Other Operation of Non-Instructional Services:				
Purchased Services	218,738	229,785	210,269	19,516
Materials and Supplies	135,184	143,913	125,635	18,278
Capital Outlay - New	19,019	19,019	11,143	7,876
<i>Total Expenditures</i>	<u>372,941</u>	<u>392,717</u>	<u>347,047</u>	<u>45,670</u>
<i>Net Change in Fund Balance</i>	(33,434)	(35,629)	6,845	42,474
<i>Fund Balance Beginning of Year</i>	1,053	1,053	1,053	0
Prior Year Encumbrances Appropriated	<u>34,581</u>	<u>34,581</u>	<u>34,581</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,200</u>	<u>\$5</u>	<u>\$42,479</u>	<u>\$42,474</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Teacher Development Fund**  
*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	0	1,773	1,773	0
Purchased Services	6,634	1,531	1,531	0
Materials and Supplies	2,943	6,273	6,273	0
<i>Total Expenditures</i>	9,577	9,577	9,577	0
<i>Net Change in Fund Balance</i>	(9,577)	(9,577)	(9,577)	0
<i>Fund Balance Beginning of Year</i>	9,577	9,577	9,577	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Educational Management Information Systems Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$13,000	\$15,845	\$15,845	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	16,997	12,841	12,841	0
Purchased Services	30	2,690	2,690	0
Materials and Supplies	1,292	4,065	4,065	0
Capital Outlay - New	0	1,568	1,568	0
<i>Total Expenditures</i>	<u>18,319</u>	<u>21,164</u>	<u>21,164</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(5,319)	(5,319)	(5,319)	0
<i>Fund Balance Beginning of Year</i>	<u>5,319</u>	<u>5,319</u>	<u>5,319</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Entry Level Teachers Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$11,000	\$7,200	\$7,200	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	<u>11,000</u>	<u>7,200</u>	<u>7,200</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**One Net Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$18,000	\$18,000	\$18,000	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Purchased Services	<u>18,000</u>	<u>21,035</u>	<u>21,035</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(3,035)	(3,035)	0
<i>Fund Balance Beginning of Year</i>	<u>3,035</u>	<u>3,035</u>	<u>3,035</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,035</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**SchoolNet Professional Development Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$4,140	\$3,925	\$3,925	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	100	700	635	65
Purchased Services	3,180	6,505	3,655	2,850
<i>Total Expenditures</i>	3,280	7,205	4,290	2,915
<i>Net Change in Fund Balance</i>	860	(3,280)	(365)	2,915
<i>Fund Balance Beginning of Year</i>	3,130	3,130	3,130	0
<i>Prior Year Encumbrances Appropriated</i>	150	150	150	0
<i>Fund Balance End of Year</i>	<u>\$4,140</u>	<u>\$0</u>	<u>\$2,915</u>	<u>\$2,915</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Ohio Reads Volunteer Grant Fund**  
*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$0	\$8,000	\$8,000	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	750	8,750	8,750	0
Materials and Supplies	1,113	1,113	1,113	0
Total Instruction	1,863	9,863	9,863	0
Support Services:				
Pupil:				
Purchased Services	389	389	389	0
Materials and Supplies	100	100	100	0
Total Support Services	489	489	489	0
<i>Total Expenditures</i>	2,352	10,352	10,352	0
<i>Net Change in Fund Balance</i>	(2,352)	(2,352)	(2,352)	0
<i>Fund Balance Beginning of Year</i>	2,317	2,317	2,317	0
Prior Year Encumbrances Appropriated	35	35	35	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Reading Intervention Fund**  
*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Fringe Benefits	2,565	2,565	2,565	0
Capital Outlay - New	257	257	257	0
<i>Total Expenditures</i>	2,822	2,822	2,822	0
<i>Net Change in Fund Balance</i>	(2,822)	(2,822)	(2,822)	0
<i>Fund Balance Beginning of Year</i>	2,822	2,822	2,822	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0



**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Safe School Help Line Fund**  
*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$4,500	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Central:				
Purchased Services	4,500	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Title VI-B Fund  
For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$907,493	\$907,493	\$878,167	(\$29,326)
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	33,000	44,189	44,189	0
Fringe Benefits	3,500	3,500	3,500	0
Purchased Services	321,566	325,586	325,586	0
Materials and Supplies	63,300	28,300	24,171	4,129
Capital Outlay - New	39,160	35,906	35,440	466
Other	5,000	5,000	4,859	141
Total Instruction	465,526	442,481	437,745	4,736
Support Services:				
Instructional Staff:				
Salaries and Wages	127,382	127,382	127,382	0
Fringe Benefits	24,878	24,878	24,878	0
Purchased Services	158,231	213,150	186,268	26,882
Materials and Supplies	24,415	8,381	7,767	614
Capital Outlay - New	230	230	230	0
Other	3,487	3,486	2,987	499
Total Instructional Staff	338,623	377,507	349,512	27,995
Administration:				
Salaries and Wages	28,000	28,000	28,000	0
Fringe Benefits	4,400	4,400	4,400	0
Materials and Supplies	3,754	3,755	3,755	0
Total Administration	36,154	36,155	36,155	0
Operation and Maintenance of Plant:				
Capital Outlay - New	19,654	3,814	3,814	0
Pupil Transportation:				
Purchased Services	40,963	40,963	40,963	0
Total Support Services	\$435,394	\$458,439	\$430,444	\$27,995

(continued)

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Title VI-B Fund (continued)  
For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	\$20,850	\$20,850	\$20,850	\$0
Fringe Benefits	2,350	2,350	2,350	0
Materials and Supplies	503	503	503	0
Total Operation of Non-Instructional Services	23,703	23,703	23,703	0
<i>Total Expenditures</i>	924,623	924,623	891,892	32,731
<i>Net Change in Fund Balance</i>	(17,130)	(17,130)	(13,725)	3,405
<i>Fund Balance Beginning of Year</i>	13,747	13,747	13,747	0
<i>Prior Year Encumbrances Appropriated</i>	3,383	3,383	3,383	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$3,405	\$3,405

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Title III Fund  
For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$17,739	\$18,792	\$18,792	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	14,505	14,505	14,505	0
Purchased Services	112	2,056	1,968	88
Materials and Supplies	5,553	4,662	2,030	2,632
Capital Outlay - New	1,738	1,738	1,738	0
Total Instruction	21,908	22,961	20,241	2,720
Support Services:				
Instructional Staff:				
Purchased Services	800	800	0	800
<i>Total Expenditures</i>	<u>22,708</u>	<u>23,761</u>	<u>20,241</u>	<u>3,520</u>
<i>Net Change in Fund Balance</i>	(4,969)	(4,969)	(1,449)	3,520
<i>Fund Balance Beginning of Year</i>	3,054	3,054	3,054	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,915</u>	<u>1,915</u>	<u>1,915</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$3,520</u>	<u>\$3,520</u>

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Title I Fund  
For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$131,097	\$126,070	\$126,070	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	122,195	117,167	117,167	0
Materials and Supplies	4,000	4,000	783	3,217
Total Regular	126,195	121,167	117,950	3,217
Special:				
Materials and Supplies	3,161	3,161	3,161	0
Capital Outlay - New	764	764	764	0
Total Special	3,925	3,925	3,925	0
Total Instruction	130,120	125,092	121,875	3,217
Support Services:				
Instructional Staff:				
Purchased Services	6,329	6,330	3,935	2,395
Materials and Supplies	253	253	253	0
Total Instructional Staff	6,582	6,583	4,188	2,395
Administration:				
Salaries and Wages	1,000	1,000	1,000	0
Total Support Services	7,582	7,583	5,188	2,395
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	200	200	200	0
Total Expenditures	137,902	132,875	127,263	5,612
Net Change in Fund Balance	(6,805)	(6,805)	(1,193)	5,612
Fund Balance Beginning of Year	6,805	6,805	6,805	0
Fund Balance End of Year	\$0	\$0	\$5,612	\$5,612

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Title V Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$21,576	\$21,576	\$18,243	(\$3,333)
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	8,000	8,000	8,000	0
Materials and Supplies	10,238	13,238	7,794	5,444
Capital Outlay - New	3,000	0	0	0
Total Instruction	21,238	21,238	15,794	5,444
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	2,974	2,974	0	2,974
Materials and Supplies	4,674	4,674	135	4,539
Total Operation of Non-Instructional Services:	7,648	7,648	135	7,513
<i>Total Expenditures</i>	28,886	28,886	15,929	12,957
<i>Net Change in Fund Balance</i>	(7,310)	(7,310)	2,314	9,624
<i>Fund Balance Beginning of Year</i>	7,211	7,211	7,211	0
Prior Year Encumbrances Appropriated	100	100	100	0
<i>Fund Balance End of Year</i>	\$1	\$1	\$9,625	\$9,624

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Drug Free Schools Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$13,542	\$13,542	\$13,542	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	12,830	0	0	0
Purchased Services	0	14,159	12,830	1,329
Materials and Supplies	47	1,081	46	1,035
Total Instructional Staff	12,877	15,240	12,876	2,364
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,328	0	0	0
Materials and Supplies	1,035	0	0	0
Total Operation of Non-Instructional Services:	2,363	0	0	0
<i>Total Expenditures</i>	15,240	15,240	12,876	2,364
<i>Net Change in Fund Balance</i>	(1,698)	(1,698)	666	2,364
<i>Fund Balance Beginning of Year</i>	1,698	1,698	1,698	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$2,364	\$2,364

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Pre-School Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$26,909	\$28,651	\$28,651	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	20,001	21,743	21,743	0
Fringe Benefits	4,460	4,460	4,460	0
Total Regular	24,461	26,203	26,203	0
Special:				
Materials and Supplies	1	1	1	0
Total Instruction	24,462	26,204	26,204	0
Support Services:				
Pupil:				
Fringe Benefits	2,448	2,448	2,448	0
<i>Total Expenditures</i>	26,910	28,652	28,652	0
<i>Net Change in Fund Balance</i>	(1)	(1)	(1)	0
<i>Fund Balance Beginning of Year</i>	1	1	1	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0



**Brecksville-Broadview Heights City School District***Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Title II-A Fund**For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$78,605	\$76,741	\$76,741	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	50,000	48,136	48,136	0
Fringe Benefits	11,651	7,651	7,651	0
Purchased Services	95	95	95	0
Total Instruction	61,746	55,882	55,882	0
Support Services:				
Instructional Staff:				
Purchased Services	17,964	20,995	15,355	5,640
Materials and Supplies	3,000	7,970	7,970	0
Capital Outlay - New	4,001	0	0	0
Total Support Services	24,965	28,965	23,325	5,640
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	4,995	4,995	342	4,653
<i>Total Expenditures</i>	91,706	89,842	79,549	10,293
<i>Net Change in Fund Balance</i>	(13,101)	(13,101)	(2,808)	10,293
<i>Fund Balance Beginning of Year</i>	6,429	6,429	6,429	0
<i>Prior Year Encumbrances Appropriated</i>	6,672	6,672	6,672	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$10,293	\$10,293

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes*

*In Fund Balance - Budget (Non-GAAP Basis) and Actual*

**Title II-D Fund**

*For the Fiscal Year Ended June 30, 2006*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$2,384	\$2,384	\$2,036	(\$348)
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	3,228	3,146	3,146	0
Support Services:				
Pupil:				
Purchased Services	56	56	56	0
Instructional Staff:				
Purchased Services	1,617	1,617	1,617	0
Total Support Services	1,673	1,673	1,673	0
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	466	466	0	466
<i>Total Expenditures</i>	5,367	5,285	4,819	466
<i>Net Change in Fund Balance</i>	(2,983)	(2,901)	(2,783)	118
<i>Fund Balance Beginning of Year</i>	2,983	2,983	2,983	0
<i>Fund Balance End of Year</i>	\$0	\$82	\$200	\$118

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Permanent Improvement Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Taxes	\$1,533,654	\$1,568,300	\$1,581,039	\$12,739
Intergovernmental	217,543	182,897	182,897	0
Payment in Lieu of Taxes	0	66	184	118
<b>Total Revenues</b>	<u>1,751,197</u>	<u>1,751,263</u>	<u>1,764,120</u>	<u>12,857</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	650,000	610,601	600,000	10,601
Capital Outlay - New	200,000	0	0	0
Capital Outlay - Replacement	215,488	0	0	0
<b>Total Instruction</b>	<u>1,065,488</u>	<u>610,601</u>	<u>600,000</u>	<u>10,601</u>
Support Services:				
Operation and Maintenance of Plant:				
Capital Outlay - New	7,250	7,250	7,250	0
Pupil Transportation:				
Capital Outlay - New	225,000	200,000	198,363	1,637
<b>Total Support Services</b>	<u>232,250</u>	<u>207,250</u>	<u>205,613</u>	<u>1,637</u>
Capital Outlay:				
Site Improvement Services:				
Purchased Services	163,771	88,170	88,170	0
Capital Outlay - New	1,037,503	727,083	727,004	79
Capital Outlay - Replacement	0	5,420	5,420	0
<b>Total Site Improvement Services</b>	<u>1,201,274</u>	<u>820,673</u>	<u>820,594</u>	<u>79</u>
Building Acquisition and Construction Services:				
Purchased Services	445,527	300,527	298,925	1,602
<b>Total Capital Outlay</b>	<u>1,646,801</u>	<u>1,121,200</u>	<u>1,119,519</u>	<u>1,681</u>
<b>Total Expenditures</b>	<u>2,944,539</u>	<u>1,939,051</u>	<u>1,925,132</u>	<u>13,919</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(\$1,193,342)</u>	<u>(\$187,788)</u>	<u>(\$161,012)</u>	<u>\$26,776</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Permanent Improvement Fund (continued)**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Other Financing Sources</b>				
Sale of Capital Assets	\$0	\$357,671	\$357,671	\$0
<i>Net Change in Fund Balance</i>	(1,193,342)	169,883	196,659	26,776
<i>Fund Balance Beginning of Year</i>	981,147	981,147	981,147	0
Prior Year Encumbrances Appropriated	217,434	217,434	217,434	0
<i>Fund Balance End of Year</i>	<u>\$5,239</u>	<u>\$1,368,464</u>	<u>\$1,395,240</u>	<u>\$26,776</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Building Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Capital Outlay - New	<u>81,136</u>	<u>77,843</u>	<u>72,862</u>	<u>4,981</u>
<i>Net Change in Fund Balance</i>	(81,136)	(77,843)	(72,862)	4,981
<i>Fund Balance Beginning of Year</i>	3,293	3,293	3,293	0
Prior Year Encumbrances Appropriated	<u>77,843</u>	<u>77,843</u>	<u>77,843</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$3,293</u></u>	<u><u>\$8,274</u></u>	<u><u>\$4,981</u></u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**SchoolNet Plus Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$30,000	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Purchased Services	19,940	0	0	0
Capital Outlay - New	60	60	60	0
<i>Total Expenditures</i>	<u>20,000</u>	<u>60</u>	<u>60</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	10,000	(60)	(60)	0
<i>Fund Balance Beginning of Year</i>	<u>60</u>	<u>60</u>	<u>60</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$10,060</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
**Employee Benefits Self-Insurance Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$574,850	\$599,850	\$601,673	\$1,823
<b>Expenses</b>				
Purchased Services	28,494	62,469	32,460	30,009
Claims	671,841	764,866	764,866	0
<i>Total Expenses</i>	<u>700,335</u>	<u>827,335</u>	<u>797,326</u>	<u>30,009</u>
<i>Excess of Revenues Under Expenditures Before Advances</i>	(125,485)	(227,485)	(195,653)	31,832
Advances In	<u>0</u>	<u>150,000</u>	<u>150,000</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(125,485)	(77,485)	(45,653)	31,832
<i>Fund Equity Beginning of Year</i>	152,942	152,942	152,942	0
Prior Year Encumbrances Appropriated	<u>485</u>	<u>485</u>	<u>485</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$27,942</u></u>	<u><u>\$75,942</u></u>	<u><u>\$107,774</u></u>	<u><u>\$31,832</u></u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Unclaimed Monies Fund**  
*For the Fiscal Year Ended June 30, 2006*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Contributions and Donations	\$1,000	\$2,317	\$2,317	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Fiscal:				
Purchased Services	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	2,317	2,317	0
<i>Fund Balance Beginning of Year</i>	<u>885</u>	<u>885</u>	<u>885</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$885</u></u>	<u><u>\$3,202</u></u>	<u><u>\$3,202</u></u>	<u><u>\$0</u></u>



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# **Statistical Section**

## Statistical Section

This part of the Brecksville-Broadview Heights 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 School District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S-2 - S-9
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S-10 - S-22
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S-23 - S-27
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S-28 - S-29
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S-30 - S-44

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant fiscal year. The School District implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that fiscal year.

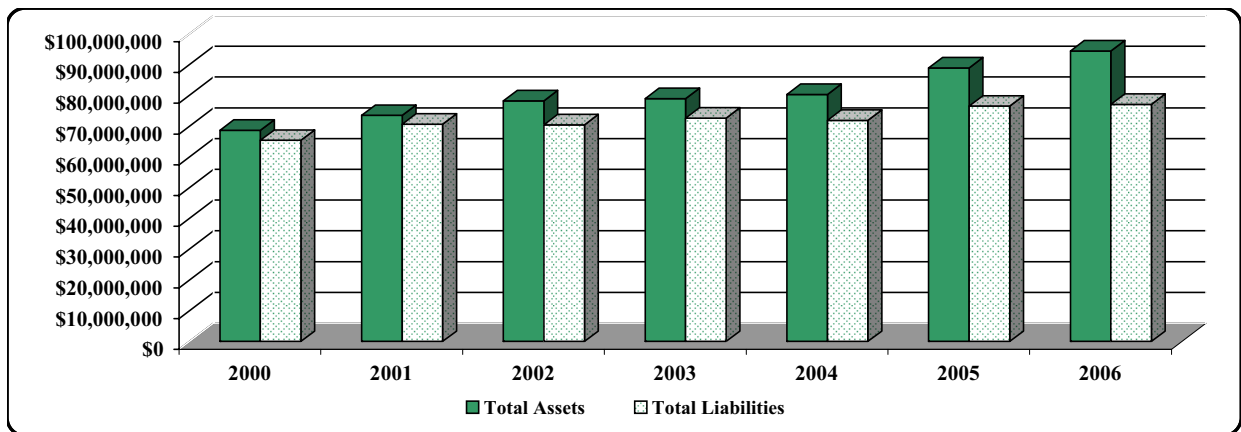
**Brecksville-Broadview Heights City School District**

*Net Assets by Component*

*Last Seven Fiscal Years*

*(accrual basis of accounting)*

	2000	2001	2002	2003	2004	2005	2006
Invested in Capital Assets, Net of Related Debt	\$2,446,368	\$2,124,718	\$2,202,501	\$3,409,804	\$5,063,402	\$4,776,592	\$6,144,322
Restricted for:							
Capital Projects	445,893	906,350	1,008,740	758,863	50,217	1,496,479	1,652,532
Debt Service	2,356,150	2,037,823	3,686,279	2,926,552	3,225,770	2,958,709	3,104,310
Other Purposes	459,760	574,859	249,748	474,238	382,180	471,229	649,727
Unrestricted (Deficit)	(2,461,737)	(2,800,026)	699,463	(1,262,893)	(604,530)	2,735,208	5,830,357
<b>Total Net Assets</b>	<b>\$3,246,434</b>	<b>\$2,843,724</b>	<b>\$7,846,731</b>	<b>\$6,306,564</b>	<b>\$8,117,039</b>	<b>\$12,438,217</b>	<b>\$17,381,248</b>



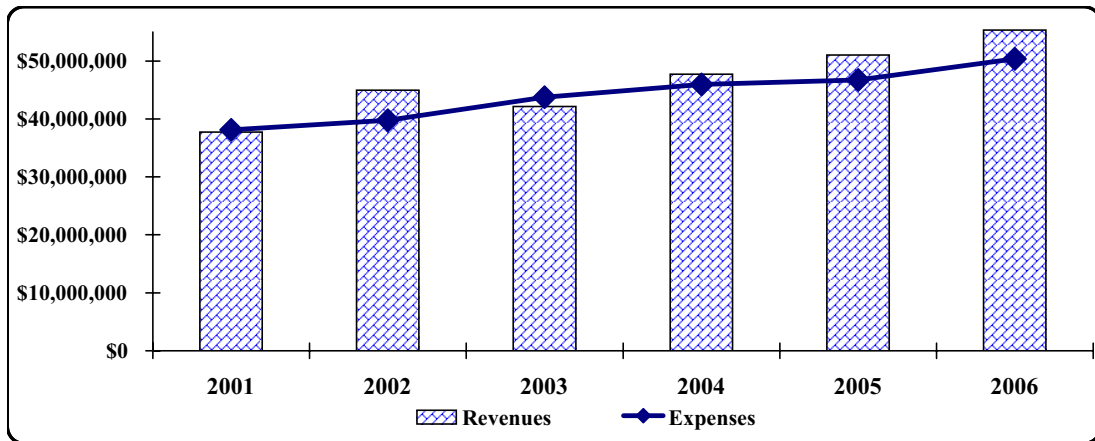
**Brecksville-Broadview Heights City School District**  
*Changes in Net Assets of Governmental Activities*  
*Last Six Fiscal Years*  
*(accrual basis of accounting)*

	2001	2002	2003	2004	2005	2006
<b>Expenses</b>						
Regular Instruction	\$16,903,574	\$16,928,235	\$18,461,540	\$20,117,135	\$19,813,375	\$21,039,576
Special Instruction	2,668,254	3,300,946	3,822,794	4,346,033	4,649,733	4,819,318
Vocational Instruction	323,441	356,858	361,761	355,380	296,206	346,175
Adult/Continuing Instruction	23,088	21,927	28,314	13,408	30,824	24,051
Pupil Support	2,791,267	2,673,608	2,552,380	2,642,972	2,868,628	3,176,132
Instructional Staff Support	884,751	1,329,824	1,715,541	2,033,834	2,148,023	2,528,519
Board of Education	45,699	62,454	99,981	48,449	82,551	99,775
Administration	2,307,960	2,478,274	3,027,354	2,980,665	3,131,675	3,455,646
Fiscal	664,678	724,740	723,931	777,948	902,114	978,835
Business	390,817	324,061	271,185	466,348	443,117	476,528
Operation and Maintenance of Plant	3,698,845	3,831,495	4,507,956	4,161,441	4,217,392	4,761,452
Pupil Transportation	2,340,057	2,385,949	2,707,920	2,687,514	2,885,018	3,344,629
Central	221,233	229,345	203,997	206,758	162,987	193,819
Operation of Non-Instructional Services	362,451	364,304	432,703	405,875	481,639	437,904
Food Service Operations	1,341,004	1,282,200	1,325,944	1,422,555	1,343,942	1,447,663
Child Care Operations	389,644	518,821	476,648	408,345	350,949	391,468
Extracurricular Activities	758,512	881,596	1,019,536	934,006	998,094	1,019,437
Interest and Fiscal Charges	2,012,299	2,056,706	2,034,073	1,951,763	1,915,343	1,820,368
<i>Total Expenses</i>	<u>38,127,574</u>	<u>39,751,343</u>	<u>43,773,558</u>	<u>45,960,429</u>	<u>46,721,610</u>	<u>50,361,295</u>
<b>Program Revenues</b>						
Charges for Services and Sales						
Regular Instruction	550,483	856,076	685,361	577,050	636,096	673,134
Special Instruction	86,280	154,911	273,870	219,020	440,896	186,054
Administration	0	0	0	453	421	626
Fiscal	0	29,376	11,087	37,316	41,853	31,400
Business	25,347	23,716	31,194	0	0	0
Operation and Maintenance of Plant	76,452	50,159	47,249	56,020	86,413	50,354
Pupil Transportation	4,642	12,516	0	28,109	20,094	13,609
Operation of Non-Instruction Services	14,725	22,626	3,549	699	0	3,862
Food Service Operations	963,057	969,961	1,012,054	1,086,128	1,138,749	1,157,568
Child Care Operations	365,362	453,884	472,007	446,070	391,306	439,335
Extracurricular Activities	261,454	227,023	236,459	348,001	345,866	360,108
Operating Grants, Contributions and Interest						
Regular Instruction	185,046	202,802	194,378	306,234	348,720	267,768
Special Instruction	227,873	340,113	247,805	343,561	413,240	475,364
Vocational Instruction	0	0	0	19,714	92,484	0
Adult/Continuing Instruction	25,460	0	14,540	0	35,758	27,098
Pupil Support	39,513	15,996	87,496	21,575	47,884	15,845
Staff Support	78,644	14,592	159,539	292,249	335,589	387,351
Administration	15,261	0	16,657	16,273	51,288	36,155
Fiscal	0	0	0	0	20	0
Operation and Maintenance of Plant	0	0	21,000	0	978	3,814
Pupil Transportation	0	0	0	0	29,037	40,963
Central	6,825	4,114	3,815	4,014	4,477	0
Operation of Non-Instruction Services	352,816	315,062	390,440	426,512	431,697	484,416
Food Service Operations	171,351	184,601	142,931	218,411	206,421	225,227
Child Care Operations	28,413	5,630	19,031	18,121	20,279	0
Extracurricular Activities	600	604	2,050	478	1,770	3,500
Capital Grants and Contributions						
Regular Instruction	44,124	0	62,409	0	39,060	0
Pupil Transportation	77,199	61,371	161,672	28,057	32,820	24,927
<i>Total Program Revenues</i>	<u>3,600,927</u>	<u>3,945,133</u>	<u>4,296,593</u>	<u>4,494,065</u>	<u>5,193,216</u>	<u>4,908,478</u>
Net Expense	<u>(\$34,526,647)</u>	<u>(\$35,806,210)</u>	<u>(\$39,476,965)</u>	<u>(\$41,466,364)</u>	<u>(\$41,528,394)</u>	<u>(\$45,452,817)</u>

(continued)

**Brecksville-Broadview Heights City School District**  
*Changes in Net Assets of Governmental Activities (continued)*  
*Last Six Fiscal Years*  
*(accrual basis of accounting)*

	2001	2002	2003	2004	2005	2006
<i>General Revenues</i>						
Property Taxes Levied for:						
General Purposes	\$24,207,540	\$28,746,533	\$25,491,761	\$29,951,494	\$31,825,729	\$34,325,661
Debt Service	2,598,935	3,277,653	2,322,468	2,787,447	2,178,970	2,641,749
Capital Outlay	689,570	724,239	587,995	697,641	1,230,725	1,551,941
Grants and Entitlements not						
Restricted to Specific Programs	5,850,420	7,922,678	9,194,466	9,624,223	10,242,942	10,549,636
Payment in Lieu of Taxes	44,160	24,660	41,722	17,848	0	54,044
Unrestricted Contributions	0	0	0	5,942	0	30,095
Interest	503,744	243,378	188,124	108,023	300,889	825,528
Gain on Sale of Capital Assets	0	0	0	6,988	2,284	354,251
Miscellaneous	229,568	14,660	17,846	77,233	68,033	62,943
<i>Total General Revenues</i>	<u>34,123,937</u>	<u>40,953,801</u>	<u>37,844,382</u>	<u>43,276,839</u>	<u>45,849,572</u>	<u>50,395,848</u>
<i>Change in Net Assets</i>	<u>(\$402,710)</u>	<u>\$5,147,291</u>	<u>(\$1,632,583)</u>	<u>\$1,810,475</u>	<u>\$4,321,178</u>	<u>\$4,943,031</u>



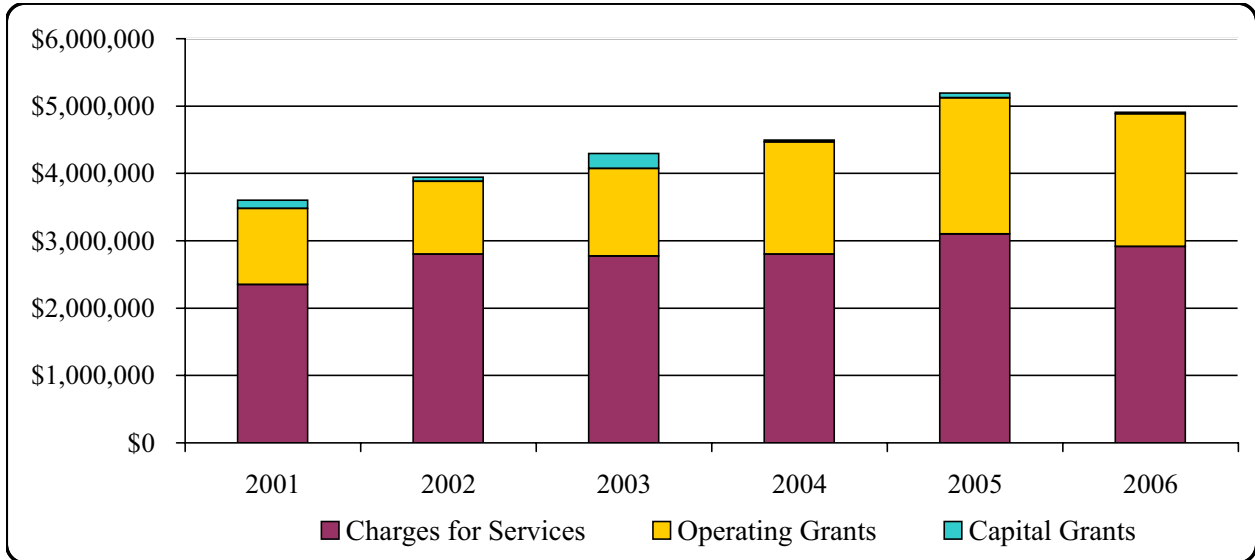
**Brecksville-Broadview Heights City School District**

*Program Revenues by Function*

*Last Six Fiscal Years*

*(accrual basis of accounting)*

	2001	2002	2003	2004	2005	2006
<b>Governmental Activities</b>						
<i>Function</i>						
Regular Instruction	\$779,653	\$1,058,878	\$942,148	\$883,284	\$1,023,876	\$940,902
Special Instruction	314,153	495,024	521,675	562,581	854,136	661,418
Vocational Instruction	0	0	0	19,714	92,484	0
Adult/Continuing Instruction	25,460	0	14,540	0	35,758	27,098
Pupil Support	39,513	15,996	87,496	21,575	47,884	15,845
Instructional Staff Support	78,644	14,592	159,539	292,249	335,589	387,351
Administration	15,261	0	16,657	16,726	51,709	36,781
Fiscal	0	29,376	11,087	37,316	41,873	31,400
Business	25,347	23,716	31,194	0	0	0
Operation and Maintenance of Plant	76,452	50,159	68,249	56,020	87,391	54,168
Pupil Transportation	81,841	73,887	161,672	56,166	81,951	79,499
Central	6,825	4,114	3,815	4,014	4,477	0
Operation of Non-Instructional Services	367,541	337,688	393,989	427,211	431,697	488,278
Food Service Operations	1,134,408	1,154,562	1,154,985	1,304,539	1,345,170	1,382,795
Child Care Operations	393,775	459,514	491,038	464,191	411,585	439,335
Extracurricular Activities	262,054	227,627	238,509	348,479	347,636	363,608
<b>Total Program Revenues</b>	<b>\$3,600,927</b>	<b>\$3,945,133</b>	<b>\$4,296,593</b>	<b>\$4,494,065</b>	<b>\$5,193,216</b>	<b>\$4,908,478</b>



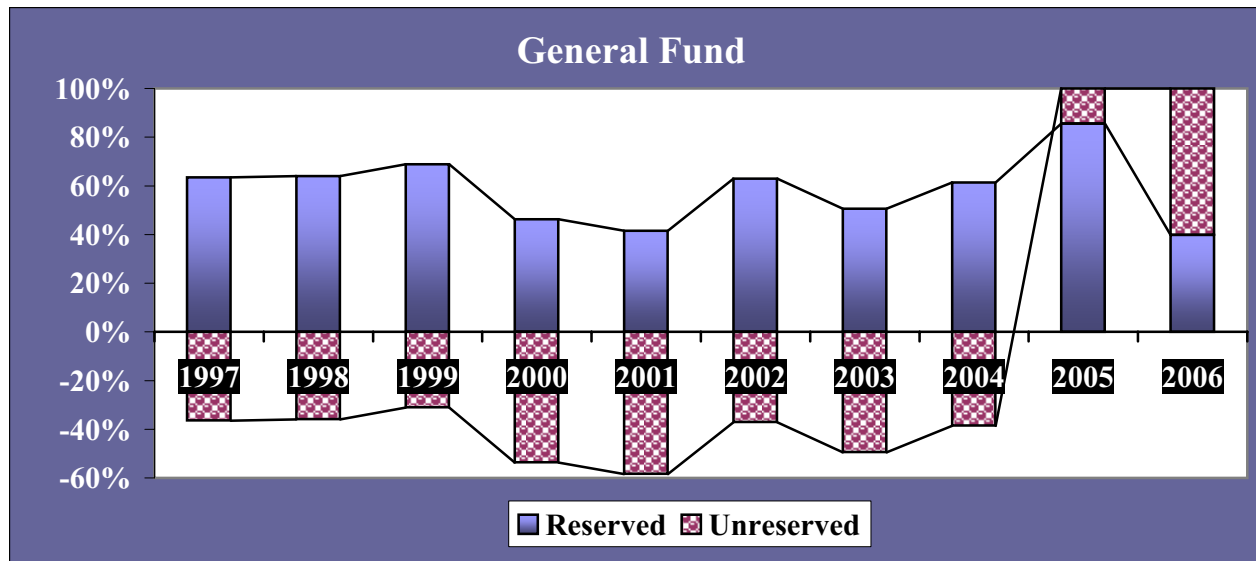
**Brecksville-Broadview Heights City School District**

*Fund Balances, Governmental Funds*

*Last Ten Fiscal Years*

*(modified accrual basis of accounting)*

	1997	1998	1999	2000
<b>General Fund</b>				
Reserved	\$1,406,097	\$1,764,124	\$2,926,426	\$2,057,900
Unreserved	(809,752)	(989,778)	(1,323,519)	(2,385,267)
<i>Total General Fund</i>	596,345	774,346	1,602,907	(327,367)
<b>All Other Governmental Funds</b>				
Reserved	9,548,750	2,875,419	3,223,397	2,505,715
Unreserved, Undesignated, Reported in:				
Special Revenue funds	240,531	255,009	291,872	370,815
Debt Service funds	0	0	0	0
Capital Projects funds (Deficit)	281,301	(476,009)	365,216	529,243
<i>Total All Other Governmental Funds</i>	10,070,582	2,654,419	3,880,485	3,405,773
<i>Total Governmental Funds</i>	\$10,666,927	\$3,428,765	\$5,483,392	\$3,078,406





2001	2002	2003	2004	2005	2006
\$2,074,635	\$5,387,665	\$2,668,090	\$4,860,762	\$4,592,263	\$3,405,309
(2,914,046)	(3,177,915)	(2,609,340)	(3,059,429)	778,185	5,156,015
(839,411)	2,209,750	58,750	1,801,333	5,370,448	8,561,324
541,606	2,587,992	713,180	1,564,044	905,878	811,140
417,613	449,757	328,667	494,547	505,403	695,357
2,188,173	2,646,270	2,721,068	3,683,563	3,499,840	3,697,272
694,160	(995,805)	(445,402)	(3,636)	473,836	1,141,289
3,841,552	4,688,214	3,317,513	5,738,518	5,384,957	6,345,058
\$3,002,141	\$6,897,964	\$3,376,263	\$7,539,851	\$10,755,405	\$14,906,382

**Brecksville-Broadview Heights City School District**  
*Changes in Fund Balances*  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

	1997	1998	1999	2000
<b>Revenues</b>				
Taxes	\$20,370,327	\$23,332,631	\$26,050,685	\$24,398,113
Intergovernmental	4,621,579	5,128,466	6,147,132	6,430,236
Interest	3,148,088	363,367	373,505	454,441
Tuition and Fees	23,532	112,614	95,736	366,394
Extracurricular Activities	222,993	364,427	248,472	413,092
Payment in Lieu of Taxes	0	0	322,664	0
Rentals	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	256,363	401,350	0	371,922
<i>Total Revenues</i>	<u>28,642,882</u>	<u>29,702,855</u>	<u>33,238,194</u>	<u>32,434,198</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	12,819,288	12,038,755	13,738,396	14,852,482
Special	1,120,039	1,402,504	1,483,534	1,830,445
Vocational	273,109	242,288	264,900	285,678
Adult/Continuing	284,702	391,636	265,641	153,640
Support Services:				
Pupil	1,542,422	1,577,535	1,937,366	2,401,572
Instructional Staff	1,100,471	903,507	745,164	901,350
Board of Education	55,170	84,760	46,225	58,886
Administration	1,700,515	1,950,872	2,048,914	2,257,366
Fiscal	550,203	579,205	673,460	665,498
Business	524,183	487,279	363,189	324,870
Operation and Maintenance of Plant	2,480,056	3,014,569	3,390,714	3,391,522
Pupil Transportation	1,671,933	1,747,938	2,298,954	2,382,284
Central	184,025	182,855	204,882	217,348
Operation of Non-Instructional Services	461,023	245,314	284,622	307,636
Food Service Operations	0	0	0	0
Child Care Operations	0	0	0	0
Extracurricular Activities	568,267	668,009	637,834	654,042
Capital Outlay	18,123,925	7,985,972	396,742	818,408
Debt Service:				
Principal Retirement	36,145,000	720,000	840,000	1,240,000
Interest and Fiscal Charges	4,219,932	2,110,221	2,073,649	2,030,966
Bond Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>83,824,263</u>	<u>36,333,219</u>	<u>31,694,186</u>	<u>34,773,993</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>(55,181,381)</u>	<u>(6,630,364)</u>	<u>1,544,008</u>	<u>(2,339,795)</u>
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
General Obligation Notes Issued	0	0	650,000	0
Swap Payment	0	0	0	0
Capital Lease Issued	0	0	0	0
Transfers In	59,586	42,545	35,104	246,141
Transfers Out	(64,823)	(41,568)	(165,236)	(310,391)
<i>Total Other Financing Sources (Uses)</i>	<u>(5,237)</u>	<u>977</u>	<u>519,868</u>	<u>(64,250)</u>
<i>Net Change in Fund Balances</i>	<u>(\$55,186,618)</u>	<u>(\$6,629,387)</u>	<u>\$2,063,876</u>	<u>(\$2,404,045)</u>
<i>Debt Service as a Percentage of</i>				
<i>Noncapital Expenditures</i>	61.44%	9.98%	9.31%	9.63%

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds.

2001	2002	2003	2004	2005	2006
\$26,671,090	\$32,549,500	\$28,117,547	\$33,692,675	\$35,207,521	\$38,106,290
6,946,040	8,982,940	10,538,112	11,152,063	12,176,303	12,389,752
511,797	246,517	191,262	108,680	303,592	828,679
546,771	786,284	856,890	1,100,271	917,299	738,869
275,868	245,655	270,674	344,725	345,866	359,073
44,160	24,660	41,722	17,848	0	54,044
98,413	38,909	44,618	60,497	48,219	44,057
1,453,646	1,492,371	1,566,467	1,629,856	1,775,432	1,768,719
208,002	96,457	176,979	172,644	155,458	179,256
265,806	74,995	17,249	77,830	67,849	63,127
37,021,593	44,538,288	41,821,520	48,357,089	50,997,539	54,531,866
15,761,853	16,144,367	17,519,887	18,722,196	18,812,522	19,743,823
2,599,159	3,285,107	3,730,877	4,333,460	4,567,484	4,724,098
306,279	337,506	382,504	362,068	284,397	364,207
23,088	21,927	0	0	30,824	24,051
2,678,048	2,620,258	2,487,696	2,593,444	2,806,598	3,062,282
775,772	1,279,271	1,625,195	1,968,990	2,089,071	2,501,420
45,531	62,622	130,941	48,622	82,551	99,775
2,267,178	2,350,244	2,848,834	2,935,442	2,984,465	3,445,679
645,979	727,577	704,571	785,508	893,341	931,657
357,771	291,828	428,160	399,123	366,004	395,751
3,513,466	4,102,258	4,211,621	3,998,754	4,049,892	4,312,421
2,316,913	2,505,392	2,836,079	2,691,746	2,747,575	2,991,022
219,536	236,431	197,379	197,297	163,309	188,759
360,359	346,551	428,679	422,670	477,231	435,623
1,164,510	1,241,406	1,242,088	1,300,917	1,348,628	1,373,670
377,731	508,031	487,164	422,609	374,298	363,778
742,315	869,195	978,237	937,170	967,951	1,015,750
359,737	917,053	2,089,834	1,659,353	1,454,770	1,375,083
950,000	934,266	1,042,935	1,125,635	1,370,820	1,415,116
2,016,292	2,056,191	2,038,286	1,951,985	1,912,538	1,817,278
0	0	0	122,000	0	0
37,481,517	40,837,481	45,410,967	46,978,989	47,784,269	50,581,243
(459,924)	3,700,807	(3,589,447)	1,378,100	3,213,270	3,950,623
0	0	0	6,988	2,284	357,671
0	209,500	0	0	0	0
0	0	0	0	0	0
0	0	0	948,500	0	0
0	604,211	0	1,830,000	0	0
98,383	164,516	421,878	432,083	285,682	264,252
(98,383)	(164,816)	(421,878)	(432,083)	(285,682)	(264,252)
0	813,411	0	2,785,488	2,284	357,671
(\$459,924)	\$4,514,218	(\$3,589,447)	\$4,163,588	\$3,215,554	\$4,308,294
7.99%	7.49%	7.11%	6.79%	7.09%	6.57%

**Brecksville-Broadview Heights City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Estimated Actual Value	Tangible
	Assessed Value				General
	Residential/ Agricultural	Commercial/ Industrial	Total		Assessed Value
1997	\$484,514,580	\$102,135,440	\$586,650,020	\$1,676,142,914	\$42,356,858
1998	531,152,830	112,564,460	643,717,290	1,839,192,257	48,798,927
1999	545,737,710	123,902,570	669,640,280	1,913,257,943	45,155,832
2000	554,102,830	117,376,070	671,478,900	1,918,511,143	44,687,211
2001	626,635,100	141,787,790	768,422,890	2,195,493,971	46,608,350
2002	642,960,200	150,750,910	793,711,110	2,267,746,029	49,828,303
2003	660,944,540	151,865,960	812,810,500	2,322,315,714	49,439,385
2004	721,232,210	156,146,620	877,378,830	2,506,796,657	44,476,870
2005	740,224,070	157,679,810	897,903,880	2,565,439,657	48,367,742
2006	756,939,850	175,654,460	932,594,310	2,664,555,171	49,893,380

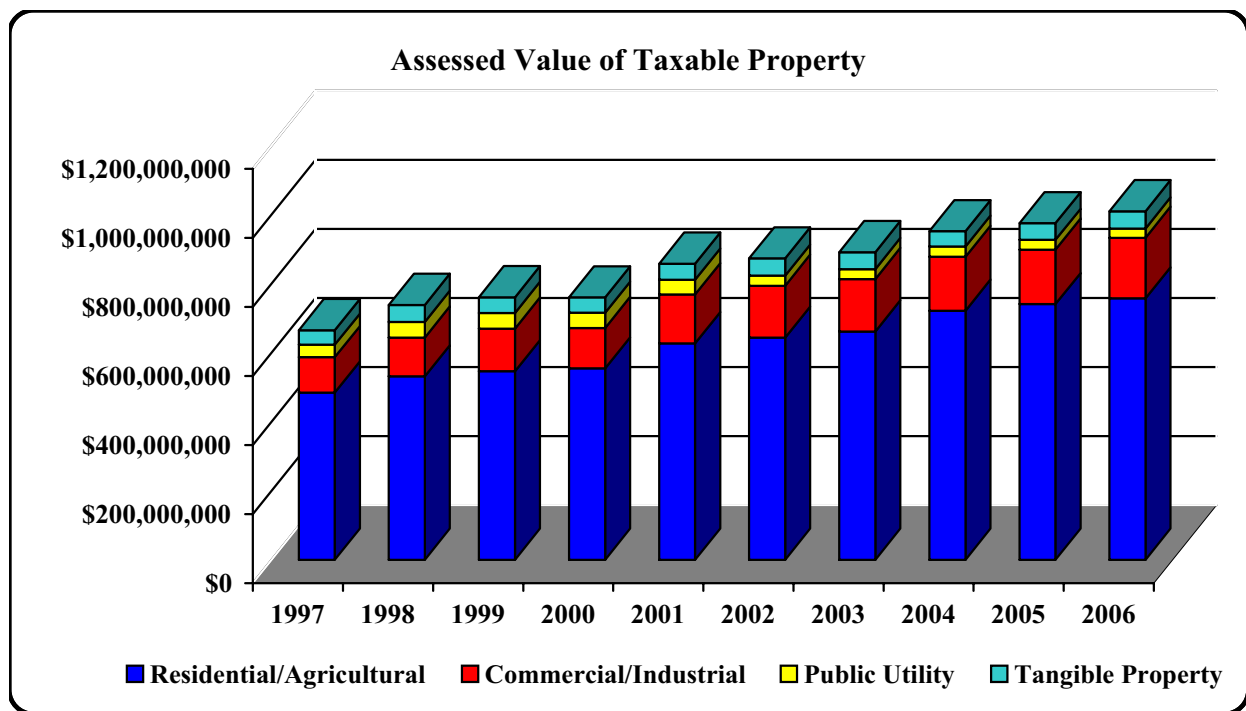
**Source:** Office of the County Auditor, Cuyahoga County, Ohio

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

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

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2.5 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Personal Property Business	Tangible Personal Property Public Utility		Total		
Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Weighted Average Tax Rate
\$169,427,432	\$35,988,790	\$40,896,352	\$664,995,668	\$1,886,466,699	\$32.53421
195,195,708	45,276,990	51,451,125	737,793,207	2,085,839,090	38.35946
180,623,328	45,155,830	51,313,443	759,951,942	2,145,194,714	37.69536
178,748,844	43,701,000	49,660,227	759,867,111	2,146,920,214	37.40698
186,433,400	42,472,640	48,264,364	857,503,880	2,430,191,735	34.17213
199,313,212	29,120,890	33,091,920	872,660,303	2,500,151,161	40.19944
197,757,540	28,750,440	32,670,955	891,000,325	2,552,744,209	40.11199
177,907,480	29,439,450	33,453,920	951,295,150	2,718,158,058	38.00627
193,470,968	28,456,740	32,337,205	974,728,362	2,791,247,830	44.17361
199,573,520	26,503,490	26,503,490	1,008,991,180	2,890,632,181	43.92609



**Brecksville-Broadview Heights City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	1997	1998	1999	2000
<b>Unvoted Millage</b>				
Operating	\$4.690000	\$4.690000	\$4.690000	\$4.690000
<b>Voted Millage - by levy</b>				
1976 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	7.959844	7.409230	7.391789	7.397494
Commercial/Industrial	13.815293	13.213236	13.157653	13.065004
Tangible/Public Utility Personal	32.600000	32.600000	32.600000	32.600000
1978 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	2.078065	1.934312	1.929753	1.931243
Commercial/Industrial	3.068884	2.935148	2.922806	2.902221
Tangible/Public Utility Personal	5.800000	5.800000	5.800000	5.800000
1980 Bond (\$1,514,000)	0.160000	0.160000	0.160000	0.160000
1984 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	2.201228	2.489520	2.044121	2.045697
Commercial/Industrial	2.821975	2.698996	2.687643	2.668715
Tangible/Public Utility Personal	3.950000	3.950000	3.950000	3.950000
1985 Bond (\$1,350,000)	0.200000	0.200000	0.200000	0.200000
1993 Operating - 5 years				
Effective Millage Rates				
Residential/Agricultural	6.338063	5.899613	5.885708	5.890252
Commercial/Industrial	6.908307	6.607245	6.579451	6.533112
Tangible/Public Utility Personal	7.400000	7.400000	7.400000	7.400000
1994 New High School Bond (\$36,000,000)	4.000000	3.900000	3.800000	3.700000

2001	2002	2003	2004	2005	2006
\$4.690000	\$4.690000	\$4.690000	\$4.690000	\$4.690000	\$4.690000
6.666830	6.634100	6.624711	6.176657	6.172777	6.166453
11.290195	11.163153	11.116470	10.757609	10.683476	10.709100
32.600000	32.600000	32.600000	32.600000	32.600000	32.600000
1.740493	1.731944	1.729496	1.612522	1.611507	1.609854
2.507972	2.479755	2.469391	2.389670	2.373198	2.378893
5.800000	5.800000	5.800000	5.800000	5.800000	5.800000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
1.843643	1.731944	1.831990	1.708079	1.707000	1.705251
2.306184	2.280236	2.270701	2.197397	2.182249	2.187482
3.950000	3.950000	3.950000	3.950000	3.950000	3.950000
0.130000	0.130000	0.130000	0.130000	0.130000	0.000000
5.308464	5.282386	5.274912	4.918129	4.915021	4.909981
5.645623	5.582094	5.558754	5.379297	5.342215	5.355032
7.400000	7.400000	7.400000	7.400000	7.400000	7.400000
3.430000	3.230000	3.230000	3.130000	3.030000	2.960000

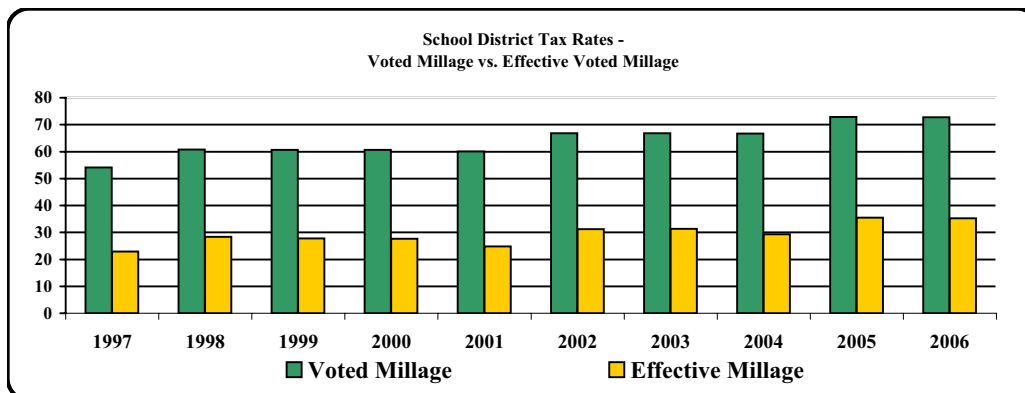
(continued)

**Brecksville-Broadview Heights City School District**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	1997	1998	1999	2000
1997 Operating - 3 years				
Effective Millage Rates				
Residential/Agricultural	\$0.000000	\$5.398768	\$5.386042	\$5.390195
Commercial/Industrial	0.000000	5.547236	5.523903	5.485002
Tangible/Public Utility Personal	0.000000	5.800000	5.800000	5.800000
1997 Permanent Improvements - 3 years				
Effective Millage Rates				
Residential/Agricultural	0.000000	0.930822	0.952397	0.929344
Commercial/Industrial	0.000000	0.956420	0.928628	0.945690
Tangible/Public Utility Personal	0.000000	1.000000	1.000000	1.000000
2001 Operating - 5 years				
Effective Millage Rates				
Residential/Agricultural	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial	0.000000	0.000000	0.000000	0.000000
Tangible/Public Utility Personal	0.000000	0.000000	0.000000	0.000000
2004 Operating - 5 years				
Effective Millage Rates				
Residential/Agricultural	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial	0.000000	0.000000	0.000000	0.000000
Tangible/Public Utility Personal	0.000000	0.000000	0.000000	0.000000
2004 Permanent Improvements - 5 years				
Effective Millage Rates				
Residential/Agricultural	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial	0.000000	0.000000	0.000000	0.000000
Tangible/Public Utility Personal	0.000000	0.000000	0.000000	0.000000
<b>Total Voted Millage</b>	54.110000	60.810000	60.710000	60.610000
<b>Total Effective Voted Millage by type of property</b>				
Residential/Agricultural	22.937200	28.322265	27.749810	27.644225
Commercial/Industrial	30.974459	36.218281	35.960084	35.659744
Tangible/Public Utility Personal	54.110000	60.810000	60.710000	60.610000



2001	2002	2003	2004	2005	2006
\$4.857796	\$4.833935	\$4.827091	\$4.500597	\$4.497749	\$4.493138
4.739893	4.686557	4.666958	4.516292	4.485157	4.495916
5.800000	5.800000	5.800000	5.800000	5.800000	5.800000
0.837551	0.833437	0.832257	0.775965	0.775474	0.774679
0.817223	0.808027	0.804648	0.778671	0.773303	0.775158
1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
0.000000	6.866100	6.856378	6.392629	6.388586	6.382038
0.000000	6.822354	6.793830	6.574499	6.529180	6.544843
0.000000	6.900000	6.900000	6.900000	6.900000	6.900000
0.000000	0.000000	0.000000	0.000000	5.296645	5.291213
0.000000	0.000000	0.000000	0.000000	5.263462	5.276086
0.000000	0.000000	0.000000	0.000000	5.300000	5.300000
0.000000	0.000000	0.000000	0.000000	0.999367	0.998342
0.000000	0.000000	0.000000	0.000000	0.993106	0.995488
0.000000	0.000000	0.000000	0.000000	1.000000	1.000000
60.110000	66.810000	66.810000	66.710000	72.910000	72.710000
24.814777	31.273846	31.336835	29.344578	35.524126	35.290949
30.867090	37.182176	37.040752	35.853435	41.785346	41.677998
60.110000	66.810000	66.810000	66.710000	72.910000	72.710000



(continued)

**Brecksville-Broadview Heights City School District**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	1997	1998	1999	2000
<b>Overlapping Rates by Taxing District</b>				
City of Brecksville Charter Millage				
Effective Millage Rates				
Residential/Agricultural	\$8.800000	\$8.800000	\$8.700000	\$8.700000
Commercial/Industrial	8.800000	8.800000	8.700000	8.700000
Tangible/Public Utility Personal	8.800000	8.800000	8.700000	8.700000
City of Broadview Heights Voted Millage				
Effective Millage Rates				
Residential/Agricultural	6.581421	6.508346	6.499533	6.491718
Commercial/Industrial	7.316703	7.272562	7.261755	7.245845
Tangible/Public Utility Personal	9.400000	9.400000	9.400000	9.400000
Cuyahoga Valley Career Center Voted Millage				
Effective Millage Rates				
Residential/Agricultural	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial	2.000000	2.000000	2.000000	2.000000
Tangible/Public Utility Personal	2.000000	2.000000	2.000000	2.000000
Cuyahoga County Voted Millage				
Effective Millage Rates				
Residential/Agricultural	12.792270	12.225590	13.983961	14.235469
Commercial/Industrial	14.636852	14.478219	15.182254	15.265869
Tangible/Public Utility Personal	18.000000	18.000000	18.000000	16.700000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented on S10 and S11 generated the property tax revenue received in that year.

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

2001	2002	2003	2004	2005	2006
\$8.700000	\$8.700000	\$8.800000	\$8.700000	\$8.700000	\$8.600000
8.700000	8.700000	8.800000	8.700000	8.700000	8.600000
8.700000	8.700000	8.800000	8.700000	8.700000	8.600000
6.413278	6.410067	6.405723	6.343977	6.330872	6.326491
7.020441	6.991633	7.003051	6.956475	6.953430	6.953219
9.400000	9.400000	9.400000	9.400000	9.400000	9.400000
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
13.938909	13.916879	14.993182	15.768175	17.263292	18.012842
14.455050	14.534243	15.426035	17.224470	18.491220	19.131353
17.600000	17.600000	17.600000	19.400000	20.300000	20.300000

**Brecksville-Broadview Heights City School District**

*Property Tax Levies and Collections (1)*

*Last Ten Years*

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<u>Collection Year (2)</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>
1996	\$22,097,212	\$21,858,123	98.92%
1997	22,019,657	21,488,385	97.59
1998	28,894,546	27,080,369	93.72
1999	29,636,011	27,739,930	93.60
2000	29,934,084	27,627,926	92.30
2001	31,128,323	28,350,074	91.07
2002	36,208,640	33,715,941	93.12
2003	37,152,010	34,060,881	91.68
2004	38,248,233	35,589,899	93.04
2005	45,990,236	42,383,746	92.16

**Source:** Office of the Auditor, Cuyahoga County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) The 2006 information cannot be presented because all collections have not been made by June 30, 2006.
- (3) The County does not maintain delinquency information by tax year.

Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
\$231,282	\$22,089,405	99.96%
248,873	21,737,258	98.72
304,104	27,384,473	94.77
632,850	28,372,780	95.74
641,380	28,269,306	94.44
741,175	29,091,049	93.46
797,134	34,513,075	95.32
900,216	34,961,097	94.10
1,183,767	36,773,666	96.14
967,686	43,351,432	94.26

**Brecksville-Broadview Heights City School District**

*Principal Taxpayers*

*Real Estate Tax*

*December 31, 2005 and December 31, 1997*

Name of Taxpayer	December 31, 2005	
	Assessed Valuation	Percent of Real Assessed Value
CEI	\$18,857,112	2.02%
Ohio Bell Telephone Company	12,303,494	1.32
The PMD Group Company, Inc.	7,742,630	0.83
Gateway Association	5,899,845	0.63
F.C. Vineyards, L.P.	4,251,415	0.46
Brecksville Shopping Center	4,004,455	0.43
Grand Bay of Brecksville	3,546,025	0.38
Zeitler, Louie & Helen	2,953,475	0.32
Treeline Incorporated	2,823,205	0.30
Stoney Run Limited	2,723,460	0.29
Boyas-Broadview, Limited	2,703,750	0.29
OMCO Building Corporation	2,593,640	0.28
<b>Total</b>	<b>\$70,402,506</b>	<b>7.55%</b>
<b>Total Real Estate Valuation</b>	<b>\$932,594,310</b>	
Name of Taxpayer	December 31, 1997 (1)	
	Assessed Valuation	Percent of Real Assessed Value
B.F. Goodrich Company	\$7,293,930	1.13%
Grand Bay of Brecksville	4,137,810	0.64
F. C. Vineyards, L.P.	3,759,390	0.58
Gateway Associates	2,885,160	0.45
Boyas-Broadview	2,617,760	0.41
South Hills	2,487,450	0.39
Stoney Run Limited	2,293,200	0.36
South Point Association	2,265,770	0.35
Richard Klein, Trustee	2,167,380	0.34
Brecksville Shopping Center	2,013,200	0.31
<b>Total</b>	<b>\$31,921,050</b>	<b>4.96%</b>
<b>Total Real Estate Valuation</b>	<b>\$643,717,290</b>	

**Source:** Office of the Auditor, Cuyahoga County, Ohio

(1) Information prior to 1997 is not available.

**Brecksville-Broadview Heights City School District**

*Principal Taxpayers*

*Tangible Personal Property Tax*

*December 31, 2005 and December 31, 1997*

Name of Taxpayer	December 31, 2005	
	Assessed Valuation	Percent of Tangible Assessed Value
Ohio Machinery Company	8,325,650	16.69%
Noveon Inc.	\$5,456,690	10.94
Curtiss Wright Flow Control, Incorporated	2,468,040	4.95
Durez Corporation	2,180,330	4.37
Marathon Ashland Petroleum	1,871,720	3.75
Barnes Group Incorporation	1,197,270	2.40
Polyone Corporation	1,135,310	2.28
Andy Sims Buick, Incorporated	1,067,490	2.14
IBM Credit LLC	828,330	1.66
FCI USA Inc.	808,460	1.62
<b>Total</b>	<b>\$25,339,290</b>	<b>50.79%</b>

Total Tangible Assessed Valuation

\$49,893,380

Name of Taxpayer	December 31, 1997 (1)	
	Assessed Valuation	Percent of Tangible Assessed Value
B.F. Goodrich Company	\$9,430,820	19.33%
Ohio Machinery Company	6,925,600	14.19
Teledyne Industries, Incorporated	3,773,180	7.73
Interlock Corporation	1,572,490	3.22
Lapine Truck Sales and Equipment	1,487,800	3.05
Marathon Oil Company	1,250,650	2.56
Ferro Corporation	1,244,270	2.55
Ameritech Services Incorporated	1,196,000	2.45
Machines Corporation	982,810	2.02
MA Hanna Company	763,290	1.56
<b>Total</b>	<b>\$28,626,910</b>	<b>58.66%</b>
<b>Total Tangible Assessed Valuation</b>	<b>\$48,798,927</b>	

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Information prior to 1997 is not available.

**Brecksville-Broadview Heights City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*December 31, 2005 and December 31, 1996*

December 31, 2005		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$16,122,884	60.83%
Ohio Bell Telephone Company	3,564,834	13.45
The East Ohio Gas Company	1,474,088	5.56
Ameritech Advanced	1,391,502	5.25
New Cingular Wireless PCS, LLC	1,041,478	3.93
American Transmission System	829,847	3.13
New Par	398,423	1.50
Alltel Ohio Limited Partner	361,865	1.37
Verizon Select Services	311,213	1.17
North Coast Gas Transmission LLC	307,783	1.16
MCI Worldcom Network	132,643	0.50
	<u>\$25,936,560</u>	<u>97.85%</u>
Total		
Total Public Utility Valuation	<u>\$26,503,490</u>	
December 31, 1996 (1)		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$24,028,160	53.07%
Ohio Bell Telephone Company	16,493,750	36.43
The East Ohio Gas Company	4,019,930	8.88
MCI Telecommunications Corporation	335,150	0.74
	<u>\$44,876,990</u>	<u>99.12%</u>
Total		
Total Public Utility Valuation	<u>\$45,276,990</u>	

**Source:** Office of the Auditor, Cuyahoga County, Ohio

(1) Information prior to 1996 is not available.



**Brecksville-Broadview Heights City School District**

*Computation of Direct and Overlapping*

*Governmental Activities Debt*

*January 1, 2006*

	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
Direct:			
Brecksville-Broadview Heights City School District			
General Obligation Bonds	\$28,535,000	100.00%	\$28,535,000
Capital Leases	<u>1,570,770</u>	100.00	<u>1,570,770</u>
Total Direct	<u>30,105,770</u>	100.00	<u>30,105,770</u>
Overlapping:			
Cuyahoga County			
General Obligation Bonds	224,406,000	3.29	7,382,957
Revenue Bonds	109,950,000	3.29	3,617,355
Capital Lease Obligations	8,387,000	3.29	275,932
Loans Payable	2,776,000	3.29	91,330
Brecksville City			
General Obligation Bonds	13,615,307	59.28	8,071,154
Special Assessment Bonds	4,929,614	59.28	2,922,275
OPWC Loans	651,478	59.28	386,196
Broadview Heights City			
General Obligation Bonds	5,034,286	39.64	1,995,591
Special Assessment Bonds	3,527,608	39.64	1,398,344
OWDA Loans	3,928,840	39.64	1,557,392
Revolving Loan	537,819	39.64	213,191
Notes Payable	878,500	39.64	348,237
North Royalton City			
General Obligation Bonds	2,245,591	1.09	24,477
Special Assessment Bonds	1,586,414	1.09	17,292
Capital Lease Obligation	49,461	1.09	539
Police and Fire Pension	<u>132,817</u>	1.09	<u>1,448</u>
Total Overlapping	<u>382,636,735</u>		<u>28,303,712</u>
Total	<u><u>\$412,742,505</u></u>		<u><u>\$58,409,482</u></u>

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2005 collection year.

**Brecksville-Broadview Heights City School District**

*Ratios of Outstanding Debt  
to Estimated Actual Value and Debt Per Capita  
Last Ten Fiscal Years*

Fiscal Year	Estimated Population	Estimated Actual Value	General Obligation Bonded Debt		
			Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value	Bonded Debt per Capita
1997	26,677	\$1,886,469,555	\$37,075,000	1.97%	\$1,390
1998	27,078	2,085,839,090	36,355,000	1.74	1,343
1999	28,432	2,145,194,714	36,020,000	1.68	1,267
2000	28,858	2,146,920,214	34,455,000	1.60	1,194
2001	29,349	2,430,191,735	33,505,000	1.38	1,142
2002	29,762	2,500,151,161	32,804,500	1.31	1,102
2003	30,179	2,552,744,209	31,644,999	1.24	1,049
2004	30,486	2,718,158,058	30,654,999	1.13	1,006
2005	30,708	2,791,247,830	29,620,000	1.06	965
2006	30,942	2,890,632,181	28,535,000	0.99	922

**Source:** Office of the Treasurer, Brecksville-Broadview Heights City School District and the U.S. Census Bureau (Census 2000)

General Debt		
General Debt	Ratio of General Debt to Estimated Actual Value	General Debt per Capita
\$37,075,000	1.97%	\$1,390
36,355,000	1.74	1,343
36,020,000	1.68	1,267
34,780,000	1.62	1,205
36,005,000	1.48	1,227
37,154,445	1.49	1,248
34,655,874	1.36	1,148
34,337,239	1.26	1,126
31,520,886	1.13	1,026
30,105,770	1.04	973

**Brecksville-Broadview Heights City School District**

*Computation of Legal Debt Margin*

*Last Nine Fiscal Years (1)*

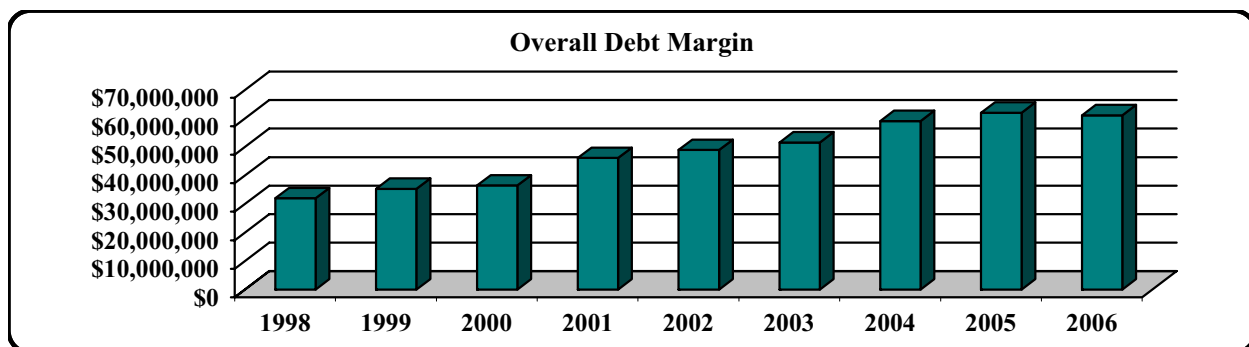
	1998	1999	2000
Assessed Valuation (2)	<u>\$737,793,207</u>	<u>\$759,951,942</u>	<u>\$759,867,111</u>
Debt Limit - 9% of Assessed Value (3)	\$66,401,389	\$68,395,675	\$68,388,040
Amount of Debt Outstanding			
General Obligation Bonds	36,355,000	36,020,000	34,455,000
Tax Anticipation Note	0	0	0
Energy Conservation Note	0	0	0
Less Amount Available in Debt Service	<u>(1,914,163)</u>	<u>(650,000)</u>	<u>(2,192,896)</u>
Total	34,440,837	35,370,000	32,262,104
Exemptions:			
Tax Anticipation Note	0	(2,220,376)	(325,000)
Energy Conservation Note	<u>0</u>	<u>0</u>	<u>0</u>
Amount of Debt Subject to Limit	<u>34,440,837</u>	<u>33,149,624</u>	<u>31,937,104</u>
Overall Debt Margin	<u>\$31,960,552</u>	<u>\$35,246,051</u>	<u>\$36,450,936</u>
Legal Debt Margin as a Percentage of Debt Limit	48.13%	51.53%	53.30%
Unvoted Legal Debt Limit - .10% of Assessed Value (1)	\$737,793	\$759,952	\$759,867
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$737,793</u>	<u>\$759,952</u>	<u>\$759,867</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%

**Source:** Cuyahoga County Auditor and School District Financial Records

- (1) Information prior to 1998 is not available.
- (2) For fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.
- (3) Ohio Bond Law sets a limit of 9% for overall debt and

2001	2002	2003	2004	2005	2006
\$857,503,880	\$872,660,303	\$891,000,325	\$951,295,150	\$974,728,362	\$951,569,120
\$77,175,349	\$78,539,427	\$80,190,029	\$85,616,564	\$87,725,553	\$85,641,221
33,505,000	32,804,500	31,644,999	30,654,999	29,620,000	28,535,000
2,500,000	2,500,000	1,700,000	865,000	0	0
0	1,270,000	998,000	773,000	513,000	0
(2,410,550)	(3,170,120)	(2,959,465)	(4,113,548)	(3,872,231)	(3,991,856)
33,594,450	33,404,380	31,383,534	28,179,451	26,260,769	24,543,144
(2,500,000)	(2,500,000)	(1,700,000)	(865,000)	0	0
0	(1,270,000)	(998,000)	(773,000)	(513,000)	0
31,094,450	29,634,380	28,685,534	26,541,451	25,747,769	24,543,144
\$46,080,899	\$48,905,047	\$51,504,495	\$59,075,113	\$61,977,784	\$61,098,077
59.71%	62.27%	64.23%	69.00%	70.65%	71.34%
\$857,504	\$872,660	\$891,000	\$951,295	\$974,728	\$951,569
0	0	0	0	0	0
\$857,504	\$872,660	\$891,000	\$951,295	\$974,728	\$951,569

100.00%      100.00%      100.00%      100.00%      100.00%      100.00%



**Brecksville-Broadview Heights City School District**

*Demographic and Economic Statistics*

*Last Seven Years (1)*

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<u>Year</u>	<u>Estimated Population</u>	<u>Total Personal Income</u>	<u>Personal Income Per Capita</u>	<u>Median Household Income</u>	<u>Median Age</u>
2000	28,858	\$970,754,262	\$33,639	\$66,574	41.65
2001	29,349	987,271,011	33,639	66,574	41.65
2002	29,762	1,001,163,918	33,639	66,574	41.65
2003	30,179	1,015,191,381	33,639	66,574	41.65
2004	30,486	1,025,518,554	33,639	66,574	41.65
2005	30,708	1,032,986,412	33,639	66,574	41.65
2006	30,942	1,040,857,938	33,639	66,574	41.65

Source 2000 U.S. Census Bureau

1) Information prior to 2000 not available

Median Value of Residential Property	Cuyahoga County Unemployment Rate	Total Assessed Property Value
\$196,850	4.5%	\$759,867,111
196,850	4.5	857,503,880
196,850	4.6	872,660,303
196,850	6.7	891,000,325
196,850	6.6	951,295,150
196,850	5.9	974,728,362
196,850	5.6	1,008,991,180

**Brecksville-Broadview Heights City School District**

*Principal Employers*

*December 31, 2005 and December 31, 1996*

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**2005**

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Employer	City	Nature of Business or Activity	Number of Employees
Department of Veteran Affairs	Brecksville	Medical Center	1,326
National City Corporation	Brecksville	Banking Services	834
Ameritech Services	Brecksville	Communication Services	877
Brecksville-Broadview Heights Board of Education	Brecksville/ Broadview Heights	Public Education	603
Noveon, Inc.	Brecksville	Headquarters for a chemical firm	529
City of Broadview Heights	Broadview Heights	Municipal Government	328
House of LaRose	Brecksville	Beverage Distributor	310
Ohio Machinery Company	Broadview Heights	Construction Equipment Sales	250
Classic Video	Broadview Heights	Video Productions	177
Total			<u>5,234</u>
Total Employment within the School District			<u>n/a</u>

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**1996**

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Employer	City	Nature of Business or Activity	Number of Employees
Department of Veteran Affairs	Brecksville	Medical Center	1,126
Ameritech Services	Brecksville	Communication Services	805
Noveon, Inc.	Brecksville	Headquarters for a chemical firm	800
Brecksville-Broadview Heights Board of Education	Brecksville/ Broadview Heights	Public Education	523
City of Broadview Heights	Broadview Heights	Municipal Government	328
Andrews Moving & Storage Co.	Brecksville	Moving and Storage	285
Ohio Machinery Company	Broadview Heights	Construction Equipment Sales	250
Norstan Company	Brecksville	Communication Services	250
Bank One	Brecksville	Banking Services	250
City of Brecksville	Brecksville	Municipal Government	191
Total			<u>4,808</u>
Total Employment within the School District			<u>n/a</u>

**Source:** Cities of Brecksville and Broadview Heights, Ohio

n/a - Information not available



**Brecksville-Broadview Heights City School District**

*Building Statistics by Function/Program*

*Last Three Fiscal Years (1)*

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	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Chippewa Elementary School</b>			
Constructed in 1962			
Total Building Square Footage	40,600	40,600	40,600
Media Center Square Footage	2,535	2,535	2,535
Cafeteria and Gymnasium Square Footage	2,535	2,535	2,535
Enrollment Grades K - 3	418	389	417
Student Capacity	325	325	325
Regular Instruction Classrooms	17	17	17
Regular Instruction Teachers	22	21	21
Special Instruction Classrooms	3	3	3
Special Instruction Teachers	3	3	3
<b>Highland Drive Elementary School</b>			
Constructed in 1953			
Total Building Square Footage	44,000	44,000	44,000
Media Center Square Footage	840	840	840
Cafeteria and Gymnasium Square Footage	3,200	3,200	3,200
Enrollment Grades K - 3	364	349	363
Student Capacity	350	350	350
Regular Instruction Classrooms	16	16	16
Regular Instruction Teachers	22	22	22
Special Instruction Classrooms	6	6	6
Special Instruction Teachers	6	6	6
<b>Hilton Elementary School</b>			
Constructed in 1967			
Total Building Square Footage	43,000	43,000	43,000
Media Center Square Footage	1,200	1,200	1,200
Cafeteria and Gymnasium Square Footage	2,700	2,700	2,700
Kitchen Square Footage	1,100	1,100	1,100
Enrollment Grades K - 3	488	485	404
Student Capacity	348	348	348
Regular Instruction Classrooms	18	18	18
Regular Instruction Teachers	24	24	24
Special Instruction Classrooms	1	1	1
Special Instruction Teachers	2	2	2

(continued)

**Brecksville-Broadview Heights City School District**

*Building Statistics by Function/Program (continued)*

*Last Three Fiscal Years (1)*

	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Central School</b>			
Constructed in 1915			
Additions in 1929, 1950, 1964, 1981			
Total Building Square Footage	73,400	73,400	73,400
Media Center Square Footage	2,800	2,800	2,800
Cafeteria Square Footage	2,230	2,230	2,230
Gymnasiums (2) Square Footage	6,600	6,600	6,600
Enrollment Grades 4 and 5	733	738	716
Student Capacity	590	590	590
Regular Instruction Classrooms	27	27	27
Regular Instruction Teachers	41	43	43
Special Instruction Classrooms	3	3	3
Special Instruction Teachers	7	6	6
<b>Middle School</b>			
Constructed in 1960			
Additions in 1965, 1971, 1986			
Total Building Square Footage	176,750	176,750	176,750
Auditorium Square Footage	15,200	15,200	15,200
Media Center Square Footage	5,000	5,000	5,000
Cafeteria Square Footage	7,800	7,800	7,800
Gymnasium Square Footage	10,000	10,000	10,000
Enrollment Grades 6 - 8	1,138	1,164	1,204
Enrollment Preschool	34	37	37
Student Capacity	1,219	1,219	1,219
Regular Instruction Classrooms	48	49	49
Regular Instruction Teachers	60	61	61
Special Instruction Classrooms	4	4	4
Special Instruction Teachers	10	11	11
<b>High School</b>			
Constructed in 1997			
Total Building Square Footage	299,800	299,800	299,800
Auditorium Square Footage	16,000	16,000	16,000
Media Center Square Footage	51,000	51,000	51,000
Kitchen and Cafeteria Square Footage	14,500	14,500	14,500
Gymnasiums (2) Square Footage	21,700	21,700	21,700
Enrollment - Grades 9 - 12	1,491	1,566	1,616
Student Capacity	1,817	1,817	1,817
Regular Instruction Classrooms	66	66	66
Regular Instruction Teachers	80	80	80
Special Instruction Classrooms	7	7	7
Special Instruction Teachers	8	8	8
Vocational Instruction Classrooms	4	4	4
Vocational Instruction Teachers	3	3	3

(1) Information prior to 2004 is not available.

**Brecksville-Broadview Heights City School District**

*Per Pupil Cost  
Last Ten Fiscal Years*

Fiscal Year	Student Enrollment		General Governmental	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost
1997	3,920	4.62 %	43,459,331	11,087
1998	3,938	0.46	33,502,998	8,508
1999	4,049	2.82	28,780,537	7,108
2000	4,108	1.46	31,503,027	7,669
2001	4,247	3.38	34,515,225	8,127
2002	4,440	4.54	37,847,024	8,524
2003	4,565	2.82	42,329,746	9,273
2004	4,666	2.21	43,779,369	9,383
2005	4,728	1.33	44,500,911	9,412
2006	4,720	(0.17)	47,348,849	10,032

(1) Debt Service totals have been excluded.

(2) The School District implemented GASB-34 in fiscal year 2001.

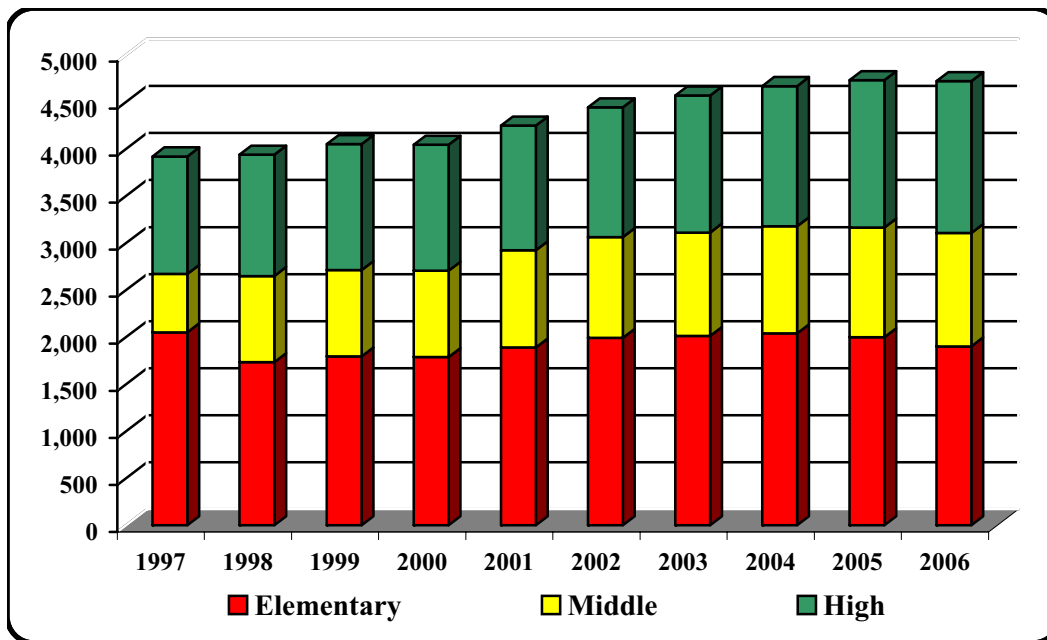
Governmental Activities	
Total Expenses (2)	Per Pupil Cost
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
38,127,574	8,978
39,751,343	8,953
43,773,558	9,589
45,689,009	9,792
46,721,610	9,882
50,361,295	10,670

**Brecksville-Broadview Heights City School District**

*Enrollment Statistics*

*Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle School	High School	Total
1997	2,050	621	1,249	3,920
1998	(1) 1,732	916	1,290	3,938
1999	1,794	917	1,338	4,049
2000	1,787	977	1,344	4,108
2001	1,889	1,032	1,326	4,247
2002	1,991	1,069	1,380	4,440
2003	2,011	1,099	1,455	4,565
2004	2,037	1,138	1,491	4,666
2005	1,998	1,164	1,566	4,728
2006	1,900	1,204	1,616	4,720



Source: Brecksville-Broadview Heights City School Records

- (1) The following are changes made in the 1997-98 school year  
 Elementary grade change from K-6 to K-5  
 Middle School grade change from 7,8 to 6,7,8

**Brecksville-Broadview Heights City School District**

*Attendance and Graduation Rates*

*Last Nine Fiscal Years (1)*

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<u>Fiscal Year</u>	<u>Brecksville- Broadview Heights Attendance Rate</u>	<u>State Average</u>	<u>Brecksville- Broadview Heights Graduation Rate</u>	<u>State Average</u>
1998	96.30%	93.90%	96.30%	79.90%
1999	96.10	93.50	96.10	81.40
2000	95.70	93.60	95.10	80.70
2001	96.00	93.90	95.00	81.20
2002	95.90	94.30	98.30	82.80
2003	95.70	94.50	98.30	83.90
2004	95.90	94.50	95.40	84.30
2005	95.80	94.30	97.70	85.90
2006	95.80	94.10	97.90	86.20

Source: Ohio Department of Education Local Report Cards

(1) Information prior to 1998 is not available.

**Brecksville-Broadview Heights City School District**

*School District Employees by Function/Program*

*Last Six Fiscal Years (1)*

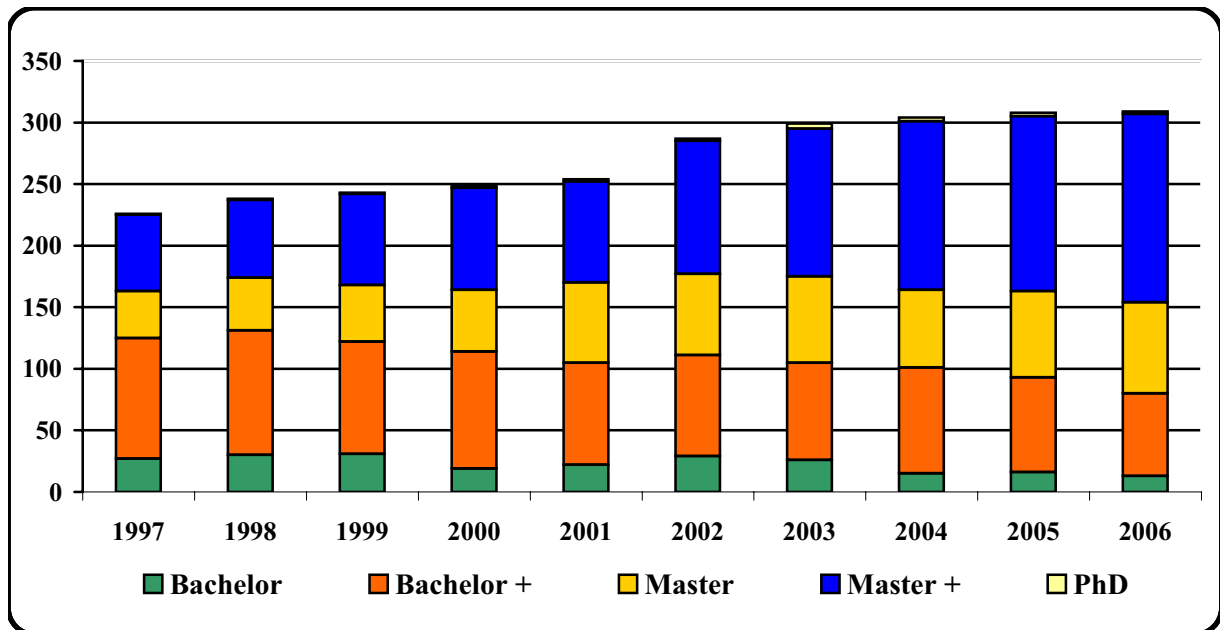
<b>Function/Program</b>	2001	2002	2003	2004	2005	2006
<b>Regular Instruction</b>						
Elementary Classroom Teachers	72	85	85	89	89	90
Middle School Classroom Teachers	53	57	59	60	61	61
High School Classroom Teachers	76	76	81	83	80	80
<b>Special Instruction</b>						
Preschool Teachers	2	3	3	3	3	3
Elementary Classroom Teachers	8	9	15	17	17	17
Gifted Education Teachers	2	3	3	3	1	2
Middle School Classroom Teachers	6	7	8	10	11	15
High School Classroom Teachers	5	7	7	8	8	10
<b>Vocational Instruction</b>						
High School Classroom Teachers	3	3	3	3	3	3
<b>Pupil Support Services</b>						
Guidance Counselors	8	11	12	12	12	13
Librarians	1	1	1	1	1	1
Psychologists	6	6	7	5	5	4
Speech & Language Pathologists	9	10	8	8	8	7
Nurse	1	1	1	1	1	2
<b>Administrators</b>						
Elementary	4.5	4.5	4.5	5	5	5
Middle School	2.5	2	2.5	2.5	2.5	3
High School	3.5	3.5	3.5	3.5	3.5	3.5
Districtwide	11	12	12	12	12	12
<b>Operation of Plant</b>						
Custodians	29	33	36	35	36	37
Maintenance	4	6	6	6	6	6
<b>Pupil Transportation</b>						
Bus Drivers	42	42	43	44	44	46
Bus Aides	3	6	10	8	9	8
Mechanics	3	3	3	3	3	3
<b>Food Service Program</b>						
Elementary Cooks	18	18	18	18	14	13
Middle School Cooks	10	11	11	11	10	8
High School Cooks	18	18	18	17	11	11
Totals	<u>472.5</u>	<u>438</u>	<u>460.5</u>	<u>468</u>	<u>456</u>	<u>463.5</u>

Method: Using 1.0 for each full-time employee and .50 for each part-time and seasonal employee at fiscal year end.

(1) Information prior to 2001 is not available.

**Brecksville-Broadview Heights City School District**  
*Full-Time Equivalent Certified School District Employees by Education*  
*Last Ten Fiscal Years*

Degree	1997	1998	1999	2000
Bachelor	27	30	31	19
Bachelor +9	24	26	22	22
Bachelor +18	25	26	23	28
Bachelor +30	49	49	46	45
Master	38	43	46	50
Master +9	14	17	24	25
Master +18	16	12	13	18
Master +30	12	18	17	17
Master +42	20	16	20	23
PhD	1	1	2	2
Total	226	238	244	249



Source: School District Records



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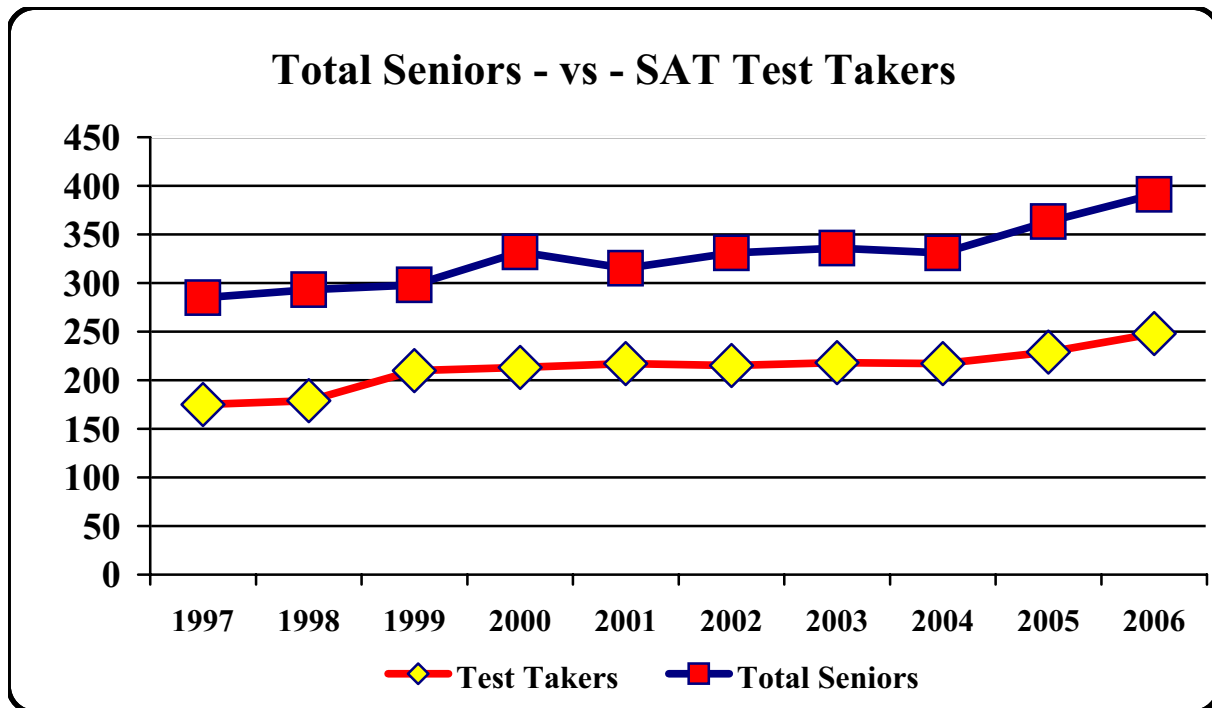
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
22	29	26	15	16	13
19	23	24	19	17	9
23	22	13	26	23	19
41	37	42	41	37	39
65	66	70	63	70	74
25	31	31	36	38	40
21	30	38	38	32	37
13	13	11	19	27	28
23	34	40	44	45	48
<u>2</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>
<u>254</u>	<u>289</u>	<u>298</u>	<u>304</u>	<u>307</u>	<u>309</u>

**Brecksville-Broadview Heights City School District**

*SAT Composite Scores*

*Last Ten School Years*

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Brecksville-Broadview Heights Verbal	Ohio Verbal	National Verbal
1997	175	285	61.40	523	535	505
1998	179	293	61.09	532	536	505
1999	210	298	70.47	540	534	505
2000	213	332	64.16	524	533	505
2001	217	315	68.89	533	534	506
2002	215	330	65.15	534	533	504
2003	218	336	64.88	544	536	507
2004	217	331	65.56	550	538	508
2005	229	363	63.09	554	539	508
2006	248	391	63.43	544	535	503



(1) SAT writing tests were not conducted prior to 2006.

Source: High School Guidance Office,  
Brecksville-Broadview Heights City School District

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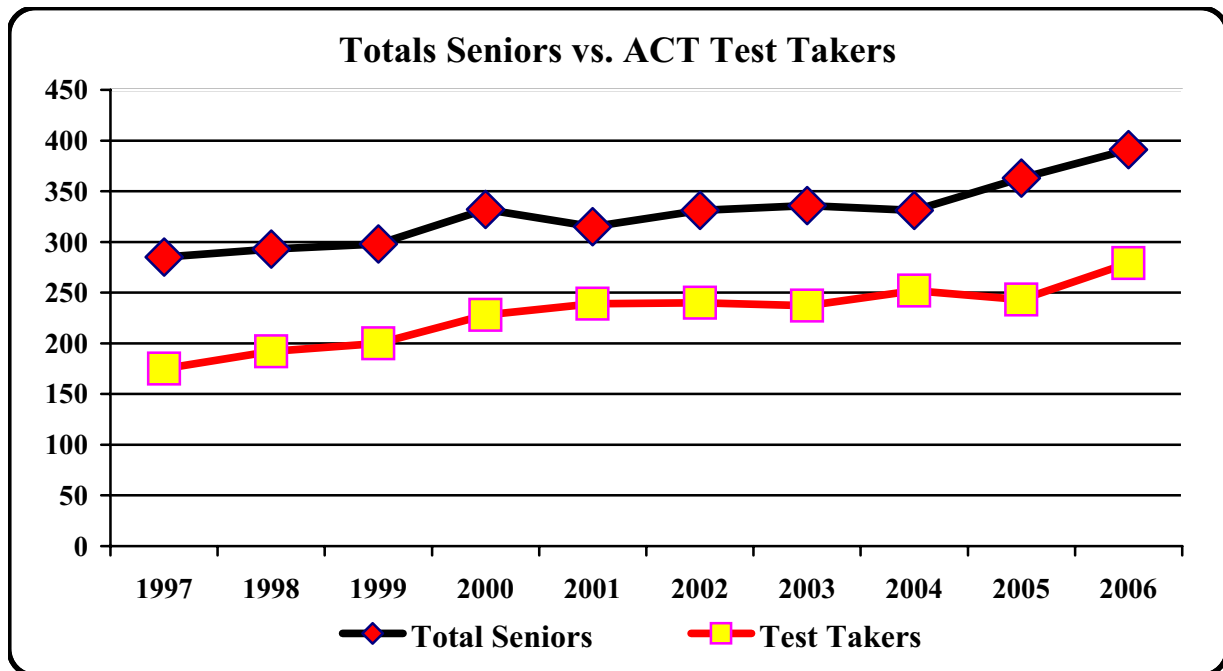
Brecksville- Broadview Heights Math	Ohio Math	National Math	Broadview Heights Writing	Ohio Writing	National Writing
548	536	511	548	536	511
554	540	512	554	540	512
558	538	511	558	538	511
548	539	514	548	539	514
552	539	514	552	539	514
544	540	516	544	540	516
560	541	519	560	541	519
565	542	518	565	542	518
563	543	520	563	543	520
557	544	518	528	521	497

**Brecksville-Broadview Heights City School District**

*ACT Composite Scores*

*Last Ten School Years*

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Brecksville-Broadview Heights Composite	Ohio Composite	National Composite
1997	175	285	61.40	23.2	21.3	21.0
1998	192	293	65.53	23.3	21.4	21.0
1999	200	298	67.11	23.2	21.4	21.0
2000	228	332	68.67	22.8	21.4	21.0
2001	239	315	75.87	22.7	21.4	21.0
2002	240	330	72.73	22.9	21.4	20.8
2003	237	336	70.54	23.4	21.4	20.8
2004	252	331	76.13	23.6	21.4	20.9
2005	243	363	66.94	24.4	21.4	20.9
2006	279	391	71.36	24.2	21.5	21.1



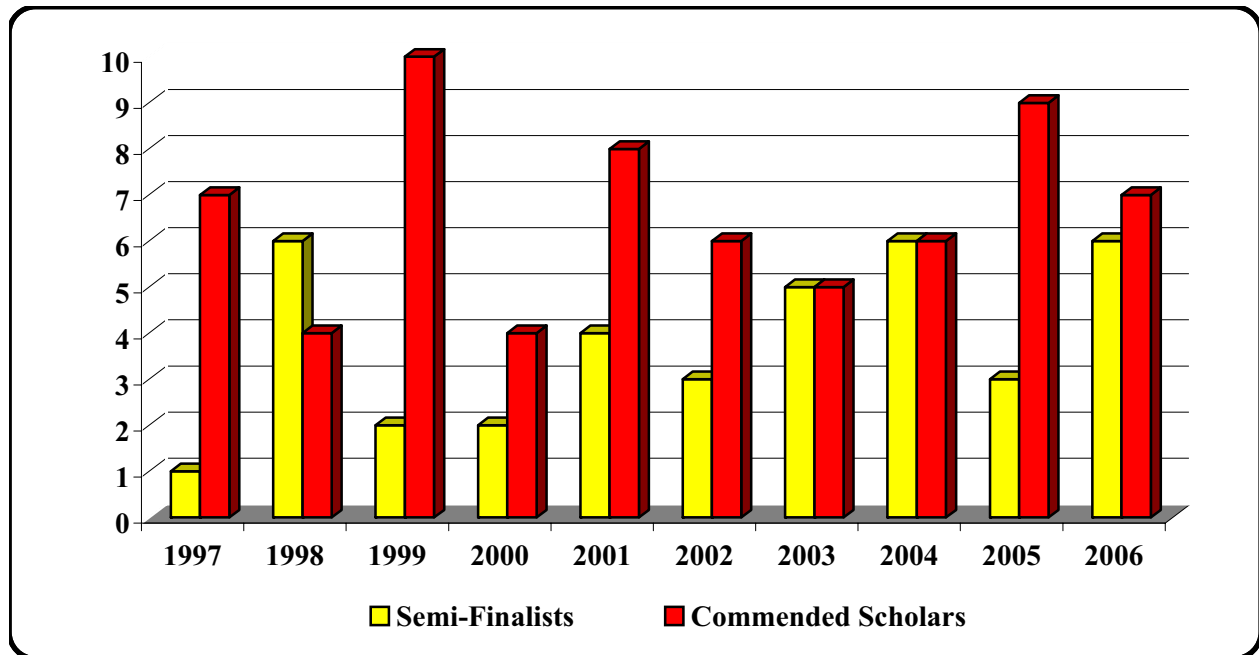
Source: High School Guidance Office,  
Brecksville-Broadview Heights City School District

**Brecksville-Broadview Heights City School District**

*National Merit Scholarship Program*

*Last Ten School Years*

<u>School Year</u>	<u>Semi-Finalists</u>	<u>Commended Scholars</u>	<u>Total</u>
1997	1	7	8
1998	6	4	10
1999	2	10	12
2000	2	4	6
2001	4	8	12
2002	3	6	9
2003	5	5	10
2004	6	6	12
2005	3	9	12
2006	6	7	13



Source: High School Guidance Office  
 Brecksville-Broadview Heights City School District

**Brecksville-Broadview Heights City School District**

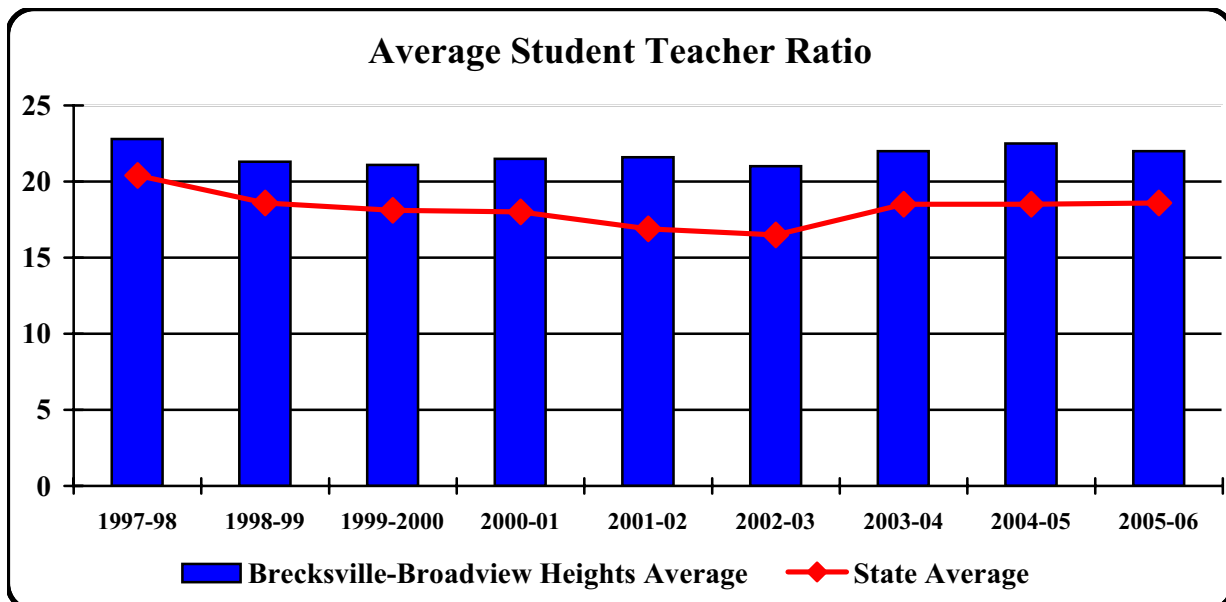
*Average Number of Students per Teacher*

*Last Nine School Years (1)*

School Year	Brecksville-Broadview Heights Average	State Average
1997 - 1998	22.8	20.4
1998 - 1999	21.3	18.6
1999 - 2000	21.1	18.1
2000 - 2001	21.5	18.0
2001 - 2002	21.6	16.9
2002 - 2003	21.0	16.5
2003 - 2004	22.0	18.5
2004 - 2005	22.5	18.5
2005 - 2006	22.0	18.6

Source: Ohio Department of Education

(1) Information prior to 1998 is not available.





**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**BRECKSVILLE-BROADVIEW HEIGHTS 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  
DECEMBER 26, 2006**