

**Mary Taylor, CPA**  
Auditor of State



**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2007**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. Department of Agriculture</b>						
<i>Passed Through Ohio Department of Education:</i>						
Food Distribution	N/A	10.550	\$0	\$73,566	\$0	\$73,566
Nutrition Cluster:						
School Breakfast Program	05PU-2006	10.553	19,948	0	19,948	0
School Breakfast Program	05PU-2007	10.553	49,721	0	49,721	0
Subtotal School Breakfast Program			69,669	0	69,669	0
National School Lunch Program	LLP4-2006	10.555	166,590	0	166,590	0
National School Lunch Program	LLP4-2007	10.555	399,196	0	399,196	0
Subtotal National School Lunch Program			565,786	0	565,786	0
Total Nutrition Cluster			635,455	0	635,455	0
<b>Total U.S. Department of Agriculture - Nutrition Cluster</b>			<b>635,455</b>	<b>73,566</b>	<b>635,455</b>	<b>73,566</b>
<b>U.S. Department of Education</b>						
<i>Passed Through Cleveland Municipal School District:</i>						
Title I	C1S1-2006	84.010	(19,945)	0	0	0
Title I	C1S1-2007	84.010	26,972	0	7,095	0
Subtotal Title I			7,027	0	7,095	0
<i>Passed Through Parma City School District:</i>						
Title I	C1S1-2006	84.010	(362)	0	0	0
Title I	C1S1-2007	84.010	994	0	994	0
Subtotal Title I			632	0	994	0
<i>Passed Through Ohio Department of Education:</i>						
Title I	C1S1-2006	84.010	(22,261)	0	55,605	0
Title I	C1S1-2007	84.010	442,765	0	483,366	0
Neglected, Title I	C1SN-2006	84.010	7,982	0	12,462	0
Neglected, Title I	C1SN-2007	84.010	51,669	0	51,832	0
Subtotal Title I			480,155	0	603,265	0
Special Education Cluster:						
IDEA Part B	6BSF-2006	84.027	(5,929)	0	105,104	0
IDEA Part B	6BSF-2007	84.027	1,441,433	0	1,604,444	0
Special Education - Autism Spectrum Disorder	6BSA-2006	84.027	4,835	0	15,046	0
Subtotal IDEA Part B and Autism Spectrum Disorder			1,440,339	0	1,724,594	0
Preschool Disability Grant	PGS1-2006	84.173	(3,496)	0	3,860	0
Preschool Disability Grant	PGS1-2007	84.173	35,091	0	40,737	0
Subtotal Preschool Disability Grant			31,595	0	44,597	0
Total Special Education Cluster			1,471,934	0	1,769,191	0
Drug Free School Grant	DRS1-2006	84.186	(2,390)	0	3,402	0
Drug Free School Grant	DRS1-2007	84.186	22,508	0	21,792	0
Total Drug Free School Grant			20,118	0	25,194	0
Innovative Programs, Title V	C2S1-2006	84.298	(3,090)	0	7,872	0
Innovative Programs, Title V	C2S1-2007	84.298	10,821	0	10,877	0
Total Innovative Programs, Title V			7,731	0	18,749	0
Title II, Part D - Education Technology	TJS1-2006	84.318	(1,240)	0	0	0
Title II, Part D - Education Technology	TJS1-2007	84.318	5,791	0	4,838	0
Total Title II, Part D - Education Technology			4,551	0	4,838	0
Fund for the Improvement of Education	EMGR-2006	84.215	(26,593)	0	0	0
Title III LEP	T3S1-2006	84.365	(523)	0	2,233	0
Title III LEP	T3S1-2007	84.365	13,653	0	13,617	0
Immigrant, Title III	T3S2-2007	84.365	300	0	0	0
Total Title III LEP			13,430	0	15,850	0
Title II, Part A - Teacher and Principal Training and Recruiting	TRS1-2006	84.367	3,419	0	19,444	0
Title II, Part A - Teacher and Principal Training and Recruiting	TRS1-2007	84.367	85,496	0	98,011	0
Total Title II, Part A - Teacher and Principal Training and Recruiting			88,915	0	117,455	0
Hurricane Education Recovery	HR01-2006	84.938	2,500	0	4,500	0
<b>Total U.S. Department of Education</b>			<b>2,062,741</b>	<b>0</b>	<b>2,559,042</b>	<b>0</b>
<b>Total Federal Financial Assistance</b>			<b>\$2,705,855</b>	<b>\$73,566</b>	<b>\$3,202,586</b>	<b>\$73,566</b>

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

**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2007**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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

**NOTE D – NEGATIVE RECEIPTS**

The Ohio Department of Education (ODE) transferred federal monies from grant year 2006 to grant year 2007 for several of the District's federal grants. These transfers appear as negative receipts in the 2006 grant year and positive receipts in the 2007 grant year. This action by ODE allowed the District to extend the availability period for expenditure of these receipts.

N/A - Not applicable.

CFDA - Catalog of Federal Domestic Assistance.



# Mary Taylor, CPA

Auditor of State

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

Berea City School District  
Cuyahoga County  
390 Fair Street  
Berea, Ohio 44017

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 Berea City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 15, 2008, wherein we noted the District restated the Other Governmental funds July 1, 2006 fund balance and Governmental and Business-Type Activities July 1, 2006 net assets for the reclassification of the District's Enterprise funds to Governmental funds as described in Note 3. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

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

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

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

We noted certain matters that we reported to the District's management in a separate letter dated January 15, 2008.

#### **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 an instance of noncompliance or other matters that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2007-001.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated January 15, 2008.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings. We did not audit the District's response and, accordingly, we express no opinion on it.

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



**Mary Taylor, CPA**  
Auditor of State

January 15, 2008





# Mary Taylor, CPA

Auditor of State

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

Berea City School District  
Cuyahoga County  
390 Fair Street  
Berea, Ohio 44017

To the Board of Education:

### Compliance

We have audited the compliance of the Berea 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 its major federal program for the year ended June 30, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its 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 Berea City School District, Cuyahoga County, Ohio, complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended June 30, 2007.

### **Internal Control Over Compliance**

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

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

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

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

However, we noted a matter involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated January 15, 2008.

### **Schedule of Federal Awards Receipts and Expenditures**

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Berea City School District, Cuyahoga County, Ohio, as of and for the year ended June 30, 2007, and have issued our report thereon dated January 15, 2008, wherein we noted the District restated the Other Governmental funds July 1, 2006 fund balance and Governmental and Business-Type Activities July 1, 2006 net assets for the reclassification of the District's Enterprise funds to Governmental funds as described in Note 3. Our audit was performed to form opinions 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 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 "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

January 15, 2008

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**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2007**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster / 84.027 & 84.173
<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**

**FINDING NUMBER 2007-001**

**Material Noncompliance Citation**

**Travel Reimbursements**

Board Administrative Policy 4440B – Use of Private Car for School Business for classified staff states the following.

- A. All classified staff will be assigned to a school or office which becomes the home station. It will be the responsibility of each individual to provide his/her own transportation from his/her residence to his/her assigned station and to any other assigned spot to attend meetings for administrative or training purposes.

**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2007  
(Continued)**

**FINDING NUMBER 2007-001 (Continued)**

**Travel Reimbursements (Continued)**

- B. When an individual's duties require his/her presence at other stations or places within or out of the District, reimbursement for travel may be requested. Such requests will be approved when the travel is scheduled or authorized by the Superintendent.
  
- F. Payments for authorized travel will be made provided itemized daily records are submitted on the proper forms.

During our testing of travel reimbursements we noted the Treasurer did not have an established home station. He was reimbursed for mileage from his home residence in some instances and reimbursed for mileage from the Administration office in other instances. We also noted instances when the Treasurer completed the Professional Meeting Expense Report required for reimbursement and did not attach the required itemized mileage information. When mileage is reimbursed a mileage form must be attached which lists the places traveled and the amount of associated mileage. The Treasurer did not always attach this form. Instead he listed the amount to be reimbursed for mileage on the Professional Meeting Expense Report. The reimbursement amount could not be properly recalculated without the mileage form.

We recommend the Treasurer establish a home station at the Administration office for mileage reimbursement purposes and properly complete the mileage form when being reimbursed for mileage.

Official's Response:

The Berea City School District developed policies dealing with travel reimbursement during its routine updates. The policy does not accurately follow the practice and outcome the Berea City School District Board of Education and Administration believes is correct. We will be revising the policy/contract to include travel reimbursements which will be fair and equitable for each party. The District believes this will more accurately reflect true costs rather than establishing arbitrary home stations. Further, we respectfully appreciate the audit's comment, but disagree that this comment is material.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
--

**None**

# Berea City School District

## Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2007



*Max S.*

7<sup>th</sup> Grade

Ford Middle School

Art Instructor: Christine Donahue

**BEREA, OHIO**





# INTRODUCTORY SECTION



*Jesse O*

Grade K

Rivertedge Elementary School  
Art Instructor: Connie Stidham

# Berea, Ohio City School District

Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2007



*Nikita M.*

6<sup>th</sup> Grade

Roehm Middle School

Art Instructor: Janet Luken

**Issued by:**      **Treasurer's Office**  
**Randal A. Scherf, Treasurer**  
**Dale Cummins, Assistant Treasurer**

**Berea City School District**  
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*Isabella B.*

3<sup>rd</sup> Grade

Parknoll Elementary School

Art Instructor: Denise Krock



## Administration Building

390 Fair Street | Berea, Ohio 44017-2308  
Phone: 440 243-6000 | Fax: 440 243-5522  
www.berea.k12.oh.us

January 15, 2007

Board of Education Members and  
Residents of Berea City School District;

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Berea City School District for the fiscal year ended June 30, 2007. This CAFR conforms to generally accepted accounting principles as applicable to governmental entities, and enables the School District to comply with the legal requirement to file an annual report with the Auditor of State within 150 days of the fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for the purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require the School District to be subjected to an annual examination by an independent auditor or the State Auditor's Office. For the fiscal year 2007, the School District was audited by the Auditor of State's Office. Their unqualified opinion is included in the financial section of this CAFR.

Management's discussion and analysis (MD&A) immediately follows the independent accountants' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

### **School District Organization**

Berea City School District is one of the 614 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District is an independent school district that provides education to 7,429 students in grades kindergarten through twelfth. The projected enrollment for Fiscal Year 2008 is 7,320. Additionally, the School District provides preschool, after school, adult, and community education services to a large number of students. The School District has 11 school buildings, with ages from 40 to 78 years. Berea City School District is located in northeastern Ohio, approximately twelve miles southwest of downtown Cleveland. Berea City School District includes the cities of Brook Park, Middleburg Heights, most of the City of Berea, and small portions of the cities of Olmsted Falls and Cleveland.

**Derran K. Wimer**  
Superintendent

**Randal A. Scherf**  
Treasurer/CFO



When first settled, Middleburg Township was one community. The first school in Middleburg Township was in Ephriam Vaughan's log house in the year 1822. In the 1830's, Middleburg Township dissolved into three distinct political entities; Berea, Brook Park and Middleburg Heights.

In 1853, a law was enacted which created a local township board of education comprised of three directors. The responsibility of these directors was to hire teachers and to maintain school property. This system was followed until 1904, when rural schools were placed under a five-member township board of education who could hire a superintendent to oversee all of the sub-districts in the township.

The School District used the name "Berea" because of the size of the city in earlier days when Brook Park and Middleburg Heights were too small to support a complete school system. Today, the Berea Public School System stands unique as the common bond between Berea, Brook Park, and Middleburg Heights.

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.

### **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 Berea City School District (the primary government) and its potential component units.

The City of Berea, City of Brook Park, City of Middleburg Heights, Cuyahoga County Public Library, and the Parent Teacher Organization have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are they fiscally dependent on the School District. Polaris Career Center, the Educational Community Foundation and the Ohio Schools' Council Association are reported as jointly governed organizations. The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program, an insurance purchasing pool.

### **Economic Condition and Outlook**

The School District contains an amalgamation of communities. The portion of the School District containing all of Brook Park and a small portion of the City of Cleveland is a commercial and industrial center, as well as being a residential community. It contains Ford Motor Company's casting plant and two engine plants. Total employment by the three plants is approximately 4,000 people. Also located in this section of the School District is Cleveland Hopkins International Airport, which provides international air transportation and delivery services for the County and surrounding areas.

The portion of the School District containing all of Berea and a small portion of the City of Olmsted Falls is a commercial center and residential community. This area was a commercial center before many of the present-day Cleveland suburbs came into being and is the home of Baldwin-Wallace College.

The portion of the School District containing all of Middleburg Heights is primarily a suburban residential community that is younger than and not as developed as the other portions of the School District. In recent years this area has experienced increases in commercial development, primarily hotels and restaurants serving visitors to the area. The growth is due to its close proximity to Cleveland Hopkins International Airport and to Interstates I-71, I-80 and I-480.

Also located within this portion of the School District is United Parcel Service, Incorporated, which employs 2,659 people and Southwest General Hospital, which employs 2,908 people.

## **Major Initiatives**

*For the Year* The Berea City School District has established three main goals: accelerate student achievement, fund the future, and promote excellence with one voice. Through the use of benchmarking and data analysis, this District will work to achieve these goals

A 1.0 mill continuing permanent improvement levy was passed in November 1996. Beginning collection in January 1997, this levy is allowing the School District to address ongoing facility needs. The annual revenue from this levy, approximately \$1.8 million, almost equals the depreciation expense of the School District.

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 Berea City Schools. In May 2000 the Ohio Supreme Court reviewed the State's efforts since 1997 and indicated the State had not met the constitutional requirements. However, the most recent effort by the Ohio Legislature and Governor during 2003 has been considered constitutional by the Ohio Supreme Court if certain additional funding requirements are met. The Supreme Court has since declared the DeRolph case closed.

*Primary accomplishments for 2007 were as follows:*

### ***Financial***

Successfully balanced budget for fiscal year 2007.

Received the Certificate of Excellence in Financial Reporting for the CAFR from the Government Finance Officer's Association (GFOA), for the fifteenth consecutive year.

Received the Outstanding Award in Popular Financial Reporting from the Government Finance Officer's Association (GFOA).

Successfully negotiated all three labor contracts.

Initiated a world class health-care program.

### ***Instruction***

The curriculum review cycle was revised to reflect the dynamic nature of content area knowledge and student needs, calling for annual program review and evaluation based on student achievement and stakeholder input.

The School District supported the full implementation of PROM/SE, the training of teachers to promote rigorous outcomes in mathematics and science education. This included teacher participation in high-quality staff development in the content areas of mathematics and science.

Launched an all day, everyday kindergarten program.

## ***Community***

The Educational Community Foundation expanded their grants to students and staff for educational and instructional programs and expanded endowments. The annual fundraising event continues to add valuable assets to the endowment.

***For the Future*** Our primary focus continues to be on the educational program. This program serves our students, parents, and community in an effort to continuously improve. This process involves assessing current programs, identifying areas to improve, developing options, selecting the best option, and assessing the results.

***Specific goals for 2008 are:***

### ***Financial***

Continue multi-year planning for capital projects, technology, and maintenance to assure limited funds are used for the best instructional use through the Permanent Improvement Coordinating Committee.

Receive the Certificate of Excellence in Financial Reporting for the School District's 2007 fiscal year for the Comprehensive Annual Financial Report on the reporting model for the eighth year.

Monitor and achieve substantial cost savings in our health insurance program.

Receive the Award of Outstanding Achievement for the District's *2007 Citizen Financial Report*.

### ***Instruction***

Continued training of District teachers on the appropriate integration of classroom assessment practices into the instructional process in order to promote student achievement and confidence. Provide teachers with student achievement data in real time through computerized assessments and internet-based reporting systems.

Provide building-level training in differentiated instructional practices to increase awareness about the benefits of such practices among building principals.

Promote the integration of technology into daily instruction to enhance the teaching and learning process. Provide teachers with mini-grant opportunities to pursue individual technology initiatives within their classrooms.

Implement both Project Lead the Way's Pre-Engineering and Biomedical Science curriculums at both high schools through a partnership with Polaris Career Center. Rewrite the courses of study in middle school mathematics and adopt resources that align with those courses of study. Complete the review of comprehensive literary programs for grades K-5 and make a recommendation to the Board of Education for adoption of a new series beginning in the 2008-2009 school year.

***Service Efforts*** There are currently thirty members on the School District's Business Advisory Council (the Council). The overall focus of the Council is to establish a trusting relationship between business and school communities, where both parties gain additional information and skills. The Council has four subcommittees to help in promoting school/business involvement: the Learning Integrating Networking Communicating (LINC) Team, which works to bring interested staff and business members together; a membership subcommittee to promote partnerships within the business community; a communications subcommittee to provide ongoing publicity and information; and a student subcommittee to involve students in planning business involvement.

Through its Ford Academy of Manufacturing Sciences Program, developed in cooperation with Ford Motor Company, the School District offers an extensive two-year curriculum for high school students. An integral part of this program is an internship in a manufacturing environment during the summer between a student's junior and senior year.

The School District has established a separate Educational Community Foundation to support and enhance educational opportunities for the youth of the communities served by the School District. The Foundation funds grants to students and staff through a voluntary employee payroll deduction program. The Foundation awards a yearly endowment grant and also accepts, manages, and in accordance with donors' intent, awards scholarships to deserving students.

The School District has an ongoing partnership with Southwest General Hospital, located in Middleburg Heights, providing student health services, athletic training services and mental health services. The hospital's physician's council has provided significant medical assistance to students unable to afford such services as well as classroom guidance on health related issues.

***Long Term Financial Planning*** Unreserved fund balance in the General Fund (18.06 percent of total general fund revenue) is well above the benchmark set for the Berea City School District. The Board of Education does not formulize a year-to-year percentage, but does look at a range of years in which the budget will allow for operations to continue without programming changes. The current projection of the General Fund programming will continue through 2011 without major interruption due to a levy phase.

The Board of Education not only monitors the operating side of the School District, but also has established the formation of a community dialogue to tackle the capital needs of the Berea City School District. Eventually a project consisting of building, renovating, and consolidating our facilities will ensue. The Board will strive to allow for input from all parties in making the best decision fiscally and educationally.

## **Awards**

***GFOA Certificate of Achievement*** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Berea City School District for its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2006.

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.


***Outstanding Achievements*** Fourteen of our teachers have completed the rigorous requirements set by the National Board for Professional Teaching Standards and achieved National Board Certification, while several additional teachers are completing the process this year. The Berea City School District is rated as an Excellent district by the Ohio Department of Education.

**Acknowledgments**

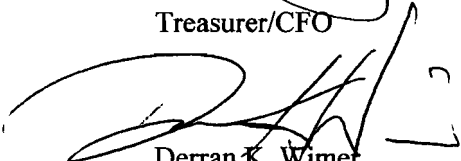
Each year we take time to recognize an individual who has contributed much to the well being of the School District. This year we would like to single out Dale Cummins, the School District's Assistant Treasurer. She has continued the tradition of quality instilled in the Berea City School District.

Finally, our thanks are extended to the Board of Education where the commitment to excellence begins.

Respectfully submitted,



Randal A. Scherf  
Treasurer/CFO



Derran K. Wimer  
Superintendent

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Berea City School District  
Ohio

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

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.



President

Executive Director

**Berea City School District  
Principal Officials**

**Board of Education**

Mrs. Gale Patten ..... President  
Mr. David Pusti ..... Vice-President  
Mr. Robert Drake ..... Member  
Mr. Kenneth Slovick ..... Member  
Mr. Fred Szabo ..... Member

**Treasurer**

Mr. Randal A. Scherf

**Administration**

Mr. Derran Wimer ..... Superintendent  
Mrs. Catherine Aukerman ..... Assistant Superintendent  
Mrs. Jennie Adams ..... Director, Pupil Personnel  
Mrs. Nancy Braford ..... Director, School/Community Relations  
Mr. Matthew Deevers ..... Director, Curriculum & Instruction  
Mr. Jeffrey Grosse ..... Director, Business Services  
Mr. Kevin Jaynes ..... Director, Information Technology  
Mr. Michael Sheppard ..... Director, Personnel and Employee Relations

# RESIDENTS OF THE DISTRICT

## BOARD OF EDUCATION

**Treasurer**

**Superintendent**

City/County Personnel assigned to BCSD

Fiscal Office

**Assistant Superintendent**

High School Principals & Assistant Principals/Interns

Athletic Directors

Middle School Principals & Assistant Principals/Interns

Elementary Principals & Interns

**Director Business Services**

Supervisor/Assistant Supervisor Buildings & Grounds

Supervisor/Assistant Supervisor Transportation

Supervisor Nutrition Services

Coordinator Purchasing

**Director Community Relations**

Community & Adult Basic Education Coordinator

**Director Curriculum**

Curriculum Coordinator

**Director Information Technology**

Network Manager

Supervisor Data Processing

Data Processing Analyst

**Director Personnel & Employee Relations**

**Director Pupil Services**

Principal Snow School

Psychologists

Coordinators Preschool Program Extended Care Program



**ORGANIZATIONAL CHART  
BEREA CITY SCHOOLS**





*Tyler S.*

4<sup>th</sup> Grade

Big Creek Elementary School  
Art Instructor: Connie Stidham

# FINANCIAL SECTION



*Morgan C.*

4<sup>th</sup> Grade

Smith Elementary School

Art Instructor: Denise Krock



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Berea City School District  
Cuyahoga County  
390 Fair Street  
Berea, Ohio 44017

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 Berea City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2007, 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 Berea City School District, Cuyahoga County, Ohio, as of June 30, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

During fiscal year 2007, the District restated the Other Governmental Funds July 1, 2006 fund balance and Governmental and Business-Type Activities July 1, 2006 net assets for the reclassification of the District's Enterprise funds to Governmental funds as described in Note 3.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2008, 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 and individual non-major 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 and individual non-major 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 "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

January 15, 2008

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2007*  
*Unaudited*

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The discussion and analysis of Berea City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2007. 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, the basic financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Key financial highlights for 2007 are as follows:

- The School District reclassified their enterprise funds to special revenue funds.
- During fiscal year 2007, the School District received a \$12.3 million personal property tax settlement from Ford Motor Company. The State of Ohio and Cuyahoga County found that Ford Motor Company had underreported the values of personal property and negotiated a back tax payment.
- Net assets increased \$21.7 million and revenues increased \$19.8 million from fiscal year 2006 levels, both a result of the \$12.3 million personal property tax settlement with Ford Motor Company and a full year of collection on the passage of the May 2006 5.25 mill levy.
- Total program expenses were \$80.8 million, a \$3.4 million increase from 2006 expenses of \$77.4 million.
- Outstanding debt increased to \$16.9 in 2007 from \$11.1 million in 2006.

**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 Berea 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 and what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of Berea 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 2007?" 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.

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2007*  
*Unaudited*

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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 are represented in one type of activity; Governmental Activities. Most 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, as well as food service operations.

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

***Fund Financial Statements***

The analysis of the School District's major funds begins on page 11. 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, debt service fund and the permanent improvement capital projects 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 year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual*, 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 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.

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2007*  
*Unaudited*

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**The School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2007 compared to the two prior fiscal years:

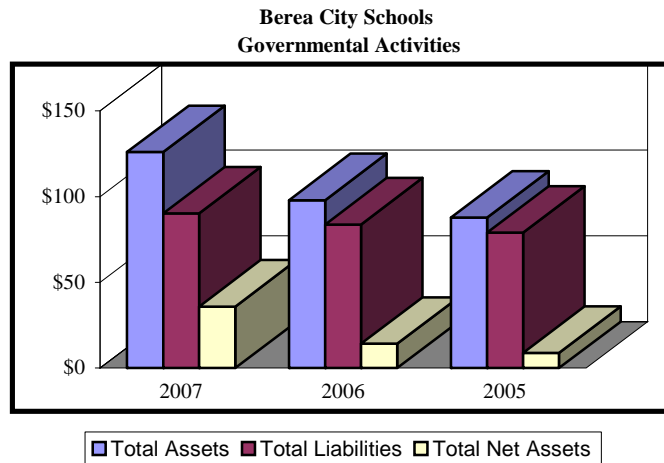
**Table 1**  
 Net Assets  
 Governmental Activities  
 (In Millions)

	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Assets</b>			
Current and Other Assets	\$109.6	\$83.2	\$72.6
Capital Assets, Net	16.4	14.7	15.2
<i>Total Assets</i>	<u>126.0</u>	<u>97.9</u>	<u>87.8</u>
<b>Liabilities</b>			
Current and Other Liabilities	(69.0)	(68.3)	(63.3)
Long-Term Liabilities	<u>(21.2)</u>	<u>(15.5)</u>	<u>(15.7)</u>
<i>Total Liabilities</i>	<u>(90.2)</u>	<u>(83.8)</u>	<u>(79.0)</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Debt	3.7	3.7	4.2
Restricted	7.6	6.0	4.4
Unrestricted	<u>24.5</u>	<u>4.4</u>	<u>0.2</u>
<i>Total Net Assets</i>	<u><u>\$35.8</u></u>	<u><u>\$14.1</u></u>	<u><u>\$8.8</u></u>

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2007*  
*Unaudited*

Graph 1.  
 Net Assets Governmental Activities  
 (In Millions)

	2007	2006	2005
Total Assets	\$126.0	\$97.9	\$87.8
Total Liabilities	90.2	83.8	79.0
Total Net Assets	\$35.8	\$14.1	\$8.8



Total assets increased by \$28.1 million. This increase is due primarily as the result of the School District received \$12.3 million in taxes from the Ford Motor Company and passage of the May 2006 levy. Total liabilities totaled \$90.2 million, a \$6.4 million increase over fiscal year 2006. During fiscal year 2007, the School District issued \$6.7 million in debt.

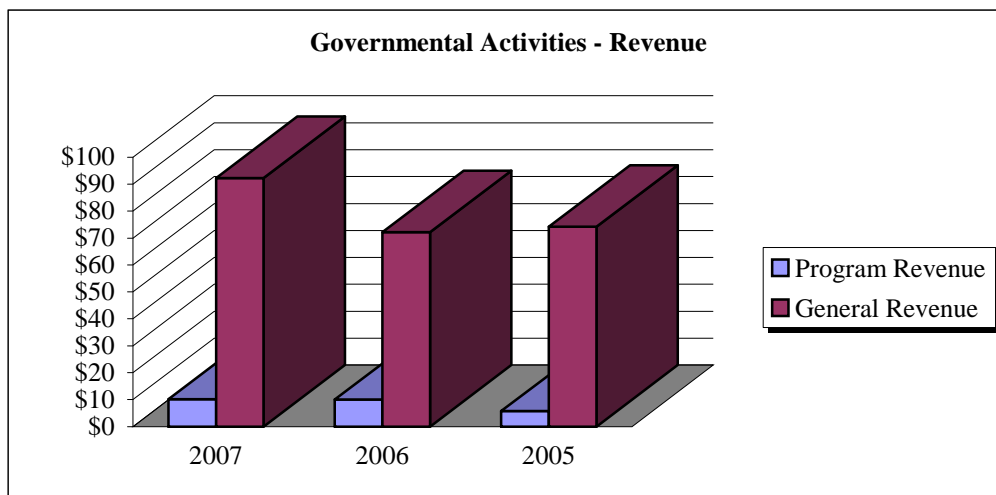


**Berea City School District**  
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Program revenue increased from \$10.0 million to \$10.2 million, due primarily to an increase in grant revenues. The vast majority of revenue supporting Governmental Activities is general revenue. General revenue increased in fiscal year 2007 to \$92.3 million from \$72.7 million in 2006. General revenue comprised 90.1 percent of revenues. The primary source of the increase in general revenues was due to the \$12.3 million personal property tax settlement. Taxes comprised \$72.2 million of general revenue in 2007, compared to \$56.2 million in 2006 and \$58.3 million in 2005.

Graph 2  
 Revenue for Governmental Activities  
 (In Millions)

	2007	2006	2005
Program Revenue	\$10.2	\$10.0	\$10.1
General Revenue	92.3	72.7	73.3

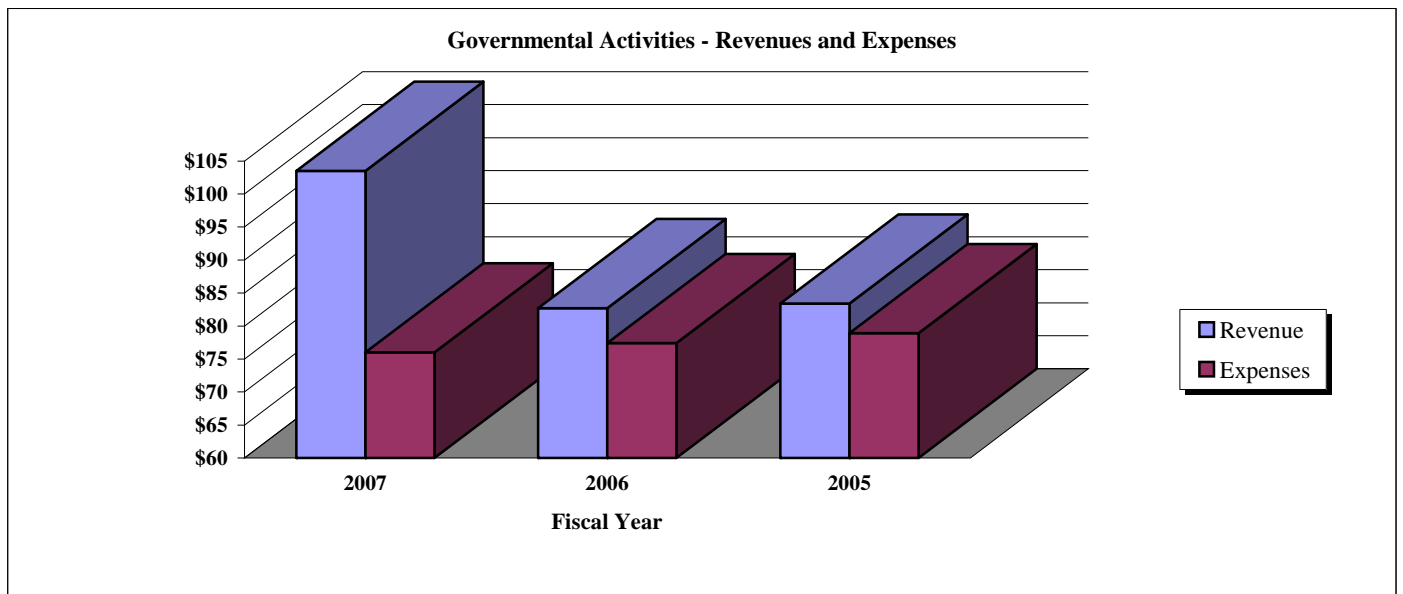


**Berea City School District**  
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Expenses increased from \$78.9 million in 2005 to \$77.4 million in 2006 and increased to \$80.8 million in 2007. The majority of the increase in 2007 was in regular instruction, primarily due to salary increases.

Graph 3  
 Revenue and Expenses for Governmental Activities  
 (In Millions)

	2007	2006	2005
Revenues	\$102.5	\$82.7	\$83.4
Expenses	80.8	77.4	78.9



The increase in revenue between 2006 and 2007 is due to the increase in general revenues in the form of property taxes. Operating grants increased due to the additional State and Federal funds. The \$3.4 million increase in expenses is due to the increases in salaries.

Table 2 shows the changes in net assets for fiscal year 2007 for Governmental Activities compared to the two prior fiscal years.

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2007*  
*Unaudited*

Table 2  
Change in Net Assets  
(In Millions)

	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Revenues</b>			
<b><i>Program Revenues</i></b>			
Charges for Services	\$5.4	\$5.5	\$5.3
Operating Grants and Contributions	4.8	4.5	4.7
Capital Grants and Contributions	0.0	0.0	0.1
<i>Total Program Revenues</i>	<u>10.2</u>	<u>10.0</u>	<u>10.1</u>
<b><i>General Revenues</i></b>			
Property Taxes	72.2	56.2	58.3
Grants and Entitlements	17.7	15.5	14.5
Other	2.4	1.0	0.5
<i>Total General Revenues</i>	<u>92.3</u>	<u>72.7</u>	<u>73.3</u>
<b><i>Total Revenues</i></b>	<u>102.5</u>	<u>82.7</u>	<u>83.4</u>
<b>Expenses</b>			
Instruction	45.1	41.6	42.9
Support Services:			
Pupil and Instructional Staff	9.8	10.0	10.5
Board of Education, Administration, Fiscal and Business	6.6	6.9	6.7
Operation and Maintenance of Plant	7.3	8.0	7.8
Pupil Transportation	3.8	3.8	3.8
Central	2.5	2.5	2.1
Operation of Non-Instructional Services	3.6	2.9	3.0
Extracurricular Activities	1.6	1.2	1.6
Interest and Fiscal Charges	0.5	0.5	0.5
<i>Total Expenses</i>	<u>80.8</u>	<u>77.4</u>	<u>78.9</u>
<i>Change in Net Assets</i>	21.7	5.3	4.5
Net Assets Beginning of Year	<u>14.1</u>	<u>8.8</u>	<u>4.3</u>
Net Assets End of Year	<u><u>\$35.8</u></u>	<u><u>\$14.1</u></u>	<u><u>\$8.8</u></u>

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2007*  
*Unaudited*

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become 0.5 mills and the owner would still pay \$35.00.

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service. Property taxes made up 78.3 percent of general revenues for governmental activities for Berea City School District in fiscal year 2007.

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 Cost of Program Services  
 Governmental Activities  
 (In Millions)

	2007		2006		2005	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$45.1	\$41.4	\$41.6	\$36.8	\$42.9	\$39.3
Support Services:						
Pupil and Instructional Staff	9.8	8.3	10.0	8.5	10.5	9.0
Board of Education, Administration, Fiscal and Business	6.6	6.5	6.9	6.7	6.7	6.5
Operation and Maintenance of Plant	7.3	7.2	8.0	8.0	7.8	7.7
Pupil Transportation	3.8	3.7	3.8	3.7	3.8	3.7
Central	2.5	2.2	2.5	2.4	2.1	2.1
Operation of Non-Instructional Services	3.6	(0.4)	2.9	0.0	3.0	0.1
Extracurricular Activities	1.6	1.2	1.2	0.8	1.6	1.1
Interest and Fiscal Charges	0.5	0.5	0.5	0.5	0.5	0.5
<b>Total</b>	<b>\$80.8</b>	<b>\$70.6</b>	<b>\$77.4</b>	<b>\$67.4</b>	<b>\$78.9</b>	<b>\$70.0</b>

The dependence upon general tax revenues for governmental activities is apparent. Over 91 percent of instruction activities are supported through taxes and other general revenues; for all governmental activities general revenue support is 87 percent as shown in Table 3. The community, as a whole, is by far the primary support for Berea City School District students.

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2007*  
*Unaudited*

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

Information about the School District's governmental funds starts on page 18. These funds are accounted for using the modified accrual basis of accounting. Governmental funds have total revenues of \$103.0 million and expenditures of \$85.2 million. The net change in the governmental funds fund balance for the year was most significant in the General Fund, where the unreserved fund balance increased from a fund balance of \$3.4 million to a fund balance of \$23.5 million. The increase is due again to the personal property tax settlement. The net change in the Debt Service Fund and Permanent Improvement Capital Projects Fund increased by \$410,602 and \$438,996, respectively.

***General Fund Budgeting Highlights***

The School District's budget is prepared according to Ohio law as disclosed in Note 5 and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal 2007 the School District amended its general fund budget numerous times, none significant. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, final budget basis revenue was \$89.1 million, above original budget estimates of \$74.2 million. Of this \$14.9 million difference, taxes were increased by \$11.3 million, and intergovernmental was \$2.7 million above original estimates.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$72.2 million, \$16.9 million below revenues.

***Capital Assets and Debt Administration***

**Capital Assets**

At the end of fiscal 2007 the School District had \$16.5 million invested in land, buildings, equipment and vehicles.

**Berea City School District**  
*Management's Discussion and Analysis*  
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*Unaudited*

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Table 5 shows fiscal 2007 balances compared to the prior two years:

Table 5  
 Capital Assets at June 30  
 (Net of Depreciation - In Millions)

	2007	2006	2005
Land and Improvements	\$2.2	\$2.3	\$2.3
Buildings and Improvements	12.2	10.3	11.1
Furniture and Equipment	0.9	0.7	0.8
Vehicles	1.2	1.4	1.0
Total	\$16.5	\$14.7	\$15.2

The increase of \$1.8 million in capital assets in 2007, is due to recognizing \$3.2 million in capital asset additions, offset by \$1.4 million in depreciation expense. The School District continued its ongoing commitment to maintaining and improving its capital assets. For more information refer to Note 8 to the basic financial statements.

Senate Bill No. 345 made certain amendments to the textbook and capital reserve set-aside requirements, effective July 1, 2001. The reserves are calculated by multiplying a percentage of the preceding years' formula amount by the School District's preceding years student population. For fiscal year 2007, the set-aside requirements amounted to \$1.1 million for each set aside. For fiscal year 2006 the School District had deferred a portion, \$0.2 million in textbooks. Thus the required amount increased for 2007 by the deferred amount plus the \$1.1 million requirement. For 2007, \$0.4 million for textbooks has not yet been met and appears as a reservation of fund balance for 2007.

**Berea City School District**  
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**Debt**

At June 30, 2007 the School District had \$16.9 million in bonds, \$0.9 million due within one year.

Table 6 summarizes bonds and notes outstanding for the past three years:

Table 6.  
 Outstanding Debt at June 30  
 Governmental Activities  
 (In Millions)

	2007	2006	2005
1993 School Improvement Bonds	\$0.0	\$0.3	\$0.9
2003 School Improvement Refunding Bonds	8.8	9.2	9.3
2005 Bus Acquisition/Energy Bonds	0.8	0.9	1.0
2006 Bus/Motor Vehicle Acquisition Bonds	0.6	0.7	0.0
2007 Energy Conservation Bonds	6.4	0.0	0.0
2007 Various Purpose Bonds	0.3	0.0	0.0
<b>Total</b>	<b>\$16.9</b>	<b>\$11.1</b>	<b>\$11.2</b>

In 1993 the School District passed a 1.0 mill bond issue, providing \$14.6 million for facility improvements including community facilities for each high school, library expansions and improvements in most buildings and other improvements. On March 1, 2003 the School District issued \$9.2 million in general obligation bonds to refund \$9,205,000 of the 1993 School Improvement Bonds. On July 1, 2004 the School District issued \$.7 million in bus acquisition and \$.3 million in energy conservation bonds. On August 30, 2005 the School District issued \$.7 million in bus acquisition and motor vehicle acquisition bonds. On December 6, 2006 the School District issued \$.3 million in maintenance vehicle acquisition bonds. On June 7, 2007 the School District issued \$6.4 million in energy conservation improvement bonds.

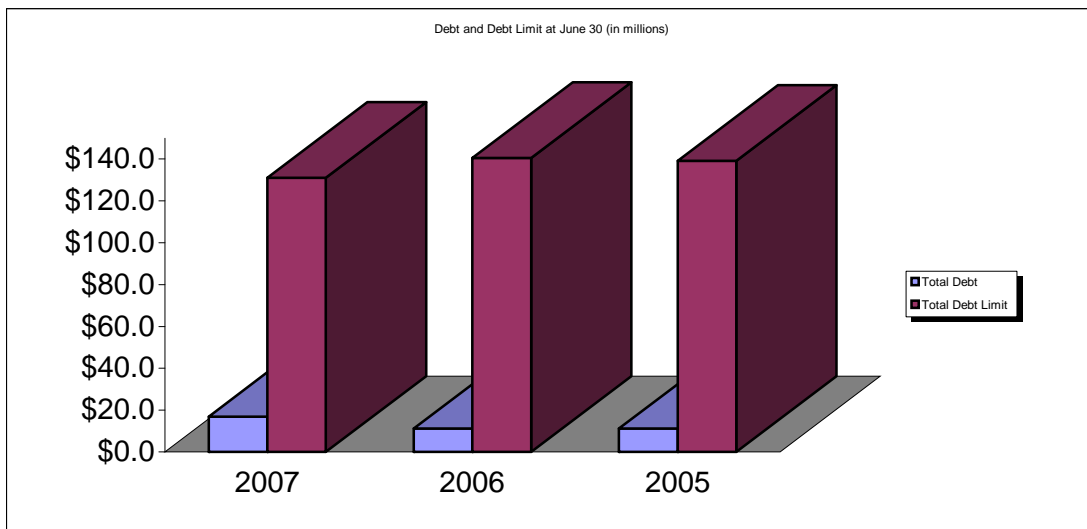
At June 30, 2007, the School District's overall legal debt margin was \$123.5 million with an unvoted debt margin of \$1.4 million. The debt is well within permissible limits. The School District maintains an A-1 bond rating. For more information refer to Note 17 to the basic financial statements.

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Graph 7  
 Debt and Debt Limit at June 30  
 (In Millions)

	2007	2006	2005
Total Debt	\$16.9	\$11.1	\$11.2
Total Debt Limit (1)	131.0	121.6	139.1

(1) Debt limit is 9% of assessed value for debt and 0.1% of unvoted debt. The School District has no unvoted debt.



**Current Financial Related Activities**

Berea City School District shares the same issues each school district in Ohio faces. As the preceding information shows, the School District heavily depends on its property taxpayers.

The Berea City School District passed a 5.25 mill levy in May 2006. This levy will stabilize the School District's finances for the next few years. Management will continue to monitor the financial plan.

Declining tax collections further challenges this plan. HB66 has put a short stay on the personal property tax base. This decline due to decreasing personal property business taxes mean reduced tax revenues in future years. With its largest source of revenues decreasing, the School District must seek additional tax revenues to continue current operations. However, the School District cannot look to the State of Ohio for increased revenue.



**Berea City School District**  
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On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding plan is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...". The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations.

This scenario requires management to plan prudently to provide the resources to meet student needs over the next several years.

Berea 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 1991 and the GFOA Budget Award since 1996. The School District was one of the first School Districts in the nation to receive the GFOA Certificate of Achievement for its 1999 Comprehensive Annual Financial Report using the new financial reporting model. This report represents the ninth report using this new financial reporting model.

In addition, the School District's system of budgeting and internal controls is well regarded.

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

This financial report is designed to provide our citizen's, 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 questions about this report or need additional financial information contact Randy Scherf, Treasurer at Berea City School District, 390 Fair Street, Berea, Ohio 44017. Or e-mail at [rscherf@bera.k12.oh.us](mailto:rscherf@bera.k12.oh.us).

**Berea City School District***Statement of Net Assets**June 30, 2007*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$36,681,286
Cash and Cash Equivalents	
With Escrow Agents	3,090
Accounts Receivable	117,331
Intergovernmental Receivable	5,501,028
Prepaid Items	5,852
Inventory Held for Resale	22,433
Materials and Supplies	
Inventory	207,910
Taxes Receivable	66,755,001
Deferred Charges	275,290
Nondepreciable Capital Assets	918,217
Depreciable Capital Assets, Net	<u>15,533,233</u>
<i>Total Assets</i>	<u>126,020,671</u>
<b>Liabilities</b>	
Accounts Payable	855,634
Contracts Payable	832,980
Accrued Wages	4,885,098
Matured Compensated Absences Payable	468,651
Retainage Payable	220,136
Intergovernmental Payable	3,084,543
Deferred Revenue	57,226,668
Accrued Interest Payable	58,841
Claims Payable	1,171,167
Early Retirement Incentive Payable	214,964
Long-Term Liabilities:	
Due Within One Year	1,486,670
Due Within More Than One Year	<u>19,669,618</u>
<i>Total Liabilities</i>	<u>90,174,970</u>
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	3,701,289
Restricted for:	
Capital Projects	2,101,471
Debt Service	2,555,851
Set Asides	431,846
Public School Support	194,476
District Managed Student Activity	289,368
Locally Funded Programs	751,753
State Funded Programs	253,688
Federal Funded Programs	980,610
Unclaimed Monies	10,034
Unrestricted	<u>24,575,315</u>
<i>Total Net Assets</i>	<u><u>\$35,845,701</u></u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2007

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Instruction:					
Regular	\$36,214,072	\$1,017,281	\$487,930	\$0	(\$34,708,861)
Special	8,043,973	830,296	1,146,319	0	(6,067,358)
Vocational	635,524	0	0	0	(635,524)
Adult/Continuing	179,333	194,641	0	0	15,308
Support Services:					
Pupil	4,418,403	4,482	790,456	0	(3,623,465)
Instructional Staff	5,345,250	113,719	487,755	0	(4,743,776)
Board of Education	32,706	0	0	0	(32,706)
Administration	4,245,144	0	81,069	0	(4,164,075)
Fiscal	1,570,794	0	0	0	(1,570,794)
Business	713,018	0	0	0	(713,018)
Operation and Maintenance of Plant	7,330,071	137,119	3,762	0	(7,189,190)
Pupil Transportation	3,825,088	63,490	36,038	0	(3,725,560)
Central	2,462,318	148,268	25,007	39,000	(2,250,043)
Operation of Non-Instructional					
Services	3,664,529	2,415,337	1,670,078	0	420,886
Extracurricular Activities	1,648,151	435,269	34,024	0	(1,178,858)
Interest and Fiscal Charges	481,379	0	0	0	(481,379)
<i>Total Governmental Activities</i>	<u>\$80,809,753</u>	<u>\$5,359,902</u>	<u>\$4,762,438</u>	<u>\$39,000</u>	<u>(70,648,413)</u>

**General Revenues**

Property Taxes Levied for:

General Purposes	68,639,747
Debt Service	1,409,130
Capital Outlay	2,138,811
Grants and Entitlements not Restricted to Specific Programs	17,729,223
Investment Earnings	1,531,056
Miscellaneous	897,255

*Total General Revenues* 92,345,222

Change in Net Assets 21,696,809

*Net Assets Beginning of Year - Restated (Note 3)* 14,148,892

*Net Assets End of Year* \$35,845,701

See accompanying notes to the basic financial statements

**Berea City School District**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2007*

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$22,086,981	\$2,460,423	\$1,709,797	\$6,621,823	\$32,879,024
Cash and Cash Equivalents					
With Escrow Agents	0	0	3,090	0	3,090
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	431,846	0	0	0	431,846
Receivables:					
Accrued Interest Receivable	0	0	0	0	0
Accounts Receivable	115,364	0	0	1,967	117,331
Intergovernmental Receivable	3,873,800	0	0	1,627,228	5,501,028
Prepaid Items	5,852	0	0	0	5,852
Interfund Receivable	519,707	0	0	5,000	524,707
Inventory Held for Resale	0	0	0	22,433	22,433
Materials and Supplies Inventory	187,645	0	0	20,265	207,910
Taxes Receivable	63,332,257	1,373,236	2,049,508	0	66,755,001
<i>Total Assets</i>	<u>\$90,553,452</u>	<u>\$3,833,659</u>	<u>\$3,762,395</u>	<u>\$8,298,716</u>	<u>\$106,448,222</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$674,348	\$0	\$88,386	\$92,900	\$855,634
Contracts Payable	0	0	68,534	764,446	832,980
Accrued Wages	4,687,201	0	0	197,897	4,885,098
Matured Compensated Absences Payable	468,651	0	0	0	468,651
Retainage Payable	0	0	11,672	208,464	220,136
Interfund Payable	0	0	0	524,707	524,707
Intergovernmental Payable	2,950,187	0	500	133,856	3,084,543
Deferred Revenue	58,061,143	1,101,671	1,580,577	1,298,321	62,041,712
Early Retirement Incentive Payable	210,589	0	0	4,375	214,964
<i>Total Liabilities</i>	<u>67,052,119</u>	<u>1,101,671</u>	<u>1,749,669</u>	<u>3,224,966</u>	<u>73,128,425</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	649,504	0	307,994	4,443,102	5,400,600
Reserved for Textbooks	431,846	0	0	0	431,846
Reserved for Unclaimed Monies	10,034	0	0	0	10,034
Reserved for Property Taxes	5,845,217	136,049	147,080	0	6,128,346
Unreserved, Undesignated, Reported in:					
General Fund	16,564,732	0	0	0	16,564,732
Special Revenue Funds	0	0	0	811,467	811,467
Debt Service Fund	0	2,595,939	0	0	2,595,939
Capital Projects Funds (Deficit)	0	0	1,557,652	(180,819)	1,376,833
<i>Total Fund Balances</i>	<u>23,501,333</u>	<u>2,731,988</u>	<u>2,012,726</u>	<u>5,073,750</u>	<u>33,319,797</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$90,553,452</u>	<u>\$3,833,659</u>	<u>\$3,762,395</u>	<u>\$8,298,716</u>	<u>\$106,448,222</u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2007*

<b>Total Governmental Fund Balances</b>		\$33,319,797
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		16,451,450
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	2,671,802	
Intergovernmental	1,298,321	
Tuition and Fees	793,479	
Rental	51,442	
Total		4,815,044
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.		2,199,249
Bond issuance costs will be amortized over the life of the bonds on the statement on net assets.		275,290
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental fund, an interest expenditure is reported when due.		(58,841)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	(16,737,802)	
Premium on Bonds	(165,976)	
Gain on Refunding	(94,054)	
Compensated Absences	(4,158,456)	
Total		(21,156,288)
<i>Net Assets of Governmental Activities</i>		\$35,845,701

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2007*

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$69,085,295	\$1,428,754	\$2,156,366	\$0	\$72,670,415
Intergovernmental	17,527,552	96,306	105,365	3,980,446	21,709,669
Interest	1,497,265	0	0	33,791	1,531,056
Tuition and Fees	2,773,910	0	0	1,172,917	3,946,827
Extracurricular Activities	0	0	0	623,724	623,724
Rentals	86,344	0	0	0	86,344
Charges for Services	25,387	0	0	1,387,878	1,413,265
Contributions and Donations	3,453	0	0	200,423	203,876
Miscellaneous	731,857	0	0	165,398	897,255
<i>Total Revenues</i>	<u>91,731,063</u>	<u>1,525,060</u>	<u>2,261,731</u>	<u>7,564,577</u>	<u>103,082,431</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	32,260,210	0	0	511,677	32,771,887
Special	7,411,800	0	0	1,071,599	8,483,399
Vocational	655,665	0	0	0	655,665
Adult/Continuing	0	0	0	204,469	204,469
Support Services:					
Pupil	3,906,178	0	0	660,663	4,566,841
Instructional Staff	5,201,079	0	0	602,947	5,804,026
Board of Education	32,706	0	0	0	32,706
Administration	4,290,483	0	0	70,857	4,361,340
Fiscal	1,588,976	0	0	0	1,588,976
Business	746,023	0	0	0	746,023
Operation and Maintenance of Plant	7,920,929	0	0	6,367	7,927,296
Pupil Transportation	3,838,839	0	0	74,276	3,913,115
Central	2,501,292	0	0	38,683	2,539,975
Operation of Non-Instructional Services	16,781	0	0	3,908,742	3,925,523
Extracurricular Activities	1,216,080	0	0	513,478	1,729,558
Capital Outlay	0	0	1,902,228	2,535,455	4,437,683
Debt Service:					
Principal Retirement	0	725,000	145,000	0	870,000
Interest and Fiscal Charges	0	389,458	70,065	0	459,523
Bond Issuance Costs	0	134,406	11,575	0	145,981
<i>Total Expenditures</i>	<u>71,587,041</u>	<u>1,248,864</u>	<u>2,128,868</u>	<u>10,199,213</u>	<u>85,163,986</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>20,144,022</u>	<u>276,196</u>	<u>132,863</u>	<u>(2,634,636)</u>	<u>17,918,445</u>
<b>Other Financing Sources (Uses)</b>					
General Obligation Bonds Issued	0	0	305,000	6,312,802	6,617,802
Premium on General Obligation Bonds	0	134,406	1,133	0	135,539
Transfers In	0	0	0	108	108
Transfers Out	(108)	0	0	0	(108)
<i>Total Other Financing Sources (Uses)</i>	<u>(108)</u>	<u>134,406</u>	<u>306,133</u>	<u>6,312,910</u>	<u>6,753,341</u>
<i>Net Change in Fund Balances</i>	<u>20,143,914</u>	<u>410,602</u>	<u>438,996</u>	<u>3,678,274</u>	<u>24,671,786</u>
<i>Fund Balances Beginning of Year - Restated</i> <i>(See Note 3)</i>					
	<u>3,357,419</u>	<u>2,321,386</u>	<u>1,573,730</u>	<u>1,395,476</u>	<u>8,648,011</u>
<i>Fund Balances End of Year</i>	<u>\$23,501,333</u>	<u>\$2,731,988</u>	<u>\$2,012,726</u>	<u>\$5,073,750</u>	<u>\$33,319,797</u>

See accompanying notes to the basic financial statements

**Berea 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, 2007*

<b>Net Change in Fund Balances - Total Governmental Funds</b>		\$24,671,786
 <i>Amounts reported for governmental activities in the statement of activities are different because</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of net assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded which depreciation exceeded capital-outlay in the current period		
Capital Asset Additions	3,201,803	
Current Year Depreciation	<u>(1,418,631)</u>	
Total		1,783,172
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Taxes	(463,705)	
Accounts	(629,858)	
Intergovernmental	<u>696,978</u>	
Total		(396,585)
Other financing sources in the governmental funds increased long-term liabilities in the statement of net assets. Governmental funds report the effect of premiums when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities		
Bonds Issued	(6,617,802)	
Premium on Bonds	<u>(135,539)</u>	
Total		(6,753,341)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets		
Total		870,000
Bond issuance costs will be amortized over the life of the bonds on the statement of net assets.		
Total		145,981
In the statement of activities, interest is accrued on outstanding bonds, and bond issuance costs, bond premium, and gain on refunding are amortized over the life of the bonds. In governmental funds an interest expenditure is reported when due		
Accrued Interest	(19,593)	
Amortization of Bond Premium	5,519	
Amortization of Bond Issuance Costs	(16,530)	
Amortization of Gain on Refunding	<u>8,748</u>	
Total		(21,856)
Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represents contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences Payable		149,677
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.		
Total		<u>1,247,975</u>
<i>Change in Net Assets of Governmental Activities</i>		<u><u>\$21,696,809</u></u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$56,620,452	\$67,932,521	\$67,954,892	\$22,371
Intergovernmental	13,574,883	16,286,977	16,292,341	5,364
Interest	1,262,505	1,514,738	1,515,237	499
Tuition and Fees	2,081,370	2,531,734	2,532,625	891
Rentals	71,977	86,357	86,385	28
Charges for Services	21,153	25,379	25,387	8
Contributions and Donations	2,877	3,452	3,453	1
Miscellaneous	604,630	725,428	725,667	239
<i>Total Revenues</i>	74,239,847	89,106,586	89,135,987	29,401
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	32,703,080	33,012,545	32,597,954	414,591
Special	7,148,738	7,226,044	7,210,124	15,920
Vocational	633,300	640,248	637,412	2,836
Support Services:				
Pupil	4,133,169	4,158,586	3,994,251	164,335
Instructional Staff	5,550,355	5,546,399	5,225,532	320,867
Board of Education	32,353	32,708	32,706	2
Administration	4,346,209	4,341,661	4,317,579	24,082
Fiscal	1,789,980	1,797,302	1,611,611	185,691
Business	961,888	906,867	874,929	31,938
Operation and Maintenance of Plant	8,861,162	8,731,321	8,050,073	681,248
Pupil Transportation	3,943,452	3,960,615	3,814,514	146,101
Central	2,601,065	2,576,976	2,557,997	18,979
Operation of Non-Instructional Services	16,769	16,953	16,781	172
Extracurricular Activities	1,454,598	1,470,554	1,226,089	244,465
<i>Total Expenditures</i>	74,176,118	74,418,779	72,167,552	2,251,227
<i>Excess of Revenues Over Expenditures</i>	\$63,729	\$14,687,807	\$16,968,435	\$2,280,628

(continued)



**Berea City School District**  
*Statement of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 General Fund (continued)  
 For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses)</b>				
Advances In	\$134,013	\$160,787	\$160,840	\$53
Advances Out	(514,069)	(519,708)	(519,707)	1
Transfers Out	(107)	(108)	(108)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(380,163)</u>	<u>(359,029)</u>	<u>(358,975)</u>	<u>54</u>
<i>Net Change in Fund Balance</i>	(316,434)	14,328,778	16,609,460	2,280,682
<i>Fund Balance Beginning of Year</i>	4,244,081	4,244,081	4,244,081	0
Prior Year Encumbrances Appropriated	<u>566,688</u>	<u>566,688</u>	<u>566,688</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,494,335</u></u>	<u><u>\$19,139,547</u></u>	<u><u>\$21,420,229</u></u>	<u><u>\$2,280,682</u></u>

See accompanying notes to the basic financial statements.

**Berea City School District**  
*Statement of Fund Net Assets*  
*Internal Service Fund*  
*June 30, 2007*

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	Governmental Activity - Internal Service Fund
<b>Assets</b>	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$3,370,416
<b>Liabilities</b>	
Current Liabilities:	
Claims Payable	<u>1,171,167</u>
<b>Net Assets</b>	
Unrestricted	<u><u>\$2,199,249</u></u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Revenues,  
 Expenses and Changes in Fund Net Assets  
 Internal Service Fund  
 For the Fiscal Year Ended June 30, 2007*

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	Governmental Activity - Internal Service Fund
<b>Operating Revenues</b>	
Charges for Services	\$9,619,639
<b>Operating Expenses</b>	
Purchased Services	765,859
Claims	7,605,805
<i>Total Operating Expenses</i>	8,371,664
<i>Change in Net Assets</i>	1,247,975
<i>Net Assets Beginning of Year</i>	951,274
<i>Net Assets End of Year</i>	\$2,199,249

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Cash Flows*  
*Internal Service Fund*  
For the Fiscal Year Ended June 30, 2007

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	Governmental Activity - Internal Service Fund
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Interfund Services	\$9,622,039
Cash Payments for Goods and Services	(765,859)
Cash Payments for Claims	<u>(7,765,233)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	1,090,947
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>2,279,469</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$3,370,416</u></u>
	(continued)

**Berea City School District**  
*Statement of Cash Flows*  
*Internal Service Fund (continued)*  
*For the Fiscal Year Ended June 30, 2007*

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	Governmental Activity - Internal Service Fund
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
Operating Income	\$1,247,975
(Increase) Decrease in Assets:	
Accounts Receivable	2,400
Claims Payable	<u>(159,428)</u>
<i>Net Cash Provided by Operating Activities</i>	<u><u>\$1,090,947</u></u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*June 30, 2007*

	Private Purpose Trust	
	Scholarship	Agency
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$13,926	\$177,153
<b>Liabilities</b>		
Undistributed Monies	0	\$22,781
Due to Students	0	154,372
<i>Total Liabilities</i>	0	\$177,153
<b>Net Assets</b>		
Held in Trust for Scholarships	13,926	
<i>Total Net Assets</i>	\$13,926	

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Changes in Fiduciary Net Assets*  
*Private Purpose Trust Fund*  
*For the Fiscal Year Ended June 30, 2007*

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	<u>Scholarship</u>
<b>Additions</b>	
Interest	\$679
<b>Deductions</b>	
Scholarships Awarded	<u>400</u>
<i>Change in Net Assets</i>	279
<i>Net Assets Beginning of Year</i>	<u>13,647</u>
<i>Net Assets End of Year</i>	<u><u>\$13,926</u></u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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**Note 1 - Description of the School District and Reporting Entity**

Berea City School District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government and provides educational services as mandated by the State and federal agencies. This Board of Education controls the School District's eleven instructional/support facilities staffed by 482 classified employees, 537 certificated full-time personnel, and 47 administrators who provide services to 7,429 students and other community members.

***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 are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Berea City School District, this includes general operations, food service, preschool, community services, and student related activities of the School District. The following activity is also included within the reporting entity.

***Nonpublic Schools*** Within the School District boundaries, St. Mary's, St. Bartholomew's and St. Adalbert are operated through the Catholic diocese. The Greater Cleveland Christian School, Scribes and Scribblers, Lewis Little Folks and Family Life Center are also within School District boundaries. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed by the School District on behalf of the nonpublic schools by the Treasurer of the School District, as directed by the nonpublic schools. These transactions are reported 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 their budget, the issuance of their debt or the levying of their 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 Berea, Middleburg Heights and Brook Park*** The city governments of Berea, Middleburg Heights and Brook Park are separate bodies politic and corporate. An elected mayor and council administer the provision of traditional city services. Council acts as the taxing and budgeting authority.

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



**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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The School District participates in three jointly governed organizations and one public entity risk pool. These organizations are presented in Note 18 to the financial statements. These organizations are:

Jointly Governed Organizations:

Polaris Career Center  
Educational Community Foundation  
Ohio Schools' Council Association

Public Entity Risk Pool:

Ohio School Boards Association Workers' Compensation Group Rating Program

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

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

**A. Fund Accounting**

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental, proprietary and fiduciary.

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

**General Fund** The general fund is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Debt Service Fund** The debt service fund is used to account for the accumulation of resources received from property taxes for the payment of school improvement general obligation bond, principal, interest and related costs.

**Permanent Improvement Capital Projects Fund** The permanent improvement capital projects fund accounts for resources received from property taxes to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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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 focus on the determination of operating income, changes in net assets, financial position and cash flows and are classified as either enterprise or internal service. The School District only has an internal service fund.

**Internal Service Fund** This fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District, or to other governments, on a cost reimbursement basis. The only internal service fund of the School District accounts for a self-insurance program which provides medical, dental and vision benefits to employees.

**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. The School District's only trust fund is a private purpose trust which accounts for a college scholarship program for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds are student activities, employee benefits and staff services.

***B. 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. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District does not have any business-type activities.

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 are 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 activity is self-financing or draws from the general revenues of the School District.

**Fund Financial Statements** During the fiscal 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 fiduciary fund is reported by type.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of 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 activities.

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

***C. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences between 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, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the 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.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: property taxes available as an advance, interest, tuition, grants, 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, 2007, but which were levied to finance fiscal year 2008 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.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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**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.

**D. Cash and Cash Equivalents**

Cash received by the School District is pooled for investment purposes. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements. The School District also utilizes an escrow agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as "cash and cash equivalents with escrow agents" and represents deposits or short-term investments in certificates of deposit.

During fiscal year 2007, investments were limited to overnight Repurchase Agreements, Federal National Mortgage Association Bonds, Federal Home Loan Bank Bonds, Commercial Paper and STAR Ohio.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. For investments in open-end mutual funds, fair value is determined by the fund's share price. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

Berea City School District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2007. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2007.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2007 amounted to \$1,497,265, which includes \$935,388 assigned from other School District funds.

For presentation on the financial statements, investments of the cash management pool and investments with an original 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 initial maturity of more than three months that are not purchased from the pool are reported as investments.

**E. Restricted Assets**

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund include amounts required by State statute to be set aside for textbooks and instructional materials. See Note 19 for additional information regarding set-asides.

**F. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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**G. Inventory**

Inventories are presented at cost on a first-in, first-out basis and are expensed/expended when used.

Inventories consist of donated food, purchased food and school supplies held for resale and materials and supplies held for consumption.

**H. Deferred Charges**

Bond issuances costs are deferred and amortized over the term of the bonds using the straight-line method.

**I. Gain on Refunding**

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain on refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter.

**J. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. 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 five 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. Interest incurred during the construction of capital assets is also capitalized.

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
Land Improvements	30 years
Buildings and Improvements	10 - 30 years
Furniture and Equipment	5 - 12 years
Vehicles	10 years

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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***K. Interfund Balances***

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

***L. 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 School District 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 termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the School District's past experience of making termination payments.

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 or funds from which the employees who have accumulated the leave are paid.

***M. 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.

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 are recognized as a liability on the governmental fund financial statements when due.

***N. Fund Balance Reserves***

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

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. Under Ohio law, unclaimed money must be held for five years before it becomes available for appropriation. Money not yet held for the five year period is presented as reserved. The reserve for textbooks represents money required to be set-aside by State statute for the purchase of textbooks and instructional materials.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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***O. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation 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 \$7,574,097 of restricted net assets, none of which is restricted by enabling legislation.

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

***P. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. 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. Revenues and expenses not meeting this definition are reported as non-operating.

***Q. Internal Activity***

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund services provided and used are not.

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.

***R. 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.

***S. Estimates***

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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

**T. 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 function level in the general fund and the fund level for all other funds. The Treasurer has been given the authority to allocate appropriations to the object level in the general fund and the function level for all other funds.

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

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 year.

**Note 3 – Changes in Accounting Principles and Restatement of Fund Balance/Net Assets**

For fiscal year 2006, it was determined that the enterprise funds be reclassified as special revenue funds due to the fact that they no longer met the definition of an enterprise fund. This restatement, along with an adjustment for capital assets and compensated absences payable, had the following effect on fund balance at June 30, 2006.

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds	Total
Fund Balance, June 30, 2006	\$3,357,419	\$2,321,386	\$1,573,730	\$807,307	\$8,059,842
Adjustments:					
Fund Reclassification	0	0	0	588,469	588,169
Restated Fund Balance, June 30, 2006	<u>\$3,357,419</u>	<u>\$2,321,386</u>	<u>\$1,573,730</u>	<u>\$1,395,776</u>	<u>\$8,648,011</u>

The above adjustments, along with adjustments for intergovernmental receivables, had the following effects on net assets at June 30, 2006.



**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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	Governmental Activities	Business- Type Activities
Net Assets, June 30, 2006	\$13,262,613	\$517,827
Adjustments:		
Fund Reclassification	517,827	(517,827)
Intergovernmental Receivables	(2,454)	0
Compensated Absences Payable	370,906	0
Restated Net Assets, June 30, 2006	\$14,148,892	\$0

**Note 4 –Legal Compliance and Accountability**

**A. Legal Compliance.**

Contrary to 5705.39, Ohio Revised Code, the title VI-B, core implementation grant, and the poverty based assistance grant funds had original appropriations in excess of original estimated revenues and carryover balance of \$190,708, \$9,219 and \$2,927 respectively. These budgetary violations were corrected by year-end.

**B. Accountability**

The following fund had deficit fund balances/net assets at June 30, 2007:

<b>Special Revenue Funds</b>	
Title VI-B	\$52,532
Auxiliary Services	29,359
Title I	51,865
Preschool	4,171
Title V	56
Title II-A	13,998
Title III	1,757

The deficits in the special revenue funds resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, 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 Balance - Budget (Non-GAAP) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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2. Expenditures are recorded when paid in cash (budget) as opposed to when the fund liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. Investments are reported at fair value (GAAP) rather than cost (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund:

Net Change in Fund Balance	
GAAP Basis	\$20,143,914
Net Adjustment for Revenue Accruals	(2,572,464)
Advances In	160,840
Beginning Fair Value Adjustment for Investments	(4,640)
Ending Fair Value Adjustment for Investments	(17,972)
Net Adjustment for Expenditure Accruals	536,059
Advances Out	(519,707)
Adjustment for Encumbrances	<u>(1,116,570)</u>
Budget Basis	<u><u>\$16,609,460</u></u>

**Note 6 - 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 2007 represents collections of calendar year 2006 taxes. Real property taxes received in calendar year 2007 were levied after April 1, 2006, on the assessed value listed as of January 1, 2006, 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 2007 represents collections of calendar year 2006 taxes. Public utility real and tangible personal property taxes received in calendar year 2007 became a lien December 31, 2005, were levied after April 1, 2006 and are collected in 2007 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.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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Tangible personal property tax revenue received during calendar 2007 (other than public utility property) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2007 were levied after April 1, 2006, on the value as of December 31, 2006. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. 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. In 2007 the School District received the final personal property tax payment in July of 2007.

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, 2007, are available to finance fiscal year 2007 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, 2007 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the late June personal property tax settlement 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.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2007 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed personal property tax 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, 2007 was \$5,845,217 in the general fund, \$136,049 in the debt service fund and \$147,080 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2006, was \$4,880,812 in the general fund, \$129,907 in the debt service fund and \$144,342 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.

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The assessed values upon which the fiscal year 2007 taxes were collected are:

	2006 Second- Half Collections		2007 First- Half Collections	
Agricultural/Residential and Other Real Estate	\$1,329,469,580	85.17 %	\$1,432,514,450	89.31 %
Public Utility Personal	34,603,350	2.22	33,418,780	2.08
Tangible Personal Property	196,962,702	12.61	138,126,787	8.61
Total	\$1,561,035,632	100.00 %	\$1,604,060,017	100.00 %
Original Tax Rate per \$1,000 of Assessed Valuation	\$69.70		\$74.90	

**Note 7- 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 bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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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);
7. The State Treasurer's investment pool (STAROhio); and
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.

**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, \$22,620,817 of the School District's bank balance of \$23,024,620 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit 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, 2007, the School District had the following investments:

	Fair Value	Maturity
Repurchase Agreements:		
Federal Home Loan Mortgage Bonds	\$8,413,000	1 day
Federal National Mortgage Association Bonds	1,996,880	715 days
Federal Home Loan Bank Bonds	1,993,760	539 days
Commercial Paper	1,956,180	139 days
STAROhio	205,074	average 33 days
Total	\$14,564,894	

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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**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. To date, no investments have been purchased with a life greater than two years.

**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 Bonds repurchase agreements, Federal National Mortgage Association Bonds and the Federal Home Loan Bank Bonds are exposed to custodial 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.

**Credit Risk** The Federal Home Loan Mortgage Bonds, Federal National Mortgage Association Bonds and the Federal Home Loan Bank Bonds carry a rating of AAA by Standard and Poor's. STAROhio 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, 2007:

Investment	Percentage of Investments
Repurchase Agreements:	
Federal Home Loan Mortgage Bonds	57.76 %
Federal National Mortgage Association Bonds	13.71
Federal Home Loan Bank Bonds	13.69
Commercial Paper	13.43
STAROhio	1.41
Total	100.00 %

**Berea City School District**  
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**Note 8 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2007, was as follows:

	Balance 6/30/06	Additions	Deductions	Balance 6/30/07
<b>Governmental Activities</b>				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$918,217	\$0	\$0	\$918,217
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	2,525,301	0	0	2,525,301
Buildings and Improvements	43,036,179	2,803,482	0	45,839,661
Furniture and Equipment	2,819,085	338,383	0	3,157,468
Vehicles	3,956,799	59,938	(40,000)	3,976,737
<i>Total Capital Assets, Being Depreciated</i>	<u>52,337,364</u>	<u>3,201,803</u>	<u>(40,000)</u>	<u>55,499,167</u>
Less Accumulated Depreciation:				
Land Improvements	(1,171,676)	(84,177)	0	(1,255,853)
Buildings and Improvements	(32,722,376)	(896,518)	0	(33,618,894)
Furniture and Equipment	(2,093,359)	(185,725)	0	(2,279,084)
Vehicles	(2,599,892)	(252,211)	40,000	(2,812,103)
<i>Total Accumulated Depreciation</i>	<u>(38,587,303)</u>	<u>(1,418,631) *</u>	<u>40,000</u>	<u>(39,965,934)</u>
Total Capital Assets, Being Depreciated, Net	<u>13,750,061</u>	<u>1,783,172</u>	<u>0</u>	<u>15,533,233</u>
Governmental Activities Capital Assets, Net	<u>\$14,668,278</u>	<u>\$1,783,172</u>	<u>\$0</u>	<u>\$16,451,450</u>

**Berea City School District**  
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\*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$424,360
Special	121,939
Vocational	4,961
Support Services:	
Pupil	43,039
Instructional Staff	217,428
Administration	87,666
Fiscal	8,329
Business	7,718
Operation of Maintenance and Plant	139,708
Pupil Transportation	317,983
Central	25,358
Operation of Non-Instructional Services	19,713
Extracurricular Activities	429
Total Depreciation Expense	\$1,418,631

**Note 9 - Interfund Activity**

**A. Interfund Balances**

Interfund balances at June 30, 2007, consist of the following individual fund receivables and payables:

	Interfund Receivable	
Interfund Payable	General	Title V
<b>Nonmajor Governmental Funds</b>		
Title VI-B	\$215,460	\$0
Auxiliary Services	209,065	0
Title II-A	12,514	5,000
Preschool	6,356	0
Title V	661	0
Title I	71,071	0
Title III	4,580	0
Total	\$519,707	\$5,000

The interfund payables are advances for grant monies that were not received by fiscal year end and were for support to programs and projects in the special revenue funds. Advances will be repaid within one year.



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***B. Interfund Transfers***

The general fund transferred \$24 to the Title VI-B fund and \$84 to the local grants fund. The transfers were made to correct prior year expenditures .

**Note 10 – Receivables**

Receivables at June 30, 2007, 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 non-payment of taxes, the stable condition of state programs and the current fiscal year guarantee of federal funds. All receivables, except property taxes, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

<b>Governmental Activities</b>	
Personal Property Tax Loss	\$2,780,848
Tuition and Fees	1,048,240
Miscellaneous	44,712
Food Service Subsidies	98,884
Auxiliary Services	195,000
Title I	219,774
Title IIA	126,150
Technology IID	3,736
Title III	23,391
Drug Free Schools	391
Title V	2,720
Title VI-B	913,673
Preschool	43,509
	<hr/>
<i>Total Governmental Activities</i>	<u><u>\$5,501,028</u></u>

**Note 11 - 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 2007, the School District contracted with Indiana Insurance for Property (Fire and Extended Coverage), and for Boiler and Machinery coverage through Travelers Insurance. Both of these policies are part of the Ohio Schools' Council group purchasing plan.

General liability coverage including sexual misconduct and molestation, and school leaders errors and omissions employment practices are with Indiana Insurance carrying the policy with a \$1,000,000 claims made coverage and a \$10,000,000 umbrella extending also over the District's fleet insurance.

Vehicles are covered by Indiana Insurance and have a \$1,000 deductible for comprehensive and collision. This insurance includes a bodily injury and property damage combined single limit of \$1,000,000 with a \$10,000,000 umbrella, \$50,000 uninsured/underinsured motorist, and \$5,000 medical payments.

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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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***B. Workers' Compensation***

For fiscal year 2007, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 18). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

***C. Employee Medical Benefits***

The School District operates and manages employee medical, dental and vision benefits on a self-insured basis. The dental and vision program limits total expenditures for any covered individual in a calendar year, therefore there is no individual or aggregate stop-loss maintained. Medical Mutual of Ohio provides claim review and processing.

The School District maintains stop-loss coverage for its medical insurance program. Aggregate stop loss is maintained at 115 percent of expected claims. The aggregate stop-loss was not met in 2007. Medical Mutual of Ohio provides claim review and processing for the medical insurance program as well.

The claims liability at June 30, 2007 estimated by the third party administrator to be \$1,171,167, is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in fiscal years 2007 and 2006 were:

	Beginning of Year	Year Claims	Claim Payments	End of Year
2006	\$1,266,046	\$7,278,379	\$7,213,830	\$1,330,595
2007	1,330,595	7,605,805	7,765,233	1,171,167

**Note 12 - Defined Benefit Pension Plans**

***A. School Employee 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.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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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 2007, 10.68 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 a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2007, 2006 and 2005 were \$1,395,261, \$1,332,270 and \$1,398,193 respectively; 47.75 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005.

***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 East Broad Street, Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio Web site 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 times 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.

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, 2007, 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. For fiscal year 2006, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2007, 2006, and 2005 were \$4,494,270, \$4,365,329 and \$4,477,300 respectively; 75.39 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005. Contributions to the DC and Combined Plans for fiscal year 2007 were \$62,782 made by the School District and \$86,734 made by the plan members.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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**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 of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2007 five members of the Board of Education have elected Social Security. The social security liability will equal 6.2 percent of wages.

**Note 13 – Postemployment Benefits**

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

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 cost 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 Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2007, the STRS Board allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$345,713 for fiscal year 2007.

STRS Ohio pays health care benefits from the Health Care Stabilization Fund. At June 30, 2006, (the latest information available) the balance in the Fund was \$3.5 billion. For the year ended June 30, 2006, net health care costs paid by STRS were \$282,743,000 and STRS had 119,184 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal 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, 2007, employer contributions to fund health care benefits were 3.32 percent of covered payroll, compared to 3.42 percent of covered payroll for fiscal year 2006. 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 2007, 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 2007 fiscal year equaled \$623,484.

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 year. Expenses for health care at June 30, 2006, (the latest information available), were \$158,751,207. At June 30, 2006, SERS had net assets available for payment of health care benefits of \$295.6 million. SERS has 59,492 participants eligible to receive benefits.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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**Note 14 – 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-five 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.

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 one fourth of the total sick leave accumulation, up to a maximum accumulation of 95 days. An employee receiving such payment must meet the retirement provisions set by STRS or SERS.

***B. Early Retirement Incentive Payable***

The School District offered certified employees participation in an Early Retirement Incentive program. Participation was open for these employees between December 13, 2005 through January 28, 2005. A total of 19 certified employees elected to retire under this plan. The effective date for retirement was June 30, 2005, 2006 and 2007. Each person who participates in this program receives a stipend each month for 24 months based upon years of service with the School District, ranging from \$500 to \$800 per month.

The School District offered administrative employees participation in an Early Retirement Incentive program. Participation was open for these employees between November 7, 2005 through December 16, 2005. One administrative employee elected to retire under this plan. The effective date for retirement was June 30, 2006 or July 31, 2006. Each person who participates in this program will be paid an additional 40 days at their per diem rate and will receive no less than \$8,000 and no more than \$16,000. Payments for this incentive will be made in two installments, with the first payment made in the February following the year of retirement, and the second to be paid the February following the first payment.

The classified employees were offered participation in an Early Retirement Incentive program also. Participation was open for these employees between March 8, 2006 through March 13, 2006. The final date for retirement is June 30, 2006. A total of 3 classified employees elected to retire under this plan. Each person is eligible to receive \$350 for each full year of continuous service credit to the School District. One half of the payment will be made February 16, 2007 and the second payment will be made on August 16, 2007.

The School District recorded an “Early Retirement Incentive Payable” liability for the amounts owed to these employees at June 30, 2007.

***C. Health and Life Insurance***

The School District operates and manages employee medical benefits on a self-insured basis. Medical Mutual of Ohio provides claim review and processing.

The School District continues to offer a fully insured HMO option for those employees who do not wish to participate in the self-insured plan. Fewer than five percent of employees seek this option.

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Medical Life Insurance Company. The amounts provided for certified employees equal the employee’s annual salary. The amounts provided for classified employees equal the employees’ annual salary or range from \$12,000 to \$20,000 for base salaries less than \$20,000.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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**Note 15 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, 2007.

**B. Litigation**

Berea City School District is a party to legal proceedings. The School District management is of the opinion that the litigation over property values will create an estimated future loss of \$2,393,240. The amount will be repaid by the County from future tax collections.

**Note 16 – Contractual Commitments**

At June 30, 2007 the School District had \$4,679,523 in contractual commitments for various improvements within the School District.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

**Note 17 – Long – Term Liabilities**

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

	Principal Outstanding 6/30/06	Additions	Reductions	Principal Outstanding 6/30/07	Amounts Due in One Year
Governmental Activities					
General Obligation Bonds:					
1993 School Improvement	\$270,000	\$0	\$270,000	\$0	\$0
2003 School Improvement Refunding	9,205,000	0	455,000	8,750,000	730,000
Deferred Amount on Refunding	102,802	0	8,748	94,054	0
2005 Bus Acquisition Bonds	565,000	0	60,000	505,000	65,000
2005 Energy Conservation Bonds	300,000	0	30,000	270,000	35,000
Premium on Bonds	22,509	0	3,216	19,293	0
2006 Bus Acquisition Bonds	600,000	0	45,000	555,000	45,000
2006 Motor Vehicle Acquisition Bonds	50,000	0	10,000	40,000	10,000
Premium on Bonds	13,447	0	1,416	12,031	0
2007 Energy Conservation Bonds	0	6,312,802	0	6,312,802	0
Premium on Bonds	0	134,406	719	133,687	0
2007 Various Purpose Bonds	0	305,000	0	305,000	55,000
Premium on Bonds	0	1,133	168	965	0
Total General Obligation Bonds	11,128,758	6,753,341	884,267	16,997,832	940,000
Compensated Absences	4,308,133	133,275	282,952	4,158,456	546,670
Total Governmental Activities					
Long-Term Liabilities	<u>\$15,436,891</u>	<u>\$6,886,616</u>	<u>\$1,167,219</u>	<u>\$21,156,288</u>	<u>\$1,486,670</u>

On April 1, 1993, the School District issued \$14,575,000, 5.0 - 7.5 percent general obligation bonds. These bonds were issued to fund various school improvements and will be paid from property taxes.

On March 1, 2003, the School District issued \$9,205,000 in general obligation bonds with interest rates varying from 2.00 percent to 4.70 percent. Proceeds were used to refund \$9,205,000 of the outstanding 1993 School Improvement Bonds.

The bonds were sold at a premium of \$743,790. Proceeds of \$9,817,557 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payment on the refunded portion of the 1993 School Improvement bonds.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$131,233. This difference, being reported as a deferral in the accompanying financial statements, is being charged to operations through the maturity of the old debt or the new debt, whichever is shorter using the straight-line method.

On July 1, 2004, the School District issued \$995,000, 2.9 to 5.0 percent general obligation bonds. \$345,000 of these bonds were issued for energy conservation improvements and the remaining \$650,000 of bonds were issued to purchase school buses. The bonds were issued at a premium of \$28,941. This premium is amortized over nine years using the straight-line method.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

On August 30, 2005, the School District issued \$650,000, 4.0 to 5.0 percent general obligation bonds. These bonds were issued for purchasing buses and motor vehicles. These bonds were issued at a premium of \$14,627. This premium is amortized over ten years using the straight-line method.

On June 7, 2007, the School District issued \$6,312,802, 4.0 percent general obligation bonds. These bonds were issued for energy conservation improvements. The bonds were issued at a premium of \$134,406. This premium is amortized over 16 years using the straight-line method.

On June 7, 2007, the School District issued \$305,000, 4.0 percent general obligation bonds. These bonds were issued for purchasing motor vehicles. The bonds were issued at a premium of \$1,133. This premium is amortized over five years using the straight-line method.

Compensated absences will be paid from the general fund, the food service fund and the adult and community education funds.

At June 30, 2007 the School District's overall legal debt margin was \$123,532,335 with an unvoted debt margin of \$1,455,059. Principal and interest requirements to retire long-term liabilities outstanding at June 30, 2007 are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Total
	Principal	Interest	
2008	\$940,000	\$696,598	\$1,636,598
2009	1,242,802	665,822	1,908,624
2010	1,275,000	621,628	1,896,628
2011	1,320,000	570,166	1,890,166
2012	1,375,000	511,092	1,886,092
2013-2017	6,605,000	1,631,026	8,236,026
2018-2022	3,425,000	391,635	3,816,635
2023	555,000	11,100	566,100
Total	\$16,737,802	\$5,099,067	\$21,836,869

**Note 18 - Jointly Governed Organizations and Public Entity Risk Pool**

**A. Jointly Governed Organizations**

Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The board of education is comprised of representatives from the board of each participating school district. The board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. Berea City School District students may attend the vocational school. Each School District's control is limited to its representation on the board.



**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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The Educational Community Foundation (Foundation) is a jointly governed organization established to support and enhance educational opportunities for the youth of the communities served by the Berea City School District. The trustees of the Foundation consist of the following voting members: one Berea Board of Education representative; an employee of Berea City School District to be selected by the Superintendent; two students, from any of the communities served by the Berea City School District; a representative from the PTA; one representative each from the City of Berea, City of Brook Park, and City of Middleburg Heights; a representative from the business/service communities; an at-large representative to be selected by the President of the Board of Trustees; and a representative of Baldwin-Wallace College. Each Trustee has one vote. The Board of Trustees of the Foundation may select any number of Honorary Trustees. Honorary Trustees are non-voting members. The board is responsible for approving its own budgets, accounting and finance related activities and appointing personnel.

The Ohio Schools' Council Association (Council) is a jointly governed organization among 108 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. During fiscal year 2007 the School District paid \$6,950 to the Council. Financial information can be obtained by contacting David Cottrell, the Executive Directive/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. This program allows school districts to purchase electricity at reduced rates, if the school district 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 \$246,355,000 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 its agreement, the School District is required to repay savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corporation.

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

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

***B. Public Entity Risk Pool***

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2007*

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**Note 19 - Set-Aside Calculations**

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 year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years.

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

	Capital Improvements Reserve	Textbooks and Instructional Materials Reserve
	<u>          </u>	<u>          </u>
Set Aside Reserve Balance as of June 30, 2006	\$0	\$182,254
Current year set-aside requirement	1,125,422	1,125,422
Current Year Offset	(1,563,014)	(500,000)
Qualifying Disbursements	<u>(150,218)</u>	<u>(375,830)</u>
Total	<u>(\$587,810)</u>	<u>\$431,846</u>
Set-aside Reserve Balance as of June 30, 2007	<u>\$0</u>	<u>\$431,846</u>

**Berea City School District**

**Combining Statements and Individual Fund Schedules**

## **Berea City School District**

### ***Fund Descriptions– Nonmajor Governmental Funds***

#### ***Nonmajor Special Revenue Funds***

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

**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.

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

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

**District Managed Student Activities Fund** This fund accounts for gate receipts and revenues from athletic events and costs (except supplemental coaching contracts) of the School District's athletic program.

**Preschool At Risk Fund** This fund accounts for State monies used to provide preschool education for students of low income families.

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

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

**Preschool Fund** This fund accounts for federal revenues used for speech therapy services and instructional supplies used in preschool programs.

**Entry Year Teacher Grant Fund-** This fund accounts for State monies used for mentoring, and assessment of the entry year teacher.

**Autism Grant Fund** This fund accounts for federal monies used for providing highly qualified teachers who will provide direct services to three, four and five year old children with disabilities.

(continued)

## Berea City School District

### *Nonmajor Special Revenue Funds* (continued)

**Title V Fund** This fund accounts for federal revenues which support implementation of programs such as computer education, gifted and talented programs, in-service and staff development.

**Drug Free Schools Fund** This fund accounts for federal revenues which support the implementation of drug abuse education and prevention programs.

**Ohio Reads Fund** This fund accounts for state grant monies intended to supplement the District's reading programs.

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

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

**Adult and Community Education Fund** This fund accounts for the educational opportunities offered on a tuition basis to preschoolers, youths and adults living within the community.

**Other** Smaller Special Revenue Funds operated by the School District and subsidized in part by local, state and federal monies as well as miscellaneous sources. These funds are as follows:

Educational Management Information Systems (EMIS) Fund  
Teacher Training and Development Fund  
School Professional Development Fund  
Technology IID Fund  
Parent Mentor Grant Fund  
School Improvement Grant Fund  
Safe School Helpline Fund  
Teacher Advancement Program Fund  
Telecommunity Grant Fund  
Title IIA Fund  
Core Implementation Grant Fund  
Poverty Based Assistance Grant Fund  
Title III Fund  
Hurricane Relief Grant Fund

### *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 (other than those financed by proprietary funds). Following is a description of the nonmajor capital projects funds:

**Building Fund** This fund accounts for bond proceeds to be used for the acquisition, construction, or improvement of capital facilities.

**School Net Fund** This fund accounts for state grant monies used to purchase computer hardware and software.

**Network Connectivity Fund** This fund accounts for state grant monies expended to complete and enhance the District's computer network.

**Interactive Video Lab Fund** This fund accounts for state grant funds used for the procurement of videoconferencing technology.



*Rebecca K.*

7<sup>th</sup> Grade

Roehm Middle School

Art Instructor: Janet Luken

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2007*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,953,015	\$4,668,808	\$6,621,823
Accounts Receivable	1,967	0	1,967
Intergovernmental Receivable	1,627,228	0	1,627,228
Interfund Receivable	5,000	0	5,000
Inventory Held for Resale	22,433	0	22,433
Materials and Supplies Inventory	20,265	0	20,265
<i>Total Assets</i>	<u>\$3,629,908</u>	<u>\$4,668,808</u>	<u>\$8,298,716</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$92,900	\$0	\$92,900
Contracts Payable	122,248	642,198	764,446
Accrued Wages	197,897	0	197,897
Retainage Payable	7,952	200,512	208,464
Interfund Payable	524,707	0	524,707
Intergovernmental Payable	133,856	0	133,856
Deferred Revenue	1,298,321	0	1,298,321
Early Retirement Incentive Payable	4,375	0	4,375
<i>Total Liabilities</i>	<u>2,382,256</u>	<u>842,710</u>	<u>3,224,966</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	436,185	4,006,917	4,443,102
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	811,467	0	811,467
Capital Projects Funds (Deficit)	0	(180,819)	(180,819)
<i>Total Fund Balances</i>	<u>1,247,652</u>	<u>3,826,098</u>	<u>5,073,750</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,629,908</u>	<u>\$4,668,808</u>	<u>\$8,298,716</u>



**Berea City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2007*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Intergovernmental	\$3,941,446	\$39,000	\$3,980,446
Interest	33,791	0	33,791
Tuition and Fees	1,172,917	0	1,172,917
Extracurricular Activities	623,724	0	623,724
Charges for Services	1,387,878	0	1,387,878
Contributions and Donations	200,423	0	200,423
Miscellaneous	165,398	0	165,398
<i>Total Revenues</i>	<u>7,525,577</u>	<u>39,000</u>	<u>7,564,577</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	511,677	0	511,677
Special	1,071,599	0	1,071,599
Adult/Continuing	204,469	0	204,469
Support Services:			
Pupil	660,663	0	660,663
Instructional Staff	602,947	0	602,947
Administration	70,857	0	70,857
Operation and Maintenance of Plant	6,367	0	6,367
Pupil Transportation	74,276	0	74,276
Central	38,683	0	38,683
Operation of Non-Instructional Services	3,908,742	0	3,908,742
Extracurricular Activities	513,478	0	513,478
Capital Outlay	0	2,535,455	2,535,455
<i>Total Expenditures</i>	<u>7,663,758</u>	<u>2,535,455</u>	<u>10,199,213</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(138,181)</u>	<u>(2,496,455)</u>	<u>(2,634,636)</u>
<b>Other Financing Sources</b>			
Bonds Issued	0	6,312,802	6,312,802
Transfers In	108	0	108
<i>Total Other Financing Sources</i>	<u>108</u>	<u>6,312,802</u>	<u>6,312,910</u>
<i>Net Change in Fund Balances</i>	(138,073)	3,816,347	3,678,274
<i>Fund Balances Beginning of Year</i>	<u>1,385,725</u>	<u>9,751</u>	<u>1,395,476</u>
<i>Fund Balances End of Year</i>	<u>\$1,247,652</u>	<u>\$3,826,098</u>	<u>\$5,073,750</u>

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2007*

	Title VI-B	Auxiliary Services	Title I
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$52,451	\$343,448	\$50,185
Accounts Receivable	0	0	0
Intergovernmental Receivable	913,673	195,000	219,774
Interfund Receivable	0	0	0
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$966,124</u>	<u>\$538,448</u>	<u>\$269,959</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$27,361	\$33,270	\$0
Contracts Payable	0	122,248	0
Accrued Wages	22,081	0	70,028
Retainage Payable	0	7,952	0
Interfund Payable	215,460	209,065	71,071
Intergovernmental Payable	3,091	272	9,804
Deferred Revenue	750,663	195,000	170,921
Early Retirement Incentive Payable	0	0	0
<i>Total Liabilities</i>	<u>1,018,656</u>	<u>567,807</u>	<u>321,824</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	25,065	186,885	50,185
Unreserved, Undesignated (Deficit)	<u>(77,597)</u>	<u>(216,244)</u>	<u>(102,050)</u>
<i>Total Fund (Deficit) Balances</i>	<u>(52,532)</u>	<u>(29,359)</u>	<u>(51,865)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$966,124</u>	<u>\$538,448</u>	<u>\$269,959</u>

District Managed Student Activities	Preschool At Risk	Public School Support	Local Grants
\$292,947	\$12,347	\$213,559	\$169,550
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<u>\$292,947</u>	<u>\$12,347</u>	<u>\$213,559</u>	<u>\$169,550</u>

\$3,310	\$114	\$17,409	\$855
0	0	0	0
0	10,512	0	0
0	0	0	0
0	0	0	0
269	1,472	1,674	0
0	0	0	0
0	0	0	0

<u>3,579</u>	<u>12,098</u>	<u>19,083</u>	<u>855</u>
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2,376	259	14,543	1,576
<u>286,992</u>	<u>(10)</u>	<u>179,933</u>	<u>167,119</u>

<u>289,368</u>	<u>249</u>	<u>194,476</u>	<u>168,695</u>
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<u>\$292,947</u>	<u>\$12,347</u>	<u>\$213,559</u>	<u>\$169,550</u>
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**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2007*

	Preschool	Title V	Drug Free Schools
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$710	\$605	\$716
Accounts Receivable	0	0	0
Intergovernmental Receivable	43,509	2,720	391
Interfund Receivable	0	5,000	0
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$44,219</u>	<u>\$8,325</u>	<u>\$1,107</u>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$327	\$0	\$0
Contracts Payable	0	0	0
Accrued Wages	3,372	0	0
Retainage Payable	0	0	0
Interfund Payable	6,356	661	0
Intergovernmental Payable	472	0	0
Deferred Revenue	37,863	7,720	391
Early Retirement Incentive Payable	0	0	0
<i>Total Liabilities</i>	<u>48,390</u>	<u>8,381</u>	<u>391</u>
 <b>Fund Balances</b>			
Reserved for Encumbrances	383	605	0
Unreserved, Undesignated (Deficit)	<u>(4,554)</u>	<u>(661)</u>	<u>716</u>
<i>Total Fund (Deficit) Balances</i>	<u>(4,171)</u>	<u>(56)</u>	<u>716</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$44,219</u>	<u>\$8,325</u>	<u>\$1,107</u>

Ohio Reads	Food Service	Uniform School Supply	Adult and Community Education
\$5,537	\$480,160	\$15,042	\$225,349
0	1,967	0	0
0	98,884	0	0
0	0	0	0
0	20,516	1,917	0
0	20,265	0	0
<u>\$5,537</u>	<u>\$621,792</u>	<u>\$16,959</u>	<u>\$225,349</u>

\$0	\$7,486	\$0	\$2,768
0	0	0	0
2,000	45,730	0	30,059
0	0	0	0
0	0	0	0
280	68,479	0	46,067
0	0	0	0
0	4,375	0	0
<u>2,280</u>	<u>126,070</u>	<u>0</u>	<u>78,894</u>

0	63,451	3,122	11,450
<u>3,257</u>	<u>432,271</u>	<u>13,837</u>	<u>135,005</u>
<u>3,257</u>	<u>495,722</u>	<u>16,959</u>	<u>146,455</u>
<u>\$5,537</u>	<u>\$621,792</u>	<u>\$16,959</u>	<u>\$225,349</u>

(continued)

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2007*

	EMIS	Teacher Training and Development	School Professional Development
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$5,007	\$305	\$1,071
Accounts Receivable	0	0	0
Intergovernmental Receivable	0	0	0
Interfund Receivable	0	0	0
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$5,007</u>	<u>\$305</u>	<u>\$1,071</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$0	\$0
Contracts Payable	0	0	0
Accrued Wages	0	0	0
Retainage Payable	0	0	0
Interfund Payable	0	0	0
Intergovernmental Payable	0	0	0
Deferred Revenue	0	0	0
Early Retirement Incentive Payable	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	647	0	0
Unreserved, Undesignated (Deficit)	4,360	305	1,071
<i>Total Fund (Deficit) Balances</i>	<u>5,007</u>	<u>305</u>	<u>1,071</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$5,007</u>	<u>\$305</u>	<u>\$1,071</u>

Technology IID	Parent Mentor Grant	School Improvement Grant	Safe School Helpline
\$952	\$3,945	\$6	\$27
0	0	0	0
3,736	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<b>\$4,688</b>	<b>\$3,945</b>	<b>\$6</b>	<b>\$27</b>

\$0	\$0	\$0	\$0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
3,736	0	0	0
0	0	0	0
<b>3,736</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	173	0	0
952	3,772	6	27
<b>952</b>	<b>3,945</b>	<b>6</b>	<b>27</b>
<b>\$4,688</b>	<b>\$3,945</b>	<b>\$6</b>	<b>\$27</b>

(continued)

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2007*

	Telecommunity Grant	Title IIA	Core Implementation Grant
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$70,849	\$0	\$2,000
Accounts Receivable	0	0	0
Intergovernmental Receivable	0	126,150	0
Interfund Receivable	0	0	0
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$70,849</u>	<u>\$126,150</u>	<u>\$2,000</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$0	\$0
Contracts Payable	0	0	0
Accrued Wages	0	12,279	0
Retainage Payable	0	0	0
Interfund Payable	0	17,514	0
Intergovernmental Payable	0	1,719	0
Deferred Revenue	0	108,636	0
Early Retirement Incentive Payable	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>140,148</u>	<u>0</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	70,849	0	0
Unreserved, Undesignated (Deficit)	0	(13,998)	2,000
<i>Total Fund (Deficit) Balances</i>	<u>70,849</u>	<u>(13,998)</u>	<u>2,000</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$70,849</u>	<u>\$126,150</u>	<u>\$2,000</u>



Poverty Based Assistance	Title III	Total Nonmajor Special Revenue Funds
\$1,331	\$4,916	\$1,953,015
0	0	1,967
0	23,391	1,627,228
0	0	5,000
0	0	22,433
0	0	20,265
<u>\$1,331</u>	<u>\$28,307</u>	<u>\$3,629,908</u>

\$0	\$0	\$92,900
0	0	122,248
0	1,836	197,897
0	0	7,952
0	4,580	524,707
0	257	133,856
0	23,391	1,298,321
0	0	4,375
<u>0</u>	<u>30,064</u>	<u>2,382,256</u>
0	4,616	436,185
<u>1,331</u>	<u>(6,373)</u>	<u>811,467</u>
<u>1,331</u>	<u>(1,757)</u>	<u>1,247,652</u>
<u>\$1,331</u>	<u>\$28,307</u>	<u>\$3,629,908</u>

**Berea City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2007*

	Title VI-B	Auxiliary Services	Title I	District Managed Student Activities
<b>Revenues</b>				
Intergovernmental	\$1,598,515	\$635,228	\$536,669	\$0
Interest	0	4,536	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	459,524
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	22,441
Miscellaneous	0	0	0	85,327
<i>Total Revenues</i>	<u>1,598,515</u>	<u>639,764</u>	<u>536,669</u>	<u>567,292</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	0	0	0
Special	485,771	0	583,543	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	604,289	0	0	3,168
Instructional Staff	232,831	0	29,093	0
Administration	49,207	0	0	0
Operation and Maintenance of Plant	0	0	0	2,504
Pupil Transportation	27,904	0	0	46,372
Central	0	0	0	0
Operation of Non-Instructional Services	207,938	749,893	13,789	0
Extracurricular Activities	0	0	0	473,985
<i>Total Expenditures</i>	<u>1,607,940</u>	<u>749,893</u>	<u>626,425</u>	<u>526,029</u>
<i>Excess of Revenues Over (Under ) Expenditures</i>	(9,425)	(110,129)	(89,756)	41,263
<b>Other Financing Sources</b>				
Transfers In	24	0	0	0
<i>Net Change in Fund Balance</i>	(9,401)	(110,129)	(89,756)	41,263
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(43,131)</u>	<u>80,770</u>	<u>37,891</u>	<u>248,105</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$52,532)</u>	<u>(\$29,359)</u>	<u>(\$51,865)</u>	<u>\$289,368</u>

Preschool At Risk	Public School Support	Local Grants	Preschool
\$232,747	\$0	\$0	\$37,241
0	0	2,354	0
0	0	0	0
0	164,200	0	0
0	0	0	0
0	50,394	127,338	0
0	59,415	0	0
232,747	274,009	129,692	37,241
133,577	42,464	47,990	0
0	1,386	899	0
0	0	0	0
20,235	2,950	0	25,521
64,419	195,669	493	19,470
21,650	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	3,567	0	0
0	36,493	3,000	0
239,881	282,529	52,382	44,991
(7,134)	(8,520)	77,310	(7,750)
0	0	84	0
(7,134)	(8,520)	77,394	(7,750)
7,383	202,996	91,301	3,579
\$249	\$194,476	\$168,695	(\$4,171)

(continued)

**Berea 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, 2007*

	Entry Year Teacher Grant	Autism Grant	Title V	Drug Free Schools
<b>Revenues</b>				
Intergovernmental	\$0	\$4,835	\$7,730	\$20,118
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>4,835</u>	<u>7,730</u>	<u>20,118</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	2,000	0	0	11,251
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	8,134	14,584	6,562
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	0	3,863
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	1,679	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>2,000</u>	<u>8,134</u>	<u>16,263</u>	<u>21,676</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,000)	(3,299)	(8,533)	(1,558)
<b>Other Financing Sources</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	(2,000)	(3,299)	(8,533)	(1,558)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>2,000</u>	<u>3,299</u>	<u>8,477</u>	<u>2,274</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>(\$56)</u>	<u>\$716</u>

Ohio Reads	Food Service	Uniform School Supply	Adult and Community Education
\$12,000	\$669,832	\$0	\$0
0	26,901	0	0
0	0	51,774	1,121,143
0	0	0	0
0	1,387,878	0	0
0	250	0	0
0	13,606	0	7,050
12,000	2,098,467	51,774	1,128,193
14,000	0	71,160	0
0	0	0	0
0	0	0	204,469
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	1,958,554	0	973,284
0	0	0	0
14,000	1,958,554	71,160	1,177,753
(2,000)	139,913	(19,386)	(49,560)
0	0	0	0
(2,000)	139,913	(19,386)	(49,560)
5,257	\$355,809	36,345	196,015
\$3,257	\$495,722	\$16,959	\$146,455

(continued)

**Berea 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, 2007*

	EMIS	Teacher Training and Development	School Professional Development	Technology IID
<b>Revenues</b>				
Intergovernmental	\$25,007	\$0	\$2,580	\$4,551
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>25,007</u>	<u>0</u>	<u>2,580</u>	<u>4,551</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	0	0	0
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	2,351	4,800
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	38,683	0	0	0
Operation of Non-Instructional Services	0	0	0	38
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>38,683</u>	<u>0</u>	<u>2,351</u>	<u>4,838</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(13,676)	0	229	(287)
<b>Other Financing Sources</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	(13,676)	0	229	(287)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>18,683</u>	<u>305</u>	<u>842</u>	<u>1,239</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$5,007</u>	<u>\$305</u>	<u>\$1,071</u>	<u>\$952</u>

Parent Mentor Grant	School Improvement Grant	Safe School Helpline	Teacher Advancement Program
\$24,375	\$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
24,375	0	0	0
0	0	0	48,330
0	0	0	0
0	0	0	0
0	0	0	0
24,541	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
24,541	0	0	48,330
(166)	0	0	(48,330)
0	0	0	0
(166)	0	0	(48,330)
4,111	6	27	48,330
\$3,945	\$6	\$27	\$0

(continued)

**Berea 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, 2007*

	Telecommunity Grant	Title IIA	Core Implementation Grant	Poverty Based Assistance
<b>Revenues</b>				
Intergovernmental	\$0	\$101,430	\$2,000	\$10,658
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>101,430</u>	<u>2,000</u>	<u>10,658</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	109,287	0	15,703
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>109,287</u>	<u>0</u>	<u>15,703</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(7,857)	2,000	(5,045)
<b>Other Financing Sources</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	0	(7,857)	2,000	(5,045)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>70,849</u>	<u>(6,141)</u>	<u>0</u>	<u>6,376</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$70,849</u></u>	<u><u>(\$13,998)</u></u>	<u><u>\$2,000</u></u>	<u><u>\$1,331</u></u>



Title III	Hurricane Relief Grant	Total Nonmajor Special Revenue Funds
\$13,430	\$2,500	\$3,941,446
0	0	33,791
0	0	1,172,917
0	0	623,724
0	0	1,387,878
0	0	200,423
0	0	165,398
<u>13,430</u>	<u>2,500</u>	<u>7,525,577</u>
15,915	0	511,677
0	0	1,071,599
0	0	204,469
0	4,500	660,663
0	0	602,947
0	0	70,857
0	0	6,367
0	0	74,276
0	0	38,683
0	0	3,908,742
0	0	513,478
<u>15,915</u>	<u>4,500</u>	<u>7,663,758</u>
(2,485)	(2,000)	(138,181)
<u>0</u>	<u>0</u>	<u>108</u>
(2,485)	(2,000)	(138,073)
<u>728</u>	<u>2,000</u>	<u>1,385,725</u>
<u>(\$1,757)</u>	<u>\$0</u>	<u>\$1,247,652</u>

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2007*

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	Building	School Net
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$4,654,730	\$1,724
<b>Liabilities and Fund Balances</b>		
Contracts Payable	\$642,198	\$0
Retainage Payable	200,512	0
<i>Total Liabilities</i>	842,710	0
<b>Fund Balances</b>		
Reserved for Encumbrances	4,006,917	0
Unreserved, Undesignated	(194,897)	1,724
<i>Total Fund Balances</i>	3,812,020	1,724
<i>Total Liabilities and Fund Balances</i>	\$4,654,730	\$1,724

Network Connectivity	Interactive Video Lab	Total Nonmajor Capital Projects Funds
\$9,954	\$2,400	\$4,668,808
\$0	\$0	\$642,198
0	0	200,512
0	0	842,710
0	0	4,006,917
9,954	2,400	(180,819)
9,954	2,400	3,826,098
\$9,954	\$2,400	\$4,668,808

**Berea City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2007*

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	Building	School Net
<b>Revenues</b>		
Intergovernmental	\$0	\$0
<b>Expenditures</b>		
Capital Outlay	2,506,397	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,506,397)	0
<b>Other Financing Sources</b>		
General Obligation Bonds Issued	6,312,802	0
<i>Net Change in Fund Balances</i>	3,806,405	0
<i>Fund Balances Beginning of Year</i>	5,615	1,724
<i>Fund Balances End of Year</i>	\$3,812,020	\$1,724

Network Connectivity	Interactive Video Lab	Total Nonmajor Capital Projects Funds
\$39,000	\$0	\$39,000
29,058	0	2,535,455
9,942	0	(2,496,455)
0	0	6,312,802
9,942	0	3,816,347
12	2,400	9,751
<u>\$9,954</u>	<u>\$2,400</u>	<u>\$3,826,098</u>

### *Fiduciary Funds*

Fiduciary fund reporting focuses on net assets and change 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.

### *Agency Funds*

**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.

**Employee Benefits Fund** This fund accounts for monies withheld from employees' paychecks for future child care and health care services purchased by the employee.

**Staff Services Fund** This fund accounts for purchases of supplies on behalf of employees of the School District.

**Berea City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Balance</u> <u>6-30-06</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6-30-07</u>
<b><i>Student Activities</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$143,359</u>	<u>\$213,715</u>	<u>\$202,702</u>	<u>\$154,372</u>
<i>Total Assets</i>	<u><u>\$143,359</u></u>	<u><u>\$213,715</u></u>	<u><u>\$202,702</u></u>	<u><u>\$154,372</u></u>
<b>Liabilities</b>				
Due to Students	<u>\$143,359</u>	<u>\$213,715</u>	<u>\$202,702</u>	<u>\$154,372</u>
<i>Total Liabilities</i>	<u><u>\$143,359</u></u>	<u><u>\$213,715</u></u>	<u><u>\$202,702</u></u>	<u><u>\$154,372</u></u>
<b><i>Employee Benefits</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$4,733</u>	<u>\$125,690</u>	<u>\$130,423</u>	<u>\$0</u>
<i>Total Assets</i>	<u><u>\$4,733</u></u>	<u><u>\$125,690</u></u>	<u><u>\$130,423</u></u>	<u><u>\$0</u></u>
<b>Liabilities</b>				
Undistributed Monies (Deficit)	<u>\$4,733</u>	<u>\$125,690</u>	<u>\$130,423</u>	<u>\$0</u>
<i>Total Liabilities</i>	<u><u>\$4,733</u></u>	<u><u>\$125,690</u></u>	<u><u>\$130,423</u></u>	<u><u>\$0</u></u>
<b><i>Staff Services</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$22,922</u>	<u>\$31,347</u>	<u>\$31,488</u>	<u>\$22,781</u>
<i>Total Assets</i>	<u><u>\$22,922</u></u>	<u><u>\$31,347</u></u>	<u><u>\$31,488</u></u>	<u><u>\$22,781</u></u>
<b>Liabilities</b>				
Undistributed Monies	<u>\$22,922</u>	<u>\$31,347</u>	<u>\$31,488</u>	<u>\$22,781</u>
<i>Total Liabilities</i>	<u><u>\$22,922</u></u>	<u><u>\$31,347</u></u>	<u><u>\$31,488</u></u>	<u><u>\$22,781</u></u>

(continued)

**Berea City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds (continued)*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Balance</u> <u>6-30-06</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6-30-07</u>
<b><i>All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$171,014</u>	<u>\$370,752</u>	<u>\$364,613</u>	<u>\$177,153</u>
<i>Total Assets</i>	<u><u>\$171,014</u></u>	<u><u>\$370,752</u></u>	<u><u>\$364,613</u></u>	<u><u>\$177,153</u></u>
<b>Liabilities</b>				
Undistributed Monies	\$27,655	\$157,037	\$161,911	\$22,781
Due to Students	<u>143,359</u>	<u>213,715</u>	<u>202,702</u>	<u>154,372</u>
<i>Total Liabilities</i>	<u><u>\$171,014</u></u>	<u><u>\$370,752</u></u>	<u><u>\$364,613</u></u>	<u><u>\$177,153</u></u>



**Berea City School District**

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

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$56,620,452	\$67,932,521	\$67,954,892	\$22,371
Intergovernmental	13,574,883	16,286,977	16,292,341	5,364
Interest	1,262,505	1,514,738	1,515,237	499
Tuition and Fees	2,081,370	2,531,734	2,532,625	891
Rentals	71,977	86,357	86,385	28
Charges for Services	21,153	25,379	25,387	8
Contributions and Donations	2,877	3,452	3,453	1
Miscellaneous	604,630	725,428	725,667	239
<i>Total Revenues</i>	<u>74,239,847</u>	<u>89,106,586</u>	<u>89,135,987</u>	<u>29,401</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	19,734,339	19,950,814	19,895,347	55,467
Fringe Benefits	10,121,441	10,232,468	9,974,142	258,326
Purchased Services	1,835,418	1,838,951	1,835,336	3,615
Materials and Supplies	814,156	800,383	709,704	90,679
Capital Outlay - New	131,964	127,628	126,880	748
Capital Outlay - Replacement	12,249	8,201	8,087	114
Other	53,513	54,100	48,458	5,642
Special:				
Salaries and Wages	4,922,570	4,976,568	4,917,885	58,683
Fringe Benefits	2,086,628	2,109,517	2,156,035	(46,518)
Purchased Services	111,087	112,277	111,661	616
Materials and Supplies	20,487	19,629	16,498	3,131
Capital Outlay - New	7,966	8,053	8,045	8
<b>Total Special</b>	<u>\$7,148,738</u>	<u>\$7,226,044</u>	<u>\$7,210,124</u>	<u>\$15,920</u>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Vocational:				
Salaries and Wages	\$431,162	\$435,892	\$443,897	(\$8,005)
Fringe Benefits	199,605	201,795	193,176	8,619
Materials and Supplies	2,533	2,561	339	2,222
Total Vocational	633,300	640,248	637,412	2,836
Total Instruction	633,300	640,248	637,412	2,836
Support Services:				
Pupil:				
Salaries and Wages	2,118,834	2,142,076	2,110,960	31,116
Fringe Benefits	1,091,541	1,103,515	992,369	111,146
Purchased Services	892,879	883,433	870,751	12,682
Materials and Supplies	27,937	27,562	18,667	8,895
Capital Outlay - New	1,978	2,000	1,504	496
Instructional Staff:				
Salaries and Wages	3,493,408	3,531,729	3,534,744	(3,015)
Fringe Benefits	1,523,202	1,536,071	1,262,229	273,842
Purchased Services	392,560	344,654	313,888	30,766
Materials and Supplies	114,476	108,746	94,451	14,295
Capital Outlay - New	19,263	17,672	15,656	2,016
Capital Outlay - Replacement	4,056	4,100	2,409	1,691
Other	3,390	3,427	2,155	1,272
Total Instructional Staff	5,550,355	5,546,399	5,225,532	320,867
Board of Education:				
Salaries and Wages	6,369	6,439	6,420	19
Fringe Benefits	814	823	841	(18)
Purchased Services	12,674	12,813	12,812	1
Materials and Supplies	109	110	110	0
Other	12,387	12,523	12,523	0
Total Board of Education	\$32,353	\$32,708	\$32,706	\$2

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Administration:</b>				
Salaries and Wages	\$2,806,553	\$2,837,339	\$2,773,559	\$63,780
Fringe Benefits	1,121,011	1,133,308	1,233,022	(99,714)
Purchased Services	391,088	345,533	287,282	58,251
Materials and Supplies	20,015	17,857	16,217	1,640
Capital Outlay - New	311	314	314	0
Other	7,231	7,310	7,185	125
<b>Total Administration</b>	<b>4,346,209</b>	<b>4,341,661</b>	<b>4,317,579</b>	<b>24,082</b>
<b>Fiscal:</b>				
Salaries and Wages	368,318	372,358	380,267	(7,909)
Fringe Benefits	215,075	207,800	222,017	(14,217)
Purchased Services	67,801	66,796	60,814	5,982
Materials and Supplies	7,927	8,016	7,718	298
Capital Outlay - Replacement	6,024	6,090	5,364	726
Other	1,124,835	1,136,242	935,431	200,811
<b>Total Fiscal</b>	<b>1,789,980</b>	<b>1,797,302</b>	<b>1,611,611</b>	<b>185,691</b>
<b>Business:</b>				
Salaries and Wages	127,520	128,919	169,063	(40,144)
Fringe Benefits	72,805	73,604	90,864	(17,260)
Purchased Services	385,593	358,650	304,620	54,030
Materials and Supplies	267,469	236,884	214,584	22,300
Capital Outlay - New	49,351	49,517	44,563	4,954
Capital Outlay - Replacement	3,715	3,250	1,146	2,104
Other	55,435	56,043	50,089	5,954
<b>Total Business</b>	<b>961,888</b>	<b>906,867</b>	<b>874,929</b>	<b>31,938</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries and Wages	3,504,489	3,542,931	3,472,817	70,114
Fringe Benefits	1,618,345	1,636,097	1,571,846	64,251
Purchased Services	3,204,383	3,028,325	2,493,388	534,937
Materials and Supplies	414,120	410,039	406,657	3,382
Capital Outlay - New	14,324	14,087	12,631	1,456
Capital Outlay - Replacement	90,664	84,842	77,973	6,869
Other	14,837	15,000	14,761	239
<b>Total Operation and Maintenance of Plant</b>	<b>\$8,861,162</b>	<b>\$8,731,321</b>	<b>\$8,050,073</b>	<b>\$681,248</b>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Pupil Transportation:</b>				
Salaries and Wages	\$2,223,223	\$2,247,611	\$2,266,365	(\$18,754)
Fringe Benefits	839,886	849,099	850,342	(1,243)
Purchased Services	217,703	206,441	191,087	15,354
Materials and Supplies	510,606	503,763	490,548	13,215
Capital Outlay - New	7,057	7,134	7,134	0
Capital Outlay - Replacement	144,977	146,567	9,038	137,529
<b>Total Pupil Transportation</b>	<b>3,943,452</b>	<b>3,960,615</b>	<b>3,814,514</b>	<b>146,101</b>
<b>Central:</b>				
Salaries and Wages	994,164	1,005,068	1,015,152	(10,084)
Fringe Benefits	505,813	511,205	513,942	(2,737)
Purchased Services	838,962	815,745	807,565	8,180
Materials and Supplies	63,760	62,287	50,559	11,728
Capital Outlay - New	166,359	150,696	146,399	4,297
Capital Outlay - Replacement	31,310	31,270	23,675	7,595
Other	697	705	705	0
<b>Total Central</b>	<b>2,601,065</b>	<b>2,576,976</b>	<b>2,557,997</b>	<b>18,979</b>
<b>Total Support Services</b>	<b>6,544,517</b>	<b>6,537,591</b>	<b>6,372,511</b>	<b>165,080</b>
<b>Operation of Non-Instructional Services:</b>				
<b>Community Services:</b>				
Salaries and Wages	14,343	14,500	14,328	172
Other	2,426	2,453	2,453	0
<b>Total Operation of Non-Instructional Services</b>	<b>16,769</b>	<b>16,953</b>	<b>16,781</b>	<b>172</b>
<b>Extracurricular Activities:</b>				
<b>Academic and Subject Oriented Activities:</b>				
Salaries and Wages	200,151	202,347	152,882	49,465
Fringe Benefits	98,669	99,750	63,272	36,478
<b>Total Academic and Subject Oriented Activities</b>	<b>\$298,820</b>	<b>\$302,097</b>	<b>\$216,154</b>	<b>\$85,943</b>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive
Sports Oriented Activities:				
Salaries and Wages	\$716,705	\$724,567	\$616,483	\$108,084
Fringe Benefits	346,121	349,918	304,248	45,670
Purchased Services	14,837	15,000	14,500	500
Capital Outlay - New	19,783	20,000	20,000	0
<b>Total Sports Oriented Activities</b>	<u>1,097,446</u>	<u>1,109,485</u>	<u>955,231</u>	<u>154,254</u>
School and Public Service Co-Curricular Activities:				
Salaries and Wages	46,953	47,468	53,630	(6,162)
Fringe Benefits	11,379	11,504	1,074	10,430
<b>Total School and Public Service Co-Curricular Activities</b>	<u>58,332</u>	<u>58,972</u>	<u>54,704</u>	<u>4,268</u>
<b>Total Extracurricular Activities</b>	<u>1,454,598</u>	<u>1,470,554</u>	<u>1,226,089</u>	<u>244,465</u>
<b>Total Expenditures</b>	<u>74,076,118</u>	<u>74,418,779</u>	<u>72,167,552</u>	<u>2,251,227</u>
<b>Excess of Revenues Over Expenditures</b>	<u>63,729</u>	<u>14,687,807</u>	<u>16,968,435</u>	<u>2,280,628</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	134,013	160,787	160,840	53
Advances Out	(514,069)	(519,708)	(519,707)	1
Transfers Out	(107)	(108)	(108)	0
<b>Total Other Financing Sources (Uses)</b>	<u>(380,163)</u>	<u>(359,029)</u>	<u>(358,975)</u>	<u>54</u>
<b>Net Change in Fund Balance</b>	(316,434)	14,328,778	16,609,460	2,280,682
<b>Fund Balance Beginning of Year</b>	4,244,081	4,244,081	4,244,081	0
<b>Prior Year Encumbrances Appropriated</b>	<u>566,688</u>	<u>566,688</u>	<u>566,688</u>	<u>0</u>
<b>Fund Balance End of Year</b>	<u>\$4,494,335</u>	<u>\$19,139,547</u>	<u>\$21,420,229</u>	<u>\$2,280,682</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Debt Service Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$1,076,645	\$1,185,521	\$1,299,665	\$114,144
Intergovernmental	79,780	87,848	96,306	8,458
<i>Total Revenues</i>	<u>1,156,425</u>	<u>1,273,369</u>	<u>1,395,971</u>	<u>122,602</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	768,500	725,000	725,000	0
Interest and Fiscal Charges	412,825	389,458	389,458	0
Bond Issuance Cost	142,470	134,406	134,406	0
<i>Total Expenditures</i>	<u>1,323,795</u>	<u>1,248,864</u>	<u>1,248,864</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(167,370)	24,505	147,107	122,602
<b>Other Financing Sources</b>				
Premium on General Obligation Bonds	0	122,602	134,406	11,804
<i>Net Change in Fund Balance</i>	(167,370)	147,107	281,513	134,406
<i>Fund Balance Beginning of Year</i>	<u>2,178,910</u>	<u>2,178,910</u>	<u>2,178,910</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,011,540</u>	<u>\$2,326,017</u>	<u>\$2,460,423</u>	<u>\$134,406</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Permanent Improvement Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$1,424,492	\$2,231,513	\$1,859,872	(\$371,641)
Intergovernmental	80,700	126,419	105,365	(21,054)
<i>Total Revenues</i>	<u>1,505,192</u>	<u>2,357,932</u>	<u>1,965,237</u>	<u>(392,695)</u>
<b>Expenditures</b>				
Support Services:				
Instructional Staff:				
Materials and Supplies	18,215	79,409	63,266	16,143
Capital Outlay - New	30,986	34,932	17,480	17,452
Capital Outlay - Replacement	356,384	515,248	515,248	0
Total Instructional Staff	<u>405,585</u>	<u>629,589</u>	<u>595,994</u>	<u>33,595</u>
Fiscal:				
Purchased Services	0	0	6,950	(6,950)
Operation and Maintenance of Plant:				
Capital Outlay - New	299,145	337,111	336,131	980
Pupil Transportation:				
Capital Outlay - New	643	643	0	643
Central:				
Purchased Services	109,793	145,993	145,993	0
Total Support Services	<u>815,166</u>	<u>1,113,336</u>	<u>1,085,068</u>	<u>28,268</u>
Capital Outlay:				
Building Improvement Services:				
Capital Outlay - New	1,499,200	1,555,441	1,340,269	215,172
Total Capital Outlay	<u>1,499,200</u>	<u>1,555,441</u>	<u>1,340,269</u>	<u>215,172</u>
Debt Service:				
Principal Retirement	109,048	145,000	145,000	0
Interest and Fiscal Charges	52,693	70,065	70,065	0
Bond Issuance Costs	15,655	18,525	11,575	6,950
Total Debt Service	<u>177,396</u>	<u>233,590</u>	<u>226,640</u>	<u>6,950</u>
<i>Total Expenditures</i>	<u>2,491,762</u>	<u>2,902,367</u>	<u>2,651,977</u>	<u>250,390</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(986,570)</u>	<u>(544,435)</u>	<u>(686,740)</u>	<u>(142,305)</u>
<b>Other Financing Sources</b>				
General Obligation Bonds Issued	233,602	365,946	305,000	(60,946)
Premium on General Obligation Bonds	868	1,359	1,133	(226)
<i>Total Other Financing Sources</i>	<u>234,470</u>	<u>367,305</u>	<u>306,133</u>	<u>(61,172)</u>
<i>Net Change in Fund Balance</i>	<u>(752,100)</u>	<u>(177,130)</u>	<u>(380,607)</u>	<u>(203,477)</u>
<i>Fund Balance Beginning of Year</i>	910,231	910,231	910,231	0
Prior Year Encumbrances Appropriated	791,762	791,762	791,762	0
<i>Fund Balance End of Year</i>	<u>\$949,893</u>	<u>\$1,524,863</u>	<u>\$1,321,386</u>	<u>(\$203,477)</u>



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$1,429,600	\$2,415,778	\$1,435,505	(\$980,273)
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	12,505	12,748	12,748	0
Fringe Benefits	3,175	3,237	3,237	0
Purchased Services	341,996	340,904	340,904	0
Materials and Supplies	234,363	172,436	172,436	0
Capital Outlay - New	75,472	59,155	59,155	0
Total Instruction	667,512	588,480	588,480	0
Support Services:				
Pupil:				
Salaries and Wages	93,438	95,251	95,251	0
Fringe Benefits	25,311	25,803	25,802	1
Purchased Services	609,976	515,927	515,928	(1)
Materials and Supplies	6,004	6,120	6,120	0
Capital Outlay - New	1,314	1,339	1,339	0
Total Pupil	736,043	644,440	644,440	0
Instructional Staff:				
Salaries and Wages	224,071	228,417	228,417	0
Fringe Benefits	2,403	2,450	2,450	0
Purchased Services	7,798	8,844	8,844	0
Total Instructional Staff	234,272	239,711	239,711	0
Administration:				
Salaries and Wages	41,938	42,752	42,752	0
Fringe Benefits	6,332	6,455	6,455	0
Total Administration	48,271	49,207	49,207	0
Pupil Transportation:				
Purchased Services	7,745	7,895	7,895	0
Total Support Services	\$1,026,330	\$941,253	\$941,253	\$0

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VI-B Fund (continued)*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	\$255,119	\$232,240	\$232,240	\$0
<i>Total Expenditures</i>	<u>1,948,961</u>	<u>1,761,973</u>	<u>1,761,973</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(519,362)</u>	<u>653,805</u>	<u>(326,468)</u>	<u>(980,273)</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	214,560	215,460	215,460	0
Advances Out	(157,779)	(160,840)	(160,840)	0
Transfers In	<u>24</u>	<u>24</u>	<u>24</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>56,805</u>	<u>54,644</u>	<u>54,644</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(462,557)	708,449	(271,824)	(980,273)
<i>Fund Balance (Deficit) Beginning of Year</i>	(96)	(96)	(96)	0
Prior Year Encumbrances Appropriated	<u>271,945</u>	<u>271,945</u>	<u>271,945</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$190,708)</u></u>	<u><u>\$980,298</u></u>	<u><u>\$25</u></u>	<u><u>(\$980,273)</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Auxiliary Services Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$505,127	\$834,655	\$635,228	(\$199,427)
Interest	3,611	5,778	4,536	(1,242)
<i>Total Revenues</i>	<u>508,738</u>	<u>840,433</u>	<u>639,764</u>	<u>(200,669)</u>
<b>Expenditures</b>				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	38,405	47,873	47,872	1
Fringe Benefits	22,760	28,370	28,370	0
Purchased Services	281,576	297,613	297,613	0
Materials and Supplies	228,308	279,682	279,178	504
Capital Outlay - New	45,905	151,978	151,963	15
Capital Outlay - Replacement	6,146	208,800	208,547	253
<i>Total Expenditures</i>	<u>623,100</u>	<u>1,014,316</u>	<u>1,013,543</u>	<u>773</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(114,362)	(173,883)	(373,779)	(199,896)
<b>Other Financing Sources</b>				
Advances In	166,436	266,297	209,065	(57,232)
<i>Net Change in Fund Balance</i>	52,074	92,414	(164,714)	(257,128)
<i>Fund Balance Beginning of Year</i>	80,589	80,589	80,589	0
Prior Year Encumbrances Appropriated	84,898	84,898	84,898	0
<i>Fund Balance End of Year</i>	<u>\$217,561</u>	<u>\$257,901</u>	<u>\$773</u>	<u>(\$257,128)</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental	\$512,895	\$671,361	\$487,816	(\$183,545)
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	344,070	406,457	406,457	0
Fringe Benefits	85,855	101,423	101,423	0
Purchased Services	40,001	48,888	48,888	0
Materials and Supplies	8,824	54,801	54,801	0
Capital Outlay - New	2,650	3,130	3,130	0
Total Instruction	481,400	614,699	614,699	0
Support Services:				
Instructional Staff:				
Salaries and Wages	18,133	21,421	21,421	0
Fringe Benefits	2,485	2,935	2,935	0
Purchased Services	796	940	940	0
Materials and Supplies	2,300	2,717	2,717	0
Capital Outlay - New	914	4,700	4,700	0
Total Support Services	24,628	32,713	32,713	0
Operation of Non-Instructional Services				
Community Services:				
Salaries and Wages	6,481	7,656	7,656	0
Fringe Benefits	1,372	1,621	1,621	0
Materials and Supplies	2,822	3,334	3,334	0
Capital Outlay - New	1,282	1,515	1,515	0
Total Operation of Non-Instructional Services	11,957	14,126	14,126	0
<i>Total Expenditures</i>	517,985	661,538	661,538	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(5,090)	9,823	(173,722)	(183,545)
<b>Other Financing Sources</b>				
Advances In	71,071	71,071	71,071	0
<i>Net Change in Fund Balance</i>	65,981	80,894	(102,651)	(183,545)
<i>Fund Balance Beginning of Year</i>	102,182	102,182	102,182	0
Prior Year Encumbrances Appropriated	469	469	469	0
<i>Fund Balance End of Year</i>	\$168,632	\$183,545	\$0	(\$183,545)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*District Managed Student Activities Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Extracurricular Activities	\$445,517	\$421,216	\$459,524	\$38,308
Contributions and Donations	21,757	20,570	22,441	1,871
Miscellaneous	82,726	78,214	85,327	7,113
<i>Total Revenues</i>	<u>550,000</u>	<u>520,000</u>	<u>567,292</u>	<u>47,292</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Pupil:				
Materials and Supplies	2,640	3,168	3,168	0
Pupil Transportation:				
Purchased Services	45,062	51,719	49,615	2,104
Total Support Services	<u>49,789</u>	<u>57,391</u>	<u>55,287</u>	<u>2,104</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Purchased Services	81,894	98,355	95,819	2,536
Materials and Supplies	51,881	81,594	64,067	17,527
Capital Outlay - New	5,875	10,711	7,050	3,661
Other	2,646	5,946	3,176	2,770
Total Academic and Subject Oriented Activities	<u>142,296</u>	<u>196,606</u>	<u>170,112</u>	<u>26,494</u>
Sports Oriented Activities:				
Salaries and Wages	5,008	5,399	6,011	(612)
Fringe Benefits	28	49	34	15
Purchased Services	116,434	144,070	129,022	15,048
Materials and Supplies	154,130	197,639	180,052	17,587
Other	4,560	6,390	5,472	918
Total Sports Oriented Activities	<u>280,160</u>	<u>353,547</u>	<u>320,591</u>	<u>32,956</u>
Total Extracurricular Activities	<u>422,456</u>	<u>550,153</u>	<u>490,703</u>	<u>59,450</u>
<i>Total Expenditures</i>	<u>\$472,245</u>	<u>\$607,544</u>	<u>\$545,990</u>	<u>\$61,554</u>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 District Managed Student Activities Fund (continued)  
 For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Net Change in Fund Balance</i>	\$77,755	(\$87,544)	\$21,302	\$108,846
<i>Fund Balance Beginning of Year</i>	243,445	243,445	243,445	0
<i>Prior Year Encumbrances Appropriated</i>	<u>22,245</u>	<u>22,245</u>	<u>22,245</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$343,445</u>	<u>\$178,146</u>	<u>\$286,992</u>	<u>\$108,846</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Preschool at Risk Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$233,881	\$238,840	\$232,747	(\$6,093)
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	76,040	89,731	78,830	10,901
Fringe Benefits	45,881	47,883	47,565	318
Purchased Services	1,821	2,100	1,888	212
Capital Outlay - New	7,473	7,925	7,747	178
Total Instruction	<u>131,215</u>	<u>147,639</u>	<u>136,030</u>	<u>11,609</u>
Support Services:				
Pupil:				
Purchased Services	9,646	10,000	10,000	0
Materials and Supplies	11,458	10,499	10,494	5
Total Pupil	<u>21,104</u>	<u>20,499</u>	<u>20,494</u>	<u>5</u>
Instructional Staff:				
Salaries and Wages	39,416	40,862	40,862	0
Fringe Benefits	22,723	23,557	23,557	0
Total Instructional Staff	<u>62,139</u>	<u>64,419</u>	<u>64,419</u>	<u>0</u>
Administration:				
Salaries and Wages	18,126	18,791	18,791	0
Fringe Benefits	2,181	2,620	2,261	359
Materials and Supplies	576	600	598	2
Total Administration	<u>20,883</u>	<u>22,011</u>	<u>21,650</u>	<u>361</u>
Total Support Services	<u>104,126</u>	<u>106,929</u>	<u>106,563</u>	<u>366</u>
<i>Total Expenditures</i>	<u>235,341</u>	<u>254,568</u>	<u>242,593</u>	<u>11,975</u>
<i>Net Change in Fund Balance</i>	(1,460)	(15,728)	(9,846)	5,882
<i>Fund Balance Beginning of Year</i>	20,125	20,125	20,125	0
Prior Year Encumbrances Appropriated	<u>1,695</u>	<u>1,695</u>	<u>1,695</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$20,360</u>	<u>\$6,092</u>	<u>\$11,974</u>	<u>\$5,882</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Extracurricular Activities	\$299,762	\$299,715	\$164,200	(\$135,515)
Contributions and Donations	91,974	91,974	50,394	(41,580)
Miscellaneous	108,179	108,179	59,273	(48,906)
<i>Total Revenues</i>	<u>499,915</u>	<u>499,868</u>	<u>273,867</u>	<u>(226,001)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	400	0	400
Fringe Benefits	808	905	869	36
Purchased Services	5,643	11,197	10,378	819
Materials and Supplies	20,185	31,609	17,657	13,952
Capital Outlay - New	0	200	0	200
Other	17,141	23,732	18,421	5,311
Total Regular	<u>43,777</u>	<u>68,043</u>	<u>47,325</u>	<u>20,718</u>
Special:				
Materials and Supplies	561	1,469	604	865
Total Instruction	<u>44,338</u>	<u>69,512</u>	<u>47,929</u>	<u>21,583</u>
Support Services:				
Pupil:				
Purchased Services	1,226	1,572	1,319	253
Materials and Supplies	1,541	3,815	1,644	2,171
Other	0	150	0	150
Total Pupil	<u>2,767</u>	<u>5,537</u>	<u>2,963</u>	<u>2,574</u>
Instructional Staff:				
Purchased Services	53,990	87,714	54,327	33,387
Materials and Supplies	104,163	192,222	113,875	78,347
Capital Outlay - New	5,460	21,701	6,513	15,188
Capital Outlay - Replacement	0	1,500	0	1,500
Other	20,362	33,400	21,043	12,357
Total Instructional Staff	<u>183,975</u>	<u>336,537</u>	<u>195,758</u>	<u>140,779</u>
Total Support Services	<u>\$186,742</u>	<u>\$342,074</u>	<u>\$198,721</u>	<u>\$143,353</u>

(continued)



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP) and Actual  
Public School Support Fund (continued)  
For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Enterprise Operations:				
Materials and Supplies	\$3,315	\$6,290	\$3,767	\$2,523
Total Operation of Non-Instructional Services	<u>3,315</u>	<u>6,290</u>	<u>3,767</u>	<u>2,523</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Materials and Supplies	89	172	96	76
Other	963	1,086	1,036	50
Total Academic and Subject Oriented Activities	<u>1,424</u>	<u>1,658</u>	<u>1,532</u>	<u>126</u>
School and Public Service Co-Curricular Activities:				
Materials and Supplies	26,068	35,987	29,002	6,985
Capital Outlay - New	9,112	9,804	9,804	0
Total School and Public Service Co-Curricular Activities	<u>35,180</u>	<u>45,796</u>	<u>38,806</u>	<u>6,990</u>
Total Extracurricular Activities	<u>36,604</u>	<u>47,454</u>	<u>40,338</u>	<u>7,116</u>
<i>Total Expenditures</i>	<u>39,919</u>	<u>53,744</u>	<u>44,105</u>	<u>9,639</u>
<i>Net Change in Fund Balance</i>	228,916	34,538	(16,888)	(51,426)
<i>Fund Balance Beginning of Year</i>	187,517	187,517	187,517	0
Prior Year Encumbrances Appropriated	<u>21,084</u>	<u>21,084</u>	<u>21,084</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$437,517</u>	<u>\$243,139</u>	<u>\$191,713</u>	<u>(\$51,426)</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Local Grants Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$5,964	\$4,591	\$2,354	(\$2,237)
Contributions and Donations	322,633	248,345	127,338	(121,007)
<i>Total Revenues</i>	<u>328,597</u>	<u>252,936</u>	<u>129,692</u>	<u>(123,244)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	22,148	18,973	5,435	13,538
Fringe Benefits	5,930	5,080	668	4,412
Purchased Services	22,295	18,906	9,599	9,307
Materials and Supplies	88,492	75,716	30,722	44,994
Capital Outlay - New	10,841	9,287	1,227	8,060
Capital Outlay - Replacement	1,632	1,400	1,060	340
Total Regular	<u>151,338</u>	<u>129,362</u>	<u>48,711</u>	<u>80,651</u>
Special:				
Materials and Supplies	1,260	1,079	899	180
Vocational:				
Purchased Services	664	569	0	569
Materials and Supplies	294	252	0	252
Total Vocational	<u>958</u>	<u>821</u>	<u>0</u>	<u>821</u>
Total Instruction	<u>153,556</u>	<u>131,262</u>	<u>49,610</u>	<u>81,652</u>
Support Services:				
Pupil:				
Capital Outlay - New	33	28	0	28
Total Pupil	<u>\$33</u>	<u>\$28</u>	<u>\$0</u>	<u>\$28</u>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Local Grants Fund (continued)*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Instructional Staff:				
Salaries and Wages	\$124	\$106	\$0	\$106
Fringe Benefits	581	498	0	498
Purchased Services	560	480	480	0
Materials and Supplies	1,541	1,320	13	1,307
<b>Total Instructional Staff</b>	<b>2,806</b>	<b>2,404</b>	<b>493</b>	<b>1,911</b>
Pupil Transportation:				
Purchased Services	584	500	0	500
<b>Total Support Services</b>	<b>3,423</b>	<b>2,932</b>	<b>493</b>	<b>2,439</b>
Operation of Non-Instructional Services				
Community Services:				
Capital Outlay - New	200	171	0	171
Extracurricular Activities:				
Academic and Subject Oriented				
Materials and Supplies	3,507	3,004	3,000	4
<b>Total Expenditures</b>	<b>160,686</b>	<b>137,369</b>	<b>53,103</b>	<b>84,266</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>167,911</b>	<b>115,567</b>	<b>76,589</b>	<b>(38,978)</b>
<b>Other Financing Sources</b>				
Operating Transfers In	213	164	84	(80)
<b>Net Change in Fund Balance</b>	<b>168,124</b>	<b>115,731</b>	<b>76,673</b>	<b>(39,058)</b>
<b>Fund Balance Beginning of Year</b>	<b>90,970</b>	<b>90,970</b>	<b>90,970</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>331</b>	<b>331</b>	<b>331</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$259,425</b>	<b>\$207,032</b>	<b>\$167,974</b>	<b>(\$39,058)</b>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Preschool Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$42,864	\$75,105	\$31,595	(\$43,510)
<b>Expenditures</b>				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	21,366	19,762	19,762	0
Fringe Benefits	5,802	5,366	5,366	0
Total Pupil	27,168	25,128	25,128	0
Instructional Staff:				
Salaries and Wages	7,921	7,326	7,326	0
Fringe Benefits	592	548	548	0
Purchased Services	2,708	2,002	2,002	0
Materials and Supplies	4,550	3,756	3,756	0
Capital Outlay - New	6,838	6,548	6,548	0
Total Instructional Staff	22,609	20,180	20,180	0
<i>Total Expenditures</i>	49,777	45,308	45,308	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(6,913)	29,797	(13,713)	(43,510)
<b>Other Financing Sources</b>				
Advances In	6,356	6,356	6,356	0
<i>Net Change in Fund Balance</i>	(557)	36,153	(7,357)	(43,510)
<i>Fund Balance Beginning of Year</i>	5,798	5,798	5,798	0
Prior Year Encumbrances Appropriated	1,559	1,559	1,559	0
<i>Fund Balance End of Year</i>	\$6,800	\$43,510	\$0	(\$43,510)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Entry Year Teacher Grant Fund  
 For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>0</u>	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(2,000)	(2,000)	0
<i>Fund Balance Beginning of Year</i>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Autism Grant Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$0	\$4,835	\$4,835	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	0	1,143	1,143	0
Fringe Benefits	0	702	702	0
Total Instruction	0	1,845	1,845	0
Support Services:				
Instructional Staff:				
Salaries and Wages	0	2,785	2,785	0
Fringe Benefits	0	490	490	0
Purchased Services	3,987	3,947	3,947	0
Materials and Supplies	5,034	4,885	4,885	0
Capital Outlay - New	1,094	1,094	1,094	0
Total Support Services	10,115	13,201	13,201	0
<i>Total Expenditures</i>	10,115	15,046	15,046	0
<i>Net Change in Fund Balance</i>	(10,115)	(10,211)	(10,211)	0
<i>Fund Balance Beginning of Year</i>	96	96	96	0
Prior Year Encumbrances Appropriated	10,115	10,115	10,115	0
<i>Fund Balance End of Year</i>	\$96	\$0	\$0	\$0

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title V Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<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	\$33,712	\$32,548	\$7,730	(\$24,818)
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	93	176	176	0
Materials and Supplies	3,237	6,754	6,754	0
Capital Outlay - New	13,003	10,401	10,401	0
Total Support Services	16,333	17,331	17,331	0
Operation of Non-Instructional Services				
Community Services:				
Materials and Supplies	1,422	2,023	2,023	0
Total Expenditures	17,755	19,354	19,354	0
Excess of Revenues Over (Under)Expenditures	15,957	13,194	(11,624)	(24,818)
<b>Other Financing Sources</b>				
Advances In	661	661	661	0
Net Change in Fund Balance	16,618	13,855	(10,963)	(24,818)
Fund Balance Beginning of Year	3,078	3,078	3,078	0
Prior Year Encumbrances Appropriated	7,885	7,885	7,885	0
Fund Balance End of Year	<u>\$27,581</u>	<u>\$24,818</u>	<u>\$0</u>	<u>(\$24,818)</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Drug Free Schools Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$24,313	\$29,610	\$20,118	(\$9,492)
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	6,453	9,146	9,146	0
Fringe Benefits	1,746	2,475	2,475	0
Total Instruction	8,199	11,621	11,621	0
Support Services:				
Instructional Staff:				
Purchased Services	3,558	5,043	5,043	0
Materials and Supplies	1,950	1,519	1,519	0
Total Instructional Staff	5,508	6,562	6,562	0
Operation and Maintenance of Plant:				
Capital Outlay - New	8,093	7,010	7,010	0
Total Support Services	13,601	13,572	13,572	0
<i>Total Expenditures</i>	21,800	25,193	25,193	0
<i>Net Change in Fund Balance</i>	2,513	4,417	(5,075)	(9,492)
<i>Fund Balance Beginning of Year</i>	1,766	1,766	1,766	0
Prior Year Encumbrances Appropriated	4,025	4,025	4,025	0
<i>Fund Balance End of Year</i>	\$8,304	\$10,208	\$716	(\$9,492)



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Ohio Reads Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$25,000	\$12,000	\$12,000	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>8,000</u>	<u>16,000</u>	<u>14,000</u>	<u>2,000</u>
<i>Total Expenditures</i>	8,000	16,000	14,000	2,000
<i>Net Change in Fund Balance</i>	17,000	(4,000)	(2,000)	2,000
<i>Fund Balance Beginning of Year</i>	<u>7,537</u>	<u>7,537</u>	<u>7,537</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$24,537</u></u>	<u><u>\$3,537</u></u>	<u><u>\$5,537</u></u>	<u><u>\$2,000</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$1,595,963	\$1,601,452	\$1,388,102	(\$213,350)
Interest	30,930	31,059	26,901	(4,158)
Intergovernmental	757,973	761,132	659,246	(101,886)
Contributions and Donations	287	289	250	(39)
Miscellaneous	14,549	14,610	12,654	(1,956)
<i>Total Revenues</i>	<u>2,399,702</u>	<u>2,408,542</u>	<u>2,087,153</u>	<u>(321,389)</u>
<b>Expenditures</b>				
Current:				
Operation of Non-Instructional Services:				
Food Service Operations:				
Salaries and Wages	959,356	847,000	781,633	65,367
Fringe Benefits	449,548	395,088	366,268	28,820
Purchased Services	73,700	167,046	127,557	39,489
Materials and Supplies	914,462	897,591	745,340	152,251
Capital Outlay - New	352	20,000	287	19,713
Capital Outlay - Replacement	10,696	80,229	8,714	71,515
<i>Total Expenditures</i>	<u>2,408,114</u>	<u>2,406,954</u>	<u>2,029,799</u>	<u>377,155</u>
<i>Net Change in Fund Balance</i>	(8,412)	1,588	57,354	55,766
<i>Fund Balance Beginning of Year</i>	328,200	328,200	328,200	0
Prior Year Encumbrances Appropriated	<u>26,812</u>	<u>26,812</u>	<u>26,812</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$346,600</u></u>	<u><u>\$356,600</u></u>	<u><u>\$412,366</u></u>	<u><u>\$55,766</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Uniform School Supplies Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Tuition and Fees	\$125,000	\$53,000	\$51,774	(\$1,226)
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular :				
Materials and Supplies	51,178	76,438	73,043	3,395
<i>Net Change in Fund Balance</i>	73,822	(23,438)	(21,269)	2,169
<i>Fund Equity Beginning of Year</i>	32,011	32,011	32,011	0
Prior Year Encumbrances Appropriated	1,178	1,178	1,178	0
<i>Fund Balance End of Year</i>	<u>\$107,011</u>	<u>\$9,751</u>	<u>\$11,920</u>	<u>\$2,169</u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Adult and Community Education Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b>Revenues</b>				
Tuition and Fees	\$1,291,929	\$1,123,978	\$1,128,442	\$4,464
Miscellaneous	8,071	7,022	7,050	28
<i>Total Revenues</i>	<u>1,300,000</u>	<u>1,131,000</u>	<u>1,135,492</u>	<u>4,492</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
<b>Adult/Continuing:</b>				
Salaries and Wages	72,265	74,765	69,782	4,983
Fringe Benefits	19,427	18,521	18,759	(238)
Purchased Services	114,497	121,950	111,836	10,114
Materials and Supplies	366	1,550	353	1,197
Capital Outlay - New	0	1,300	0	1,300
Other	6,880	5,767	6,644	(877)
Adult/Continuing Instruction	<u>213,435</u>	<u>223,853</u>	<u>207,374</u>	<u>16,479</u>
<b>Operation of Non-Instructional Services:</b>				
<b>Community Services:</b>				
Salaries and Wages	633,194	630,329	611,434	18,895
Fringe Benefits	333,565	322,306	322,102	204
Purchased Services	35,349	64,361	38,340	26,021
Materials and Supplies	29,845	27,905	25,337	2,568
Capital Outlay - New	1,413	1,500	1,364	136
Other	9,675	7,947	9,343	(1,396)
Total Operation of Non-Instructional Services:	<u>1,043,041</u>	<u>1,054,348</u>	<u>1,007,920</u>	<u>46,428</u>
<i>Total Expenditures</i>	<u>1,256,476</u>	<u>1,278,201</u>	<u>1,215,294</u>	<u>62,907</u>
<i>Net Change in Fund Balance</i>	43,524	(147,201)	(79,802)	67,399
<i>Fund Balance Beginning of Year</i>	278,585	278,585	278,585	0
Prior Year Encumbrances Appropriated	<u>12,499</u>	<u>12,499</u>	<u>12,499</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$334,608</u></u>	<u><u>\$143,883</u></u>	<u><u>\$211,282</u></u>	<u><u>\$67,399</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Educational Management Information Systems Fund  
 For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$80,000</u>	<u>\$26,000</u>	<u>\$25,007</u>	<u>(\$993)</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Central:				
Salaries and Wages	158	328	328	0
Fringe Benefits	8,865	18,355	18,355	0
Purchased Services	<u>9,660</u>	<u>25,006</u>	<u>20,647</u>	<u>4,359</u>
<i>Total Expenditures</i>	<u>18,683</u>	<u>43,689</u>	<u>39,330</u>	<u>4,359</u>
<i>Net Change in Fund Balance</i>	61,317	(17,689)	(14,323)	3,366
<i>Fund Balance Beginning of Year</i>	<u>18,683</u>	<u>18,683</u>	<u>18,683</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$80,000</u></u>	<u><u>\$994</u></u>	<u><u>\$4,360</u></u>	<u><u>\$3,366</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Teacher Training and Development Fund  
 For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>305</u>	<u>305</u>	<u>305</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$305</u></u>	<u><u>\$305</u></u>	<u><u>\$305</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*School Professional Development Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$15,226</u>	<u>\$3,280</u>	<u>\$2,580</u>	<u>(\$700)</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	40	949	37	912
Fringe Benefits	131	255	122	133
Purchased Services	<u>2,355</u>	<u>2,218</u>	<u>2,192</u>	<u>26</u>
<i>Total Expenditures</i>	<u>2,526</u>	<u>3,422</u>	<u>2,351</u>	<u>1,071</u>
<i>Net Change in Fund Balance</i>	12,700	(142)	229	371
<i>Fund Balance Beginning of Year</i>	<u>842</u>	<u>842</u>	<u>842</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$13,542</u></u>	<u><u>\$700</u></u>	<u><u>\$1,071</u></u>	<u><u>\$371</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Technology IID Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	<u>\$13,964</u>	<u>\$14,260</u>	<u>\$4,551</u>	<u>(\$9,709)</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	4,013	4,800	4,800	0
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	<u>32</u>	<u>907</u>	<u>38</u>	<u>869</u>
<i>Total Expenditures</i>	<u>4,045</u>	<u>5,707</u>	<u>4,838</u>	<u>869</u>
<i>Net Change in Fund Balance</i>	9,919	8,553	(287)	(8,840)
<i>Fund Balance Beginning of Year</i>	<u>1,239</u>	<u>1,239</u>	<u>1,239</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,158</u></u>	<u><u>\$9,792</u></u>	<u><u>\$952</u></u>	<u><u>(\$8,840)</u></u>



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Parent Mentor Grant Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	<u>\$24,375</u>	<u>\$24,375</u>	<u>\$24,375</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	17,853	18,296	18,221	75
Fringe Benefits	4,559	4,953	4,653	300
Purchased Services	2,252	2,088	1,971	117
Materials and Supplies	<u>201</u>	<u>2,164</u>	<u>206</u>	<u>1,958</u>
<i>Total Expenditures</i>	<u>24,865</u>	<u>27,501</u>	<u>25,051</u>	<u>2,450</u>
<i>Net Change in Fund Balance</i>	(490)	(3,126)	(676)	2,450
<i>Fund Balance Beginning of Year</i>	3,958	3,958	3,958	0
Prior Year Encumbrances Appropriated	<u>490</u>	<u>490</u>	<u>490</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,958</u></u>	<u><u>\$1,322</u></u>	<u><u>\$3,772</u></u>	<u><u>\$2,450</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 School Improvement Grant Fund  
 For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<b>Revenues</b>				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>6</u>	<u>6</u>	<u>6</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6</u></u>	<u><u>\$6</u></u>	<u><u>\$6</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Safe School Helpline Fund  
 For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
<i>Total Expenditures</i>	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	27	27	27	0
<i>Fund Balance End of Year</i>	\$27	\$27	\$27	\$0

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Teacher Advancement Program Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>0</u>	<u>48,330</u>	<u>48,330</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(48,330)	(48,330)	0
<i>Fund Balance Beginning of Year</i>	<u>48,330</u>	<u>48,330</u>	<u>48,330</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$48,330</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Telecommunity Grant Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$15,000	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Capital Outlay - New	<u>0</u>	<u>70,849</u>	<u>70,849</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	15,000	(70,849)	(70,849)	0
<i>Fund Balance Beginning of Year</i>	<u>70,849</u>	<u>70,849</u>	<u>70,849</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$85,849</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title IIA Fund*  
*For the Fiscal Year Ended June 30, 2007*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental	\$167,486	\$276,486	\$88,916	(\$187,570)
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	144,489	96,660	96,660	0
Fringe Benefits	28,432	19,020	19,020	0
Total Instruction	172,921	115,680	115,680	0
Support Services:				
Instructional Staff:				
Purchased Services	688	460	460	0
Materials and Supplies	1,472	985	985	0
Capital Outlay - New	493	330	330	0
Total Instructional Staff	2,653	1,775	1,775	0
<i>Total Expenditures</i>	175,574	117,455	117,455	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,088)	159,031	(28,539)	(187,570)
<b>Other Financing Sources</b>				
Advances In	12,514	12,514	12,514	0
<i>Net Change in Fund Balance</i>	4,426	171,545	(16,025)	(187,570)
<i>Fund Balance Beginning of Year</i>	16,025	16,025	16,025	0
<i>Fund Balance End of Year</i>	\$20,451	\$187,570	\$0	(\$187,570)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Core Implementation Grant Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$2,000	\$2,000
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>9,219</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(9,219)	0	2,000	2,000
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$9,219)</u></u>	<u><u>\$0</u></u>	<u><u>\$2,000</u></u>	<u><u>\$2,000</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Poverty Based Assistance Grant Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$6,400	\$9,327	\$10,658	\$1,331
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	15,703	15,703	15,703	0
<i>Net Change in Fund Balance</i>	(9,303)	(6,376)	(5,045)	1,331
<i>Fund Balance Beginning of Year</i>	6,376	6,376	6,376	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$2,927)</u>	<u>\$0</u>	<u>\$1,331</u>	<u>\$1,331</u>



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title III Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$24,213	\$32,797	\$13,430	(\$19,367)
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	16,421	10,916	10,916	0
Fringe Benefits	4,173	2,774	2,774	0
Purchased Services	3,237	2,152	2,152	0
Materials and Supplies	14	4,625	4,625	0
<i>Total Expenditures</i>	<u>23,845</u>	<u>20,467</u>	<u>20,467</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	368	12,330	(7,037)	(19,367)
<b>Other Financing Sources</b>				
Advances In	<u>0</u>	<u>4,580</u>	<u>4,580</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	368	16,910	(2,457)	(19,367)
<i>Fund Balance Beginning of Year</i>	<u>2,757</u>	<u>2,757</u>	<u>2,757</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,125</u></u>	<u><u>\$19,667</u></u>	<u><u>\$300</u></u>	<u><u>(\$19,367)</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Hurricane Relief Grant Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$3,000	\$2,500	\$2,500	\$0
<b>Expenditures</b>				
Support Services:				
Pupil:				
Salaries and Wages	4,500	4,500	4,500	0
<i>Net Change in Fund Balance</i>	(1,500)	(2,000)	(2,000)	0
<i>Fund Balance Beginning of Year</i>	2,000	2,000	2,000	0
<i>Fund Balance End of Year</i>	<u>\$500</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Building Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0	\$0
<i>Total Revenues</i>				
<b>Expenditures</b>				
Capital Outlay:				
Site Improvement Services:				
Capital Outlay - New	<u>0</u>	<u>6,312,802</u>	<u>6,312,802</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	0	(6,312,802)	(6,312,802)	0
<b>Other Financing Sources</b>				
General Obligation Bonds Issued	<u>6,312,802</u>	<u>6,312,802</u>	<u>6,312,802</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	6,312,802	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>5,615</u>	<u>5,615</u>	<u>5,615</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,318,417</u></u>	<u><u>\$5,615</u></u>	<u><u>\$5,615</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*School Net Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$2,600	\$2,600	\$0	(\$2,600)
<b>Expenditures</b>				
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	2,600	2,600	0	(2,600)
<i>Fund Balance Beginning of Year</i>	<u>1,724</u>	<u>1,724</u>	<u>1,724</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,324</u></u>	<u><u>\$4,324</u></u>	<u><u>\$1,724</u></u>	<u><u>(\$2,600)</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Network Connectivity Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$50,000	\$39,000	\$39,000	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Central:				
Purchased Services	<u>39,000</u>	<u>39,000</u>	<u>29,058</u>	<u>9,942</u>
<i>Net Change in Fund Balance</i>	11,000	0	9,942	9,942
<i>Fund Balance Beginning of Year</i>	<u>12</u>	<u>12</u>	<u>12</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,012</u></u>	<u><u>\$12</u></u>	<u><u>\$9,954</u></u>	<u><u>\$9,942</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Interactive Video Lab Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$2,400	\$0	\$0	\$0
<b>Expenditures</b>				
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	2,400	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,800</u></u>	<u><u>\$2,400</u></u>	<u><u>\$2,400</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP) and Actual*  
*Self Insurance Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$9,200,000	\$9,774,310	\$9,622,039	(\$152,271)
<b>Expenses</b>				
Purchased Services:				
Central Support Services	915,681	903,748	765,859	137,889
Insurance Claims:				
Central Support Services	9,284,319	9,163,328	7,765,233	1,398,095
Total Expenses	<u>10,200,000</u>	<u>10,067,076</u>	<u>8,531,092</u>	<u>1,535,984</u>
<i>Net Change in Fund Equity</i>	(1,000,000)	(292,766)	1,090,947	1,383,713
<i>Fund Equity Beginning of Year</i>	<u>2,279,469</u>	<u>2,279,469</u>	<u>2,279,469</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$1,279,469</u>	<u>\$1,986,703</u>	<u>\$3,370,416</u>	<u>\$1,383,713</u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP) and Actual*  
*Scholarship Trust Fund*  
*For the Fiscal Year Ended June 30, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$675	\$515	\$679	\$164
<b>Expenses:</b>				
Other:				
Regular Instruction	<u>675</u>	<u>925</u>	<u>400</u>	<u>525</u>
<i>Net Change In Fund Equity</i>	0	(410)	279	689
<i>Fund Equity Beginning of Year</i>	<u>13,647</u>	<u>13,647</u>	<u>13,647</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$13,647</u></u>	<u><u>\$13,237</u></u>	<u><u>\$13,926</u></u>	<u><u>\$689</u></u>



# STATISTICAL SECTION



*April B.*

3<sup>rd</sup> Grade

Fairwood Elementary School

Art Instructor: Maureen McGrath

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## Statistical Section

This part of the Berea 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.

### **Contents**

### **Page(s)**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.

S2 - S13

#### **Revenue Capacity**

These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.

S14 - S21

#### **Debt Capacity**

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.

S22 - S26

#### **Economic and Demographic Information**

These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.

S27-S28

#### **Operating Information**

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.

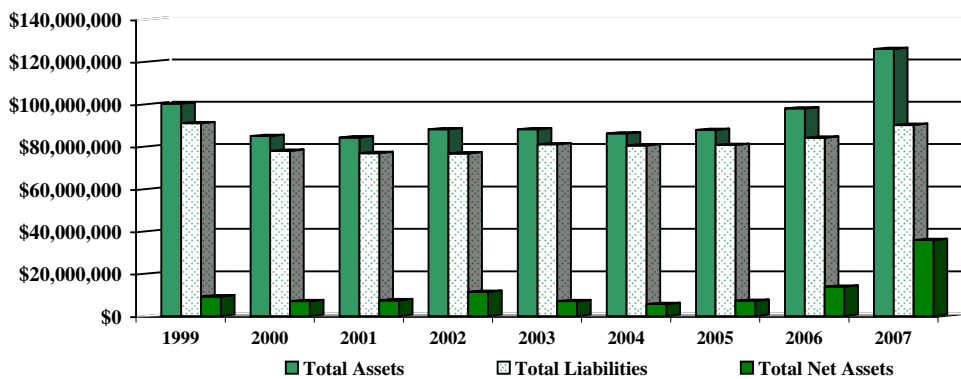
S29 - S39

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 in 1999; schedules presenting government-wide information include information beginning in that year.

**Berea City School District**  
*Net Assets by Component*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>Governmental Activities:</b>					
Invested in Capital Assets, Net of Related Debt	\$7,479,607	\$8,023,752	\$8,034,487	\$8,589,025	\$7,982,725
Restricted for:					
Capital Projects	1,327,866	1,363,475	1,973,385	2,252,795	1,556,283
Debt Service	646,692	693,892	856,742	1,171,432	1,387,180
Set Asides	0	0	0	795,483	1,456,976
Other Purposes	851,676	749,420	561,062	677,308	691,877
Unrestricted (Deficit)	<u>(2,309,798)</u>	<u>(4,943,289)</u>	<u>(5,078,261)</u>	<u>(3,041,822)</u>	<u>(6,635,259)</u>
<i>Total Net Assets - Governmental Activities</i>	<u>7,996,043</u>	<u>5,887,250</u>	<u>6,347,415</u>	<u>10,444,221</u>	<u>6,439,782</u>
<b>Business-Type Activities:</b>					
Invested in Capital Assets, Net of Related Debt	240,036	227,342	271,448	324,248	311,501
Unrestricted (Deficit)	<u>969,151</u>	<u>880,342</u>	<u>769,362</u>	<u>656,429</u>	<u>450,204</u>
<i>Total Net Assets - Business-Type Activities</i>	<u>1,209,187</u>	<u>1,107,684</u>	<u>1,040,810</u>	<u>980,677</u>	<u>761,705</u>
<b>Primary Government</b>					
Invested in Capital Assets, Net of Related Debt	7,719,643	8,251,094	8,305,935	8,913,273	8,294,226
Restricted for:					
Capital Projects	1,327,866	1,363,475	1,973,385	2,252,795	1,556,283
Debt Service	646,692	693,892	856,742	1,171,432	1,387,180
Set Asides	0	0	0	795,483	1,456,976
Other Purposes	851,676	749,420	561,062	677,308	691,877
Unrestricted (Deficit)	<u>(1,340,647)</u>	<u>(4,062,947)</u>	<u>(4,308,899)</u>	<u>(2,385,393)</u>	<u>(6,185,055)</u>
<i>Total Net Assets - Primary Government</i>	<u>\$9,205,230</u>	<u>\$6,994,934</u>	<u>\$7,388,225</u>	<u>\$11,424,898</u>	<u>\$7,201,487</u>

**Net Assets**



<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
\$4,675,106	\$4,195,154	\$3,721,315	\$3,701,289
1,274,847	1,340,582	1,670,088	2,101,471
1,749,312	2,078,188	2,314,486	2,555,851
433,879	74,709	182,254	431,846
811,572	952,118	1,914,346	2,479,929
(4,937,796)	(363,997)	4,346,403	24,575,315
4,006,920	8,276,754	14,148,892	35,845,701
153,583	37,678	NA	NA
267,704	500,891	NA	NA
421,287	538,569		
4,828,689	4,232,832	3,721,315	3,701,289
1,274,847	1,340,582	1,670,088	2,101,471
1,749,312	2,078,188	2,314,486	2,555,851
433,879	74,709	182,254	431,846
811,572	952,118	1,914,346	2,479,929
(4,670,092)	136,894	4,346,403	24,575,315
\$4,428,207	\$8,815,323	\$14,148,892	\$35,845,701

**Berea City School District**  
*Changes in Net Assets*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*

	1999	2000	2001	2002	2003
<b>Expenses</b>					
<b>Governmental Activities:</b>					
Regular Instruction	\$29,246,237	\$28,341,349	\$31,242,817	\$33,845,941	\$33,232,246
Special Instruction	4,533,049	5,598,623	5,517,738	6,229,099	6,578,655
Vocational Instruction	494,566	426,912	512,130	610,196	716,389
Adult/Continuing Instruction	76,955	12,920	56,377	1,494	0
Pupil Support	3,412,303	3,313,030	3,719,957	4,159,680	4,476,444
Instructional Staff Support	5,623,076	5,990,417	6,649,772	6,646,034	6,171,146
Board of Education	27,540	39,552	41,286	25,310	16,083
Administration	3,445,483	3,470,903	3,887,006	4,145,642	3,903,379
Fiscal	1,380,235	1,334,947	1,333,261	1,473,408	1,414,721
Business	935,820	864,912	1,094,132	846,750	932,494
Operation and Maintenance of Plant	7,497,937	8,531,623	8,533,754	8,040,642	7,654,007
Pupil Transportation	2,565,486	3,069,335	3,085,916	3,428,270	3,589,025
Central	979,137	1,108,849	2,602,684	1,479,283	1,670,260
Operation of Non-Instructional Services	573,336	608,592	744,017	622,093	826,940
Extracurricular Activities	1,333,741	1,404,059	1,523,604	1,572,674	1,325,683
Intergovernmental	7,514	8,704	262	0	0
Interest and Fiscal Charges	843,331	825,457	755,802	709,324	545,120
<i>Total Governmental Activities Expenses</i>	<u>62,975,746</u>	<u>64,950,184</u>	<u>71,300,515</u>	<u>73,835,840</u>	<u>73,052,592</u>
<b>Business-Type Activities:</b>					
Food Service	1,878,046	1,926,858	2,005,686	2,053,944	2,291,722
Uniform School Supplies	70,804	55,287	62,068	53,810	40,013
Adult and Community Services	883,567	988,817	1,014,470	969,717	1,003,407
<i>Total Business-Type Activities Expenses</i>	<u>2,832,417</u>	<u>2,970,962</u>	<u>3,082,224</u>	<u>3,077,471</u>	<u>3,335,142</u>
<i>Total Primary Government Expenses</i>	<u>65,808,163</u>	<u>67,921,146</u>	<u>74,382,739</u>	<u>76,913,311</u>	<u>76,387,734</u>
<b>Program Revenues</b>					
<b>Governmental Activities:</b>					
<b>Charges for Services and Sales:</b>					
Regular Instruction	259,375	374,296	261,665	253,976	350,625
Special Instruction	644,434	983,980	669,364	1,024,544	564,515
Vocational Instruction	53,683	0	0	0	0
Adult/Continuing	0	0	0	0	0
Pupil Support	4,156	4,603	3,526	5,199	4,279
Instructional Staff Support	97,617	104,775	102,104	132,912	92,976
Business	78,396	102,290	122,591	127,399	84,419
Operation and Maintenance of Plant	223,143	203,254	212,855	219,832	158,178
Pupil Transportation	36,278	37,641	31,300	37,418	50,775
Central	0	0	0	0	0
Operation of Non-Instructional Services	10,183	10,009	20,757	2,043	0
Extracurricular Activities	320,055	364,149	359,102	370,245	289,971
<b>Operating Grants and Contributions</b>					
Regular Instruction	361,534	627,687	513,002	434,525	428,407
Special Instruction	338,711	297,811	332,058	336,570	572,640
Vocational Instruction	18	0	0	16,307	28,766
Adult/Continuing Instruction	66,241	24,584	38,826	280	0
Pupil Support	217,272	281,743	280,187	380,681	444,012
Instructional Staff Support	501,978	482,158	508,006	457,267	569,345
Administration	50,567	60,288	66,537	64,676	83,342
Operation and Maintenance of Plant	0	84	0	0	0
Pupil Transportation	747	969	1,603	817	218,762
Central	22,284	22,561	30,964	28,348	27,837
Operation of Non-Instructional Services	492,259	669,621	698,617	750,518	793,504
Extracurricular Activities	51,013	48,886	56,855	57,938	46,293
<b>Capital Grants and Contributions</b>					
Regular Instruction	719,948	61,943	274,690	8,937	0
Instructional Staff Support	0	0	0	0	113,152
Operation and Maintenance of Plant	0	0	0	0	45,500
Pupil Transportation	55,111	61,146	61,476	60,865	0
Central	0	35,256	12,127	11,944	0
<i>Total Governmental Activities Program Revenues</i>	<u>\$4,605,003</u>	<u>\$4,859,734</u>	<u>\$4,658,212</u>	<u>\$4,783,241</u>	<u>\$4,967,298</u>

2004	2005	2006	2007
\$37,751,017	\$33,560,969	\$31,977,716	\$36,214,072
6,520,781	7,532,416	7,795,494	8,043,973
776,375	886,273	563,609	635,524
2,084	0	1,197,969	179,333
4,688,217	4,511,651	4,547,564	4,418,403
6,831,035	5,992,101	5,429,933	5,345,250
43,963	20,978	22,615	32,706
4,269,239	4,297,125	4,329,086	4,245,144
1,540,926	1,610,656	1,738,649	1,570,794
932,516	772,831	839,427	713,018
8,363,682	7,804,602	8,023,138	7,330,071
3,476,174	3,781,584	3,809,097	3,825,088
2,006,840	2,107,504	2,500,369	2,462,318
657,734	1,109,590	2,857,250	3,664,529
1,691,989	1,572,656	1,249,592	1,648,151
0	0	0	0
534,592	517,681	491,733	481,379
80,087,164	76,078,617	77,373,241	80,809,753
2,189,462	1,877,578	NA	NA
36,284	57,461	NA	NA
1,023,773	936,500	NA	NA
3,249,519	2,871,539	NA	NA
83,336,683	78,950,156	77,373,241	80,809,753
911,564	916,253	\$1,072,524	\$1,017,281
519,632	1,114,791	981,742	830,296
0	0	0	0
0	0	1,143,813	194,641
2,548	1,273	3,932	4,482
131,794	103,405	99,938	113,719
137,073	150,328	154,221	0
52,581	44,125	33,385	137,119
36,677	58,174	54,438	63,490
0	0	0	148,268
0	0	1,469,055	2,415,337
421,237	426,693	435,997	435,269
587,622	624,338	502,377	487,930
710,957	994,755	1,062,813	1,146,319
47,438	1,383	256	0
0	0	0	0
607,097	712,155	811,492	790,456
516,951	587,840	557,318	487,755
65,743	86,246	64,946	81,069
0	0	1,636	3,762
34,664	42,117	8,914	36,038
28,158	26,493	25,858	25,007
744,937	1,000,307	1,431,996	1,670,078
81,893	49,367	37,542	34,024
0	0	0	0
0	68,250	0	0
37,888	19,854	0	0
0	0	0	0
1,112	16,146	39,000	39,000
\$5,677,566	\$7,044,293	\$9,993,193	\$10,161,340

**Berea City School District**  
*Changes in Net Assets (continued)*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*

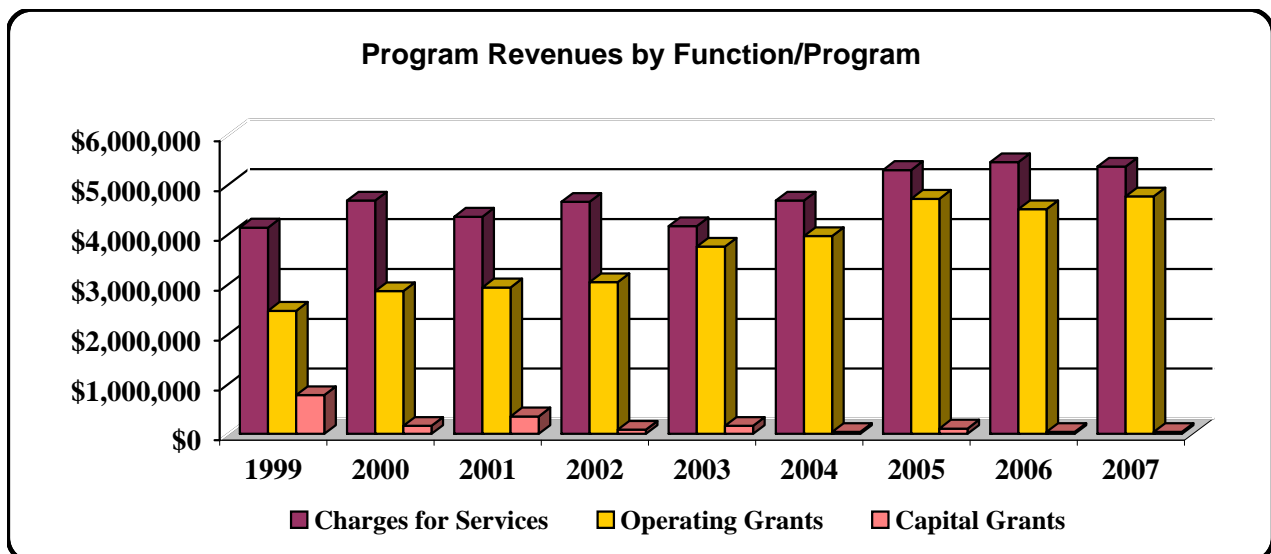
	1999	2000	2001	2002	2003
<b>Business-Type Activities:</b>					
<b>Charges for Services:</b>					
Food Service	\$1,491,687	\$1,547,485	\$1,608,963	\$1,496,808	\$1,474,696
Uniform School Supplies	69,511	63,425	60,908	41,195	40,958
Adult and Community Education	844,822	882,664	901,679	941,905	1,052,129
<b>Operating Grants and Contributions</b>					
Food Service	364,815	345,199	409,802	512,892	541,393
<b>Total Business-Type Activities Program Revenues</b>	<u>2,770,835</u>	<u>2,838,773</u>	<u>2,981,352</u>	<u>2,992,800</u>	<u>3,109,176</u>
<b>Total Primary Government Program Revenues</b>	<u>7,375,838</u>	<u>7,698,507</u>	<u>7,639,564</u>	<u>7,776,041</u>	<u>8,076,474</u>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(58,370,743)	(60,090,450)	(66,642,303)	(69,052,599)	(68,085,294)
Business-Type Activities	(61,582)	(132,189)	(100,872)	(84,671)	(225,966)
<b>Total Primary Government Net Expense</b>	<u>(58,432,325)</u>	<u>(60,222,639)</u>	<u>(66,743,175)</u>	<u>(69,137,270)</u>	<u>(68,311,260)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
<b>Governmental Activities:</b>					
<b>Property and Other Local Taxes Levied For:</b>					
General Purposes	44,747,147	43,197,281	50,730,052	54,978,763	47,972,554
Debt Service	1,157,210	1,075,600	1,170,571	1,288,957	1,071,618
Capital Outlay	1,835,751	1,559,860	1,725,658	1,836,753	1,463,284
<b>Grants and Entitlements not Restricted to Specific Programs</b>	11,234,905	11,118,645	12,552,799	13,662,871	13,068,487
Payment in Lieu of Taxes	70,641	98,389	161,837	0	0
Unrestricted Contributions	7,351	0	0	0	0
Gain on Sale of Capital Assets	0	0	1,009,744	468,107	0
Investment Earnings	752,749	742,868	20,000	460,298	188,228
Miscellaneous	43,454	189,014	36,442	264,747	316,684
<b>Total Governmental Activities</b>	<u>59,849,208</u>	<u>57,981,657</u>	<u>67,407,103</u>	<u>72,960,496</u>	<u>64,080,855</u>
<b>Business-Type Activities:</b>					
Investment Earnings	19	30,632	33,898	13,450	6,994
Miscellaneous	40	54	100	3,011	0
<b>Total Business-Type Activities</b>	<u>59</u>	<u>30,686</u>	<u>33,998</u>	<u>16,461</u>	<u>6,994</u>
<b>Total Primary Government</b>	<u>59,849,267</u>	<u>58,012,343</u>	<u>67,441,101</u>	<u>72,976,957</u>	<u>64,087,849</u>
<b>Restatements</b>	<u>0</u>	<u>0</u>	<u>(304,635)</u>	<u>196,896</u>	<u>0</u>
<b>Change in Net Assets</b>					
Governmental Activities	1,478,465	(2,108,793)	460,165	4,104,793	(4,004,439)
Business-Type Activities	(61,523)	(101,503)	(66,874)	(68,210)	(218,972)
<b>Total Primary Government Change in Net Assets</b>	<u>\$1,416,942</u>	<u>(\$2,210,296)</u>	<u>\$393,291</u>	<u>\$4,036,583</u>	<u>(\$4,223,411)</u>



2004	2005	2006	2007
\$1,411,480	\$1,346,640	NA	NA
49,695	52,895	NA	NA
1,003,513	1,078,185	NA	NA
541,589	588,770	NA	NA
3,006,277	3,066,490	NA	NA
8,683,843	10,110,783	9,993,193	10,161,340
(74,409,598)	(69,034,324)	(67,380,048)	(70,648,413)
(243,242)	194,951	0	0
(74,652,840)	(68,839,373)	(67,380,048)	(\$70,648,413)
56,243,592	55,412,839	\$53,447,973	\$68,639,747
1,299,561	1,320,217	1,191,290	1,409,130
1,648,807	1,621,200	1,610,840	2,138,811
14,713,414	14,482,803	15,490,950	17,729,223
0	0	0	0
0	8,085	0	0
0	0	0	0
136,001	248,725	761,038	1,531,056
236,263	210,289	191,355	897,255
74,277,638	73,304,158	72,693,446	92,345,222
4,115	5,543	NA	NA
0	9,848	NA	NA
4,115	15,391	NA	NA
74,281,753	73,319,549	72,693,446	92,345,222
(2,402,193)	(93,060)	0	0
(2,534,153)	4,176,774	5,313,398	21,696,809
(239,127)	210,342	NA	NA
(\$2,773,280)	\$4,387,116	\$5,313,398	\$21,696,809

**Berea City School District**  
*Program Revenues by Function/Program*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*

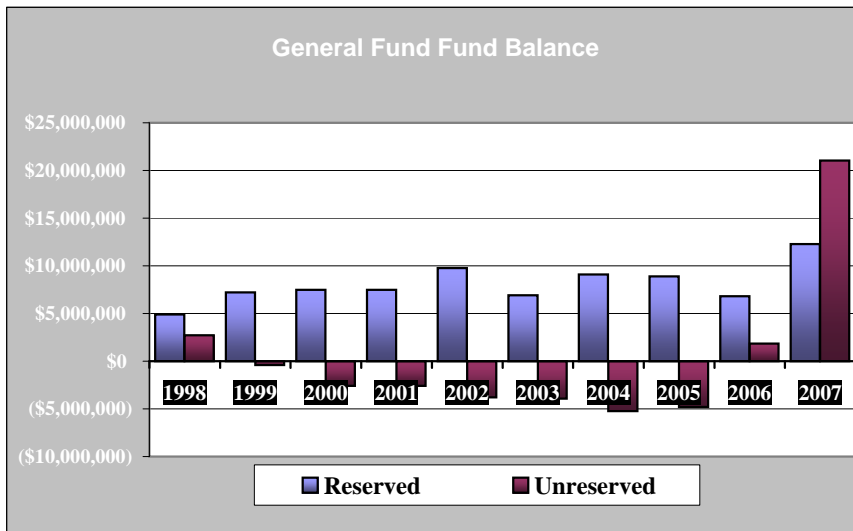
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
<b>Governmental Activities</b>				
Regular Instruction	\$1,340,857	\$1,063,926	\$1,049,357	\$697,438
Special Instruction	983,145	1,281,791	1,001,422	1,361,114
Vocational Instruction	53,701	0	0	16,307
Adult/Continuing Instruction	66,241	24,584	38,826	280
Pupil Support	221,428	286,346	283,713	385,880
Instructional Staff Support	599,595	586,933	610,110	590,179
Administration	50,567	60,288	66,537	64,676
Business	78,396	102,290	122,591	127,399
Operation and Maintenance of Plant	223,143	203,338	212,855	219,832
Pupil Transportation	92,136	99,756	94,379	99,100
Central	22,284	57,817	43,091	40,292
Operation of Non-Instructional Services	502,442	679,630	719,374	752,561
Extracurricular Activities	371,068	413,035	415,957	428,183
<i>Total Governmental Activities</i>	<u>4,605,003</u>	<u>4,859,734</u>	<u>4,658,212</u>	<u>4,783,241</u>
<b>Business-Type Activities</b>				
Food Service	1,859,502	1,892,684	2,018,765	2,009,700
Uniform School Supplies	69,511	63,425	60,908	41,195
Adult and Community Education	844,822	882,664	901,679	941,905
<i>Total Business-Type Activities</i>	<u>2,773,835</u>	<u>2,838,773</u>	<u>2,981,352</u>	<u>2,992,800</u>
<i>Total Primary Government</i>	<u><u>\$7,378,838</u></u>	<u><u>\$7,698,507</u></u>	<u><u>\$7,639,564</u></u>	<u><u>\$7,776,041</u></u>



<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
\$779,032	\$1,499,186	\$1,540,591	\$1,574,901	\$1,505,211
1,137,155	1,230,589	2,109,546	2,044,555	1,976,615
28,766	47,438	1,383	256	0
0	0	0	1,143,813	194,641
448,291	609,645	713,428	815,424	794,938
775,473	648,745	759,495	657,256	601,474
83,342	65,743	86,246	64,946	81,069
84,419	137,073	150,328	154,221	0
203,678	90,469	63,979	35,021	140,881
269,537	71,341	100,291	63,352	99,528
27,837	29,270	42,639	64,858	212,275
793,504	744,937	1,000,307	2,901,051	4,085,415
336,264	503,130	476,060	473,539	469,293
<u>4,967,298</u>	<u>5,677,566</u>	<u>7,044,293</u>	<u>\$9,993,193</u>	<u>\$10,161,340</u>
2,016,089	1,953,069	1,935,410	NA	NA
40,958	49,695	52,895	NA	NA
<u>1,052,129</u>	<u>1,003,513</u>	<u>1,078,185</u>	NA	NA
<u>3,109,176</u>	<u>3,006,277</u>	<u>3,066,490</u>		
<u><u>\$8,076,474</u></u>	<u><u>\$8,683,843</u></u>	<u><u>\$10,110,783</u></u>	<u><u>\$9,993,193</u></u>	<u><u>\$10,161,340</u></u>

**Berea City School District**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
General Fund				
Reserved	\$3,543,477	\$6,079,063	\$5,357,559	\$6,452,235
Unreserved (Deficit)	3,417,632	(824,062)	(3,570,251)	(4,865,686)
<i>Total General Fund</i>	<u>6,961,109</u>	<u>5,255,001</u>	<u>1,787,308</u>	<u>1,586,549</u>
All Other Governmental Funds				
Reserved	1,363,608	1,138,337	1,201,937	1,039,276
Unreserved, Undesignated, Reported in:				
Special Revenue funds	565,804	338,396	590,154	442,306
Debt Service funds	510,323	538,863	640,630	751,991
Capital Projects funds (Deficit)	(1,764,811)	(461,475)	(75,549)	1,093,369
<i>Total All Other Governmental Funds</i>	<u>674,924</u>	<u>1,554,121</u>	<u>2,357,172</u>	<u>3,326,942</u>
<i>Total Governmental Funds</i>	<u>\$7,636,033</u>	<u>\$6,809,122</u>	<u>\$4,144,480</u>	<u>\$4,913,491</u>



<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
\$7,568,244	\$5,898,923	\$7,833,194	\$8,016,209	\$5,843,487	\$6,936,601
(5,422,877)	(6,294,979)	(7,713,499)	(7,931,499)	(2,486,068)	16,564,732
2,145,367	(396,056)	119,695	84,710	\$3,357,419	\$23,501,333
2,202,995	1,026,334	1,265,407	866,610	971,864	5,034,225
483,600	391,022	600,851	493,328	1,205,463	811,467
905,015	1,258,445	1,570,200	1,872,347	2,191,479	2,595,939
238,417	718,335	304,250	751,238	921,786	1,376,833
3,830,027	3,394,136	3,740,708	3,983,523	5,290,592	9,818,464
\$5,975,394	\$2,998,080	\$3,860,403	\$4,068,233	\$8,648,011	\$33,319,797

**Berea City School District**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years (1)*  
*(modified accrual basis of accounting)*

	1998	1999	2000	2001	2002
<b>Revenues</b>					
Taxes	\$45,255,176	\$47,740,108	\$45,832,741	\$52,182,145	\$56,767,993
Intergovernmental	13,116,068	14,018,580	13,656,012	15,234,294	16,004,756
Interest	1,102,064	729,351	723,544	1,005,985	451,323
Tuition and Fees	1,146,034	1,011,588	943,578	911,045	1,314,863
Extracurricular Activities	420,141	484,221	535,323	529,225	603,557
Payment in Lieu of Taxes	0	70,641	98,389	161,837	0
Rentals	166,313	223,143	188,421	213,429	227,333
Charges for Services	10,310	78,030	14,440	22,779	15,381
Contributions and Donations	154,527	89,585	130,475	207,470	205,925
Miscellaneous	386,654	43,454	162,215	69,306	264,747
<i>Total Revenues</i>	<u>61,757,287</u>	<u>64,488,701</u>	<u>62,285,138</u>	<u>70,537,515</u>	<u>75,855,878</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	28,943,088	29,356,082	27,435,354	29,918,386	31,546,251
Special	3,400,272	4,391,462	5,386,485	5,404,357	6,101,717
Vocational	438,641	543,317	424,944	533,760	585,729
Adult/Continuing	64,741	75,938	12,920	56,377	1,494
Support Services:					
Pupil	3,214,074	3,472,733	3,253,850	3,690,704	4,073,761
Instructional Staff	5,237,374	5,508,931	5,816,575	6,570,031	6,681,798
Board of Education	27,041	27,540	39,552	41,286	25,310
Administration	3,411,741	3,471,943	3,538,361	3,668,180	4,032,208
Fiscal	1,171,319	1,356,311	1,342,309	1,307,890	1,457,947
Business	872,065	924,106	824,504	1,082,213	820,447
Operation and Maintenance of Plant	7,108,016	7,277,633	8,395,640	8,404,779	7,854,732
Pupil Transportation	2,999,688	2,606,465	2,963,758	3,199,530	3,362,769
Central	911,451	953,300	1,126,049	1,330,705	1,764,230
Operation of Non-Instructional Services	449,712	597,269	624,239	781,129	708,704
Extracurricular Activities	1,264,580	1,329,481	1,404,696	1,544,442	1,562,329
Capital Outlay	3,872,203	1,686,387	1,434,938	1,251,527	2,446,216
Intergovernmental	2,998	7,514	8,704	262	0
Debt Service:					
Principal Retirement	577,255	350,000	395,000	410,000	430,000
Interest and Fiscal Charges	857,952	844,279	827,081	756,940	710,516
Bond Issuance Costs	0	0	0	0	0
<i>Total Expenditures</i>	<u>64,824,211</u>	<u>64,780,691</u>	<u>65,254,959</u>	<u>69,952,498</u>	<u>74,166,158</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,066,924)</u>	<u>(291,990)</u>	<u>(2,969,821)</u>	<u>585,017</u>	<u>1,689,720</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	200	0	0	150,000	0
General Obligation Bonds Issued	0	0	0	0	0
Premium on General Obligation Bonds	0	0	0	0	0
Notes Issued	0	0	0	0	0
Transfers In	0	0	7,400	7,400	3,400
Transfers Out	0	0	(7,400)	(7,400)	(3,400)
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>200</u>	<u>0</u>	<u>0</u>	<u>150,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u><u>(\$3,066,724)</u></u>	<u><u>(\$291,990)</u></u>	<u><u>(\$2,969,821)</u></u>	<u><u>\$735,017</u></u>	<u><u>\$1,689,720</u></u>
Debt Service as a Percentage of Noncapital Expenditures	1.0%	0.6%	0.6%	0.6%	0.6%

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

2003	2004	2005	2006	2007
\$51,135,837	\$58,723,858	\$57,708,112	\$56,381,077	\$72,670,415
16,158,779	18,057,679	18,320,720	19,523,553	21,709,669
187,752	136,001	248,725	761,038	1,531,056
1,035,963	1,391,368	2,194,232	2,048,237	3,946,827
470,080	584,501	594,333	604,987	623,724
0	0	0	0	0
161,992	54,938	35,579	39,664	86,344
24,674	26,110	21,712	2,637,338	1,413,265
179,586	246,889	187,549	164,393	203,876
316,684	236,263	210,289	191,355	897,255
<u>69,671,347</u>	<u>79,457,607</u>	<u>79,521,251</u>	<u>82,351,642</u>	<u>103,082,431</u>
29,983,295	34,253,822	32,853,848	31,005,647	32,771,887
6,439,751	6,399,997	7,616,355	7,823,777	8,483,399
698,442	754,696	909,041	580,985	655,665
0	2,084	0	195,319	204,469
4,263,285	4,774,750	4,595,370	4,571,827	4,566,841
5,987,446	6,462,064	6,336,893	5,516,979	5,804,026
16,083	43,963	20,978	22,615	32,706
3,823,108	4,146,149	4,499,077	4,282,484	4,361,340
1,430,294	1,502,721	1,649,377	1,741,670	1,588,976
906,249	919,046	800,182	863,465	746,023
7,528,099	8,151,745	8,136,284	8,042,523	7,927,296
3,291,006	3,635,534	3,845,712	3,572,464	3,913,115
2,632,115	1,905,138	2,217,764	2,466,243	2,539,975
837,129	695,899	1,127,708	3,779,356	3,925,523
1,350,789	1,726,155	1,683,927	1,337,094	1,729,558
2,483,027	2,758,678	2,212,491	1,947,538	4,437,683
0	0	0	0	
450,000	575,000	1,285,000	710,000	870,000
528,543	537,843	518,414	492,746	459,523
131,233	0	28,941	22,328	145,981
<u>72,779,894</u>	<u>79,245,284</u>	<u>80,337,362</u>	<u>78,975,060</u>	<u>85,163,986</u>
(3,108,547)	212,323	(816,111)	3,376,582	17,918,445
0	0	0	0	0
9,205,000	0	995,000	650,000	6,617,802
743,790	0	28,941	14,627	135,539
0	650,000	0	0	0
0	3,921	0	0	108
0	(3,921)	0	0	(108)
(9,817,557)	0	0	0	0
<u>131,233</u>	<u>650,000</u>	<u>1,023,941</u>	<u>664,627</u>	<u>6,753,341</u>
<u>(\$2,977,314)</u>	<u>\$862,323</u>	<u>\$207,830</u>	<u>\$4,041,209</u>	<u>\$24,671,786</u>
0.8%	0.8%	1.7%	1.0%	1.8%

**Berea City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
1998	\$666,729,810	\$336,973,220	\$2,867,722,943	\$56,081,630	\$63,729,125
1999	670,152,900	334,887,190	2,871,543,114	56,737,020	64,473,886
2000	675,787,270	352,028,040	2,936,615,171	55,967,350	63,599,261
2001	757,142,510	440,411,360	3,421,582,486	49,875,840	56,677,091
2002	759,904,840	456,852,990	3,476,450,943	46,168,740	52,464,477
2003	766,800,810	457,745,840	3,498,704,714	38,752,080	44,036,455
2004	836,195,680	471,743,040	3,736,967,771	38,647,280	43,917,364
2005	839,907,310	474,268,410	3,754,787,771	38,663,990	43,936,352
2006	853,930,000	475,539,580	3,798,484,514	34,603,350	39,321,989
2007	938,771,480	493,742,970	4,092,898,429	33,418,780	37,975,886

**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 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.



Tangible Personal Property				
General Business		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio
\$261,930,469	\$1,047,721,876	\$1,321,715,129	\$3,979,173,944	33.22
247,826,803	991,307,212	1,309,603,913	3,927,324,213	33.35
244,299,461	977,197,844	1,328,082,121	3,977,412,277	33.39
235,165,084	940,660,336	1,482,594,794	4,418,919,913	33.55
211,623,911	846,495,644	1,474,550,481	4,375,411,064	33.70
199,438,922	797,755,688	1,462,737,652	4,340,496,857	33.70
187,459,887	815,042,987	1,534,045,887	4,595,928,122	33.38
192,551,284	837,179,496	1,545,390,994	4,635,903,619	33.34
196,962,702	1,050,467,744	1,561,035,632	4,888,274,247	31.93
138,126,787	1,105,014,296	1,604,060,017	5,235,888,611	30.64

**Berea City School District**  
*Property Tax Rates*  
(per \$1,000 of assessed value)  
*Last Ten Years (1)*

	1998	1999	2000
<b>Unvoted Millage</b>			
Operating	\$4.05	\$4.05	\$4.05
<b>Voted Millage - by levy</b>			
1976 Operating - continuing			
Effective Millage Rates			
Residential/Agricultural Real	31.40	8.43	8.44
Commercial/Industrial and Public Utility Real	31.40	16.17	15.99
General Business and Public Utility Personal	31.40	31.40	31.40
1985 Operating - continuing			
Effective Millage Rates			
Residential/Agricultural Real	6.90	3.76	3.76
Commercial/Industrial and Public Utility Real	6.90	4.78	4.73
General Business and Public Utility Personal	6.90	6.90	6.90
1991 Operating - continuing			
Effective Millage Rates			
Residential/Agricultural Real	6.90	4.52	4.53
Commercial/Industrial and Public Utility Real	6.90	5.51	5.45
General Business and Public Utility Personal	6.90	6.90	6.90
1994 Operating - continuing			
Effective Millage Rates			
Residential/Agricultural Real	5.90	4.65	4.65
Commercial/Industrial and Public Utility Real	5.90	5.28	5.22
General Business and Public Utility Personal	5.90	5.90	5.90
2000 Operating - continuing			
Effective Millage Rates			
Residential/Agricultural Real	0.00	0.00	5.90
Commercial/Industrial and Public Utility Real	0.00	0.00	5.83
General Business and Public Utility Personal	0.00	0.00	5.90
2002 Operating - continuing			
Effective Millage Rates			
Residential/Agricultural Real	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00
2006 Operating - continuing			
Effective Millage Rates			
Residential/Agricultural Real	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00
1992 Bond Levy (debt service)	0.85	0.95	0.95
1976 Permanent Improvement Continuing			
Effective Millage Rates			
Residential/Agricultural Real	0.90	0.24	0.24
Commercial/Industrial and Public Utility Real	0.90	0.46	0.46
General Business and Public Utility Personal	0.90	0.90	0.90
1996 Permanent Improvement Continuing			
Effective Millage Rates			
Residential/Agricultural Real	1.00	0.91	0.91
Commercial/Industrial and Public Utility Real	1.00	0.98	0.97
General Business and Public Utility Personal	1.00	1.00	1.00
<b>Total voted millage by type of property</b>			
Residential/Agricultural Real	53.85	23.46	29.38
Commercial/Industrial and Public Utility Real	53.85	34.13	39.60
General Business and Public Utility Personal	53.85	53.95	59.85
<b>Total millage by type of property</b>			
Residential/Agricultural Real	57.90	27.51	33.43
Commercial/Industrial and Public Utility Real	57.90	38.18	43.65
General Business and Public Utility Personal	57.90	58.00	63.90
<b>Overlapping Rates by Taxing District</b>			
<b>Berea City</b>			
Effective Millage Rates			
Residential/Agricultural Real	\$17.80	\$13.85	\$13.85
Commercial/Industrial and Public Utility Real	17.80	14.86	14.82
General Business and Public Utility Personal	17.80	17.70	17.70
<b>Middleburg Heights City</b>			
Effective Millage Rates			
Residential/Agricultural Real	5.60	4.89	4.89
Commercial/Industrial and Public Utility Real	5.60	5.10	5.10
General Business and Public Utility Personal	5.60	5.60	5.60
<b>Brook Park City</b>			
Effective Millage Rates			
Residential/Agricultural Real	5.50	4.47	4.78
Commercial/Industrial and Public Utility Real	5.50	4.49	4.79
General Business and Public Utility Personal	5.50	4.50	4.80
<b>Cuyahoga County</b>			
Effective Millage Rates			
Residential/Agricultural Real	18.00	13.98	14.24
Commercial/Industrial and Public Utility Real	18.00	15.19	15.27
General Business and Public Utility Personal	18.00	16.70	16.70
<b>Polaris J.V.S.D.</b>			
Effective Millage Rates			
Residential/Agricultural Real	2.40	2.00	2.00
Commercial/Industrial and Public Utility Real	2.40	2.01	2.00
General Business and Public Utility Personal	2.40	2.40	2.40

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented on S14 and S15, generated the property tax revenue to be 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	2007
\$4.05	\$4.05	\$4.05	\$4.05	\$4.05	\$4.05	\$4.05
7.59	7.59	7.58	6.98	6.97	6.94	6.36
13.11	13.11	13.14	12.64	12.61	12.79	11.88
31.40	31.40	31.40	31.40	31.40	31.40	31.40
3.39	3.39	3.38	3.11	3.11	3.10	2.84
3.88	3.88	3.88	3.74	3.73	3.78	3.51
6.90	6.90	6.90	6.90	6.90	6.90	6.90
4.07	4.07	4.07	3.74	3.74	3.73	3.41
4.46	4.46	4.48	4.31	4.30	4.36	4.04
6.90	6.90	6.90	6.90	6.90	6.90	6.90
4.18	4.18	4.18	3.85	3.84	3.83	3.51
4.28	4.28	4.29	4.13	4.12	4.18	3.88
5.90	5.90	5.90	5.90	5.90	5.90	5.90
5.31	5.31	5.30	4.88	4.87	4.86	4.45
4.78	4.78	4.79	4.61	4.60	4.67	4.33
5.90	5.90	5.90	5.90	5.90	5.90	5.90
0.00	0.00	5.89	5.42	5.42	5.40	4.95
0.00	0.00	5.90	5.68	5.66	5.74	5.33
0.00	0.00	5.90	5.90	5.90	5.90	5.90
0.00	0.00	0.00	0.00	0.00	5.25	4.81
0.00	0.00	0.00	0.00	0.00	5.25	4.87
0.00	0.00	0.00	0.00	0.00	5.25	5.25
0.85	0.85	0.95	0.95	0.95	0.85	0.80
0.21	0.21	0.21	0.19	0.19	0.19	0.18
0.38	0.38	0.38	0.36	0.36	0.37	0.34
0.90	0.90	0.90	0.90	0.90	0.90	0.90
0.82	0.82	0.82	0.75	0.75	0.75	0.69
0.79	0.79	0.80	0.77	0.76	0.77	0.72
1.00	1.00	1.00	1.00	1.00	1.00	1.00
26.42	26.42	32.38	29.87	29.84	34.90	32.00
32.53	32.53	38.61	37.19	37.09	42.76	39.70
59.75	59.75	65.75	65.75	65.75	70.90	70.85
30.47	30.47	36.43	33.92	33.89	38.95	36.05
36.58	36.58	42.66	41.24	41.14	46.81	43.75
63.80	63.80	69.80	69.80	69.80	74.95	74.90
\$13.52	\$13.52	\$13.62	\$13.42	\$13.53	\$13.42	13.06
14.23	14.23	14.33	14.11	14.21	14.10	13.65
17.60	17.50	17.60	17.50	17.60	17.50	17.20
4.86	4.86	4.71	4.69	4.69	4.69	4.67
5.02	5.02	4.87	4.87	4.87	4.89	4.85
5.60	5.60	5.45	5.45	5.45	5.45	5.45
4.74	4.74	4.74	4.72	4.72	4.72	4.70
4.70	4.70	4.70	4.69	4.68	4.68	4.68
4.80	4.80	4.80	4.80	4.80	4.80	4.80
13.92	13.92	15.00	15.67	17.16	17.90	17.82
14.53	14.53	15.43	17.11	18.38	19.02	18.75
17.60	17.60	17.60	19.27	20.17	20.17	20.20
2.00	2.00	2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00	2.01	2.00
2.40	2.40	2.40	2.40	2.40	2.40	2.40

**Berea City School District**  
*Property Tax Levies and Collections (1)*  
*Last Ten Years*

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
1997	\$48,689,899	\$47,755,145	98.08 %	\$1,211,905	\$48,967,050	100.57%
1998	48,638,195	47,163,054	96.97	1,899,015	49,062,069	100.87
1999	55,468,842	50,407,727	90.88	1,976,163	52,383,890	94.44
2000	56,319,028	54,967,090	97.60	1,193,856	56,160,946	99.72
2001	56,241,838	55,145,121	98.05	2,793,094	57,938,215	103.02
2002	54,964,669	53,379,661	97.12	2,691,726	56,071,387	102.01
2003	63,905,367	60,780,220	95.11	1,629,038	62,409,258	97.66
2004	51,390,588	48,296,567	93.98	1,323,385	49,619,952	96.55
2005	69,188,551	61,427,371	88.78	2,369,305	63,796,676	92.21
2006	67,416,680	60,181,730	89.27	4,198,094	64,379,824	95.50

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2007 information cannot be presented because all collections have not been made by June 30, 2007.
- (3) The County does not identify delinquent tax collections by tax year.

**Berea City School District**

*Principal Taxpayers*

*Real Estate Tax*

*2007 and 1999 (1)*

Name of Taxpayer	2007	
	Assessed Value	Percent of Real Property Assessed Value
City of Cleveland	\$78,632,620	5.49 %
Ford Motor Company	19,387,250	1.35
Cleveland Electric Illuminating	17,597,640	1.23
Southland Store Company	13,932,910	0.97
Islander Company	10,876,380	0.76
MWP Company	8,190,540	0.57
Techpark Ltd. Partnership	7,241,740	0.51
Park 'N' Fly	7,208,880	0.50
Robert Amsdell	5,911,250	0.41
Ozre Lodging LLC	4,982,260	0.35
<b>Totals</b>	<b>\$173,961,470</b>	<b>12.14 %</b>

Total Assessed Valuation \$1,432,514,450

Name of Taxpayer	1999	
	Assessed Value	Percent of Real Property Assessed Value
Ford Motor Company	\$24,446,240	2.43 %
Cleveland Port Authority	19,493,950	1.94
Brookpark Community Urban	9,302,340	0.93
Techpart Limited Partnership	9,538,280	0.95
Southland Store Company	9,337,200	0.93
Islander Company	8,978,910	0.89
Sears Roebuck	4,995,590	0.50
Southwest General Hospital	4,896,660	0.49
Tower In The Park Limited	3,606,330	0.36
Middleburgh Towne Square, Limited	3,183,840	0.32
<b>Totals</b>	<b>\$97,779,340</b>	<b>9.73 %</b>

Total Assessed Valuation \$1,005,040,090

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

(1) The amounts presented represent the assessed values upon which 2007 and 1999 collections were based.

**Berea City School District**  
*Principal Taxpayers*  
*Tangible Personal Property Tax*  
*2007 and 1999 (1)*

Name of Taxpayer	2007	
	Assessed Value	Percent of Tangible Assessed Value
Ford Motor Company	\$26,339,830	19.07 %
Marc Glassman Inc.	7,130,810	5.16
Thyssenkrupp Materials Inc.	2,462,450	1.78
Codonics Inc.	2,249,690	1.63
Sunnyside Automotive Inc.	1,525,430	1.10
KW #1 Acquisition Company	1,485,170	1.08
Foseco Metallurgical Inc.	1,305,290	0.94
Metro Imports Inc.	1,632,430	1.18
Colormatrix Corp.	1,590,440	1.15
Varbros LLC	1,558,500	1.13
<b>Totals</b>	<b>\$47,280,040</b>	<b>34.23 %</b>
<b>Total Assessed Valuation</b>	<b>\$138,126,787</b>	

Name of Taxpayer	1999	
	Assessed Value	Percent of Tangible Assessed Value
Ford Motor Company	\$106,886,090	43.13 %
Marc Glassman Inc.	7,490,560	3.02
Ken Mac Metals	5,613,610	2.27
BF Goodrich	4,880,440	1.97
Penton Publishing	3,514,290	1.42
Foseco Incorporated	3,383,270	1.37
Hawk Corporation	3,271,050	1.32
Goodyear Tire	3,025,620	1.22
Sears Roebuck	2,686,900	1.08
IBM Credit Corporation	2,640,990	1.07
<b>Totals</b>	<b>\$143,392,820</b>	<b>57.86 %</b>
<b>Total Assessed Valuation</b>	<b>\$247,826,803</b>	

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

(1) The amounts presented represent the assessed values upon which 2007 and 1999 collections were based.

**Berea City School District**  
*Principal Taxpayers*  
*Public Utility Personal Property Tax*  
*2007 and 1999 (1)*

Name of Taxpayer	2007	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Bell Telephone	3,415,830	10.22 %
Alltel Communications	735,830	2.20
New Cingular Wireless PCS LLC	318,710	0.95
Sprintcom Inc	318,640	0.00
Totals	<u>\$4,789,010</u>	<u>13.38 %</u>

Total Assessed Valuation \$33,418,780

Name of Taxpayer	1999	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	28,494,770	50.22 %
Ohio Bell Telephone	14,004,380	24.68
Columbia Gas	6,499,910	11.46
East Ohio Gas Company	2,220,600	3.91
Totals	<u>\$51,219,660</u>	<u>90.28 %</u>

Total Assessed Valuation \$56,737,020

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

(1) The amounts presented represent the assessed values upon which 2007 and 1999 collections were based.

**Berea City School District**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2007*

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
<b>Direct:</b>			
Berea City School District			
General Obligation Bonds	\$16,997,832	100.00 %	\$16,997,832
<b>Overlapping:</b>			
Cuyahoga County			
General Obligation Bonds	208,194,000	4.70	9,785,118
Revenue Bonds	106,016,000	4.70	4,982,752
Capital Lease Obligations	29,485,000	4.70	1,385,795
Loans Payable	7,574,000	4.70	355,978
Regional Transit Authority			
General Obligation Bonds	156,500,000	5.04	7,887,600
SIB Loans	4,580,196	5.04	230,842
Berea City			
General Obligation Bonds	11,785,756	24.24	2,856,867
Urban Renewal Bonds	1,225,000	24.24	296,940
Notes Payable	200,000	24.24	48,480
Brookpark City			
General Obligation Bonds	1,945,000	35.15	683,668
Middleburg Heights City			
General Obligation Bonds	16,423,178	37.79	6,206,319
Special Assessment Bonds	1,647,282	37.79	622,508
<b>Total Overlapping</b>	<b>545,575,412</b>		<b>35,342,866</b>
<b>Total</b>	<b>\$562,573,244</b>		<b>\$52,340,698</b>

Source: Cuyahoga County Auditor



**Berea City School District**  
*Ratio of General Bonded Debt to Personal Income and Debt per Capita*  
*Last Eight Fiscal Years (1)*

Fiscal Year	Governmental Activities		
	General Obligation Bonds	Percentage of Average Personal Income (2)	Per Capita (3)
2000	\$12,555,000	0.33%	\$225.28
2001	12,145,000	0.32	217.93
2002	11,715,000	0.31	210.21
2003	11,265,000	0.30	202.14
2004	10,690,000	0.28	190.30
2005	11,050,000	0.29	193.82
2006	11,128,758	0.29	192.77
2007	16,997,832	0.44	298.14

Source 2000 U.S. Census Bureau

- (1) Information prior to 2000 not available
- (2) The personal income can be found on S27
- (3) The population can be found on S27

**Berea City School District**  
*Computation of Legal Debt Margin*  
*Last Ten Fiscal Years*

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Assessed Valuation (1)	<u>\$1,321,715,129</u>	<u>\$1,309,603,913</u>	<u>\$1,328,082,121</u>	<u>\$1,482,594,794</u>	<u>\$1,474,550,481</u>
Debt Limit - 9% of Assessed Value (1)	\$118,954,362	\$117,864,352	\$119,527,391	\$133,433,531	\$132,709,543
Amount of Debt Applicable to Debt Limit					
General Obligation Bonds	13,300,000	12,950,000	12,555,000	12,145,000	11,715,000
Notes	1,350,000	1,775,000	450,000	0	0
Less Amount Available in Debt Service	<u>(551,969)</u>	<u>(678,934)</u>	<u>(726,134)</u>	<u>(854,526)</u>	<u>(1,093,853)</u>
Total	14,098,031	14,046,066	12,278,866	11,290,474	10,621,147
Exemptions:					
Tax Anticipation Note	1,350,000	900,000	0	0	0
Energy Conservation Note	0	875,000	0	0	0
Energy Conservation Bonds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Amount of Debt Subject to Limit	<u>12,748,031</u>	<u>12,271,066</u>	<u>12,278,866</u>	<u>11,290,474</u>	<u>10,621,147</u>
Overall Debt Margin	<u>\$106,206,331</u>	<u>\$105,593,286</u>	<u>\$107,248,525</u>	<u>\$122,143,057</u>	<u>\$122,088,396</u>
Debt Margin - .10% of Assessed Value (1)	\$1,321,715	\$1,309,604	\$1,328,082	\$1,482,595	\$1,474,550
Amount of Debt Applicable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$1,321,715</u>	<u>\$1,309,604</u>	<u>\$1,328,082</u>	<u>\$1,482,595</u>	<u>\$1,474,550</u>

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

(1) For fiscal years 2006 and 2007, 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.

(2) Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.

<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<u>\$1,462,737,652</u>	<u>\$1,534,045,887</u>	<u>\$1,545,390,994</u>	<u>\$1,350,834,710</u>	<u>\$1,455,059,410</u>
131,646,389	138,064,130	139,085,189	121,575,124	130,955,347
11,265,000	10,690,000	11,050,000	10,990,000	16,737,802
0	650,000	0	0	-
<u>(1,369,601)</u>	<u>(1,732,481)</u>	<u>(2,044,510)</u>	<u>(2,321,386)</u>	<u>(2,731,988)</u>
9,895,399	9,607,519	9,005,490	8,668,614	14,005,814
0	0	0	0	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,582,802</u>
9,895,399	9,607,519	9,005,490	8,668,614	7,423,012
<u>\$121,750,990</u>	<u>\$128,456,611</u>	<u>\$130,079,699</u>	<u>\$112,906,510</u>	<u>\$123,532,335</u>
\$1,462,738	\$1,534,046	\$1,545,391	\$1,350,835	\$1,455,059
0	0	0	0	0
<u>\$1,462,738</u>	<u>\$1,534,046</u>	<u>\$1,545,391</u>	<u>\$1,350,835 #</u>	<u>\$1,455,059</u>

**Berea City School District**  
*Ratio of Debt*  
*to Assessed Value and Debt per Capita*  
*Last Ten Fiscal Years*

Fiscal Year	Population (1)		Estimated Actual Value of Taxable Property(2)	General Bonded Debt				
				General Bonded Debt Outstanding	Resources Available to Pay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
1998	62,590	a	\$3,979,173,944	\$13,300,000	\$551,969	\$12,748,031	\$0.32	\$203.68
1999	63,986	a	3,927,324,213	12,950,000	678,934	12,271,066	0.31	191.78
2000	59,420	a	3,977,412,277	12,555,000	726,134	11,828,866	0.30	199.07
2001	55,730	b	4,418,919,913	12,145,000	854,526	11,290,474	0.26	202.59
2002	55,730	b	4,375,411,064	11,715,000	1,093,853	10,621,147	0.24	190.58
2003	55,730	b	4,340,496,857	11,394,046	1,369,601	10,024,445	0.23	179.88
2004	56,174	b	4,595,928,122	10,810,298	1,732,481	9,077,817	0.20	161.60
2005	57,012	b	4,635,903,619	11,187,275	2,044,510	9,142,765	0.20	160.37
2006	57,012	b	4,888,274,247	11,128,758	2,321,386	8,807,372	0.18	154.48
2007	57,012	b	5,235,888,611	16,997,832	2,731,988	14,265,844	0.27	250.23

**Sources:** (1) U.S. Bureau of Census, Census of Population  
(a) 1990 Federal Census  
(b) 2000 Federal Census

(2) Cuyahoga County Auditor

**Berea City School District**  
*Demographic and Economic Statistics*  
*Last Eight Years (1)*

Year	Population (2)	Total Personal Income (3)	Per Capita Personal Income	Median Household Income	Median Age	Unemployment Rate (4)
2000	55,730	\$3,748,344,070	\$67,259	\$46,642	39.8	5.0%
2001	55,730	3,748,344,070	67,259	46,642	39.8	4.3
2002	55,730	3,748,344,070	67,259	46,642	39.8	6.0
2003	55,730	3,748,344,070	67,259	46,642	39.8	6.0
2004	56,174	3,778,207,066	67,259	46,642	39.8	6.6
2005	57,012	3,834,570,108	67,259	46,642	39.8	6.6
2006	57,012	3,834,570,108	67,259	46,642	39.8	5.6
2007	57,012	3,834,570,108	67,259	50,654	39.8	5.4

- (1) Information prior to 2000 not available
- (2) U.S. Census Bureau
- (3) Cities of Berea, Middleburg Heights and Brook Park
- (4) Represents Cuyahoga County

**Berea City School District**  
*Principal Employers*  
*Current Year and Six Years Ago (1)*

Employer	Nature of Business	2006		
		Number of Employees	Rank	Percentage of Total Employment
Ford Motor Company	Automobile	3,535	1	21.75%
NASA	Government	3,000	2	18.46
Southwest General Hospital	Hospital	2,908	3	17.89
United Parcel Service	Delivery	2,659	4	16.36
Baldwin Wallace College	Higher Education	1,260	5	7.75
Berea City School District	Education	1,066	6	6.55
Berea Children's Home	Treatment Facility	510	7	3.14
Sears Roebuck & Company	Retail	480	8	2.95
City of Middleburg Heights	Municipal Government	420	9	2.58
Polaris Joint Vocational	Education	417	10	2.57
Total		<u>16,255</u>		
Total Employment within the School District		<u>67,846</u>		

Employer	Nature of Business	2000		
		Number of Employees	Rank	Percentage of Total Employment
Ford Motor Company	Automobile	3,800	1	21.11%
NASA	Government	3,600	2	20.00
Southwest General Hospital	Hospital	2,849	3	15.82
United Parcel Service	Delivery	2,555	4	14.19
Sears Roebuck & Company	Retail	1,360	5	7.55
Berea City School District	Education	1,100	6	6.11
Baldwin Wallace College	Higher Education	953	7	5.29
Berea Children's Home	Treatment Facility	695	8	3.86
Marc Glassman	Warehouse	635	9	3.53
City of Middleburg Heights	Municipal Government	457	10	2.54
Total		<u>18,004</u>		
Total Employment within the School District		<u>75,430</u>		

Sources: Cities of Brookpark and Middleburg Heights, Ohio; Local businesses

(1) Information prior to 2000 is not available.

**Berea City School District**  
*Building Statistics by Function/Program*  
*Last Two Fiscal Years (1)*

	2007	2006
<b>Big Creek Elementary School</b>		
Constructed in 1954		
Total Building Square Footage	116,620	116,620
Enrollment Grades K-6	813	814
Student Capacity	1,010	1,010
Regular Instruction Classrooms	49	49
Regular Instruction Teachers	38	35
Special Instruction Teachers	7	5
<b>Brookpark Elementary School</b>		
Constructed in 1956		
Total Building Square Footage	96,900	96,900
Enrollment Grades K-6	587	718
Student Capacity	836	836
Regular Instruction Classrooms	56	56
Regular Instruction Teachers	30	30
Special Instruction Teachers	14	5
<b>Brookview Elementary School</b>		
Constructed in 1965		
Total Building Square Footage	53,400	53,400
Enrollment Grades K-6	493	480
Student Capacity	437	437
Regular Instruction Classrooms	31	31
Regular Instruction Teachers	22	25
Special Instruction Teachers	7	5
<b>Fairwood Elementary School</b>		
Constructed in 1948		
Total Building Square Footage	51,876	51,876
Enrollment Grades 7-12	366	367
Student Capacity	419	419
Regular Instruction Classrooms	26	26
Regular Instruction Teachers	18	18
Special Instruction Teachers	6	3
<b>Parknoll Elementary School</b>		
Constructed in 1961		
Total Building Square Footage	41,746	41,746
Enrollment Grades K-5	266	257
Student Capacity	334	334
Regular Instruction Classrooms	24	24
Regular Instruction Teachers	14	14
Special Instruction Teachers	6	3
<b>Riveredge Elementary School</b>		
Constructed in 1960		
Total Building Square Footage	44,384	44,384
Enrollment Grades K-6	221	241
Student Capacity	355	355
Regular Instruction Classrooms	25	25
Regular Instruction Teachers	15	15
Special Instruction Teachers	7	2

(continued)

**Berea City School District**  
*Building Statistics by Function/Program (continued)*  
*Last Two Fiscal Years (1)*

	2007	2006
<b>Smith Elementary School</b>		
Constructed in 1966		
Total Building Square Footage	42,000	42,000
Enrollment Grades K-6	192	220
Student Capacity	336	336
Regular Instruction Classrooms	21	21
Regular Instruction Teachers	10	11
Special Instruction Teachers	4	2
<b>Ford Middle School</b>		
Constructed in 1961		
Total Building Square Footage	165,800	165,800
Enrollment Grades 6-8	1,030	1,094
Student Capacity	1,175	1,175
Regular Instruction Classrooms	66	66
Regular Instruction Teachers	50	54
Special Instruction Teachers	13	11
<b>Roehm Middle School</b>		
Constructed in 1956		
Total Building Square Footage	133,804	133,804
Enrollment Grades 6-8	666	665
Student Capacity	1,163	1,163
Regular Instruction Classrooms	47	47
Regular Instruction Teachers	33	33
Special Instruction Teachers	8	8
<b>Berea High School</b>		
Constructed in 1928		
Total Building Square Footage	264,266	264,266
Enrollment Grades 9-12	1,342	1,261
Student Capacity	1,582	1,582
Regular Instruction Classrooms	67	67
Regular Instruction Teachers	55	55
Special Instruction Teachers	15	12
<b>Midpark High School</b>		
Constructed in 1962		
Total Building Square Footage	236,563	236,563
Enrollment Grades 9-12	1,453	1,409
Student Capacity	1,418	1,418
Regular Instruction Classrooms	55	55
Regular Instruction Teachers	60	60
Special Instruction Teachers	13	11

(1) Information prior to 2006 not available.



**Berea City School District**  
*Per Pupil Cost*  
*Last Eight Fiscal Years(1)(2)*

<u>Fiscal Year</u>	<u>Expenses</u>	<u>Enrollment</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>	<u>Percentage of Students Receiving Free and Reduced Lunch</u>
2000	\$64,950,184	7,829	\$8,296	(10.76)	524	14.94	12.96%
2001	71,300,515	7,670	9,296	(10.76)	507	15.13	12.93
2002	73,835,840	7,714	9,572	(2.88)	612	12.60	15.67
2003	73,052,592	7,597	9,616	(0.46)	538	14.12	17.74
2004	80,087,164	7,630	10,496	(8.39)	538	14.18	21.27
2005	76,078,617	7,511	10,129	3.63	532	14.12	23.8
2006	74,448,420	7,526	9,892	2.39	535	14.06	24.89
2007	80,809,753	7,429	10,878	(9.06)	537	13.83	27.39

(1) Source: School District Records

(2) Information prior to 2000 is not available.

**Berea City School District**  
*Full-Time Equivalent School District Teachers by Education*  
*Last Ten Fiscal Years (1)*

Degree	1998	1999	2000	2001	2002
Bachelor's Degree	134	72	137	103	96
Bachelor + 15	59	87	35	46	46
Bachelor + 30	80	69	85	82	95
Master's Degree	201	212	208	237	218
Master + 15	4	28	28	27	27
Master + 30	8	7	7	4	4
PhD	11	26	22	25	21
Total	497	501	522	524	507

(1) Source: School District Records

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<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
41	65	82	56	57
53	18	14	19	21
45	38	35	27	28
292	272	313	254	331
96	93	29	89	40
42	24	22	51	24
<u>43</u>	<u>28</u>	<u>37</u>	<u>39</u>	<u>36</u>
<u>612</u>	<u>538</u>	<u>532</u>	<u>535</u>	<u>537</u>

**Berea City School District**  
*Average Number of Students per Teacher*  
*Last Nine School Years (1)*

Fiscal Year	Berea Average	State (2) Average
1999	15.07	18.6
2000	14.9	18.1
2001	15.1	18.0
2002	12.6	16.9
2003	14.1	16.6
2004	14.2	18.5
2005	14.1	18.5
2006	14.06	18.6
2007	13.83	19.6

(1) Information prior to 1999 is not available.

(2) Source: Ohio Department of Education, EMIS Reports

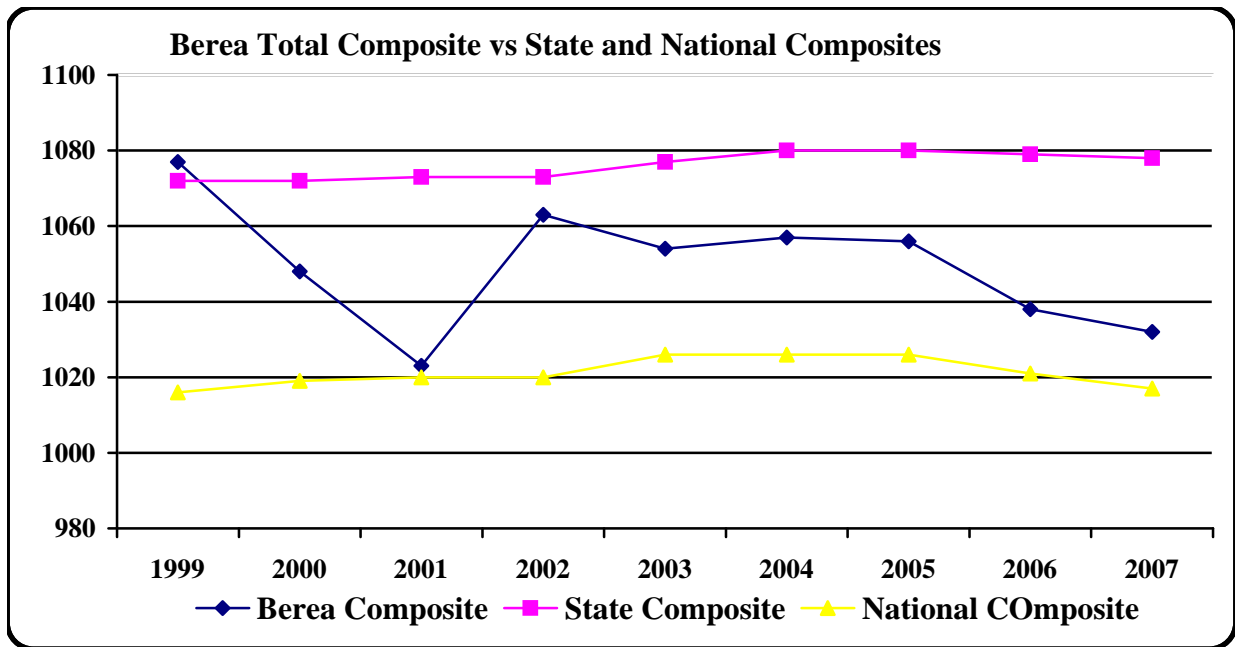
**Berea City School District**  
*Attendance and Graduation Rates*  
*Last Ten School Years (1)*

Fiscal Year	Berea Attendance Rate	State Average	Berea Graduation Rate	State Average
1998	93.80%	93.90%	84.30%	79.90%
1999	94.20	93.50	86.50	81.40
2000	97.20	93.60	86.30	80.70
2001	94.70	93.90	87.80	81.20
2002	95.00	94.30	88.90	82.80
2003	94.90	94.50	94.20	83.90
2004	95.30	94.50	94.00	84.30
2005	95.20	94.30	94.00	85.90
2006	95.00	94.10	93.00	86.20
2007	95.10	94.10	93.80	86.10

(1) Source: Ohio Department of Education Local Report Cards

**Berea City School District**  
*SAT Scores*  
*Last Nine Fiscal Years (1) (2)*

<b>School Year</b>	<b>Number of Test Takers</b>	<b>Number of Seniors</b>	<b>Percent of Students</b>	<b>Berea Verbal</b>	<b>Ohio Verbal</b>	<b>National Verbal</b>
1999	190	116	61.05 %	532	534	505
2000	216	115	53.24	518	533	505
2001	212	123	58.02	512	534	506
2002	200	108	54.00	529	533	504
2003	209	101	48.33	526	536	507
2004	279	143	51.25	528	538	508
2005	196	99	50.51	523	538	508
2006	225	114	50.67	514	535	503
2007	229	98	42.79	505	536	502



- (1) Source: College Board SAT District Profile Report
- (2) Information prior to 1999 is not available.

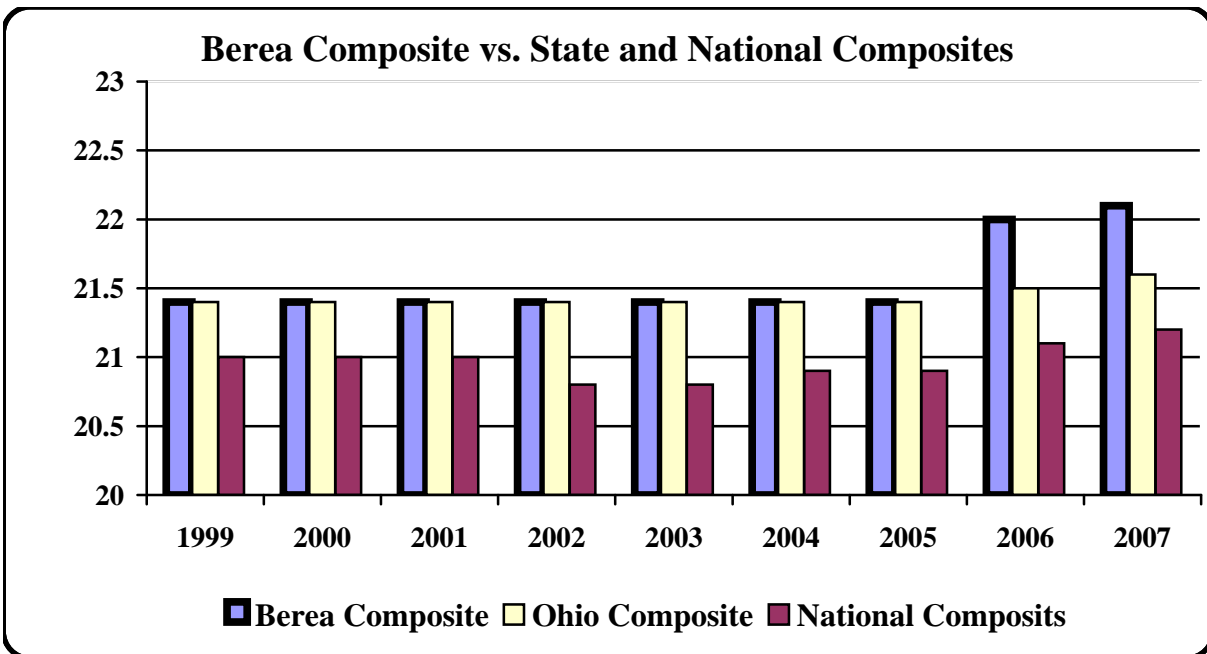
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<b>Berea Math</b>	<b>Ohio Math</b>	<b>National Math</b>
545	538	511
530	539	514
511	539	514
534	540	516
528	541	519
529	542	518
533	542	518
524	544	518
527	542	515

**Berea City School District**  
*ACT Composite Scores*  
*Last Nine School Years (1)(2)*

<b>School Year</b>	<b>Number of Test Takers</b>	<b>Number of Seniors</b>	<b>Percent of Students</b>	<b>Berea Composite</b>	<b>Ohio Composite</b>	<b>National Composite</b>
1999	301	192	63.79 %	21.4	21.4	21.0
2000	357	257	71.99	21.4	21.4	21.0
2001	318	224	70.44	21.4	21.4	21.0
2002	335	209	62.39	21.4	21.4	20.8
2003	329	196	59.57	21.4	21.4	20.8
2004	336	189	56.25	21.4	21.4	20.9
2005	295	170	57.63	21.4	21.4	20.9
2006	296	NA	NA	22.0	21.5	21.1
2007	335	NA	NA	22.1	21.6	21.2



(1) Source: High School Guidance Office, Berea City Schools

(2) Information prior to 1999 is not available.



**Berea City School District**  
*School District Employees by Function/Program*  
*Last Four Fiscal Years(1)*

Function/Program	2007	2006	2005	2004
<b>Regular Instruction</b>				
Elementary Classroom Teachers	174.00	168.00	189.00	172.00
Middle School Classroom Teachers	100.00	98.00	105.00	98.00
High School Classroom Teachers	121.00	120.00	122.00	117.50
<b>Special Instruction</b>				
Elementary Classroom Teachers	43.00	26.50	24.50	28.00
Gifted Education Teachers	4.00	4.00	5.50	5.50
Middle School Classroom Teachers	30.50	34.00	31.00	31.00
High School Classroom Teachers	28.10	22.00	22.50	26.00
<b>Vocational Instruction</b>				
High School Classroom Teachers	4.50	6.00	5.50	8.00
<b>Pupil Support Services</b>				
Guidance Counselors	16.50	17.00	17.00	18.00
Librarians	6.00	8.00	9.00	9.00
Psychologists	3.00	3.00	3.00	3.00
Speech and Language Pathologists	13.00	12.00	13.50	16.00
Non-Teaching Support Staff Central	4.00	3.00	9.00	9.00
<b>Instructional Support Service</b>				
Non-Teaching Support Staff Elementary	85.50	86.00	86.00	100.00
Non-Teaching Support Staff Middle	36.00	38.00	39.00	43.00
Non-Teaching Support Staff High	30.50	35.00	37.00	40.00
Non-Teaching Support Staff Central	6.00	5.50	2.50	3.50
<b>Administration</b>				
Elementary	10.00	7.00	7.50	8.50
Middle School	6.00	5.00	7.00	6.50
High School	8.00	6.00	8.00	8.00
Central	1.00	1.00	2.00	2.00
Non-Teaching Support Staff	27.00	22.00	15.00	15.00
<b>Business</b>				
Central	3.00	3.00	3.00	3.00
<b>Fiscal</b>				
Treasurer Department	7.00	7.50	7.50	7.50
<b>Operation of Plant</b>				
Custodial Dept.	68.00	73.00	75.00	83.00
Maintenance Dept.	14.00	15.00	18.00	18.00
<b>Pupil Transportation</b>				
Bus Drivers	61.00	61.00	65.00	67.00
Bus Aides	9.00	9.00	8.00	8.00
Mechanics	5.00	5.00	5.00	5.00
Transportation support staff	4.00	4.00	4.00	4.00
<b>Central</b>				
Community Relations	2.50	2.50	2.00	2.00
Technology	17.00	17.00	19.00	20.00
Personnel	5.00	5.00	5.00	5.00
<b>Extracurricular</b>				
Athletic Department	2.00	2.00	3.00	5.00
<b>Food Service Program</b>				
Elementary	34.00	34.00	35.00	26.00
Middle	14.00	13.00	16.00	17.00
High School Cooks	16.00	15.00	18.00	22.00
Central	2.00	2.00	2.00	2.00
<b>Adult Education/Community Service</b>				
Preschool	11.50	11.50	9.00	9.00
Extended Care	32.00	34.50	32.00	29.00
Adult Education	2.00	2.00	1.00	2.00
<b>Totals</b>	<u>1,066.60</u>	<u>1,043.00</u>	<u>1,088.00</u>	<u>1,102.00</u>

(1) Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee





**Mary Taylor, CPA**  
Auditor of State

**BEREA CITY SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY 7, 2008**