

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, 2008**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE <i>Passed Through Ohio Department of Education</i>					
Food Distribution	10.550	\$0	\$99,897	\$0	\$99,897
Nutrition Cluster:					
School Breakfast Program	10.553	90,246	0	90,246	0
National School Lunch Program	10.555	649,479	0	649,479	0
Total Nutrition Cluster		739,725	0	739,725	0
Total U.S. Department of Agriculture - Nutrition Cluster		739,725	99,897	739,725	99,897
U.S. Department of Education <i>Passed Through Cleveland Municipal School District:</i>					
Title I	84.010	5,393	0	5,393	0
Subtotal Title I		5,393	0	5,393	0
<i>Passed Through Ohio Department of Education:</i>					
Title I	84.010	168,446.00	0	72,106	0
Title I	84.010	440,651.00	0	506,943	0
Neglected, Title I	84.010	10,267	0	10,104	0
Neglected, Title I	84.010	55,175	0	52,772	0
Subtotal Title I		674,539	0	641,925	0
Special Education Cluster:					
IDEA Part B	84.027	224,020	0	61,010	0
IDEA Part B	84.027	1,915,172	0	1,911,861	0
Subtotal IDEA Part B		2,139,192	0	1,972,871	0
Preschool Disability Grant	84.173	10,734	0	5,088	0
Preschool Disability Grant	84.173	37,980	0	43,410	0
Subtotal Preschool Disability Grant		48,714	0	48,498	0
Total Special Education Cluster		2,187,906	0	2,021,369	0
Drug Free School Grant	84.186	(717)	0	0	0
Drug Free School Grant	84.186	10,141	0	8,816	0
Total Drug Free School Grant		9,424	0	8,816	0
Innovative Programs, Title V	84.298	661	0	605	0
Innovative Programs, Title V	84.298	8,240	0	10,153	0
Total Innovative Programs, Title V		8,901	0	10,758	0
Title II, Part D - Education Technology	84.318	(953)	0	0	0
Title II, Part D - Education Technology	84.318	1,474	0	36	0
Total Title II, Part D - Education Technology		521	0	36	0
Title III LEP	84.365	6,768	0	6,804	0
Title III LEP	84.365	13,900	0	13,538	0
Immigrant, Title III	84.365	0	0	300	0
Immigrant, Title III	84.365	254	0	0	0
Total Title III LEP		20,922	0	20,642	0
Title II, Part A - Teacher and Principal Training and Recruiting	84.367	30,523	0	14,912	0
Title II, Part A - Teacher and Principal Training and Recruiting	84.367	99,208	0	91,022	0
Total Title II, Part A - Teacher and Principal Training and Recruiting		129,731	0	105,934	0
Total U.S. Department of Education		3,031,944	0	2,809,480	0
Total Federal Financial Assistance		\$3,777,062	\$99,897	\$3,554,598	\$99,897

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, 2008**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (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 2007 to grant year 2008 for several of the District's federal grants. These transfers appear as negative receipts in the 2007 grant year and positive receipts in the 2008 grant year. This action by ODE allowed the District to extend the availability period for expenditure of these receipts.

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, 2008, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 5, 2009, which was qualified since certain information related to Internal Service Fund expenses (disbursements) and liabilities reported with governmental activities and with remaining fund information was not available for audit. Except as discussed in the preceding sentence, 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

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.

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: 2008-001.

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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We believe the significant deficiency described above is a material weakness.

We also noted certain internal control matters that we reported to the District's management in a separate letter dated February 5, 2009.

Compliance and Other Matters

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

We 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 February 5, 2009.

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, the 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

February 5, 2009



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, 2008. 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 each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Government'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, complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended June 30, 2008.

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.

Lausche Building / 615 Superior Ave., NW / Twelfth Floor / Cleveland, OH 44113-1801
Telephone: (216) 787-3665 (800) 626-2297 Fax: (216) 787-3361
www.auditor.state.oh.us

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.

Federal Awards Receipts and Expenditures Schedule

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 as of and for the year ended June 30, 2008, and have issued our report thereon dated February 5, 2009, which was qualified the service organization which processes insurance claims did not provide us with information we requested regarding the design or proper operation of its internal controls. We were therefore unable to satisfy ourselves as to the proper processing of health insurance claims expenses and liabilities. Those claims represent 12% of the expenses and 1% of the accrued liabilities reported with the governmental activities, and 45% of the expenses and 33% of the liabilities reported in the remaining fund information. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards receipts and expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Mary Taylor, CPA
Auditor of State

February 5, 2009

**BEREA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2008**

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

**BEREA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2008
(Continued)**

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

FINDING NUMBER 2008-001

Internal Service Fund – SAS 70 Type Two Audit – Significant Deficiency

The District has delegated employees' health insurance claims processing, which is a significant accounting function, to a third-party administrator. The District has not established procedures to determine whether this service organization has sufficient controls in place and operating effectively to reduce the risk that health insurance claims have not been completely and accurately processed in accordance with the health insurance contract.

Consequently, the District has received a qualified independent accountants' report because the scope of the auditor's examination has been restricted. AU 324 requires the Auditor of State (AOS) to gain an understanding of internal control at any service organization that processes financially significant (i.e., material) transactions of the District, which would then have a material affect of the District's financial statements. Under the circumstances stated, AOS can not accumulate sufficient evidence to conclude whether the Internal Service Fund is stated in accordance with generally accepted accounting principles. Whenever a condition such as this exists, which requires a departure from an unqualified opinion, a report other than an unqualified report must be issued.

Statement on Auditing Standards (SAS) No. 70, as amended, prescribes standards for reporting on service organizations. An unqualified Type Two Report on Policies and Procedures Placed in Operation and Tests of Operating Effectiveness in accordance with SAS No. 70 should provide the District with reasonable assurance that health insurance claim transactions conform to the contract.

We recommend the District require a Type Two SAS 70 report in its contract with the third-party administrator. The District should review the SAS 70 report timely. The report should follow American Institute of Certified Public Accountants standards and be performed by a firm registered and considered in good standing with the Accountancy Board of the respective state. If the third-party administrator refuses to furnish the District with a Type Two SAS 70 report, we recommend the District contract with a third-party administrator that will provide such a report.

Officials Response

The Berea City School District changed the third party administrator (TPA) for its health plan on November 1, 2007 to MedCost a company from North Carolina where they are the TPA for several public entities. We have a contract with MedCost that calls for them to follow all federal and state requirements. We will mandate to MedCost that they fulfill their commitment or we will be forced to change TPA's. Additionally, we have received a verbal commitment that they will complete the SAS-70 report soon.

**BEREA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2008**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2007-001	The Treasurer did not establish a home station at the Administration office for mileage reimbursement purposes and did not properly complete the mileage form when being reimbursed for mileage.	Yes	

Berea, Ohio City School District

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



Sierra Q.

8th Grade

Roehm Middle School

Art Instructor: Heather Courtwright

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

Berea City School District
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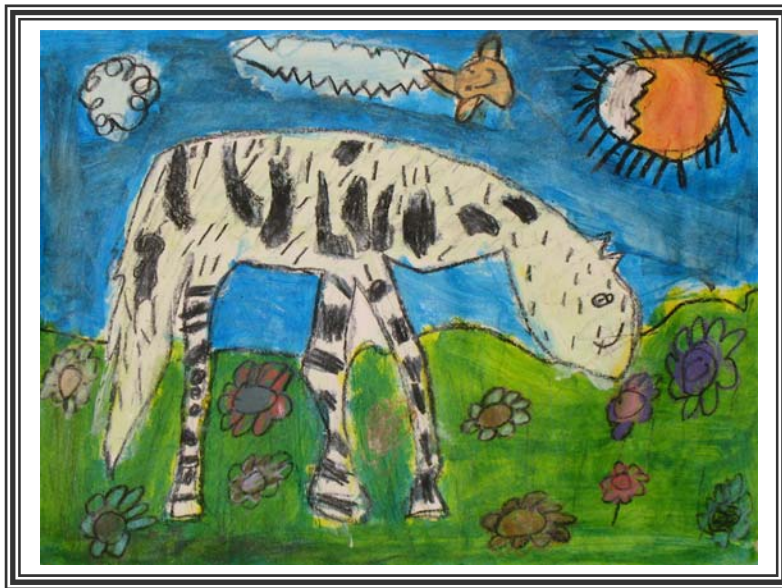
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Jordan K.

2nd Grade

Big Creek Elementary School

Art Instructor: Kathy Jadud

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February 5, 2009

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, 2008. 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 this 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 2008, 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 auditor's 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 616 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 7,375 students in grades kindergarten through twelfth. The projected enrollment for Fiscal Year 2009 is 7,059. Additionally, the School District provides preschool, after school, adult, and community education services to a large number of students and community members. The School District has 11 school buildings, ranging from 42 to 80 years of age. 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.

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 2,500 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 are United Parcel Service, Incorporated, and Southwest General Hospital.

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 \$1.2 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 2008 were as follows:

2008 Financial Accomplishments

Successfully balanced budget for fiscal year 2008.

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

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

Monitored our new Section 105 Program (medical expense reimbursement plan).

Initiated an RFP (Request for Proposal) Process for Health Care Purchasing

2008 Instructional Accomplishments

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.

Researched and developed year long study of Response to Intervention (RTI) to design and implement model framework for 2008-2009 school year.

Launched an all day, everyday kindergarten program.

The School District supported the full implementation of Measurement of Academic Progress (MAP) in grades K-10. This is an Ohio state academic content standard aligned computerized adaptive assessment program that provides educators with the information they need to improve teaching and learning. Educators use the growth and achievement data from MAP to develop targeted instructional strategies and to plan school improvement. With the ability to test students up to four times a year, MAP test results help educators make student-focused, data-driven decisions.

Completed the review of comprehensive literary programs for grades K-5 and made a recommendation to the Board of Education for adoption of a research-based new series beginning in the 2008-2009 school year, *Literacy by Design*.

Completed the review and alignment of middle level mathematics course of study and recommended to the Board of Education for adoption a research-based program aligned to content, *Connected Math II*.

2008 Community Accomplishments

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 2009 are:

2009 Financial Goals

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 2008 fiscal year for the Comprehensive Annual Financial Report on the reporting model for the seventeenth year.

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

Receive the Award of Outstanding Achievement for the District's *2008 Citizen Financial Report*.

2009 Instructional Goals

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 and instructional staff focused on student learning.

Year one implementation of the District's Response to Intervention model. This framework integrates assessment and intervention within a multi-level prevention system to maximize student academic achievement and to reduce behavior problems. With RTI, Berea Schools identify students at risk for poor learning outcomes, monitors student progress, provides evidence-based interventions, and adjusts the intensity and nature of those interventions depending on a student's responsiveness in order to support learning for all students.

Promote the integration of technology into daily instruction to enhance the teaching and learning process through a comprehensive technology plan that incorporates an instructional coaching model focusing on using technology to enhance instruction and improve student learning.

Year one implementation to provide intervention for identified students to increase learning in content areas through the use of PLATO courseware products and assessment tools. Promote student achievement through the offering of credit acquisition and recovery programs

Implement newly adopted Literacy by Design, Intervention by Design and program, and provide on-going building-level training in best practices in literacy instruction using the coaching model.

Implement both Project Lead the Way's Pre-Engineering Pathways and Biomedical Science programs 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.

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 (28.5 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 2012 without major interruption due to a levy phase.

The Board of Education not only monitors the operating side of the 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 stakeholders 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, 2007.

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.

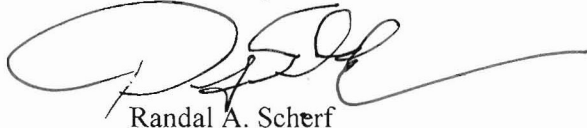
Outstanding Achievements Fourteen of our teachers have completed the rigorous requirements set by the National Board for Professional Teaching Standards and achieved National Board Certification, while several additional teachers are completing the process this year. The Berea City School District is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

Acknowledgments

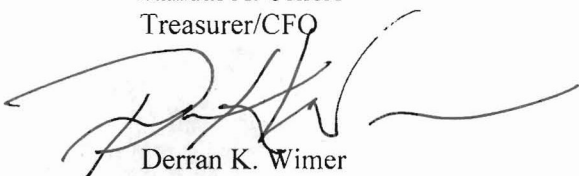
Each year we take time to recognize an individual who has contributed much to the well being of the School District. This year we would like to single out Dale Cummins, the School District's Assistant Treasurer. She has continued the tradition of quality instilled in the Berea City School District.

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, 2007

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.



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director

**Berea City School District
Principal Officials**

Board of Education

Mr. David Pusti..... President
Mrs. Gale Patten Vice President
Mr. Robert Drake Member
Mr. Fred Szabo Member
Mr. David Thurau Member

Treasurer

Mr. Randal A. Scherf

Assistant Treasurer

Mrs. Dale A. Cummins

Administration

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

RESIDENTS OF THE DISTRICT

BOARD OF EDUCATION

Treasurer

Financial Department

Superintendent

City/County Personnel assigned to BCSD

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 Education Coordinator

Director Curriculum

Curriculum Coordinators

Director Information Technology

Network Manager

Supervisor Data Processing

Data Processing Analyst

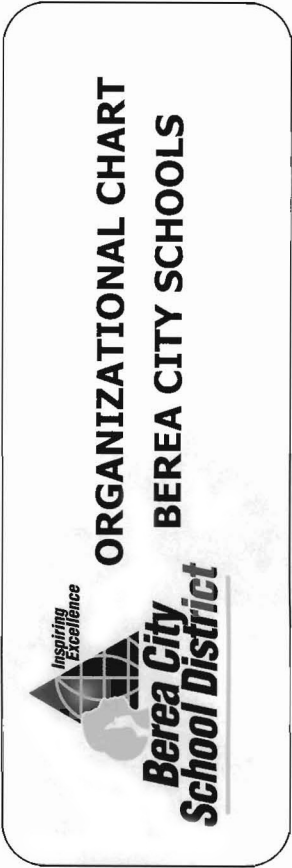
Director Personnel & Employee Relations

Director Pupil Services

Principal Snow School

Psychologists

Coordinators Preschool Program Extended Care Program



FINANCIAL SECTION



Hayley W.

5th Grade

Brookpark Memorial Elementary School

Art Instructor: Deb Hudson

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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, 2008, 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.

Except as described in the following paragraph, 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 that our audit provides a reasonable basis for our opinions.

Insurance claims reported in the Self Insurance Fund (an internal service fund, included in the governmental activities and as remaining fund information) are processed by a service organization independent of the District. The service organization did not provide us with information we requested regarding their design or proper operation of its internal controls. We were therefore unable to satisfy ourselves as to the proper processing of health insurance claims expenses and liabilities. Those claims represent 12% of expenses and 1% of accrued liabilities reported with the governmental activities, and 45% of the expenses and 33% of the liabilities reported in the remaining fund information.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine certain information regarding health insurance claims reported with the governmental activities and remaining fund information as described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and the aggregate remaining fund information of the Berea City School District, Cuyahoga County, Ohio, as of June 30, 2008, 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.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each major fund of the Berea City School District, Cuyahoga County, Ohio, as of June 30, 2008, and the respective changes in financial position, and the budgetary comparison for the General Fund for the year then ended in conformity with the accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



Mary Taylor, CPA
Auditor of State

February 5, 2009

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

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, 2008. 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 2008 are as follows:

- The School District adjusted its capital assets depreciation expense due to a revaluation of the estimated life of the buildings.
- Net assets increased \$5.7 million due to capital project improvements and revenues decreased \$6.8 million from fiscal year 2007 levels.
- Total program expenses were \$90 million, a \$16.2 million increase from 2007 expenses of \$73.8 million.
- Outstanding debt increased to \$18.9 in 2008 from \$16.9 million in 2007.

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 2008?" 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, 2008
Unaudited

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, 2008
Unaudited

The School District as a Whole

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

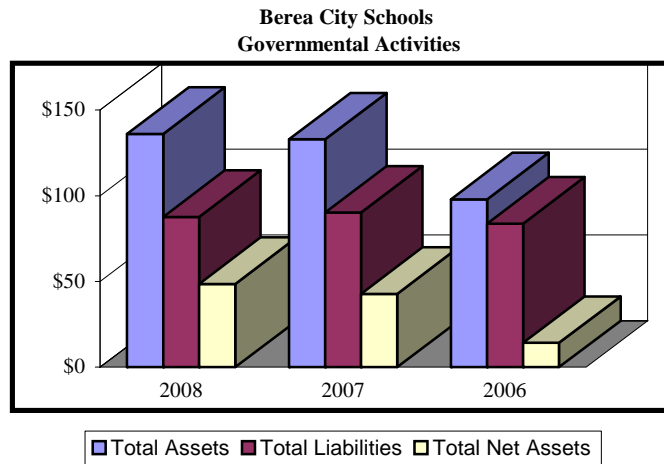
Table 1 provides a summary of the School District's net assets for 2008 compared to the two prior fiscal years:

Net Assets			
Governmental Activities			
(In Millions)			
	2008	2007	2006
Assets			
Current and Other Assets	\$107.8	\$109.7	\$83.2
Capital Assets, Net	28.4	23.3	14.7
<i>Total Assets</i>	<u>136.2</u>	<u>133.0</u>	<u>97.9</u>
Liabilities			
Current and Other Liabilities	(67.7)	(69.0)	(68.3)
Long-Term Liabilities	(20.0)	(21.2)	(15.5)
<i>Total Liabilities</i>	<u>(87.7)</u>	<u>(90.2)</u>	<u>(83.8)</u>
Net Assets			
Invested in Capital Assets, Net of Debt	10.0	10.6	3.7
Restricted	7.7	7.6	6.0
Unrestricted	30.8	24.6	4.4
<i>Total Net Assets</i>	<u>\$48.5</u>	<u>\$42.8</u>	<u>\$14.1</u>

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Graph 1.
 Net Assets of Governmental Activities
 (In Millions)

	2008	2007	2006
Total Assets	\$136.2	\$133.0	\$97.9
Total Liabilities	87.7	90.2	83.8
Total Net Assets	\$48.5	\$42.8	\$14.1

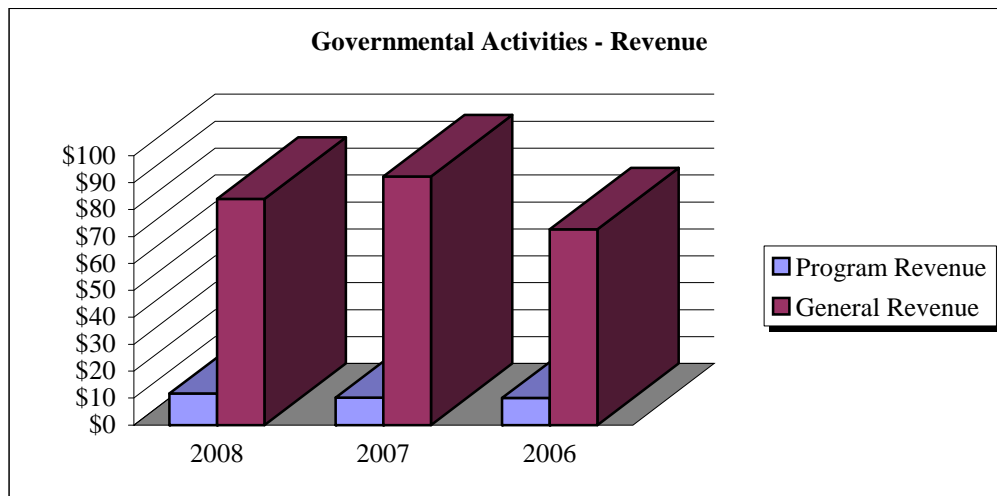


Total assets increased by \$3.2 million. This increase is due primarily to additions to capital assets. Total liabilities were \$87.7 million, a \$2.5 million decrease from fiscal year 2007. The School District is anticipating fewer taxes received which decreases deferred revenue. During fiscal year 2008, the School District issued \$2.9 million in debt.

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Graph 2
 Revenue for Governmental Activities
 (In Millions)

	2008	2007	2006
Program Revenue	\$11.7	\$10.2	\$10.0
General Revenue	84.0	92.3	72.7



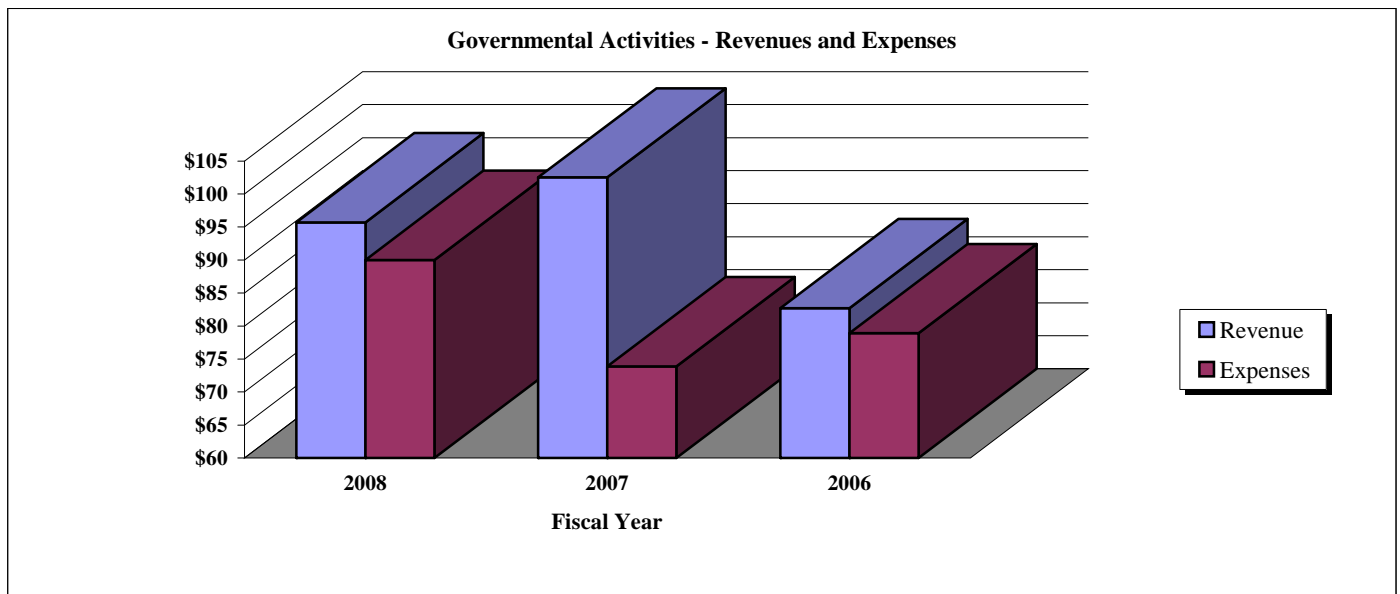
Program revenue increased from \$10.2 million to \$11.7 million, due primarily to an increase in grant revenues. The vast majority of revenue supporting Governmental Activities is general revenue. General revenue decreased in fiscal year 2008 to \$84 million from \$92.3 million in 2007. General revenue comprised 87.8 percent of revenues. The 2007 general revenues were higher due to a one time only personal property tax settlement that was received from Ford Motor Company. Taxes comprised \$58.2 million of general revenue in 2008, compared to \$72.2 million in 2007 and \$56.2 million in 2006.

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Expenses increased from \$73.8 million in 2007 to \$90 million in 2008. The majority of the increase in 2008 was in regular instruction, primarily due to an increase in depreciation and salaries and benefits.

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

	2008	2007	2006
Revenues	\$95.7	\$102.5	\$82.7
Expenses	90.0	73.8	77.4



The decrease in revenue between 2007 and 2008 is due to the decrease in general revenues in the form of property taxes. Operating grants and capital grants include State and Federal funds and they remained relatively consistent. The \$16.1 million increase in expenses is due to the increases in salaries and capital improvement projects.

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Table 2 shows the changes in net assets for fiscal year 2008 for Governmental Activities compared to the two prior fiscal years.

Table 2
Change in Net Assets
(In Millions)

	2008	2007	2006
Revenues			
<i>Program Revenues</i>			
Charges for Services	\$7.0	\$5.4	\$5.5
Operating Grants and Contributions	4.6	4.8	4.5
Capital Grants and Contributions	0.1	0.0	0.0
<i>Total Program Revenues</i>	<u>11.7</u>	<u>10.2</u>	<u>10.0</u>
<i>General Revenues</i>			
Property Taxes	58.2	72.2	56.2
Grants and Entitlements	23.2	17.7	15.5
Other	2.6	2.4	1.0
<i>Total General Revenues</i>	<u>84.0</u>	<u>92.3</u>	<u>72.7</u>
<i>Total Revenues</i>	<u>95.7</u>	<u>102.5</u>	<u>82.7</u>
Expenses			
Instruction	51.3	41.4	41.6
Support Services:			
Pupil and Instructional Staff	10.5	8.3	10.0
Board of Education, Administration, Fiscal and Business	7.5	6.1	6.9
Operation and Maintenance of Plant	7.8	6.6	8.0
Pupil Transportation	4.1	3.3	3.8
Central	2.4	2.3	2.5
Operation of Non-Instructional Services	3.9	3.7	2.9
Extracurricular Activities	1.7	1.6	1.2
Interest and Fiscal Charges	0.8	0.5	0.5
<i>Total Expenses</i>	<u>90.0</u>	<u>73.8</u>	<u>77.4</u>
<i>Change in Net Assets</i>	5.7	28.7	5.3
Net Assets Beginning of Year	<u>42.8</u>	<u>14.1</u>	<u>8.8</u>
Net Assets End of Year	<u><u>\$48.5</u></u>	<u><u>\$42.8</u></u>	<u><u>\$14.1</u></u>

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
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 69.3 percent of general revenues for governmental activities for Berea City School District in fiscal year 2008.

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)

	2008		2007		2006	
	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	\$51.3	\$45.8	\$41.4	\$37.7	\$41.6	\$36.8
Support Services:						
Pupil and Instructional Staff	10.5	9.1	8.3	6.9	10.0	8.5
Board of Education, Administration, Fiscal and Business	7.5	7.4	6.1	6.0	6.9	6.7
Operation and Maintenance of Plant	7.8	7.6	6.6	6.5	8.0	8.0
Pupil Transportation	4.1	4.1	3.3	3.2	3.8	3.7
Central	2.4	2.3	2.3	2.1	2.5	2.4
Operation of Non-Instructional Services	3.9	0.0	3.7	(0.4)	2.9	0.0
Extracurricular Activities	1.7	1.2	1.6	1.2	1.2	0.8
Interest and Fiscal Charges	0.8	0.8	0.5	0.5	0.5	0.5
Total	\$90.0	\$78.3	\$73.8	\$63.7	\$77.4	\$67.4

The dependence upon general tax revenues for governmental activities is apparent. Over 89.3 percent of instruction activities are supported through taxes and other general revenues; for all governmental activities general revenue support is 86.9 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, 2008
Unaudited

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 \$95.7 million and expenditures of \$96.1 million. The net change in the governmental funds fund balance for the year was most significant in the General Fund, where the fund balance increased from a fund balance of \$23.5 million to a fund balance of \$29.4 million. The net change in the Debt Service Fund is an increase of \$258,044 and Permanent Improvement Capital Projects Fund decreased by \$2,514,399.

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 2008 the School District amended its general fund budget numerous times. 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 \$81.9 million, which was above original budget estimates of \$64.1 million. Of this \$17.8 million difference, taxes were increased by \$12.2 million, and intergovernmental was \$4.3 million above original estimates due to conservative original estimates.

Total final estimated expenditures on the budget basis (cash outlays plus encumbrances) were \$79.6 million, \$2.4 million below revenues.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2008 the School District had \$28.4 million invested in land, buildings, equipment and vehicles.

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Table 5 shows fiscal 2008 balances compared to the prior two fiscal years:

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

	2008	2007	2006
Land and Improvements	\$2.7	\$2.2	\$2.3
Buildings and Improvements	23.5	19.0	10.3
Furniture and Equipment	0.9	0.9	0.7
Vehicles	1.3	1.2	1.4
Total	\$28.4	\$23.3	\$14.7

The increase of \$5.1 million in capital assets in 2008, is due to recognizing \$6.5 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 2008, the set-aside requirements amounted to \$1.1 million for each set aside. For fiscal year 2007 the School District had deferred a portion, \$0.4 million in textbooks. Thus the required amount increased for 2008 by the deferred amount plus the \$1.1 million requirement. For 2008, \$32,292 for textbooks has not yet been met and appears as a reservation of fund balance for 2008.

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Debt

At June 30, 2008 the School District had \$16.0 million in bonds, \$1.2 million due within one year.

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

Outstanding Debt at June 30 Governmental Activities (In Millions)			
	2008	2007	2006
1993 School Improvement Bonds	\$0.0	\$0.0	\$0.3
2003 School Improvement Refunding Bonds	8.1	8.8	9.2
2005 Bus Acquisition/Energy Bonds	0.7	0.8	0.9
2006 Bus/Motor Vehicle Acquisition Bonds	0.6	0.6	0.7
2007 Energy Conservation Bonds	6.4	6.4	0.0
2007 Various Purpose Bonds	0.2	0.3	0.0
 Total General Obligation Bonds	 16.0	 16.9	 11.1
 2008 Tax Anticipation Notes	 2.9	 0.0	 0.0
 Total Bonds and Notes	 \$18.9	 \$16.9	 \$11.1

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. On August 29, 2007 the School District issued \$2.9 million in tax anticipation notes for capital improvements.

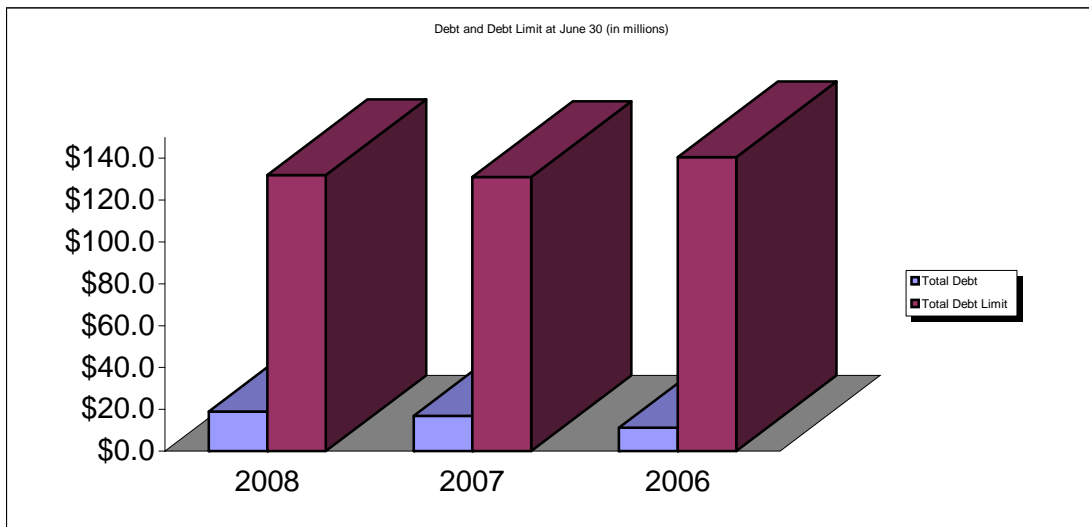
At June 30, 2008, the School District's overall legal debt margin was \$123.0 million with an unvoted debt margin of \$1.5 million. The debt is well within permissible limits. The School District maintains an A-1 bond rating. For more information refer to Notes 18 to the basic financial statements.

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

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

	2008	2007	2006
Total Debt Applicable to Limit	\$9.1	\$7.4	\$8.7
Total Debt Limit (1)	132.1	131.0	121.6

(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
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

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 tenth 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.

Berea City School District*Statement of Net Assets**June 30, 2008*

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$38,578,185
Cash and Cash Equivalents	
With Escrow Agents	86,822
Accounts Receivable	175,306
Intergovernmental Receivable	8,190,048
Prepaid Items	1,613
Inventory Held for Resale	30,233
Materials and Supplies	
Inventory	184,941
Taxes Receivable	60,224,151
Deferred Charges	328,819
Nondepreciable Capital Assets	918,217
Depreciable Capital Assets, Net	<u>27,509,727</u>
<i>Total Assets</i>	<u>136,228,062</u>
Liabilities	
Accounts Payable	1,000,725
Contracts Payable	111,081
Accrued Wages	5,228,230
Matured Compensated Absences Payable	362,331
Retainage Payable	86,822
Intergovernmental Payable	3,542,824
Deferred Revenue	53,259,166
Accrued Interest Payable	76,618
Notes Payable	2,855,345
Claims Payable	1,029,177
Early Retirement Incentive Payable	177,050
Long-Term Liabilities:	
Due Within One Year	1,795,215
Due Within More Than One Year	<u>18,198,852</u>
<i>Total Liabilities</i>	<u>87,723,436</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	10,053,655
Restricted for:	
Debt Service	5,636,961
Set Asides	32,292
Public School Support	173,869
District Managed Student Activity	244,518
Locally Funded Programs	579,520
State Funded Programs	80,859
Federal Funded Programs	863,941
Unclaimed Monies	16,656
Unrestricted	<u>30,822,355</u>
<i>Total Net Assets</i>	<u><u>\$48,504,626</u></u>

See accompanying notes to the basic financial statements

Berea City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2008

	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
Governmental Activities					
Instruction:					
Regular	\$39,358,016	\$3,234,041	\$345,357	\$0	(\$35,778,618)
Special	11,074,764	388,876	1,333,987	0	(9,351,901)
Vocational	700,317	0	0	0	(700,317)
Adult/Continuing	182,990	178,586	0	0	(4,404)
Support Services:					
Pupil	4,756,650	4,256	725,207	0	(4,027,187)
Instructional Staff	5,788,567	152,390	526,799	1,249	(5,108,129)
Board of Education	42,261	0	0	0	(42,261)
Administration	4,148,412	0	81,625	0	(4,066,787)
Fiscal	2,524,738	0	0	0	(2,524,738)
Business	743,284	18,574	0	0	(724,710)
Operation and Maintenance of Plant	7,790,941	156,563	0	0	(7,634,378)
Pupil Transportation	4,128,443	53,840	16,473	0	(4,058,130)
Central	2,380,593	0	26,573	90,477	(2,263,543)
Operation of Non-Instructional					
Services	3,908,876	2,395,120	1,539,691	0	25,935
Extracurricular Activities	1,679,646	407,496	41,460	0	(1,230,690)
Interest and Fiscal Charges	794,393	0	0	0	(794,393)
<i>Total Governmental Activities</i>	<u>\$90,002,891</u>	<u>\$6,989,742</u>	<u>\$4,637,172</u>	<u>\$91,726</u>	<u>(78,284,251)</u>

General Revenues

Property Taxes Levied for:

General Purposes	55,730,090
Debt Service	1,289,022
Capital Outlay	1,188,843
Grants and Entitlements not Restricted to Specific Programs	23,174,392
Investment Earnings	1,958,941
Miscellaneous	684,956

Total General Revenues 84,026,244

Change in Net Assets 5,741,993

Net Assets Beginning of Year - Restated (Note 3) 42,762,633

Net Assets End of Year \$48,504,626

See accompanying notes to the basic financial statements

Berea City School District
Balance Sheet
Governmental Funds
June 30, 2008

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$28,628,887	\$2,889,438	\$2,394,558	\$1,665,040	\$35,577,923
Cash and Cash Equivalents					
With Escrow Agents	0	0	24,822	62,000	86,822
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	48,948	0	0	0	48,948
Receivables:					
Accounts Receivable	168,501	0	0	5,029	173,530
Intergovernmental Receivable	7,032,082	0	0	1,157,966	8,190,048
Prepaid Items	1,613	0	0	0	1,613
Interfund Receivable	254,497	0	0	0	254,497
Inventory Held for Resale	0	0	0	30,233	30,233
Materials and Supplies Inventory	169,677	0	0	15,264	184,941
Taxes Receivable	57,624,462	1,134,667	1,465,022	0	60,224,151
<i>Total Assets</i>	<u>\$93,928,667</u>	<u>\$4,024,105</u>	<u>\$3,884,402</u>	<u>\$2,935,532</u>	<u>\$104,772,706</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$782,753	\$0	\$46,339	\$141,693	\$970,785
Contracts Payable	0	0	95,394	15,687	111,081
Accrued Wages	5,018,752	0	0	209,478	5,228,230
Matured Compensated Absences Payable	333,731	0	0	28,600	362,331
Retainage Payable	0	0	24,822	62,000	86,822
Interfund Payable	0	0	0	254,497	254,497
Intergovernmental Payable	3,414,517	0	0	128,307	3,542,824
Deferred Revenue	54,832,037	1,034,073	1,354,501	1,027,326	58,247,937
Accrued Interest Payable	0	0	9,674	0	9,674
Notes Payable	0	0	2,855,345	0	2,855,345
Early Retirement Incentive Payable	143,100	0	0	33,950	177,050
<i>Total Liabilities</i>	<u>64,524,890</u>	<u>1,034,073</u>	<u>4,386,075</u>	<u>1,901,538</u>	<u>71,846,576</u>
Fund Balances					
Reserved for Encumbrances	1,006,863	0	202,603	333,925	1,543,391
Reserved for Textbooks	32,292	0	0	0	32,292
Reserved for Unclaimed Monies	16,656	0	0	0	16,656
Reserved for Property Taxes	4,253,374	99,107	106,990	0	4,459,471
Unreserved, Undesignated, Reported in:					
General Fund	24,094,592	0	0	0	24,094,592
Special Revenue Funds	0	0	0	746,651	746,651
Debt Service Fund	0	2,890,925	0	0	2,890,925
Capital Projects Funds (Deficit)	0	0	(811,266)	(46,582)	(857,848)
<i>Total Fund Balances</i>	<u>29,403,777</u>	<u>2,990,032</u>	<u>(501,673)</u>	<u>1,033,994</u>	<u>32,926,130</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$93,928,667</u>	<u>\$4,024,105</u>	<u>\$3,884,402</u>	<u>\$2,935,532</u>	<u>\$104,772,706</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, 2008*

Total Governmental Fund Balances		\$32,926,130
 <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.		28,427,944
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	2,402,072	
Intergovernmental	1,027,326	
Tuition and Fees	1,478,328	
Rental	81,045	
Total		4,988,771
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.		1,893,973
Bond issuance costs will be amortized over the life of the bonds on the statement on net assets.		328,819
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(66,944)
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	(15,797,802)	
Premium on Bonds	(152,428)	
Gain on Refunding	(85,306)	
Compensated Absences	(3,958,531)	
Total		(19,994,067)
<i>Net Assets of Governmental Activities</i>		\$48,504,626

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, 2008

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$55,986,666	\$1,291,401	\$1,199,618	\$0	\$58,477,685
Intergovernmental	22,960,374	112,069	120,962	4,869,193	28,062,598
Interest	1,932,199	0	0	26,742	1,958,941
Tuition and Fees	3,040,286	0	0	1,207,844	4,248,130
Extracurricular Activities	0	0	0	623,628	623,628
Rentals	126,960	0	0	0	126,960
Charges for Services	26,170	0	0	1,423,058	1,449,228
Contributions and Donations	0	0	0	111,687	111,687
Miscellaneous	595,517	0	0	89,439	684,956
<i>Total Revenues</i>	<u>84,668,172</u>	<u>1,403,470</u>	<u>1,320,580</u>	<u>8,351,591</u>	<u>95,743,813</u>
Expenditures					
Current:					
Instruction:					
Regular	33,505,206	0	0	411,734	33,916,940
Special	10,152,343	0	0	1,424,595	11,576,938
Vocational	757,472	0	0	0	757,472
Adult/Continuing	0	0	0	192,654	192,654
Support Services:					
Pupil	4,146,738	0	0	797,446	4,944,184
Instructional Staff	5,725,091	0	0	796,406	6,521,497
Board of Education	42,261	0	0	0	42,261
Administration	4,296,967	0	0	86,347	4,383,314
Fiscal	2,588,737	0	0	0	2,588,737
Business	751,120	0	0	0	751,120
Operation and Maintenance of Plant	8,192,643	0	0	0	8,192,643
Pupil Transportation	4,163,569	0	0	124,286	4,287,855
Central	2,922,341	0	0	10,390	2,932,731
Operation of Non-Instructional Services	20,396	0	0	4,162,440	4,182,836
Extracurricular Activities	1,239,130	0	0	512,329	1,751,459
Capital Outlay	0	0	3,440,004	3,872,720	7,312,724
Debt Service:					
Principal Retirement	0	730,000	210,000	0	940,000
Interest and Fiscal Charges	0	677,140	105,802	0	782,942
Note Issuance Costs	0	0	79,173	0	79,173
<i>Total Expenditures</i>	<u>78,504,014</u>	<u>1,407,140</u>	<u>3,834,979</u>	<u>12,391,347</u>	<u>96,137,480</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,164,158</u>	<u>(3,670)</u>	<u>(2,514,399)</u>	<u>(4,039,756)</u>	<u>(393,667)</u>
Other Financing Sources (Uses)					
Transfers In	0	261,714	0	0	261,714
Transfers Out	(261,714)	0	0	0	(261,714)
<i>Total Other Financing Sources (Uses)</i>	<u>(261,714)</u>	<u>261,714</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	5,902,444	258,044	(2,514,399)	(4,039,756)	(393,667)
<i>Fund Balances Beginning 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>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$29,403,777</u>	<u>\$2,990,032</u>	<u>(\$501,673)</u>	<u>\$1,033,994</u>	<u>\$32,926,130</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, 2008*

Net Change in Fund Balances - Total Governmental Funds (\$393,667)

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

Governmental funds report capital outlays as expenditures. However, in the statement of 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 capital outlay exceeded depreciation in the current period

Capital Asset Additions	6,453,841	
Current Year Depreciation	(1,394,279)	
Total		5,059,562

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

Taxes	(269,730)	
Accounts	714,452	
Intergovernmental	(270,995)	
Total		173,727

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets 940,000

Debt issuance costs will be amortized over the life of the debt on the statement of net assets. 79,173

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	(8,103)	
Amortization of Bond Premium	13,548	
Amortization of Bond Issuance Costs	(25,644)	
Amortization of Gain on Refunding	8,748	
Total		(11,451)

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 199,925

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. (305,276)

Change in Net Assets of Governmental Activities \$5,741,993

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Taxes	\$44,138,407	\$56,385,397	\$57,750,903	\$1,365,506
Intergovernmental	15,401,595	19,675,043	20,151,521	476,478
Interest	1,463,024	1,868,966	1,914,227	45,261
Tuition and Fees	2,514,215	3,252,937	3,335,302	82,365
Rentals	88,992	113,684	116,437	2,753
Charges for Services	20,001	25,551	26,170	619
Miscellaneous	476,083	608,180	622,910	14,730
<i>Total Revenues</i>	<u>64,102,317</u>	<u>81,929,758</u>	<u>83,917,470</u>	<u>1,987,712</u>
Expenditures				
Current:				
Instruction:				
Regular	32,813,895	33,649,774	33,599,769	50,005
Special	9,781,576	10,255,670	10,137,657	118,013
Vocational	691,022	729,128	727,878	1,250
Support Services:				
Pupil	4,027,344	4,197,103	4,196,712	391
Instructional Staff	5,656,754	5,815,415	5,800,682	14,733
Board of Education	41,093	42,319	42,261	58
Administration	4,182,826	4,352,104	4,351,066	1,038
Fiscal	2,530,217	2,590,392	2,590,307	85
Business	857,929	850,797	850,751	46
Operation and Maintenance of Plant	7,983,596	8,720,791	8,638,458	82,333
Pupil Transportation	3,970,826	4,093,323	4,093,159	164
Central	2,943,248	2,989,800	2,984,251	5,549
Operation of Non-Instructional Services	19,832	20,396	20,396	0
Extracurricular Activities	1,240,845	1,269,437	1,255,169	14,268
<i>Total Expenditures</i>	<u>76,741,003</u>	<u>79,576,449</u>	<u>79,288,516</u>	<u>287,933</u>
<i>Excess of Revenues Over (Under)</i>				
<i>Expenditures</i>	<u>(\$12,638,686)</u>	<u>\$2,353,309</u>	<u>\$4,628,954</u>	<u>\$2,275,645</u>

(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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Other Financing Sources (Uses)				
Advances In	\$397,207	\$507,419	\$519,707	\$12,288
Advances Out	(247,458)	(254,497)	(254,497)	0
Transfers Out	(254,475)	(261,714)	(261,714)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(104,726)</u>	<u>(8,792)</u>	<u>3,496</u>	<u>12,288</u>
<i>Net Change in Fund Balance</i>	(12,743,412)	2,344,517	4,632,450	2,287,933
<i>Fund Balance Beginning of Year</i>	21,420,229	21,420,229	21,420,229	0
Prior Year Encumbrances Appropriated	1,116,571	1,116,571	1,116,571	0
<i>Fund Balance End of Year</i>	<u>\$9,793,388</u>	<u>\$24,881,317</u>	<u>\$27,169,250</u>	<u>\$2,287,933</u>

See accompanying notes to the basic financial statements.

Berea City School District
Statement of Fund Net Assets
Internal Service Fund
June 30, 2008

	Governmental Activity - Internal Service Fund
Assets	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$2,951,314
Accounts Receivable	<u>1,776</u>
<i>Total Assets</i>	<u>2,953,090</u>
Liabilities	
Current Liabilities:	
Accounts Payable	29,940
Claims Payable	<u>1,029,177</u>
<i>Total Liabilities</i>	<u>1,059,117</u>
Net Assets	
Unrestricted	<u><u>\$1,893,973</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, 2008*

	Governmental Activity - Internal Service Fund
Operating Revenues	
Charges for Services	\$10,645,480
Operating Expenses	
Purchased Services	558,840
Claims	10,391,916
<i>Total Operating Expenses</i>	10,950,756
<i>Change in Net Assets</i>	(305,276)
<i>Net Assets Beginning of Year</i>	2,199,249
<i>Net Assets End of Year</i>	\$1,893,973

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, 2008

	Governmental Activity - Internal Service Fund
 Increase (Decrease) in Cash and Cash Equivalents	
 Cash Flows from Operating Activities	
Cash Received from Interfund Services	\$10,643,704
Cash Payments for Goods and Services	(528,900)
Cash Payments for Claims	(10,533,906)
 <i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	 (419,102)
 <i>Cash and Cash Equivalents Beginning of Year</i>	 3,370,416
 <i>Cash and Cash Equivalents End of Year</i>	 \$2,951,314
	(continued)

Berea City School District
Statement of Cash Flows
Internal Service Fund (continued)
For the Fiscal Year Ended June 30, 2008

	<u>Governmental Activity - Internal Service Fund</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	(\$305,276)
(Increase) Decrease in Assets:	
Accounts Receivable	(1,776)
Increase (Decrease) in Liabilities:	
Accounts Payable	29,940
Claims Payable	<u>(141,990)</u>
<i>Net Cash Used by Operating Activities</i>	<u><u>(\$419,102)</u></u>

See accompanying notes to the basic financial statements

Berea City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$13,923	\$176,720
Liabilities		
Undistributed Monies	0	\$32,571
Due to Students	0	144,149
<i>Total Liabilities</i>	0	\$176,720
Net Assets		
Held in Trust for Scholarships	13,923	
<i>Total Net Assets</i>	\$13,923	

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, 2008

	Scholarship
Additions	
Interest	\$522
Deductions	
Scholarships Awarded	525
<i>Change in Net Assets</i>	(3)
<i>Net Assets Beginning of Year</i>	13,926
<i>Net Assets End of Year</i>	\$13,923

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, 2008

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 459 classified employees, 554 certificated full-time personnel, and 50 administrators who provide services to 7,375 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. 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, 2008

The School District participates in three jointly governed organizations and one public entity risk pool. These organizations are presented in Note 19 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, 2008

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, 2008

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, 2008, but which were levied to finance fiscal year 2009 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, 2008

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.

Investments are reported at fair value which is based on quoted market prices.

Berea City School District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2008. 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, 2008.

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 2008 amounted to \$1,932,199 which includes \$488,300 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 20 for additional information regarding set-asides.

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2008, 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.

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.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

H. Bond Issuance Costs

On the government-wide financial statements, bond issuance costs are deferred and amortized over the term of the applicable bonds using the straight line method. On the governmental financial statements, issuance costs are reported as an expenditure in the fiscal year in which the bonds are issued. Bond issuance costs are generally paid from the bond proceeds.

I. Bond Premiums and Discounts

On the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums are receipted in the year the bonds are issued. On the government-wide financial statements, bond discounts are presented as a decrease of the face amount of the general obligation bonds payable. On the fund financial statements, bond discounts are expended in the year the bonds are issued.

J. 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.

K. 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 - 50 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, 2008

L. 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.

M. 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.

N. 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.

O. 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, 2008

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

Q. 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.

R. Internal Activity

Transfers within governmental activities are eliminated on the Statement of Activities. 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.

S. 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.

T. 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.

U. 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 function level in the general fund and the fund level for all other funds.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

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 Change in Accounting Estimate

A. Changes in Accounting Principles

For fiscal year 2008, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions”, GASB Statement No. 48, “Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues”, and GASB Statement No. 50, “Pension Disclosures”.

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees’ years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this Statement for both the SERS and STRS post-employment healthcare plans in the amounts of \$226,620 and \$85,075 respectively, which are the same as the previously reported liabilities.

GASB Statement No. 48 addresses how to account for the exchange of an interest in expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments. The statement established criteria used to determine whether the transaction should be recorded as revenue or as a liability (a sale or a collateralized borrowing). The implementation of this statement did not result in any change to the financial statements.

GASB Statement No. 50 requires employers contributing to defined pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements. The implementation of this statement did not result in any change to the financial statements.

B. Change in Accounting Estimate

Capital assets were understated by \$6,916,932 as of June 30, 2007. The change in accounting estimate increased net assets from \$35,845,701 to \$42,762,633.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 4 –Accountability

The following fund had deficit fund balances/net assets at June 30, 2008:

Permanent Improvement	
Capital Projects Fund	\$501,673
Special Revenue Funds	
Title VI-B	122,637
Title I	36,394
Preschool at Risk	26
Preschool	11,717
Title II-A	1,705

The deficit in the permanent improvement capital projects fund is a result of the issuance of the tax anticipation notes. The deficit will be eliminated once the obligation is paid in full. 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).
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:

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Net Change in Fund Balance

GAAP Basis	\$5,902,444
Net Adjustment for Revenue Accruals	(732,730)
Advances In	519,707
Ending Fair Value Adjustment for Investments	(17,972)
Net Adjustment for Expenditure Accruals	724,084
Advances Out	(254,497)
Adjustment for Encumbrances	<u>(1,508,586)</u>
Budget Basis	<u><u>\$4,632,450</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 2008 represents collections of calendar year 2007 taxes. Real property taxes received in calendar year 2008 were levied after April 1, 2007, on the assessed value listed as of January 1, 2007, 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 2008 represents collections of calendar year 2007 taxes. Public utility real and tangible personal property taxes received in calendar year 2008 became a lien December 31, 2006, were levied after April 1, 2007 and are collected in 2008 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2008 (other than public utility property tax) represents the collection of 2008 taxes. Tangible personal property taxes received in calendar year 2008 were levied after April 1, 2007, on the value as of December 31, 2007. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent. This will be reduced to 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 2008 the School District received the final personal property tax payment in July of 2008.

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, 2008, are available to finance fiscal year 2008 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2008 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, 2008 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, 2008 was \$4,253,374 in the general fund, \$99,107 in the debt service fund and \$106,990 in the permanent improvement capital projects fund. 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.

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

The assessed values upon which the fiscal year 2008 taxes were collected are:

	2007 Second- Half Collections		2008 First- Half Collections	
Agricultural/Residential and Other Real Estate	\$1,432,514,450	89.31 %	\$1,449,053,260	95.06 %
Public Utility Personal	33,418,780	2.08	24,572,320	1.61
Tangible Personal Property	138,126,787	8.61	50,767,689	3.33
Total	\$1,604,060,017	100.00 %	\$1,524,393,269	100.00 %
Original Tax Rate per \$1,000 of Assessed Valuation	\$74.90		\$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.

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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;
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, \$26,894,751 of the School District's bank balance of \$27,381,573 was uninsured and uncollateralized. Although the collateral 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.

Berea City School District
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Investments

As of June 30, 2008, the School District had \$12,474,272 invested in STAROhio, which had an average maturity of 53.8 days.

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.

Credit Risk 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.

Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2008, was as follows:

	Balance 6/30/07	Additions	Deductions	Balance 6/30/08
Governmental Activities				
<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	615,342	0	3,140,643
Buildings and Improvements	45,839,661	5,191,749	0	51,031,410
Furniture and Equipment	3,157,468	236,846	0	3,394,314
Vehicles	3,976,737	409,904	(234,917)	4,151,724
<i>Total Capital Assets, Being Depreciated</i>	<u>55,499,167</u>	<u>6,453,841</u>	<u>(234,917)</u>	<u>61,718,091</u>
Less Accumulated Depreciation:				
Land Improvements	(1,255,853)	(104,688)	0	(1,360,541)
Buildings and Improvements	(26,701,962)	(875,048)	0	(27,577,010)
Furniture and Equipment	(2,279,084)	(156,615)	0	(2,435,699)
Vehicles	(2,812,103)	(257,928)	234,917	(2,835,114)
<i>Total Accumulated Depreciation</i>	<u>(33,049,002)</u>	<u>(1,394,279) *</u>	<u>234,917</u>	<u>(34,208,364)</u>
Total Capital Assets, Being Depreciated, Net	<u>22,450,165</u>	<u>5,059,562</u>	<u>0</u>	<u>27,509,727</u>
Governmental Activities Capital Assets, Net	<u>\$23,368,382</u>	<u>\$5,059,562</u>	<u>\$0</u>	<u>\$28,427,944</u>

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

Instruction:	
Regular	\$402,374
Special	107,575
Vocational	7,703
Adult Continuing	2,030
Support Services:	
Pupil	38,057
Instructional Staff	226,047
Administration	66,611
Fiscal	10,720
Business	3,045
Operation of Maintenance and Plant	140,138
Pupil Transportation	306,481
Central	29,641
Operation of Non-Instructional Services	50,768
Extracurricular Activities	3,089
Total Depreciation Expense	\$1,394,279

Note 9 - Interfund Activity

A. Interfund Balances

Interfund balances at June 30, 2008, consist of the following individual fund receivables and payables:

Interfund Payable	Interfund Receivable
	General
Nonmajor Governmental Funds	
Title VI-B	\$248,189
Preschool	6,308
Total	\$254,497

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.

Berea City School District
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B. Interfund Transfers

The general fund transferred \$261,714 to the debt service fund. The transfers were made to pay the principal and interest payments on the 2007 energy conservation general obligation bonds .

Note 10 – Receivables

Receivables at June 30, 2008, 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:

Governmental Activities	Amounts
Personal Property Tax Loss	\$3,530,745
Real Property Valuation Adjustment	2,058,956
Tuition and Fees	1,436,280
Miscellaneous	6,101
Food Service Subsidies	105,839
Title I	126,451
Title IIA	166,827
Technology IID	8,410
Title III	32,841
Drug Free Schools	9,563
Title V	21,204
Title VI-B	642,343
Preschool	44,488
<i>Total Governmental Activities</i>	<u><u>\$8,190,048</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 2008, 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.

Berea City School District
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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.

B. Workers' Compensation

For fiscal year 2008, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 19). 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. From July 1, 2007 through September 30, 2007 Medical Mutual of Ohio provided claim review and processing. Beginning October 1, 2007 Emerald Health became the provider network, Ameriscript provides prescription services and MedCost of North Carolina 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 and specific stop loss is set at \$150,000 with a \$100,000 deductible. For 2008 the carrier was Gerber Life. The aggregate stop-loss was not met in 2008, but the specific was. Medical Mutual of Ohio provided claim review and processing during the run off period.

The claims liability at June 30, 2008 estimated by the third party administrator to be \$1,029,177, 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 2008 and 2007 were:

	Beginning of Year	Year Claims	Claim Payments	End of Year
2007	\$1,330,595	\$7,605,805	\$7,765,233	\$1,171,167
2008	1,171,167	10,391,916	10,533,906	1,029,177

Berea City School District
Notes to the Basic Financial Statements
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Note 12 - Defined Benefit Pension Plans

A. School Employee Retirement System

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

Funding Policy - 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 2008, 9.16 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2008, 2007 and 2006 were \$1,269,009, \$1,395,261 and \$1,332,270 respectively; 46.68 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

B. State Teachers Retirement System

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

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

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

Berea City School District
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Funding Policy - For the fiscal year ended June 30, 2008, 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 2007, 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, 2008, 2007, and 2006 were \$4,793,547, \$4,494,270 and \$4,365,329 respectively; 73.10 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006. Contributions to the DC and Combined Plans for fiscal year 2008 \$65,576 were made by the School District and \$88,667 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2008 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

A. School Employee Retirement System

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

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2008, 4.18 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2008, this amount was \$37,660.

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

The School District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$684,671, \$534,647 and \$533,623 respectively; 46.68 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

Berea City School District
Notes to the Basic Financial Statements
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The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2008, this actuarially required allocation was 0.66 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2008, 2007, and 2006 were \$91,435, \$88,837, and \$98,220 respectively; 46.68 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

B. State Teachers Retirement System

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2008, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$368,734, \$345,713, and \$335,795 respectively; 73.10 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

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 for these employees began 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. A new Early Retirement Incentive program was open for certified employees between October 1, 2007 and October 31, 2007. The dates for retirement were January 18, 2008 and June 30, 2008. These individuals are to receive a lump sum stipend based on the years of service with the District. The lump sum varies from \$5,000 to \$15,000 per individual and will be paid in October 2008. Five individuals elected to take this incentive.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

The School District offered administrative employees participation in an Early Retirement Incentive program. Participation was open for these employees between November 7, 2005 and 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 October 15, 2007 and October 25, 2007. The final dates for retirement are between November 30, 2007 and June 30, 2008. A total of 12 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. The incentive payment will be made between April 16, 2008 and October 16, 2008.

The School District recorded an “Early Retirement Incentive Payable” liability for the amounts owed to these employees at June 30, 2008.

		Principal Outstanding 6/30/2007	Additions	Deductions		Principal Outstanding 6/30/2008
Early Retirement Incentive	\$	214,964	0	37,914	\$	177,050

C.. Health and Life Insurance

The School District operates and manages employee medical benefits on a self-insured basis. Medical Mutual of Ohio provided claim review and processing for the period of July 1, 2007 through September 30, 2007. MedCost of North Carolina provides claim review and processing as of October 1, 2007.

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.

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 are 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, 2008.

Berea City School District
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B. Litigation

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

Note 16 – Contractual Commitments

At June 30, 2007 the School District had \$213,509 in contractual commitments for various improvements within the School District.

Note 17 – Notes Payable

On August 29, 2007, the School District issued \$2,820,000, 4.0 percent tax anticipation notes. These notes were issued for various capital improvements in the District. The notes were issued at a premium of \$38,834. The premium is amortized over 10 years using the straight-line method. Principal and interest requirements to retire long-term liabilities outstanding at June 30, 2008 are as follows:

Fiscal Year Ending June 30	Tax Anticipation Notes		Total
	Principal	Interest	
2009	\$235,000	111,656	346,656
2010	245,000	102,350	347,350
2011	255,000	92,350	347,350
2012	265,000	81,950	346,950
2013-2018	1,820,000	240,269	2,060,269
Total	\$2,820,000	\$628,575	\$3,448,575

The School District's note activity, including amounts outstanding and interest rates are as follows:

	Principal Outstanding 6/30/2007	Additions	Deductions	Principal Outstanding 6/30/2008
Permanent Improvement 2008 Capital Projects 4.0%				
Tax Anticipation Notes	\$0	\$2,820,000	\$0	\$2,820,000
Premium on Notes	0	38,834	3,489	35,345
Total Notes	\$0	\$2,858,834	\$3,489	\$2,855,345

The tax anticipation notes were used to pay for capital improvements to the buildings. The tax anticipation notes are paid from the permanent improvement capital projects fund with property tax revenue.

Berea City School District
Notes to the Basic Financial Statements
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Note 18 – Long – Term Liabilities

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

	Principal Outstanding 6/30/07	Additions	Reductions	Principal Outstanding 6/30/08	Amounts Due in One Year
Governmental Activities					
General Obligation Bonds:					
2003 School Improvement Refunding	\$8,750,000	\$0	\$730,000	\$8,020,000	\$715,000
Deferred Amount on Refunding	94,054	0	8,748	85,306	0
2005 Bus Acquisition Bonds	505,000	0	65,000	440,000	65,000
2005 Energy Conservation Bonds	270,000	0	35,000	235,000	35,000
Premium on Bonds	19,293	0	3,216	16,077	0
2006 Bus Acquisition Bonds	555,000	0	45,000	510,000	50,000
2006 Motor Vehicle Acquisition Bonds	40,000	0	10,000	30,000	10,000
Premium on Bonds	12,031	0	1,416	10,615	0
2007 Energy Conservation Bonds	6,312,802	0	0	6,312,802	307,802
Premium on Bonds	133,687	0	8,628	125,059	0
2007 Various Purpose Bonds	305,000	0	55,000	250,000	60,000
Premium on Bonds	965	0	288	677	0
Total General Obligation Bonds	16,997,832	0	962,296	16,035,536	1,242,802
Compensated Absences	4,158,456	54,236	254,161	3,958,531	552,413
Total Governmental Activities					
Long-Term Liabilities	<u>\$21,156,288</u>	<u>\$54,236</u>	<u>\$1,216,457</u>	<u>\$19,994,067</u>	<u>\$1,795,215</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 1993 bonds are paid in full.

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, 2008

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 \$123,018,909 with an unvoted debt margin of \$1,467,765. Principal and interest requirements to retire long-term liabilities outstanding at June 30, 2008 are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Total
	Principal	Interest	
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	\$15,797,802	\$4,402,469	\$20,200,271

Note 19 - 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, 2008

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 121 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each school district's member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Associations. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2008 the School District paid \$6,894 to the Council. Financial information can be obtained by contacting David Cottrell, the Executive Director/Treasurer of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The Council provides the District with the ability to purchase natural gas at reduced rates, The District must commit for a twelve year period. There are currently 137 districts in the Program. The participants make monthly payments based on the estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The School District also participates in the Council's electric purchase program. The Council provides 238 school districts and 11 MR/DD boards in the First Energy territory (Cleveland Electric Illuminating, Ohio Edison, Toledo Edison) the ability to purchase electricity at reduced rates if the school district committed to participating in either a thirty-six month (Cleveland Electric Illuminating Company) or a forty-four month (Ohio Edison and Toledo Edison) program beginning either May 1, 2005 or January 1, 2006 and ending December 31, 2008. Each month, the Council invoices participants based on estimated payments and they then compare it to their actual usage for the year (July to June). Refund checks are issued to districts that consumed less than their projected usage of electrical energy and districts that have overconsumed are invoiced.

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, 2008

Note 20 - 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
Set Aside Reserve Balance as of June 30, 2007	\$0	\$431,846
Current year set-aside requirement	1,125,647	1,125,647
Current Year Offset	(1,178,990)	(500,000)
Qualifying Disbursements	<u>(192,761)</u>	<u>(1,025,201)</u>
Total	<u>(\$246,104)</u>	<u>\$32,292</u>
Set-aside Reserve Balance as of June 30, 2008	<u>\$0</u>	<u>\$32,292</u>

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



Victoria K.

1st Grade

Big Creek Elementary School

Art Instructor: Kathy Jadud

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.

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.

(continued)

Berea City School District

Nonmajor Special Revenue Funds (continued)

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
Telecommunity Grant Fund
Title IIA Fund
Core Implementation Grant Fund
Poverty Based Assistance Grant Fund
Title III Fund
Master Teacher Pilot Program Grant Fund
Integrated Enhancement Program Grant Fund
Entry Year Teacher 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.



Jared M.

4th Grade

Parknoll Elementary School

Art Instructor: Denise Krock

Berea City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,604,249	\$60,791	\$1,665,040
Cash and Cash Equivalents with Escrow Agents	0	62,000	62,000
Accounts Receivable	5,029	0	5,029
Intergovernmental Receivable	1,157,966	0	1,157,966
Inventory Held for Resale	30,233	0	30,233
Materials and Supplies Inventory	15,264	0	15,264
<i>Total Assets</i>	<u>\$2,812,741</u>	<u>\$122,791</u>	<u>\$2,935,532</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$141,693	\$0	\$141,693
Contracts Payable	0	15,687	15,687
Accrued Wages	209,478	0	209,478
Compensated Absences Payable	28,600	0	28,600
Retainage Payable	0	62,000	62,000
Interfund Payable	254,497	0	254,497
Intergovernmental Payable	128,307	0	128,307
Deferred Revenue	1,027,326	0	1,027,326
Early Retirement Incentive Payable	33,950	0	33,950
<i>Total Liabilities</i>	<u>1,823,851</u>	<u>77,687</u>	<u>1,901,538</u>
Fund Balances			
Reserved for Encumbrances	242,239	91,686	333,925
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	746,651	0	746,651
Capital Projects Funds (Deficit)	0	(46,582)	(46,582)
<i>Total Fund Balances</i>	<u>988,890</u>	<u>45,104</u>	<u>1,033,994</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,812,741</u>	<u>\$122,791</u>	<u>\$2,935,532</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, 2008

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$4,777,467	\$91,726	\$4,869,193
Interest	26,742	0	26,742
Tuition and Fees	1,207,844	0	1,207,844
Extracurricular Activities	623,628	0	623,628
Charges for Services	1,423,058	0	1,423,058
Contributions and Donations	111,687	0	111,687
Miscellaneous	89,439	0	89,439
<i>Total Revenues</i>	<u>8,259,865</u>	<u>91,726</u>	<u>8,351,591</u>
Expenditures			
Current:			
Instruction:			
Regular	411,734	0	411,734
Special	1,424,595	0	1,424,595
Adult/Continuing	192,654	0	192,654
Support Services:			
Pupil	797,446	0	797,446
Instructional Staff	796,406	0	796,406
Administration	86,347	0	86,347
Pupil Transportation	124,286	0	124,286
Central	10,390	0	10,390
Operation of Non-Instructional Services	4,162,440	0	4,162,440
Extracurricular Activities	512,329	0	512,329
Capital Outlay	0	3,872,720	3,872,720
<i>Total Expenditures</i>	<u>8,518,627</u>	<u>3,872,720</u>	<u>12,391,347</u>
<i>Net Change in Fund Balances</i>	(258,762)	(3,780,994)	(4,039,756)
<i>Fund Balances Beginning of Year</i>	<u>1,247,652</u>	<u>3,826,098</u>	<u>5,073,750</u>
<i>Fund Balances End of Year</i>	<u><u>\$988,890</u></u>	<u><u>\$45,104</u></u>	<u><u>\$1,033,994</u></u>

Berea City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008

	Title VI-B	Auxiliary Services	Title I
Assets			
Equity in Pooled Cash and Cash Equivalents	\$251,501	\$58,347	\$41,043
Accounts Receivable	0	0	0
Intergovernmental Receivable	642,343	0	126,451
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$893,844</u>	<u>\$58,347</u>	<u>\$167,494</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$107,740	\$18,431	\$0
Accrued Wages	31,191	0	67,927
Compensated Absences Payable	0	0	0
Interfund Payable	248,189	0	0
Intergovernmental Payable	5,846	3,270	9,510
Deferred Revenue	623,515	0	126,451
Early Retirement Incentive Payable	0	0	0
<i>Total Liabilities</i>	<u>1,016,481</u>	<u>21,701</u>	<u>203,888</u>
Fund Balances:			
Reserve for Encumbrances	153,848	13,622	235
Unreserved, Undesignated (Deficit)	<u>(276,485)</u>	<u>23,024</u>	<u>(36,629)</u>
<i>Total Fund (Deficit) Balances</i>	<u>(122,637)</u>	<u>36,646</u>	<u>(36,394)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$893,844</u>	<u>\$58,347</u>	<u>\$167,494</u>

District Managed Student Activities	Preschool At Risk	Public School Support	Local Grants
\$247,155	\$13,456	\$176,319	\$62,128
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<u>\$247,155</u>	<u>\$13,456</u>	<u>\$176,319</u>	<u>\$62,128</u>
\$2,017	\$0	\$2,450	\$3,044
0	11,826	0	0
0	0	0	0
0	0	0	0
620	1,656	0	0
0	0	0	0
0	0	0	0
<u>2,637</u>	<u>13,482</u>	<u>2,450</u>	<u>3,044</u>
14,506	1,778	15,019	587
<u>230,012</u>	<u>(1,804)</u>	<u>158,850</u>	<u>58,497</u>
<u>244,518</u>	<u>(26)</u>	<u>173,869</u>	<u>59,084</u>
<u>\$247,155</u>	<u>\$13,456</u>	<u>\$176,319</u>	<u>\$62,128</u>

(continued)

Berea City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2008

	Preschool	Title V	Drug Free Schools
Assets			
Equity in Pooled Cash and Cash Equivalents	\$879	\$1,184	\$2,042
Accounts Receivable	0	0	0
Intergovernmental Receivable	44,488	21,204	9,563
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$45,367</u>	<u>\$22,388</u>	<u>\$11,605</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$139	\$0	\$0
Accrued Wages	5,394	0	0
Compensated Absences Payable	0	0	0
Interfund Payable	6,308	0	0
Intergovernmental Payable	755	0	0
Deferred Revenue	44,488	20,034	9,563
Early Retirement Incentive Payable	0	0	0
<i>Total Liabilities</i>	<u>57,084</u>	<u>20,034</u>	<u>9,563</u>
Fund Balances:			
Reserve for Encumbrances	739	1,033	0
Unreserved, Undesignated (Deficit)	(12,456)	1,321	2,042
<i>Total Fund (Deficit) Balances</i>	<u>(11,717)</u>	<u>2,354</u>	<u>2,042</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$45,367</u>	<u>\$22,388</u>	<u>\$11,605</u>

Ohio Reads	Food Service	Uniform School Supplies	Adult and Community Education
\$2,001	\$526,150	\$4,301	\$165,266
0	0	0	5,029
0	105,839	0	0
0	24,478	5,755	0
0	15,264	0	0
<u>\$2,001</u>	<u>\$671,731</u>	<u>\$10,056</u>	<u>\$170,295</u>

\$0	\$516	\$0	\$7,356
0	48,534	0	34,014
0	20,266	0	8,334
0	0	0	0
0	58,142	0	47,025
0	0	0	0
0	20,300	0	13,650
0	147,758	0	110,379
0	24,068	0	12,778
2,001	499,905	10,056	47,138
2,001	523,973	10,056	59,916
<u>\$2,001</u>	<u>\$671,731</u>	<u>\$10,056</u>	<u>\$170,295</u>

(continued)

Berea City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2008

	EMIS	Teacher Training and Development	School Professional Development
Assets			
Equity in Pooled Cash and Cash Equivalents	\$21,190	\$305	\$1,094
Accounts Receivable	0	0	0
Intergovernmental Receivable	0	0	0
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$21,190</u>	<u>\$305</u>	<u>\$1,094</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$0	\$0
Accrued Wages	0	0	0
Compensated Absences 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>
Fund Balances:			
Reserve for Encumbrances	0	0	0
Unreserved, Undesignated (Deficit)	21,190	305	1,094
<i>Total Fund (Deficit) Balances</i>	<u>21,190</u>	<u>305</u>	<u>1,094</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$21,190</u>	<u>\$305</u>	<u>\$1,094</u>

Technology IID	Parent Mentor Grant	Safe School Helpline	Title IIA
\$1,437	\$9,060	\$27	\$8,186
0	0	0	0
8,410	0	0	166,827
0	0	0	0
0	0	0	0
<u>\$9,847</u>	<u>\$9,060</u>	<u>\$27</u>	<u>\$175,013</u>

\$0	\$0	\$0	\$0
0	0	0	8,676
0	0	0	0
0	0	0	0
0	0	0	1,215
8,410	0	0	166,827
0	0	0	0
8,410	0	0	176,718
0	70	0	3,906
1,437	8,990	27	(5,611)
1,437	9,060	27	(1,705)
<u>\$9,847</u>	<u>\$9,060</u>	<u>\$27</u>	<u>\$175,013</u>

(continued)

Berea City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2008

	Title III	Master Teacher Pilot Program Grant	Integrated Enhancement Program Grant
Assets			
Equity in Pooled Cash and Cash Equivalents	\$616	\$32	\$2,530
Accounts Receivable	0	0	0
Intergovernmental Receivable	32,841	0	0
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$33,457</u>	<u>\$32</u>	<u>\$2,530</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$0	\$0
Accrued Wages	1,916	0	0
Compensated Absences Payable	0	0	0
Interfund Payable	0	0	0
Intergovernmental Payable	268	0	0
Deferred Revenue	28,038	0	0
Early Retirement Incentive Payable	0	0	0
<i>Total Liabilities</i>	<u>30,222</u>	<u>0</u>	<u>0</u>
Fund Balances:			
Reserve for Encumbrances	50	0	0
Unreserved, Undesignated (Deficit)	3,185	32	2,530
<i>Total Fund (Deficit) Balances</i>	<u>3,235</u>	<u>32</u>	<u>2,530</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$33,457</u>	<u>\$32</u>	<u>\$2,530</u>

Entry Year Teacher Grant	Total Nonmajor Special Revenue Funds
\$8,000	\$1,604,249
0	5,029
0	1,157,966
0	30,233
0	15,264
<u>\$8,000</u>	<u>\$2,812,741</u>

\$0	\$141,693
0	209,478
0	28,600
0	254,497
0	128,307
0	1,027,326
0	33,950
0	1,823,851
0	242,239
<u>8,000</u>	<u>746,651</u>
<u>8,000</u>	<u>988,890</u>
<u>\$8,000</u>	<u>\$2,812,741</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, 2008

	Title VI-B	Auxiliary Services	Title I	District Managed Student Activities
Revenues				
Intergovernmental	\$1,995,010	\$865,061	\$631,079	\$0
Interest	0	3,526	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	423,916
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	38,966
Miscellaneous	0	0	0	14,222
<i>Total Revenues</i>	<u>1,995,010</u>	<u>868,587</u>	<u>631,079</u>	<u>477,104</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	0	0
Special	856,001	0	567,192	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	760,147	0	0	2,938
Instructional Staff	277,537	0	30,068	0
Administration	53,686	0	0	0
Pupil Transportation	7,556	0	0	38,269
Central	0	0	0	0
Operation of Non-Instructional				
Services	110,188	802,582	18,348	0
Extracurricular Activities	0	0	0	480,747
<i>Total Expenditures</i>	<u>2,065,115</u>	<u>802,582</u>	<u>615,608</u>	<u>521,954</u>
<i>Net Change in Fund Balance</i>	(70,105)	66,005	15,471	(44,850)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(52,532)</u>	<u>(29,359)</u>	<u>(51,865)</u>	<u>289,368</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$122,637)</u></u>	<u><u>\$36,646</u></u>	<u><u>(\$36,394)</u></u>	<u><u>\$244,518</u></u>

Preschool At Risk	Public School Support	Local Grants	Preschool
\$232,453	\$0	\$0	\$43,069
0	0	1,303	0
0	0	0	0
0	199,712	0	0
0	0	0	0
0	62,228	10,493	0
0	52,297	0	0
232,453	314,237	11,796	43,069
131,619	46,048	39,946	0
0	1,402	0	0
0	0	0	0
156	3,135	0	25,939
69,042	255,503	0	24,676
31,911	0	0	0
0	0	78,461	0
0	0	0	0
0	174	0	0
0	28,582	3,000	0
232,728	334,844	121,407	50,615
(275)	(20,607)	(109,611)	(7,546)
249	194,476	168,695	(4,171)
(\$26)	\$173,869	\$59,084	(\$11,717)

(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, 2008

	Title V	Drug Free Schools	Ohio Reads	Food Service
Revenues				
Intergovernmental	\$13,168	\$10,141	\$0	\$746,887
Interest	0	0	0	21,913
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	1,423,058
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	15,477
<i>Total Revenues</i>	<u>13,168</u>	<u>10,141</u>	<u>0</u>	<u>2,207,335</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	1,256	0
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	0	5,131	0	0
Instructional Staff	10,602	3,684	0	0
Administration	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional				
Services	156	0	0	2,179,084
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>10,758</u>	<u>8,815</u>	<u>1,256</u>	<u>2,179,084</u>
<i>Net Change in Fund Balance</i>	2,410	1,326	(1,256)	28,251
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(56)</u>	<u>716</u>	<u>3,257</u>	<u>495,722</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$2,354</u>	<u>\$2,042</u>	<u>\$2,001</u>	<u>\$523,973</u>

Uniform School Supplies	Adult and Community Education	EMIS	Teacher Training and Development
\$0	\$0	\$26,573	\$0
0	0	0	0
57,300	1,150,544	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	7,443	0	0
57,300	1,157,987	26,573	0
64,203	0	0	0
0	0	0	0
0	192,654	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	10,390	0
0	1,051,872	0	0
0	0	0	0
64,203	1,244,526	10,390	0
(6,903)	(86,539)	16,183	0
16,959	146,455	5,007	305
\$10,056	\$59,916	\$21,190	\$305

(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, 2008

	School Professional Development	Technology IID	Parent Mentor Grant	School Improvement Grant
Revenues				
Intergovernmental	\$2,741	\$521	\$22,215	\$0
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>2,741</u>	<u>521</u>	<u>22,215</u>	<u>0</u>
Expenditures				
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	2,718	0	17,100	6
Administration	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional				
Services	0	36	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>2,718</u>	<u>36</u>	<u>17,100</u>	<u>6</u>
<i>Net Change in Fund Balance</i>	23	485	5,115	(6)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>1,071</u>	<u>952</u>	<u>3,945</u>	<u>6</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,094</u>	<u>\$1,437</u>	<u>\$9,060</u>	<u>\$0</u>

Safe School Helpline	Telecommunity Grant	Title IIA	Core Implementation Grant
\$0	\$0	\$114,120	\$7,219
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	114,120	7,219
0	0	82,863	0
0	0	0	0
0	0	0	0
0	0	0	0
0	70,849	18,964	9,219
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	70,849	101,827	9,219
0	(70,849)	12,293	(2,000)
27	70,849	(13,998)	2,000
\$27	\$0	(\$1,705)	\$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, 2008

	Poverty Based Assistance Grant	Title III	Master Teacher Pilot Program Grant	Integrated Enhancement Program Grant
Revenues				
Intergovernmental	\$10,935	\$25,725	\$4,000	\$5,000
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>10,935</u>	<u>25,725</u>	<u>4,000</u>	<u>5,000</u>
Expenditures				
Current:				
Instruction:				
Regular	12,266	20,733	0	0
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	3,968	2,470
Administration	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>12,266</u>	<u>20,733</u>	<u>3,968</u>	<u>2,470</u>
<i>Net Change in Fund Balance</i>	(1,331)	4,992	32	2,530
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>1,331</u>	<u>(1,757)</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$0</u>	<u>\$3,235</u>	<u>\$32</u>	<u>\$2,530</u>

Entry Year Teacher	Total Nonmajor Special Revenue Funds
\$21,550	\$4,777,467
0	26,742
0	1,207,844
0	623,628
0	1,423,058
0	111,687
0	89,439
<u>21,550</u>	<u>8,259,865</u>
12,800	411,734
0	1,424,595
0	192,654
0	797,446
0	796,406
750	86,347
0	124,286
0	10,390
0	4,162,440
0	512,329
<u>13,550</u>	<u>8,518,627</u>
8,000	(258,762)
0	1,247,652
<u>\$8,000</u>	<u>\$988,890</u>

Berea City Schools
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2008

	Building	School Net
Assets		
Equity in Pooled Cash and Cash Equivalents	\$35,301	\$1,724
Cash and Cash Equivalents with Escrow Agents	62,000	0
Total Assets	\$97,301	\$1,724
Liabilities and Fund Balances		
Contracts Payable	\$15,687	\$0
Retainage Payable	62,000	0
<i>Total Liabilities</i>	<i>77,687</i>	<i>0</i>
Fund Balances:		
Reserved for Encumbrances	91,686	0
Unreserved, Undesignated (Deficit)	(72,072)	1,724
<i>Total Fund Balances</i>	<i>19,614</i>	<i>1,724</i>
<i>Total Liabilities and Fund Balances</i>	<i>\$97,301</i>	<i>\$1,724</i>

Network Connectivity	Interactive Video Lab	Total Nonmajor Capital Projects Funds
\$21,366	\$2,400	\$60,791
<u>0</u>	<u>0</u>	<u>62,000</u>
<u>\$21,366</u>	<u>\$2,400</u>	<u>\$122,791</u>
\$0	\$0	\$15,687
<u>0</u>	<u>0</u>	<u>62,000</u>
<u>0</u>	<u>0</u>	<u>77,687</u>
0	0	91,686
<u>21,366</u>	<u>2,400</u>	<u>(46,582)</u>
<u>21,366</u>	<u>2,400</u>	<u>45,104</u>
<u>\$21,366</u>	<u>\$2,400</u>	<u>\$122,791</u>

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, 2008

	Building	School Net
Revenues		
Intergovernmental	\$0	\$52,726
Expenditures		
Capital Outlay	3,792,406	52,726
<i>Net Change in Fund Balance</i>	(3,792,406)	0
<i>Fund Balance Beginning of Year</i>	3,812,020	1,724
<i>Fund Balances End of Year</i>	\$19,614	\$1,724

Network Connectivity	Interactive Video Lab	Total Nonmajor Capital Projects Funds
\$39,000	\$0	\$91,726
27,588	0	3,872,720
11,412	0	(3,780,994)
9,954	2,400	3,826,098
\$21,366	\$2,400	\$45,104

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, 2008

	<u>Balance</u> <u>6-30-07</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6-30-08</u>
<i>Student Activities</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$154,372</u>	<u>\$214,372</u>	<u>\$224,595</u>	<u>\$144,149</u>
<i>Total Assets</i>	<u><u>\$154,372</u></u>	<u><u>\$214,372</u></u>	<u><u>\$224,595</u></u>	<u><u>\$144,149</u></u>
Liabilities				
Due to Students	<u>\$154,372</u>	<u>\$214,372</u>	<u>\$224,595</u>	<u>\$144,149</u>
<i>Total Liabilities</i>	<u><u>\$154,372</u></u>	<u><u>\$214,372</u></u>	<u><u>\$224,595</u></u>	<u><u>\$144,149</u></u>
<i>Employee Benefits</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$0</u>	<u>\$146,612</u>	<u>\$139,154</u>	<u>\$7,458</u>
<i>Total Assets</i>	<u><u>\$0</u></u>	<u><u>\$146,612</u></u>	<u><u>\$139,154</u></u>	<u><u>\$7,458</u></u>
Liabilities				
Undistributed Monies (Deficit)	<u>\$0</u>	<u>\$146,612</u>	<u>\$139,154</u>	<u>\$7,458</u>
<i>Total Liabilities</i>	<u><u>\$0</u></u>	<u><u>\$146,612</u></u>	<u><u>\$139,154</u></u>	<u><u>\$7,458</u></u>
<i>Staff Services</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$22,781</u>	<u>\$31,923</u>	<u>\$29,591</u>	<u>\$25,113</u>
<i>Total Assets</i>	<u><u>\$22,781</u></u>	<u><u>\$31,923</u></u>	<u><u>\$29,591</u></u>	<u><u>\$25,113</u></u>
Liabilities				
Undistributed Monies	<u>\$22,781</u>	<u>\$31,923</u>	<u>\$29,591</u>	<u>\$25,113</u>
<i>Total Liabilities</i>	<u><u>\$22,781</u></u>	<u><u>\$31,923</u></u>	<u><u>\$29,591</u></u>	<u><u>\$25,113</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, 2008

	<u>Balance</u> 6-30-07	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> 6-30-08
<i>All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$177,153</u>	<u>\$392,907</u>	<u>\$393,340</u>	<u>\$176,720</u>
<i>Total Assets</i>	<u><u>\$177,153</u></u>	<u><u>\$392,907</u></u>	<u><u>\$393,340</u></u>	<u><u>\$176,720</u></u>
Liabilities				
Undistributed Monies	\$22,781	\$178,535	\$168,745	\$32,571
Due to Students	<u>154,372</u>	<u>214,372</u>	<u>224,595</u>	<u>144,149</u>
<i>Total Liabilities</i>	<u><u>\$177,153</u></u>	<u><u>\$392,907</u></u>	<u><u>\$393,340</u></u>	<u><u>\$176,720</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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$44,138,407	\$56,385,397	\$57,750,903	\$1,365,506
Intergovernmental	15,401,595	19,675,043	20,151,521	476,478
Interest	1,463,024	1,868,966	1,914,227	45,261
Tuition and Fees	2,514,215	3,252,937	3,335,302	82,365
Rentals	88,992	113,684	116,437	2,753
Charges for Services	20,001	25,551	26,170	619
Miscellaneous	476,083	608,180	622,910	14,730
<i>Total Revenues</i>	<u>64,102,317</u>	<u>81,929,758</u>	<u>83,917,470</u>	<u>1,987,712</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	20,549,348	21,133,914	21,133,914	0
Fringe Benefits	10,537,377	10,837,133	10,837,133	0
Purchased Services	235,476	210,111	210,111	0
Materials and Supplies	1,285,310	1,329,224	1,283,882	45,342
Capital Outlay - New	205,324	136,577	132,517	4,060
Capital Outlay - Replacement	461	1,640	1,521	119
Other	599	1,175	691	484
Total Regular	<u>32,813,895</u>	<u>33,649,774</u>	<u>33,599,769</u>	<u>50,005</u>
Special:				
Salaries and Wages	5,429,866	5,676,818	5,584,330	92,488
Fringe Benefits	2,415,503	2,492,242	2,484,207	8,035
Purchased Services	1,854,909	1,995,894	1,987,299	8,595
Materials and Supplies	21,297	24,090	21,562	2,528
Capital Outlay - New	60,001	66,626	60,259	6,367
Total Special	<u>\$9,781,576</u>	<u>\$10,255,670</u>	<u>\$10,137,657</u>	<u>\$118,013</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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Vocational:				
Salaries and Wages	\$470,076	\$483,666	\$483,448	\$218
Fringe Benefits	215,199	221,321	221,321	0
Purchased Services	1,777	2,240	2,238	2
Materials and Supplies	3,970	5,901	4,871	1,030
Capital Outlay - New	0	16,000	16,000	0
Total Vocational	691,022	729,128	727,878	1,250
Total Instruction	691,022	729,128	727,878	1,250
Support Services:				
Pupil:				
Salaries and Wages	2,077,072	2,136,158	2,136,158	0
Fringe Benefits	1,024,479	1,053,622	1,053,622	0
Purchased Services	902,095	983,030	983,030	0
Materials and Supplies	15,439	15,924	15,924	0
Capital Outlay - New	8,259	8,369	7,978	391
Total Pupil	4,027,344	4,197,103	4,196,712	391
Instructional Staff:				
Salaries and Wages	3,855,947	3,965,637	3,965,637	0
Fringe Benefits	1,463,752	1,505,929	1,505,929	0
Purchased Services	242,342	227,191	225,960	1,231
Materials and Supplies	74,224	76,501	76,501	0
Capital Outlay - New	10,123	18,614	16,083	2,531
Capital Outlay - Replacement	9,355	20,000	9,621	10,379
Other	1,011	1,543	951	592
Total Instructional Staff	5,656,754	5,815,415	5,800,682	14,733
Board of Education:				
Salaries and Wages	8,343	8,580	8,580	0
Fringe Benefits	1,032	1,061	1,061	0
Purchased Services	18,698	19,268	19,230	38
Materials and Supplies	107	110	110	0
Other	12,913	13,300	13,280	20
Total Board of Education	\$41,093	\$42,319	\$42,261	\$58

(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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Administration:				
Salaries and Wages	\$2,840,962	\$2,921,779	\$2,921,779	\$0
Fringe Benefits	1,078,928	1,109,620	1,109,620	0
Purchased Services	226,782	280,218	280,218	0
Materials and Supplies	13,982	16,806	16,806	0
Capital Outlay - New	9,888	10,626	10,169	457
Capital Outlay - Replacement	0	278	0	278
Other	12,284	12,777	12,474	303
Total Administration	4,182,826	4,352,104	4,351,066	1,038
Fiscal:				
Salaries and Wages	394,878	406,111	406,111	0
Fringe Benefits	243,669	250,408	250,408	0
Purchased Services	64,603	67,952	67,952	0
Materials and Supplies	8,864	9,072	9,024	48
Capital Outlay - New	66	68	68	0
Capital Outlay - Replacement	2,083	2,142	2,142	0
Other	1,816,054	1,854,639	1,854,602	37
Total Fiscal	2,530,217	2,590,392	2,590,307	85
Business:				
Salaries and Wages	181,935	187,111	187,111	0
Fringe Benefits	109,125	112,229	112,229	0
Purchased Services	240,316	249,519	249,519	0
Materials and Supplies	204,711	218,384	218,384	0
Capital Outlay - New	60,345	20,262	20,262	0
Capital Outlay - Replacement	2,647	2,722	2,722	0
Other	58,850	60,570	60,524	46
Total Business	857,929	850,797	850,751	46
Operation and Maintenance of Plant:				
Salaries and Wages	3,621,393	3,724,411	3,724,411	0
Fringe Benefits	1,710,628	1,759,290	1,759,290	0
Purchased Services	2,148,607	2,723,928	2,644,657	79,271
Materials and Supplies	427,936	421,197	419,736	1,461
Capital Outlay - New	5,485	6,887	5,862	1,025
Capital Outlay - Replacement	55,477	70,078	70,032	46
Other	14,070	15,000	14,470	530
Total Operation and Maintenance of Plant	\$7,983,596	\$8,720,791	\$8,638,458	\$82,333

(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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation:				
Salaries and Wages	\$2,163,826	\$2,225,380	\$2,225,380	\$0
Fringe Benefits	931,863	958,372	958,372	0
Purchased Services	160,864	175,510	175,510	0
Materials and Supplies	570,437	586,638	586,638	0
Capital Outlay - New	650	668	668	0
Capital Outlay - Replacement	143,186	146,591	146,591	0
Other	0	164	0	164
Total Pupil Transportation	3,970,826	4,093,323	4,093,159	164
Central:				
Salaries and Wages	1,117,185	1,148,968	1,148,968	0
Fringe Benefits	584,291	600,385	600,385	0
Purchased Services	973,191	1,006,421	1,006,421	0
Materials and Supplies	88,364	73,140	73,140	0
Capital Outlay - New	122,451	106,177	102,569	3,608
Capital Outlay - Replacement	57,076	53,999	52,058	1,941
Other	690	710	710	0
Total Central	2,943,248	2,989,800	2,984,251	5,549
Total Support Services	6,914,074	7,083,123	7,077,410	5,713
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	15,297	15,732	15,732	0
Other	4,535	4,664	4,664	0
Total Operation of Non-Instructional Services	19,832	20,396	20,396	0
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	164,640	169,324	169,324	0
Fringe Benefits	45,719	47,437	47,020	417
Total Academic and Subject Oriented Activities	\$210,359	\$216,761	\$216,344	\$417

(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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Sports Oriented Activities:				
Salaries and Wages	\$678,930	\$698,246	\$698,246	\$0
Fringe Benefits	240,250	247,088	247,088	0
Purchased Services	28,599	29,000	29,000	0
Capital Outlay - New	39,354	19,966	19,905	61
Total Sports Oriented Activities	987,133	994,300	994,239	61
School and Public Service				
Co-Curricular Activities:				
Salaries and Wages	43,353	47,795	44,586	3,209
Fringe Benefits	0	10,581	0	10,581
Total School and Public Service				
Co-Curricular Activities	43,353	58,376	44,586	13,790
Total Extracurricular Activities	1,240,845	1,269,437	1,255,169	14,268
Total Expenditures	76,741,003	79,576,449	79,288,516	287,933
Excess of Revenues Over (Under) Expenditures	(12,638,686)	2,353,309	4,628,954	2,275,645
Other Financing Sources (Uses)				
Advances In	397,207	507,419	519,707	12,288
Advances Out	(247,458)	(254,497)	(254,497)	0
Transfers Out	(254,475)	(261,714)	(261,714)	0
Total Other Financing Sources (Uses)	(104,726)	(8,792)	3,496	12,288
Net Change in Fund Balance	(12,743,412)	2,344,517	4,632,450	2,287,933
Fund Balance Beginning of Year	21,420,229	21,420,229	21,420,229	0
Prior Year Encumbrances Appropriated	1,116,571	1,116,571	1,116,571	0
Fund Balance End of Year	\$9,793,388	\$24,881,317	\$27,169,250	\$2,287,933

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$904,381	\$1,462,374	\$1,462,372	(\$2)
Intergovernmental	69,307	112,069	112,069	0
<i>Total Revenues</i>	<u>973,688</u>	<u>1,574,443</u>	<u>1,574,441</u>	<u>(2)</u>
Expenditures				
Debt Service:				
Principal Retirement	533,209	730,000	730,000	0
Interest and Fiscal Charges	503,245	677,150	677,140	10
<i>Total Expenditures</i>	<u>1,036,454</u>	<u>1,407,150</u>	<u>1,407,140</u>	<u>10</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(62,766)	167,293	167,301	8
Other Financing Sources				
Operating Transfers In	161,854	261,714	261,714	0
<i>Net Change in Fund Balance</i>	99,088	429,007	429,015	8
<i>Fund Balance Beginning of Year</i>	<u>2,460,423</u>	<u>2,460,423</u>	<u>2,460,423</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,559,511</u></u>	<u><u>\$2,889,430</u></u>	<u><u>\$2,889,438</u></u>	<u><u>\$8</u></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, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$735,727	\$1,558,028	\$1,558,028	\$0
Intergovernmental	57,120	120,962	120,962	0
<i>Total Revenues</i>	<u>792,847</u>	<u>1,678,990</u>	<u>1,678,990</u>	<u>0</u>
Expenditures				
Support Services:				
Instructional Staff:				
Materials and Supplies	66,051	76,046	67,210	8,836
Capital Outlay - New	15,254	50,000	42,998	7,002
Capital Outlay - Replacement	251,954	500,198	496,652	3,546
Total Instructional Staff	<u>333,259</u>	<u>626,244</u>	<u>606,860</u>	<u>19,384</u>
Fiscal:				
Purchased Services	6,950	6,950	6,950	0
Total Support Services	<u>340,209</u>	<u>633,194</u>	<u>613,810</u>	<u>19,384</u>
Capital Outlay:				
Building Improvement Services:				
Capital Outlay - New	1,430,246	3,687,710	3,077,673	610,037
Debt Service:				
Principal Retirement	84,379	210,000	210,000	0
Interest and Fiscal Charges	57,770	99,617	99,617	0
Bond Issuance Costs	79,173	79,173	79,173	0
Total Debt Service	<u>221,322</u>	<u>388,790</u>	<u>388,790</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,991,777</u>	<u>4,709,694</u>	<u>4,080,273</u>	<u>629,421</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,198,930)</u>	<u>(3,030,704)</u>	<u>(2,401,283)</u>	<u>629,421</u>
Other Financing Sources				
Tax Anticipation Notes Issued	1,368,595	2,820,000	2,820,000	0
Premium on Tax Anticipation Notes	38,834	38,834	38,834	0
<i>Total Other Financing Sources</i>	<u>1,407,429</u>	<u>2,858,834</u>	<u>2,858,834</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	208,499	(171,870)	457,551	629,421
<i>Fund Balance Beginning of Year</i>	1,321,386	1,321,386	1,321,386	0
Prior Year Encumbrances Appropriated	391,501	391,501	391,501	0
<i>Fund Balance End of Year</i>	<u>\$1,921,386</u>	<u>\$1,541,017</u>	<u>\$2,170,438</u>	<u>\$629,421</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, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$2,508,916	\$2,139,192	\$2,139,192	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	19,752	22,517	22,517	0
Fringe Benefits	4,424	5,043	5,043	0
Purchased Services	295,935	426,909	426,909	0
Materials and Supplies	290,850	388,171	388,171	0
Capital Outlay - New	76,446	103,288	103,288	0
Total Instruction	687,407	945,928	945,928	0
Support Services:				
Pupil:				
Salaries and Wages	179,470	204,594	204,594	0
Fringe Benefits	49,079	55,950	55,950	0
Purchased Services	430,702	543,152	543,152	0
Total Pupil	659,251	803,696	803,696	0
Instructional Staff:				
Salaries and Wages	206,016	234,856	234,856	0
Fringe Benefits	2,661	3,034	3,034	0
Purchased Services	35,803	45,204	45,204	0
Total Instructional Staff	244,480	283,094	283,094	0
Administration:				
Salaries and Wages	41,050	46,797	46,797	0
Fringe Benefits	6,043	6,889	6,889	0
Total Administration	47,093	53,686	53,686	0
Pupil Transportation:				
Purchased Services	5,493	6,862	6,862	0
Total Support Services	\$956,317	\$1,147,338	\$1,147,338	\$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, 2008

	<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	\$139,309	\$131,105	\$131,105	\$0
<i>Total Expenditures</i>	<u>1,783,033</u>	<u>2,224,371</u>	<u>2,224,371</u>	<u>0</u>
<i>Excess of Revenues Over (Under)Expenditures</i>	<u>725,883</u>	<u>(85,179)</u>	<u>(85,179)</u>	<u>0</u>
Other Financing Sources (Uses)				
Advances In	291,084	248,189	248,189	0
Advances Out	(189,002)	(215,460)	(215,460)	0
<i>Total Other Financing Sources (Uses)</i>	<u>102,082</u>	<u>32,729</u>	<u>32,729</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	827,965	(52,450)	(52,450)	0
<i>Fund Balance Beginning of Year</i>	25	25	25	0
Prior Year Encumbrances Appropriated	<u>52,426</u>	<u>52,426</u>	<u>52,426</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$880,416</u></u>	<u><u>\$1</u></u>	<u><u>\$1</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
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$895,106	\$865,061	\$865,061	\$0
Interest	3,644	3,526	3,526	0
<i>Total Revenues</i>	<u>898,750</u>	<u>868,587</u>	<u>868,587</u>	<u>0</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	21,745	39,729	38,099	1,630
Fringe Benefits	13,188	24,735	23,107	1,628
Purchased Services	238,825	420,754	412,652	8,102
Materials and Supplies	121,110	183,088	176,681	6,407
Capital Outlay - New	170,590	124,372	123,829	543
Capital Outlay - Replacement	316,350	202,309	202,308	1
<i>Total Expenditures</i>	<u>881,808</u>	<u>994,987</u>	<u>976,676</u>	<u>18,311</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	16,942	(126,400)	(108,089)	18,311
Other Financing Uses				
Advances Out	(119,322)	(209,065)	(209,065)	0
<i>Net Change in Fund Balance</i>	(102,380)	(335,465)	(317,154)	18,311
<i>Fund Balance Beginning of Year</i>	773	773	773	0
Prior Year Encumbrances Appropriated	<u>342,675</u>	<u>342,675</u>	<u>342,675</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$241,068</u></u>	<u><u>\$7,983</u></u>	<u><u>\$26,294</u></u>	<u><u>\$18,311</u></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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$782,995	\$679,932	\$679,932	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	293,035	412,230	412,230	0
Fringe Benefits	73,356	103,195	103,194	1
Purchased Services	4,024	3,069	3,069	0
Materials and Supplies	80,463	50,278	50,278	0
Capital Outlay - New	651	916	916	0
Total Instruction	451,529	569,688	569,687	1
Support Services:				
Instructional Staff:				
Salaries and Wages	14,693	20,670	20,670	0
Fringe Benefits	1,252	1,761	1,761	0
Purchased Services	224	315	315	0
Materials and Supplies	2,632	3,702	3,702	0
Capital Outlay - New	6,193	3,620	3,620	0
Total Support Services	24,994	30,068	30,068	0
Operation of Non-Instructional Services				
Community Services:				
Salaries and Wages	5,444	7,659	7,659	0
Fringe Benefits	1,110	1,562	1,562	0
Purchased Services	4,306	6,058	6,058	0
Materials and Supplies	1,275	2,029	2,029	0
Capital Outlay - New	835	1,175	1,175	0
Total Operation of Non-Instructional Services	12,970	18,483	18,483	0
<i>Total Expenditures</i>	489,493	618,239	618,238	1
<i>Excess of Revenues Over Expenditures</i>	293,502	61,693	61,694	1
Other Financing Uses				
Advances Out	(50,522)	(71,071)	(71,071)	0
<i>Net Change in Fund Balance</i>	242,980	(9,378)	(9,377)	1
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	50,185	50,185	50,185	0
<i>Fund Balance End of Year</i>	\$293,165	\$40,807	\$40,808	\$1

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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Extracurricular Activities	\$488,657	\$423,916	\$423,916	\$0
Contributions and Donations	44,916	38,966	38,966	0
Miscellaneous	16,394	14,222	14,222	0
<i>Total Revenues</i>	<u>549,966</u>	<u>477,104</u>	<u>477,104</u>	<u>0</u>
Expenditures				
Current:				
Support Services:				
Pupil:				
Materials and Supplies	2,528	3,000	2,938	62
Pupil Transportation:				
Purchased Services	32,931	42,000	41,921	79
Total Support Services	<u>35,460</u>	<u>45,000</u>	<u>44,859</u>	<u>141</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	538	625	625	0
Purchased Services	6,889	17,178	8,091	9,087
Materials and Supplies	61,646	100,444	69,417	31,027
Capital Outlay - New	430	2,716	500	2,216
Capital Outlay - Replacement	55,793	65,225	64,836	389
Total Academic and Subject Oriented Activities	<u>125,296</u>	<u>186,188</u>	<u>143,469</u>	<u>42,719</u>
Sports Oriented Activities:				
Salaries and Wages	4,488	6,084	5,215	869
Purchased Services	114,792	145,402	137,900	7,502
Materials and Supplies	169,302	227,925	200,326	27,599
Other	6,583	10,276	7,650	2,626
Total Sports Oriented Activities	<u>295,165</u>	<u>389,687</u>	<u>351,091</u>	<u>38,596</u>
Total Extracurricular Activities	<u>420,461</u>	<u>575,875</u>	<u>494,560</u>	<u>81,315</u>
<i>Total Expenditures</i>	<u>\$455,921</u>	<u>\$620,875</u>	<u>\$539,419</u>	<u>\$81,456</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, 2008*

	<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>	\$94,045	(\$143,771)	(\$62,315)	\$81,456
<i>Fund Balance Beginning of Year</i>	286,992	286,992	286,992	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,955</u>	<u>5,955</u>	<u>5,955</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$386,992</u>	<u>\$149,176</u>	<u>\$230,632</u>	<u>\$81,456</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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$233,742	\$232,453	\$232,453	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	82,100	92,344	81,339	11,005
Fringe Benefits	48,309	47,861	47,861	0
Purchased Services	1,854	2,297	1,975	322
Materials and Supplies	515	2,150	2,150	0
Total Instruction	132,778	144,652	133,325	11,327
Support Services:				
Pupil:				
Materials and Supplies	645	270	270	0
Instructional Staff:				
Salaries and Wages	42,393	42,000	42,000	0
Fringe Benefits	27,295	27,042	27,042	0
Total Instructional Staff	69,688	69,042	69,042	0
Administration:				
Salaries and Wages	17,563	17,400	17,400	0
Fringe Benefits	2,418	2,436	2,396	40
Materials and Supplies	10,195	10,400	10,101	299
Capital Outlay - New	593	600	588	12
Total Administration	30,769	30,836	30,485	351
Total Support Services	101,102	100,148	99,797	351
<i>Total Expenditures</i>	233,880	244,800	233,122	11,678
<i>Net Change in Fund Balance</i>	(138)	(12,347)	(669)	11,678
<i>Fund Balance Beginning of Year</i>	11,974	11,974	11,974	0
Prior Year Encumbrances Appropriated	373	373	373	0
<i>Fund Balance End of Year</i>	\$12,209	\$0	\$11,678	\$11,678

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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Extracurricular Activities	\$317,770	\$199,612	\$199,712	\$100
Contributions and Donations	99,008	62,228	62,228	0
Miscellaneous	83,208	52,297	52,297	0
<i>Total Revenues</i>	<u>499,986</u>	<u>314,137</u>	<u>314,237</u>	<u>100</u>
Current:				
Instruction:				
Regular:				
Fringe Benefits	479	896	673	223
Purchased Services	10,932	14,636	13,147	1,489
Materials and Supplies	8,346	18,683	13,605	5,078
Capital Outlay - New	310	1,260	436	824
Other	17,404	27,672	24,802	2,870
Total Regular	<u>37,471</u>	<u>63,147</u>	<u>52,663</u>	<u>10,484</u>
Special:				
Materials and Supplies	1,553	3,314	2,499	815
Total Instruction	<u>39,024</u>	<u>66,461</u>	<u>55,162</u>	<u>11,299</u>
Support Services:				
Pupil:				
Purchased Services	1,148	2,430	1,614	816
Materials and Supplies	1,031	2,890	1,541	1,349
Other	64	190	90	100
Total Pupil	<u>2,243</u>	<u>5,510</u>	<u>3,245</u>	<u>2,265</u>
Instructional Staff:				
Salaries and Wages	142	200	200	0
Fringe Benefits	36	50	50	0
Purchased Services	34,464	58,938	48,457	10,481
Materials and Supplies	114,001	207,881	156,613	51,268
Capital Outlay - New	39,670	65,674	55,673	10,001
Capital Outlay - Replacement	0	1,500	0	1,500
Other	11,482	24,354	16,621	7,733
Total Instructional Staff	<u>199,795</u>	<u>358,597</u>	<u>277,614</u>	<u>80,983</u>
Pupil Transportation:				
Purchased Services	0	300	300	0
Total Support Services	<u>\$202,038</u>	<u>\$364,407</u>	<u>\$281,159</u>	<u>\$83,248</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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Enterprise Operations:				
Materials and Supplies	\$324	\$200	\$174	\$26
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Materials and Supplies	0	76	0	76
Other	1,548	2,804	2,176	628
Total Academic and Subject Oriented Activities	1,548	2,880	2,176	704
School and Public Service Co-Curricular Activities:				
Materials and Supplies	29,076	34,621	30,275	4,346
Total Extracurricular Activities	30,624	37,501	32,451	5,050
<i>Total Expenditures</i>	<u>272,010</u>	<u>468,569</u>	<u>368,946</u>	<u>99,623</u>
<i>Net Change in Fund Balance</i>	227,976	(154,432)	(54,709)	99,723
<i>Fund Balance Beginning of Year</i>	191,713	191,713	191,713	0
Prior Year Encumbrances Appropriated	<u>21,846</u>	<u>21,846</u>	<u>21,846</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$441,535</u></u>	<u><u>\$59,127</u></u>	<u><u>\$158,850</u></u>	<u><u>\$99,723</u></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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$18,241	\$1,303	\$1,303	\$0
Contributions and Donations	295,597	10,493	10,493	0
<i>Total Revenues</i>	<u>313,838</u>	<u>11,796</u>	<u>11,796</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	12,205	13,335	9,530	3,805
Fringe Benefits	4,649	4,017	3,630	387
Purchased Services	5,599	9,506	4,372	5,134
Materials and Supplies	27,009	61,848	22,990	38,858
Capital Outlay - New	0	8,060	0	8,060
Other	469	367	366	1
Total Regular	<u>49,931</u>	<u>97,133</u>	<u>40,888</u>	<u>56,245</u>
Special:				
Materials and Supplies	<u>0</u>	<u>108</u>	<u>0</u>	<u>108</u>
Vocational:				
Purchased Services	0	569	0	569
Materials and Supplies	<u>0</u>	<u>252</u>	<u>0</u>	<u>252</u>
Total Vocational	<u>0</u>	<u>821</u>	<u>0</u>	<u>821</u>
Total Instruction	<u>49,931</u>	<u>98,062</u>	<u>40,888</u>	<u>57,174</u>
Support Services:				
Pupil:				
Capital Outlay - New	<u>\$0</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, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Instructional Staff:				
Salaries and Wages	\$0	\$106	\$0	\$106
Fringe Benefits	0	292	0	292
Materials and Supplies	0	393	0	393
Total Instructional Staff	0	791	0	791
Pupil Transportation:				
Purchased Services	100,482	78,961	78,961	0
Total Support Services	100,482	79,780	78,961	819
Operation of Non-Instructional Services				
Community Services:				
Capital Outlay - New	0	171	0	171
Extracurricular Activities:				
Academic and Subject Oriented				
Materials and Supplies	3,842	3,000	3,000	0
Total Expenditures	154,255	181,017	122,849	58,168
<i>Net Change in Fund Balance</i>	159,583	(169,221)	(111,053)	58,168
<i>Fund Balance Beginning of Year</i>	167,974	167,974	167,974	0
Prior Year Encumbrances Appropriated	1,576	1,576	1,576	0
<i>Fund Balance End of Year</i>	\$329,133	\$329	\$58,497	\$58,168

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, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$53,121	\$48,715	\$48,715	\$0
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	19,568	20,742	20,742	0
Fringe Benefits	5,308	5,627	5,627	0
Total Pupil	24,876	26,369	26,369	0
Instructional Staff:				
Salaries and Wages	5,643	5,982	5,982	0
Fringe Benefits	1,029	1,091	1,091	0
Purchased Services	6,352	7,214	7,214	0
Materials and Supplies	5,805	5,791	5,791	0
Capital Outlay - New	2,756	2,930	2,930	0
Total Instructional Staff	21,585	23,008	23,008	0
<i>Total Expenditures</i>	46,461	49,377	49,377	0
<i>Excess of Revenues Over (Under) Expenditures</i>	6,660	(662)	(662)	0
Other Financing Sources (Uses)				
Advances In	6,879	6,308	6,308	0
Advances Out	(5,997)	(6,356)	(6,356)	0
<i>Total Other Financing Sources (Uses)</i>	882	(48)	(48)	0
<i>Net Change in Fund Balance</i>	7,542	(710)	(710)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	710	710	710	0
<i>Fund Balance End of Year</i>	\$8,252	\$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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$40,000	\$11,998	\$11,998	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	124	124	124	0
Materials and Supplies	8,347	8,263	8,263	0
Capital Outlay - New	2,735	2,735	2,735	0
Total Support Services	11,206	11,122	11,122	0
Operation of Non-Instructional Services				
Community Services:				
Materials and Supplies	156	669	669	0
<i>Total Expenditures</i>	11,362	11,791	11,791	0
<i>Excess of Revenues Over Expenditures</i>	28,638	207	207	0
Other Financing Uses				
Advances Out	(661)	(661)	(661)	0
<i>Net Change in Fund Balance</i>	27,977	(454)	(454)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	605	605	605	0
<i>Fund Balance End of Year</i>	\$28,582	\$151	\$151	\$0

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, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$38,548	\$10,141	\$10,141	\$0
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	5,058	2,496	2,496	0
Fringe Benefits	1,287	635	635	0
Purchased Services	4,053	2,000	2,000	0
Total Pupil	10,398	5,131	5,131	0
Instructional Staff:				
Capital Outlay - New	7,465	3,684	3,684	0
<i>Total Expenditures</i>	17,863	8,815	8,815	0
<i>Net Change in Fund Balance</i>	20,685	1,326	1,326	0
<i>Fund Balance Beginning of Year</i>	716	716	716	0
Prior Year Encumbrances Appropriated	4,025	4,025	0	4,025
<i>Fund Balance End of Year</i>	<u>\$25,426</u>	<u>\$6,067</u>	<u>\$2,042</u>	<u>\$4,025</u>

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$25,000	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>0</u>	<u>3,536</u>	<u>3,536</u>	<u>0</u>
<i>Total Expenditures</i>	0	3,536	3,536	0
<i>Net Change in Fund Balance</i>	25,000	(3,536)	(3,536)	0
<i>Fund Balance Beginning of Year</i>	<u>5,537</u>	<u>5,537</u>	<u>5,537</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$30,537</u></u>	<u><u>\$2,001</u></u>	<u><u>\$2,001</u></u>	<u><u>\$0</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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$1,809,108	\$1,422,239	\$1,423,058	\$819
Interest	27,857	21,913	21,913	0
Intergovernmental	940,651	739,932	739,932	0
Miscellaneous	22,176	17,444	17,444	0
<i>Total Revenues</i>	<u>2,799,792</u>	<u>2,201,528</u>	<u>2,202,347</u>	<u>819</u>
Expenditures				
Current:				
Operation of Non-Instructional				
Services:				
Food Service Operations:				
Salaries and Wages	958,037	917,500	835,575	81,925
Fringe Benefits	435,997	420,000	380,265	39,735
Purchased Services	221,863	226,610	139,597	87,013
Materials and Supplies	913,483	856,815	813,512	43,303
Capital Outlay - New	0	22,000	0	22,000
Capital Outlay - Replacement	10,806	58,000	11,885	46,115
<i>Total Expenditures</i>	<u>2,540,186</u>	<u>2,500,925</u>	<u>2,180,834</u>	<u>320,091</u>
<i>Net Change in Fund Balance</i>	259,606	(299,397)	21,513	320,910
<i>Fund Balance Beginning of Year</i>	412,366	412,366	412,366	0
Prior Year Encumbrances Appropriated	<u>67,794</u>	<u>67,794</u>	<u>67,794</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$739,766</u></u>	<u><u>\$180,763</u></u>	<u><u>\$501,673</u></u>	<u><u>\$320,910</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Tuition and Fees	\$125,000	\$57,300	\$57,300	\$0
Expenditures:				
Current:				
Instruction:				
Regular :				
Materials and Supplies	<u>63,122</u>	<u>68,041</u>	<u>68,041</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	61,878	(10,741)	(10,741)	0
<i>Fund Balance Beginning of Year</i>	11,920	11,920	11,920	0
Prior Year Encumbrances Appropriated	<u>3,122</u>	<u>3,122</u>	<u>3,122</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$76,920</u></u>	<u><u>\$4,301</u></u>	<u><u>\$4,301</u></u>	<u><u>\$0</u></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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Tuition and Fees	\$1,291,607	\$1,144,742	\$1,145,515	\$773
Miscellaneous	8,393	7,443	7,443	0
<i>Total Revenues</i>	<u>1,300,000</u>	<u>1,152,185</u>	<u>1,152,958</u>	<u>773</u>
Expenditures:				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	77,333	84,500	71,544	12,956
Fringe Benefits	25,476	19,142	23,569	(4,427)
Purchased Services	101,832	117,325	95,847	21,478
Materials and Supplies	609	1,550	563	987
Capital Outlay - New	0	1,300	0	1,300
Other	3,148	4,400	2,912	1,488
Total Adult/Continuing Instruction	<u>208,398</u>	<u>228,217</u>	<u>194,435</u>	<u>33,782</u>
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	676,125	649,875	625,510	24,365
Fringe Benefits	368,648	339,110	341,051	(1,941)
Purchased Services	39,098	64,431	37,688	26,743
Materials and Supplies	23,590	25,958	22,306	3,652
Capital Outlay - New	2,584	10,400	2,716	7,684
Capital Outlay - Replacement	6,821	6,500	6,311	189
Total Operation of Non-Instructional Services:	<u>1,116,866</u>	<u>1,096,274</u>	<u>1,035,582</u>	<u>60,692</u>
<i>Total Expenditures</i>	<u>1,325,264</u>	<u>1,324,491</u>	<u>1,230,017</u>	<u>94,474</u>
<i>Net Change in Fund Balance</i>	(25,264)	(172,306)	(77,059)	95,247
<i>Fund Balance Beginning of Year</i>	211,282	211,282	211,282	0
Prior Year Encumbrances Appropriated	<u>14,067</u>	<u>14,067</u>	<u>14,067</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$200,085</u></u>	<u><u>\$53,043</u></u>	<u><u>\$148,290</u></u>	<u><u>\$95,247</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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Revenues				
Intergovernmental	<u>\$80,000</u>	<u>\$26,593</u>	<u>\$26,573</u>	<u>(\$20)</u>
Expenditures				
Current:				
Support Services:				
Central:				
Purchased Services	4,078	14,645	1,706	12,939
Materials and Supplies	147	1,003	73	930
Capital Outlay - New	<u>17,317</u>	<u>10,253</u>	<u>8,611</u>	<u>1,642</u>
<i>Total Expenditures</i>	<u>21,542</u>	<u>25,901</u>	<u>10,390</u>	<u>15,511</u>
<i>Net Change in Fund Balance</i>	58,458	692	16,183	15,491
<i>Fund Balance Beginning of Year</i>	4,360	4,360	4,360	0
Prior Year Encumbrances Appropriated	<u>647</u>	<u>647</u>	<u>647</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$63,465</u>	<u>\$5,699</u>	<u>\$21,190</u>	<u>\$15,491</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, 2008

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

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$15,769	\$2,741	\$2,741	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>2,739</u>	<u>2,970</u>	<u>2,718</u>	<u>252</u>
<i>Net Change in Fund Balance</i>	13,030	(229)	23	252
<i>Fund Balance Beginning of Year</i>	<u>1,071</u>	<u>1,071</u>	<u>1,071</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,101</u></u>	<u><u>\$842</u></u>	<u><u>\$1,094</u></u>	<u><u>\$252</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$19,978	\$521	\$521	\$0
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	190	36	36	0
<i>Net Change in Fund Balance</i>	19,788	485	485	0
<i>Fund Balance Beginning of Year</i>	952	952	952	0
<i>Fund Balance End of Year</i>	<u>\$20,740</u>	<u>\$1,437</u>	<u>\$1,437</u>	<u>\$0</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	<u>\$67,497</u>	<u>\$30,215</u>	<u>\$22,215</u>	<u>(\$8,000)</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	11,097	10,200	8,768	1,432
Fringe Benefits	1,654	3,100	1,307	1,793
Purchased Services	2,384	3,603	1,817	1,786
Materials and Supplies	3,070	5,070	2,426	2,644
Capital Outlay - New	<u>3,609</u>	<u>3,200</u>	<u>2,852</u>	<u>348</u>
<i>Total Expenditures</i>	<u>21,814</u>	<u>25,173</u>	<u>17,170</u>	<u>8,003</u>
<i>Net Change in Fund Balance</i>	45,683	5,042	5,045	3
<i>Fund Balance Beginning of Year</i>	3,772	3,772	3,772	0
Prior Year Encumbrances Appropriated	<u>173</u>	<u>173</u>	<u>173</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$49,628</u></u>	<u><u>\$8,987</u></u>	<u><u>\$8,990</u></u>	<u><u>\$3</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Instructional Staff:				
Materials and Supplies	<u>0</u>	<u>6</u>	<u>6</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(6)	(6)	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>\$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
Safe School Helpline Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
<i>Total Revenues</i>	\$0	\$0	\$0	\$0
Expenditures				
<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
Telecommunity Grant Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$15,000	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Capital Outlay - New	<u>70,849</u>	<u>70,849</u>	<u>70,849</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(55,849)	(70,849)	(70,849)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>70,849</u>	<u>70,849</u>	<u>70,849</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$15,000</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
Title IIA Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$300,000	\$126,634	\$126,634	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	103,257	68,882	68,882	0
Fringe Benefits	27,115	18,088	18,088	0
Total Instruction	130,372	86,970	86,970	0
Support Services:				
Instructional Staff:				
Purchased Services	19,730	17,068	17,068	0
Materials and Supplies	6,648	4,435	4,435	0
Capital Outlay - New	2,049	1,367	1,367	0
Total Instructional Staff	28,427	22,870	22,870	0
<i>Total Expenditures</i>	158,799	109,840	109,840	0
<i>Excess of Revenues Over Expenditures</i>	141,201	16,794	16,794	0
Other Financing Uses				
Advances Out	(18,760)	(12,514)	(12,514)	0
<i>Net Change in Fund Balance</i>	122,441	4,280	4,280	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$122,441	\$4,280	\$4,280	\$0

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$7,219	\$7,219	\$7,219	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>9,219</u>	<u>9,219</u>	<u>9,219</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,000)	(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>\$0</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
 Poverty Based Assistance Grant Fund
 For the Fiscal Year Ended June 30, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$11,000	\$10,935	\$10,935	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>10,938</u>	<u>12,266</u>	<u>12,266</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	62	(1,331)	(1,331)	0
<i>Fund Balance Beginning of Year</i>	<u>1,331</u>	<u>1,331</u>	<u>1,331</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,393</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 III Fund
For the Fiscal Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$40,000	\$20,922	\$20,922	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	10,094	11,664	11,664	0
Fringe Benefits	2,497	2,885	2,885	0
Purchased Services	787	959	959	0
Materials and Supplies	9,102	5,184	5,184	0
<i>Total Expenditures</i>	22,480	20,692	20,692	0
<i>Excess of Revenues Over Expenditures</i>	17,520	230	230	0
Other Financing Uses				
Advances Out	(3,962)	(4,580)	(4,580)	0
<i>Net Change in Fund Balance</i>	13,558	(4,350)	(4,350)	0
<i>Fund Balance Beginning of Year</i>	300	300	300	0
Prior Year Encumbrances Appropriated	4,616	4,616	4,616	0
<i>Fund Balance End of Year</i>	\$18,474	\$566	\$566	\$0

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Master Teacher Pilot Program Grant
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$4,000	\$4,000	\$4,000	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	2,923	2,932	2,900	32
Fringe Benefits	785	778	778	0
Purchased Services	292	290	290	0
<i>Total Expenditures</i>	<u>4,000</u>	<u>4,000</u>	<u>3,968</u>	<u>32</u>
<i>Net Change in Fund Balance</i>	0	0	32	32
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$32</u>	<u>\$32</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Integrated Enhancement Program Grant
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$5,000	\$5,000	\$5,000	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>5,000</u>	<u>5,000</u>	<u>2,470</u>	<u>2,530</u>
<i>Net Change in Fund Balance</i>	0	0	2,530	2,530
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$2,530</u></u>	<u><u>\$2,530</u></u>

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	<u>\$13,550</u>	<u>\$13,550</u>	<u>\$21,550</u>	<u>\$8,000</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	12,800	12,800	12,800	0
Support Services:				
Administration:				
Salaries and Wages	<u>750</u>	<u>750</u>	<u>750</u>	<u>0</u>
<i>Total Expenditures</i>	<u>13,550</u>	<u>13,550</u>	<u>13,550</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	8,000	8,000
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$8,000</u></u>	<u><u>\$8,000</u></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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
Revenues	\$0	\$0	\$0	\$0
<i>Total Revenues</i>				
Expenditures				
Capital Outlay:				
Site Improvement Services:				
Capital Outlay - New	4,649,115	4,649,115	4,649,115	0
<i>Net Change in Fund Balance</i>	(4,649,115)	(4,649,115)	(4,649,115)	0
<i>Fund Balance Beginning of Year</i>	5,615	5,615	5,615	0
Prior Year Encumbrances Appropriated	4,649,115	4,649,115	4,649,115	0
<i>Fund Balance End of Year</i>	<u>\$5,615</u>	<u>\$5,615</u>	<u>\$5,615</u>	<u>\$0</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$51,002	\$52,726	\$52,726	\$0
Expenditures				
Capital Outlay:	<u>52,726</u>	<u>52,726</u>	<u>52,726</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,724)	0	0	0
<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>\$0</u></u>	<u><u>\$1,724</u></u>	<u><u>\$1,724</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
Network Connectivity Fund
For the Fiscal Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$50,000	\$39,000	\$39,000	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Purchased Services	<u>39,000</u>	<u>39,000</u>	<u>27,588</u>	<u>11,412</u>
<i>Net Change in Fund Balance</i>	11,000	0	11,412	11,412
<i>Fund Balance Beginning of Year</i>	<u>9,954</u>	<u>9,954</u>	<u>9,954</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$20,954</u></u>	<u><u>\$9,954</u></u>	<u><u>\$21,366</u></u>	<u><u>\$11,412</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Expenditures				
<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>2,400</u>	<u>2,400</u>	<u>2,400</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,400</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$10,000,000	\$10,643,704	\$10,643,704	\$0
Expenses				
Purchased Services:				
Central Support Services	509,164	547,027	547,027	0
Insurance Claims:				
Central Support Services	10,140,836	10,533,973	10,533,906	67
Total Expenses	10,650,000	11,081,000	11,080,933	67
<i>Net Change in Fund Equity</i>	(650,000)	(437,296)	(437,229)	67
<i>Fund Equity Beginning of Year</i>	3,370,416	3,370,416	3,370,416	0
<i>Fund Equity End of Year</i>	\$2,720,416	\$2,933,120	\$2,933,187	\$67

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, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$675	\$525	\$522	(\$3)
Expenses:				
Other:				
Regular Instruction	<u>500</u>	<u>525</u>	<u>525</u>	<u>0</u>
<i>Net Change In Fund Equity</i>	175	0	(3)	(3)
<i>Fund Equity Beginning of Year</i>	<u>13,926</u>	<u>13,926</u>	<u>13,926</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$14,101</u></u>	<u><u>\$13,926</u></u>	<u><u>\$13,923</u></u>	<u><u>(\$3)</u></u>



Haley P.

7th Grade

Roehm Middle School

Art Instructor: Heather Courtwright

STATISTICAL SECTION



Paige T.

3rd Grade

Brookpark Memorial Elementary School

Art Instructor: Deb Hudson

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.

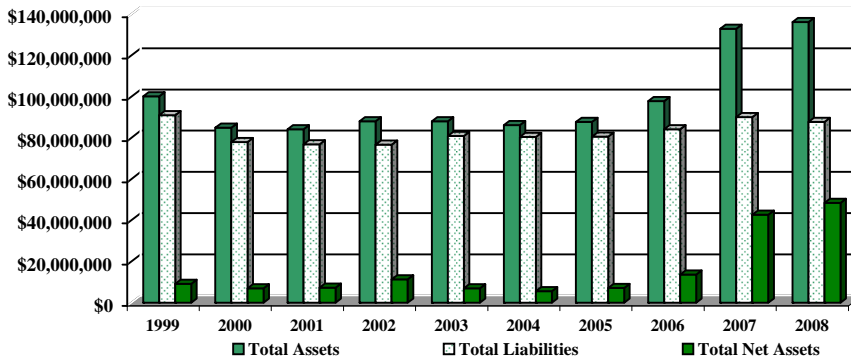
S29 - S36

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 Ten Fiscal Years
(accrual basis of accounting)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Governmental Activities:					
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>
Business-Type Activities:					
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>
Primary Government					
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



2004	2005	2006	2007	2008
\$4,675,106	\$4,195,154	\$3,721,315	\$10,618,221	\$10,053,655
1,274,847	1,340,582	1,670,088	2,101,471	0
1,749,312	2,078,188	2,314,486	2,555,851	5,636,961
433,879	74,709	182,254	431,846	32,292
811,572	952,118	1,914,346	2,479,929	1,959,363
(4,937,796)	(363,997)	4,346,403	24,575,315	30,822,355
<u>4,006,920</u>	<u>8,276,754</u>	<u>14,148,892</u>	<u>42,762,633</u>	<u>48,504,626</u>
153,583	37,678	NA	NA	NA
267,704	500,891	NA	NA	NA
<u>421,287</u>	<u>538,569</u>			
4,828,689	4,232,832	3,721,315	10,618,221	10,053,655
1,274,847	1,340,582	1,670,088	2,101,471	0
1,749,312	2,078,188	2,314,486	2,555,851	5,636,961
433,879	74,709	182,254	431,846	32,292
811,572	952,118	1,914,346	2,479,929	1,959,363
(4,670,092)	136,894	4,346,403	24,575,315	30,822,355
<u>\$4,428,207</u>	<u>\$8,815,323</u>	<u>\$14,148,892</u>	<u>\$42,762,633</u>	<u>\$48,504,626</u>

2004	2005	2006	2007	2008
\$37,751,017	\$33,560,969	\$31,977,716	\$33,422,192	\$39,358,016
6,520,781	7,532,416	7,795,494	7,217,382	11,074,764
776,375	886,273	563,609	582,310	700,317
2,084	0	1,197,969	179,333	182,990
4,688,217	4,511,651	4,547,564	4,136,208	4,756,650
6,831,035	5,992,101	5,429,933	4,208,406	5,788,567
43,963	20,978	22,615	32,706	42,261
4,269,239	4,297,125	4,329,086	3,890,384	4,148,412
1,540,926	1,610,656	1,738,649	1,514,355	2,524,738
932,516	772,831	839,427	688,830	743,284
8,363,682	7,804,602	8,023,138	6,648,771	7,790,941
3,476,174	3,781,584	3,809,097	3,309,074	4,128,443
2,006,840	2,107,504	2,500,369	2,284,938	2,380,593
657,734	1,109,590	2,857,250	3,664,529	3,908,876
1,691,989	1,572,656	1,249,592	1,632,024	1,679,646
0	0	0	0	0
534,592	517,681	491,733	481,379	794,393
80,087,164	76,078,617	77,373,241	73,892,821	90,002,891
2,189,462	1,877,578	NA	NA	NA
36,284	57,461	NA	NA	NA
1,023,773	936,500	NA	NA	NA
3,249,519	2,871,539	NA	NA	NA
83,336,683	78,950,156	77,373,241	73,892,821	90,002,891
911,564	916,253	\$1,072,524	\$1,017,281	\$3,234,041
519,632	1,114,791	981,742	830,296	388,876
0	0	0	0	0
2,548	1,273	1,143,813	194,641	178,586
131,794	103,405	3,932	4,482	4,256
0	0	99,938	113,719	152,390
137,073	0	0	0	0
52,581	150,328	154,221	0	18,574
36,677	44,125	33,385	137,119	156,563
0	58,174	54,438	63,490	53,840
0	0	148,268	0	0
421,237	0	1,469,055	2,415,337	2,395,120
587,622	426,693	435,997	435,269	407,496
710,957	624,338	502,377	487,930	345,357
47,438	994,755	1,062,813	1,146,319	1,333,987
0	1,383	256	0	0
607,097	0	0	0	0
516,951	712,155	811,492	790,456	725,207
65,743	587,840	557,318	487,755	526,799
0	86,246	64,946	81,069	81,625
34,664	0	1,636	3,762	0
28,158	42,117	8,914	36,038	16,473
744,937	26,493	25,858	25,007	26,573
81,893	1,000,307	1,431,996	1,670,078	1,539,691
0	49,367	37,542	34,024	41,460
0	0	0	0	0
37,888	68,250	0	0	1,249
0	19,854	0	0	0
1,112	0	0	0	0
1,112	16,146	39,000	39,000	90,477
\$5,677,566	\$7,044,293	\$9,993,193	\$10,161,340	\$11,718,640

(continued)

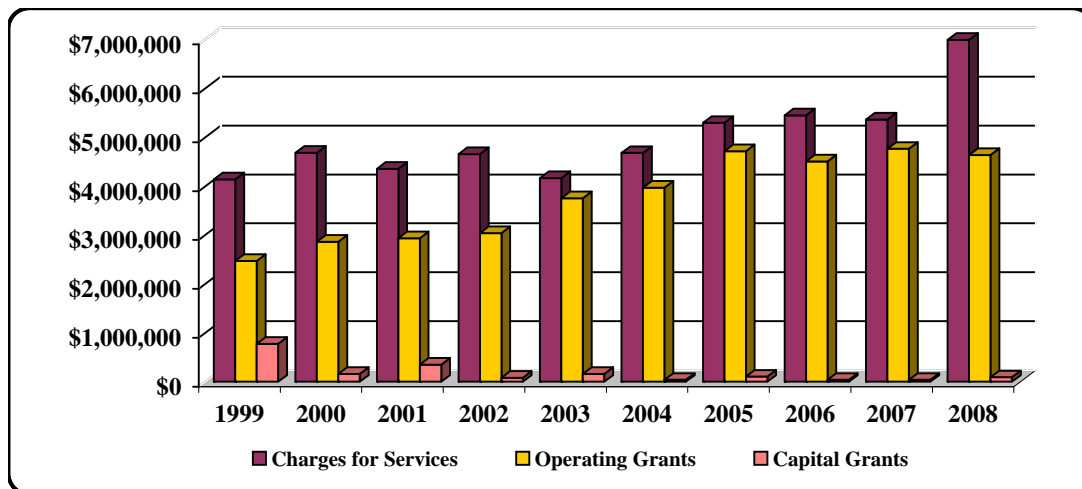
Berea City School District
Changes in Net Assets (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	1999	2000	2001	2002	2003
Business-Type Activities:					
Charges for Services:					
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
Operating Grants and Contributions					
Food Service	364,815	345,199	409,802	512,892	541,393
<i>Total Business-Type Activities Program Revenues</i>	<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>
<i>Total Primary Government Program Revenues</i>	<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>
Net (Expense)/Revenue					
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)
<i>Total Primary Government Net Expense</i>	<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>
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Property and Other Local Taxes Levied For:					
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
Grants and Entitlements not Restricted to Specific Programs	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
<i>Total Governmental Activities</i>	<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>
Business-Type Activities:					
Investment Earnings	19	30,632	33,898	13,450	6,994
Miscellaneous	40	54	100	3,011	0
<i>Total Business-Type Activities</i>	<u>59</u>	<u>30,686</u>	<u>33,998</u>	<u>16,461</u>	<u>6,994</u>
<i>Total Primary Government</i>	<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>
<i>Restatements</i>	<u>0</u>	<u>0</u>	<u>(304,635)</u>	<u>196,896</u>	<u>0</u>
Change in Net Assets					
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)
<i>Total Primary Government Change in Net Assets</i>	<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	2008
\$1,411,480	\$1,346,640	NA	NA	NA
49,695	52,895	NA	NA	NA
1,003,513	1,078,185	NA	NA	NA
541,589	588,770	NA	NA	NA
3,006,277	3,066,490	NA	NA	NA
8,683,843	10,110,783	\$9,993,193	\$10,161,340	\$11,718,640
(74,409,598)	(69,034,324)	(67,380,048)	(63,731,481)	(78,284,251)
(243,242)	194,951	0	0	0
(74,652,840)	(68,839,373)	(67,380,048)	(63,731,481)	(78,284,251)
56,243,592	55,412,839	53,447,973	68,639,747	55,730,090
1,299,561	1,320,217	1,191,290	1,409,130	1,289,022
1,648,807	1,621,200	1,610,840	2,138,811	1,188,843
14,713,414	14,482,803	15,490,950	17,729,223	23,174,392
0	0	0	0	0
0	8,085	0	0	0
0	0	0	0	0
136,001	248,725	761,038	1,531,056	1,958,941
236,263	210,289	191,355	897,255	684,956
74,277,638	73,304,158	72,693,446	92,345,222	84,026,244
4,115	5,543	NA	NA	NA
0	9,848	NA	NA	NA
4,115	15,391	NA	NA	NA
74,281,753	73,319,549	72,693,446	92,345,222	84,026,244
(2,402,193)	(93,060)	0	0	0
(2,534,153)	4,176,774	5,313,398	28,613,741	5,741,993
(239,127)	210,342	NA	NA	NA
(\$2,773,280)	\$4,387,116	\$5,313,398	\$28,613,741	\$5,741,993

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

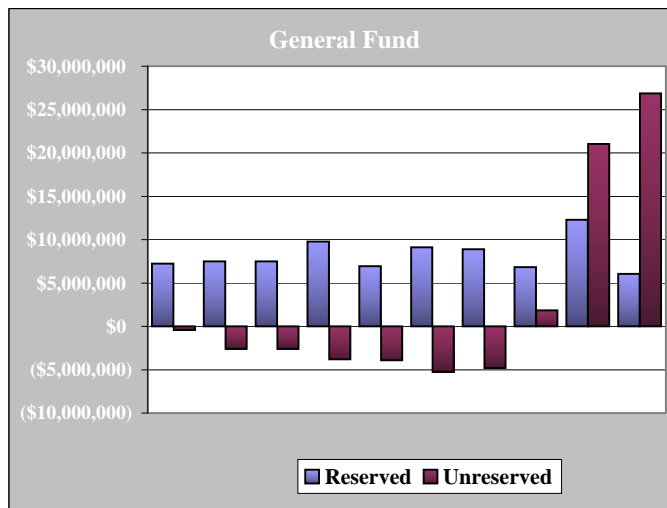
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Governmental Activities					
Regular Instruction	\$1,340,857	\$1,063,926	\$1,049,357	\$697,438	\$779,032
Special Instruction	983,145	1,281,791	1,001,422	1,361,114	1,137,155
Vocational Instruction	53,701	0	0	16,307	28,766
Adult/Continuing Instruction	66,241	24,584	38,826	280	0
Pupil Support	221,428	286,346	283,713	385,880	448,291
Instructional Staff Support	599,595	586,933	610,110	590,179	775,473
Administration	50,567	60,288	66,537	64,676	83,342
Business	78,396	102,290	122,591	127,399	84,419
Operation and Maintenance of Plant	223,143	203,338	212,855	219,832	203,678
Pupil Transportation	92,136	99,756	94,379	99,100	269,537
Central	22,284	57,817	43,091	40,292	27,837
Operation of Non-Instructional Services	502,442	679,630	719,374	752,561	793,504
Extracurricular Activities	371,068	413,035	415,957	428,183	336,264
<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>	<u>4,967,298</u>
Business-Type Activities					
Food Service	1,859,502	1,892,684	2,018,765	2,009,700	2,016,089
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
<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>	<u>3,109,176</u>
<i>Total Primary Government</i>	<u>\$7,378,838</u>	<u>\$7,698,507</u>	<u>\$7,639,564</u>	<u>\$7,776,041</u>	<u>\$8,076,474</u>



2004	2005	2006	2007	2008
\$1,499,186	\$1,540,591	\$1,574,901	\$1,505,211	\$3,579,398
1,230,589	2,109,546	2,044,555	1,976,615	1,722,863
47,438	1,383	256	0	0
0	0	1,143,813	194,641	178,586
609,645	713,428	815,424	794,938	729,463
648,745	759,495	657,256	601,474	680,438
65,743	86,246	64,946	81,069	81,625
137,073	150,328	154,221	0	18,574
90,469	63,979	35,021	140,881	156,563
71,341	100,291	63,352	99,528	70,313
29,270	42,639	64,858	212,275	117,050
744,937	1,000,307	2,901,051	4,085,415	3,934,811
503,130	476,060	473,539	469,293	448,956
<u>5,677,566</u>	<u>7,044,293</u>	<u>\$9,993,193</u>	<u>\$10,161,340</u>	<u>\$11,718,640</u>
1,953,069	1,935,410	NA	NA	NA
49,695	52,895	NA	NA	NA
<u>1,003,513</u>	<u>1,078,185</u>	NA	NA	NA
<u>3,006,277</u>	<u>3,066,490</u>			
<u>\$8,683,843</u>	<u>\$10,110,783</u>	<u>\$9,993,193</u>	<u>\$10,161,340</u>	<u>\$11,718,640</u>

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

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
General Fund					
Reserved	\$6,079,063	\$5,357,559	\$6,452,235	\$7,568,244	\$5,898,923
Unreserved (Deficit)	(824,062)	(3,570,251)	(4,865,686)	(5,422,877)	(6,294,979)
<i>Total General Fund</i>	<u>5,255,001</u>	<u>1,787,308</u>	<u>1,586,549</u>	<u>2,145,367</u>	<u>(396,056)</u>
All Other Governmental Funds					
Reserved	1,138,337	1,201,937	1,039,276	2,202,995	1,026,334
Unreserved, Undesignated, Reported in:					
Special Revenue funds	338,396	590,154	442,306	483,600	391,022
Debt Service funds	538,863	640,630	751,991	905,015	1,258,445
Capital Projects funds (Deficit)	(461,475)	(75,549)	1,093,369	238,417	718,335
<i>Total All Other Governmental Funds</i>	<u>1,554,121</u>	<u>2,357,172</u>	<u>3,326,942</u>	<u>3,830,027</u>	<u>3,394,136</u>
<i>Total Governmental Funds</i>	<u><u>\$6,809,122</u></u>	<u><u>\$4,144,480</u></u>	<u><u>\$4,913,491</u></u>	<u><u>\$5,975,394</u></u>	<u><u>\$2,998,080</u></u>



2004	2005	2006	2007	2008
\$7,833,194	\$8,016,209	\$6,541,103	\$7,256,242	\$5,309,185
(7,713,499)	(7,931,499)	(2,486,068)	16,245,091	24,094,592
119,695	84,710	\$4,055,035	\$23,501,333	\$29,403,777
1,265,407	866,610	274,249	5,034,225	742,625
600,851	493,328	1,205,462	811,467	746,651
1,570,200	1,872,347	2,191,479	2,595,939	2,890,925
304,250	751,238	921,786	1,376,833	(857,848)
3,740,708	3,983,523	4,592,976	9,818,464	3,522,353
\$3,860,403	\$4,068,233	\$8,648,011	\$33,319,797	\$32,926,130

2004	2005	2006	2007	2008
\$58,723,858	\$57,708,112	\$56,381,077	\$72,670,415	\$58,477,685
18,057,679	18,320,720	19,523,553	21,709,669	28,062,598
136,001	248,725	761,038	1,531,056	1,958,941
1,391,368	2,194,232	2,048,237	3,946,827	4,248,130
584,501	594,333	604,987	623,724	623,628
0	0	0	0	0
54,938	35,579	39,664	86,344	126,960
26,110	21,712	2,637,338	1,413,265	1,449,228
246,889	187,549	164,393	203,876	111,687
236,263	210,289	191,355	897,255	684,956
<u>79,457,607</u>	<u>79,521,251</u>	<u>82,351,642</u>	<u>103,082,431</u>	<u>95,743,813</u>
34,253,822	32,853,848	31,005,647	32,771,887	33,916,940
6,399,997	7,616,355	7,823,777	8,483,399	11,576,938
754,696	909,041	580,985	655,665	757,472
2,084	0	195,319	204,469	192,654
4,774,750	4,595,370	4,571,827	4,566,841	4,944,184
6,462,064	6,336,893	5,516,979	5,804,026	6,521,497
43,963	20,978	22,615	32,706	42,261
4,146,149	4,499,077	4,282,484	4,361,340	4,383,314
1,502,721	1,649,377	1,741,670	1,588,976	2,588,737
919,046	800,182	863,465	746,023	751,120
8,151,745	8,136,284	8,042,523	7,927,296	8,192,643
3,635,534	3,845,712	3,572,464	3,913,115	4,287,855
1,905,138	2,217,764	2,466,243	2,539,975	2,932,731
695,899	1,127,708	3,779,356	3,925,523	4,182,836
1,726,155	1,683,927	1,337,094	1,729,558	1,751,459
2,758,678	2,212,491	1,947,538	4,437,683	7,312,724
0	0	0		
575,000	1,285,000	710,000	870,000	940,000
537,843	518,414	492,746	459,523	782,942
0	28,941	22,328	145,981	79,173
<u>79,245,284</u>	<u>80,337,362</u>	<u>78,975,060</u>	<u>85,163,986</u>	<u>96,137,480</u>
212,323	(816,111)	3,376,582	17,918,445	(393,667)
0	0	0	0	0
0	995,000	650,000	6,617,802	0
0	28,941	14,627	135,539	0
650,000	0	0	0	0
3,921	0	0	108	261,714
(3,921)	0	0	(108)	(261,714)
0	0	0	0	0
<u>650,000</u>	<u>1,023,941</u>	<u>664,627</u>	<u>6,753,341</u>	<u>0</u>
<u>\$862,323</u>	<u>\$207,830</u>	<u>\$4,041,209</u>	<u>\$24,671,786</u>	<u>(\$393,667)</u>
0.8%	1.7%	1.0%	1.8%	2.0%

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
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
2008	949,449,840	499,603,420	4,140,152,171	24,572,320	27,923,091

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	Weighted Average Tax Rate
\$247,826,803	\$991,307,212	\$1,309,603,913	\$3,927,324,213	37.33%
244,299,461	977,197,844	1,328,082,121	3,977,412,277	43.03
235,165,084	940,660,336	1,482,594,794	4,418,919,913	38.69
211,623,911	846,495,644	1,474,550,481	4,375,411,064	38.19
199,438,922	797,755,688	1,462,737,652	4,340,496,857	43.81
187,459,887	815,042,987	1,534,045,887	4,595,928,122	41.46
192,551,284	837,179,496	1,545,390,994	4,635,903,619	41.22
196,962,702	1,050,467,744	1,561,035,632	4,888,274,247	46.68
138,126,787	1,105,014,296	1,604,060,017	5,235,888,611	43.75
50,767,689	406,141,512	1,524,393,269	4,574,216,774	39.46

2004	2005	2006	2007	2008
\$4.05	\$4.05	\$4.05	\$4.05	\$4.05
6.98	6.97	6.94	6.36	6.35
12.64	12.61	12.79	11.88	11.82
31.40	31.40	31.40	31.40	31.40
3.11	3.11	3.10	2.84	2.83
3.74	3.73	3.78	3.51	3.50
6.90	6.90	6.90	6.90	6.90
3.74	3.74	3.73	3.41	3.41
4.31	4.30	4.36	4.04	4.03
6.90	6.90	6.90	6.90	6.90
3.85	3.84	3.83	3.51	3.50
4.13	4.12	4.18	3.88	3.86
5.90	5.90	5.90	5.90	5.90
4.88	4.87	4.86	4.45	4.44
4.61	4.60	4.67	4.33	4.31
5.90	5.90	5.90	5.90	5.90
5.42	5.42	5.40	4.95	4.94
5.68	5.66	5.74	5.33	5.31
5.90	5.90	5.90	5.90	5.90
0.00	0.00	5.25	4.81	4.80
0.00	0.00	5.25	4.87	4.85
0.00	0.00	5.25	5.25	5.25
0.95	0.95	0.85	0.80	0.80
0.19	0.19	0.19	0.18	0.18
0.36	0.36	0.37	0.34	0.34
0.90	0.90	0.90	0.90	0.90
0.75	0.75	0.75	0.69	0.69
0.77	0.76	0.77	0.72	0.72
1.00	1.00	1.00	1.00	1.00
29.87	29.84	34.90	32.00	31.94
37.19	37.09	42.76	39.70	39.54
65.75	65.75	70.90	70.85	70.85
33.92	33.89	38.95	36.05	35.99
41.24	41.14	46.81	43.75	43.59
69.80	69.80	74.95	74.90	74.90
\$13.42	\$13.53	\$13.42	13.06	13.00
14.11	14.21	14.10	13.65	13.59
17.50	17.60	17.50	17.20	17.40
4.69	4.69	4.69	4.67	4.61
4.87	4.87	4.89	4.85	4.79
5.45	5.45	5.45	5.45	5.45
4.72	4.72	4.72	4.70	4.64
4.69	4.68	4.68	4.68	4.62
4.80	4.80	4.80	4.80	4.75
15.67	17.16	17.90	17.82	17.76
17.11	18.38	19.02	18.75	18.69
19.27	20.17	20.17	20.20	18.20
2.00	2.00	2.00	2.00	1.94
2.00	2.00	2.01	2.00	1.94
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
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
2007	65,526,123	61,910,148	94.48	2,428,526	64,338,674	98.19

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 2008 information cannot be presented because all collections have not been made by June 30, 2008.
- (3) The County does not identify delinquent tax collections by tax year.

Berea City School District

Principal Taxpayers

Real Estate Tax

2008 and 1999(1)

Name of Taxpayer	2008	
	Assessed Value	Percent of Real Property Assessed Value
City of Cleveland	\$78,323,030	5.41 %
Ford Motor Company	19,387,250	1.34
Cleveland Electric Illuminating	18,569,300	1.28
Southland Store Company	13,415,400	0.93
MWP Company	8,190,540	0.57
Techpark Ltd. Partnership	7,241,740	0.50
Albrecht Inc.	5,207,690	0.36
Ozre Lodging LLC	4,982,260	0.34
Middleburg -Legacy Place	4,779,610	0.33
CP Snow Prop. LLC.	4,683,210	0.32
Totals	\$164,780,030	11.37 %
Total Assessed Valuation	\$1,449,053,260	
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
Techpark LTD. 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
Totals	\$97,779,340	9.73 %
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 2008 and 1999 collections were based.

Berea City School District
Principal Taxpayers
Tangible Personal Property Tax
2008 and 1999 (1)

Name of Taxpayer	2008	
	Assessed Value	Percent of Tangible Assessed Value
Ford Motor Company	\$11,889,740	8.61 %
Marc Glassman Inc.	3,544,560	2.57
Thyssenkrupp Materials Inc.	1,655,250	1.20
Sunnyside Automotive Inc.	1,015,430	0.74
Codonics Inc.	966,780	0.70
Ohio Bell Telepone	868,070	0.63
Ohio Bell Telepone	845,510	0.61
Ohio Bell Telepone	772,540	0.56
Verizon Global Networks	730,530	0.53
KW#1 Acquisition Company	637,720	0.46
Totals	\$22,926,130	16.60 %
Total Assessed Valuation	\$138,126,787	

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
Totals	\$143,392,820	57.86 %
Total Assessed Valuation	\$247,826,803	

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

(1) The amounts presented represent the assessed values upon which 2008 and 1999 collections were based.

Berea City School District
Principal Taxpayers
Public Utility Personal Property Tax
2008 and 1999 (1)

Name of Taxpayer	2008	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating	\$9,251,465	37.65 %
American Transmission System	1,637,160	6.66
Columbia Gas of Ohio	1,123,575	4.57
East Ohio Gas Company	420,350	1.71
Totals	<u>\$12,432,550</u>	<u>50.60 %</u>
Total Assessed Valuation	<u>\$24,572,320</u>	

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	<u>\$56,737,020</u>	

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

(1) The amounts presented represent the assessed values upon which 2008 and 1999 collections were based.

Berea City School District
Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2008

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Berea City School District			
General Obligation Bonds	\$16,035,536	100.00 %	\$16,035,536
Overlapping:			
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	23.54	2,774,367
Urban Renewal Bonds	1,225,000	23.54	288,365
Notes Payable	200,000	23.54	47,080
Brookpark City			
General Obligation Bonds	1,775,000	35.51	630,303
Middleburg Heights City			
General Obligation Bonds	14,796,884	36.76	5,439,335
Special Assessment Bonds	1,509,480	36.76	554,885
Total Overlapping	543,641,316		34,362,419
Total	\$559,676,852		\$50,397,955

Source: Cuyahoga County Auditor

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

Fiscal Year	Governmental Activities		
	General Obligation Bonds	Percentage of Average Personal Income (2)	Per Capita (3)
2000	\$12,555,000	0.1130%	\$225.28
2001	12,145,000	0.0110	217.93
2002	11,715,000	0.0106	210.21
2003	11,265,000	0.0102	202.14
2004	10,690,000	0.0097	190.30
2005	11,050,000	0.0100	193.82
2006	11,128,758	0.0101	195.20
2007	16,997,832	0.0154	298.14
2008	16,035,536	0.0145	288.67

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>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Assessed Valuation (1)	<u>\$1,309,603,913</u>	<u>\$1,328,082,121</u>	<u>\$1,482,594,794</u>	<u>\$1,474,550,481</u>	<u>\$1,462,737,652</u>
Debt Limit - 9% of Assessed Value (1)	\$117,864,352	\$119,527,391	\$133,433,531	\$132,709,543	\$131,646,389
Amount of Debt Applicable to Debt Limit					
General Obligation Bonds	12,950,000	12,555,000	12,145,000	11,715,000	11,265,000
Notes	1,775,000	450,000	0	0	0
Less Amount Available in Debt Service	<u>(678,934)</u>	<u>(726,134)</u>	<u>(854,526)</u>	<u>(1,093,853)</u>	<u>(1,369,601)</u>
Total	14,046,066	12,278,866	11,290,474	10,621,147	9,895,399
Exemptions:					
Tax Anticipation Note	900,000	0	0	0	0
Energy Conservation Note	875,000	0	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>12,271,066</u>	<u>12,278,866</u>	<u>11,290,474</u>	<u>10,621,147</u>	<u>9,895,399</u>
Overall Debt Margin	<u>\$105,593,286</u>	<u>\$107,248,525</u>	<u>\$122,143,057</u>	<u>\$122,088,396</u>	<u>\$121,750,990</u>
Debt Margin - .10% of Assessed Value (1)	\$1,309,604	\$1,328,082	\$1,482,595	\$1,474,550	\$1,462,738
Amount of Debt Applicable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$1,309,604</u>	<u>\$1,328,082</u>	<u>\$1,482,595</u>	<u>\$1,474,550</u>	<u>\$1,462,738</u>

Source: Cuyahoga County Auditor and School District Financial Records

(1) For fiscal years 2006, 2007 and 2008, 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.

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</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>	<u>\$1,467,765,300</u>
\$138,064,130	\$139,085,189	\$121,575,124	\$130,955,347	\$132,098,877
10,690,000	11,050,000	10,990,000	16,737,802	15,797,802
650,000	0	0	-	2,820,000
<u>(1,732,481)</u>	<u>(2,044,510)</u>	<u>(2,321,386)</u>	<u>(2,731,988)</u>	<u>(2,990,032)</u>
9,607,519	9,005,490	8,668,614	14,005,814	15,627,770
0	0	0	0	0
0	0	0	0	0
0	0	0	6,582,802	6,547,802
<u>9,607,519</u>	<u>9,005,490</u>	<u>8,668,614</u>	<u>7,423,012</u>	<u>9,079,968</u>
<u>\$128,456,611</u>	<u>\$130,079,699</u>	<u>\$112,906,510</u>	<u>\$123,532,335</u>	<u>\$123,018,909</u>
\$1,534,046	\$1,545,391	\$1,350,835	\$1,455,059	\$1,467,765
0	0	0	0	0
<u>\$1,534,046</u>	<u>\$1,545,391</u>	<u>\$1,350,835 #</u>	<u>\$1,455,059</u>	<u>\$1,467,765</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			Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
				General Bonded Debt Outstanding	Resources Available to	Net General Bonded Debt		
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
2008	55,550	b	4,574,216,774	16,035,536	2,990,032	13,045,504	0.29	234.84

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 Nine Years (1)

Year	Population (2)	Total Personal Income (3)	Per Capita Personal Income	Median Household Income	Median Age	Unemployment Rate (4)
2000	55,730	\$1,106,748,953	\$19,859	\$46,642	39.8	5.0%
2001	55,730	1,106,748,953	19,859	46,642	39.8	4.3
2002	55,730	1,106,748,953	19,859	46,642	39.8	6.0
2003	55,730	1,106,748,953	19,859	46,642	39.8	6.0
2004	56,174	1,106,748,953	19,702	46,642	39.8	6.6
2005	57,012	1,106,748,953	19,413	46,642	39.8	6.6
2006	57,012	1,106,748,953	19,413	46,642	39.8	5.6
2007	57,012	1,106,748,953	19,413	50,654	39.8	5.4
2008	55,550	1,106,748,953	19,923	50,654	38.0	5.7

- (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 Seven Years Ago (1)

Employer	Nature of Business	2007		
		Number of Employees	Rank	Percentage of Total Employment
Ford Motor Company	Automobile	2,908	1	21.79%
Southwest General Hospital	Hospital	2,720	2	20.38
United Parcel Service	Delivery	2,110	3	15.81
Department of Interior	Government	1,500	4	11.24
Baldwin Wallace College	Higher Education	1,260	5	9.44
Berea City School District	Education	1,063	6	7.97
Berea Children's Home	Treatment Facility	510	7	3.82
National City Corporation	Bank	434	8	3.25
City of Middleburg Heights	Municipal Government	420	9	3.15
Polaris Joint Vocational	Education	419	10	3.14
Total		<u>13,344</u>		
Total Employment within the School District		<u>53,820</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	5.25
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 Three Fiscal Years

	2008	2007	2006
Big Creek Elementary School			
Constructed in 1954			
Total Building Square Footage	116,620	116,620	116,620
Enrollment Grades K-6	835	813	814
Student Capacity	1,010	1,010	1,010
Regular Instruction Classrooms	49	49	49
Regular Instruction Teachers	42	38	35
Special Instruction Teachers	7	7	5
Brookpark Elementary School			
Constructed in 1956			
Total Building Square Footage	96,900	96,900	96,900
Enrollment Grades K-6	695	587	718
Student Capacity	836	836	836
Regular Instruction Classrooms	56	56	56
Regular Instruction Teachers	32	30	30
Special Instruction Teachers	15	14	5
Brookview Elementary School			
Constructed in 1965			
Total Building Square Footage	53,400	53,400	53,400
Enrollment Grades K-6	485	493	480
Student Capacity	437	437	437
Regular Instruction Classrooms	31	31	31
Regular Instruction Teachers	26	22	25
Special Instruction Teachers	7	7	5
Fairwood Elementary School			
Constructed in 1948			
Total Building Square Footage	51,876	51,876	51,876
Enrollment Grades 7-12	354	366	367
Student Capacity	419	419	419
Regular Instruction Classrooms	26	26	26
Regular Instruction Teachers	19	18	18
Special Instruction Teachers	6	6	3
Parknoll Elementary School			
Constructed in 1961			
Total Building Square Footage	41,746	41,746	41,746
Enrollment Grades K-5	309	266	257
Student Capacity	334	334	334
Regular Instruction Classrooms	24	24	24
Regular Instruction Teachers	16	14	14
Special Instruction Teachers	6	6	3
Riveredge Elementary School			
Constructed in 1960			
Total Building Square Footage	44,384	44,384	44,384
Enrollment Grades K-6	204	221	241
Student Capacity	355	355	355
Regular Instruction Classrooms	25	25	25
Regular Instruction Teachers	15	15	15
Special Instruction Teachers	9	7	2

(continued)

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

	2008	2007	2006
Smith Elementary School			
Constructed in 1966			
Total Building Square Footage	42,000	42,000	42,000
Enrollment Grades K-6	185	192	220
Student Capacity	336	336	336
Regular Instruction Classrooms	21	21	21
Regular Instruction Teachers	10	10	11
Special Instruction Teachers	6	4	2
Ford Middle School			
Constructed in 1961			
Total Building Square Footage	165,800	165,800	165,800
Enrollment Grades 6-8	1,001	1,030	1,094
Student Capacity	1,175	1,175	1,175
Regular Instruction Classrooms	66	66	66
Regular Instruction Teachers	52	50	54
Special Instruction Teachers	13	13	11
Roehm Middle School			
Constructed in 1956			
Total Building Square Footage	133,804	133,804	133,804
Enrollment Grades 6-8	639	666	665
Student Capacity	1,163	1,163	1,163
Regular Instruction Classrooms	47	47	47
Regular Instruction Teachers	34	33	33
Special Instruction Teachers	8	8	8
Berea High School			
Constructed in 1928			
Total Building Square Footage	264,266	264,266	264,266
Enrollment Grades 9-12	1,193	1,342	1,261
Student Capacity	1,582	1,582	1,582
Regular Instruction Classrooms	67	67	67
Regular Instruction Teachers	55	55	55
Special Instruction Teachers	17	15	12
Midpark High School			
Constructed in 1962			
Total Building Square Footage	236,563	236,563	236,563
Enrollment Grades 9-12	1,396	1,453	1,409
Student Capacity	1,418	1,418	1,418
Regular Instruction Classrooms	55	55	55
Regular Instruction Teachers	63	60	60
Special Instruction Teachers	18	13	11

Berea City School District
Per Pupil Cost
Last Nine Fiscal Years

<u>Fiscal Year</u>	<u>Expenses</u>	<u>Enrollment (1)</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	14.9	12.96%
2001	71,300,515	7,670	9,296	(10.76)	507	15.1	12.93
2002	73,835,840	7,714	9,572	(2.88)	612	12.6	15.67
2003	73,052,592	7,597	9,616	(0.46)	538	14.1	17.74
2004	80,087,164	7,630	10,496	(8.39)	538	14.2	21.27
2005	76,078,617	7,511	10,129	3.63	532	14.1	23.8
2006	74,448,420	7,526	9,892	2.39	535	14.1	24.89
2007	80,809,753	7,429	10,878	(9.06)	537	13.8	27.39
2008	90,002,891	7,375	12,204	(10.87)	554	13.3	28.31

Source: School District Records

(1) Based upon EMIS information provided to the Ohio Department of Education

Berea City School District
Full-Time Equivalent School District Teachers by Education
Last Ten Fiscal Years

Degree	1999	2000	2001	2002	2003
Bachelor's Degree	72	137	103	96	41
Bachelor + 15	87	35	46	46	53
Bachelor + 30	69	85	82	95	45
Master's Degree	212	208	237	218	292
Master + 15	28	28	27	27	96
Master + 30	7	7	4	4	42
PhD	26	22	25	21	43
Total	501	522	524	507	612

Source: School District Records

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
65	82	56	57	66
18	14	19	21	30
38	35	27	28	33
272	313	254	331	296
93	29	89	40	55
24	22	51	24	39
<u>28</u>	<u>37</u>	<u>39</u>	<u>36</u>	<u>35</u>
<u><u>538</u></u>	<u><u>532</u></u>	<u><u>535</u></u>	<u><u>537</u></u>	<u><u>554</u></u>

Berea City School District
Average Number of Students per Teacher
Last Ten School Years

Fiscal Year	Berea Average	State Average
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	14.1	18.6
2007	13.8	19.6
2008	13.3	18.6

Source: The Student/Teacher ratio can be found on S31.

Berea City School District
School District Employees by Function/Program
Last Five Fiscal Years

Function/Program	2008	2007	2006	2005	2004
Regular Instruction					
Elementary Classroom Teachers	174.00	174.00	168.00	189.00	172.00
Middle School Classroom Teachers	100.00	100.00	98.00	105.00	98.00
High School Classroom Teachers	120.50	121.00	120.00	122.00	117.50
Special Instruction					
Elementary Classroom Teachers	45.00	43.00	26.50	24.50	28.00
Gifted Education Teachers	4.00	4.00	4.00	5.50	5.50
Middle School Classroom Teachers	29.00	30.50	34.00	31.00	31.00
High School Classroom Teachers	28.50	28.10	22.00	22.50	26.00
Vocational Instruction					
High School Classroom Teachers	4.50	4.50	6.00	5.50	8.00
Pupil Support Services					
Guidance Counselors	16.50	16.50	17.00	17.00	18.00
Librarians	6.00	6.00	8.00	9.00	9.00
Psychologists	4.00	3.00	3.00	3.00	3.00
Speech and Language Pathologists	13.00	13.00	12.00	13.50	16.00
Non-Teaching Support Staff Central	5.00	4.00	3.00	9.00	9.00
Instructional Support Service					
Non-Teaching Support Staff Elementary	86.00	85.50	86.00	86.00	100.00
Non-Teaching Support Staff Middle	35.00	36.00	38.00	39.00	43.00
Non-Teaching Support Staff High	28.00	30.50	35.00	37.00	40.00
Non-Teaching Support Staff Central	6.00	6.00	5.50	2.50	3.50
Administration					
Elementary	10.00	10.00	7.00	7.50	8.50
Middle School	6.00	6.00	5.00	7.00	6.50
High School	8.00	8.00	6.00	8.00	8.00
Central	1.00	1.00	1.00	2.00	2.00
Non-Teaching Support Staff	27.00	27.00	22.00	15.00	15.00
Business					
Central	3.00	3.00	3.00	3.00	3.00
Fiscal					
Treasurer Department	7.00	7.00	7.50	7.50	7.50
Operation of Plant					
Custodial Dept.	68.00	68.00	73.00	75.00	83.00
Maintenance Dept.	17.00	14.00	15.00	18.00	18.00
Pupil Transportation					
Bus Drivers	60.00	61.00	61.00	65.00	67.00
Bus Aides	6.50	9.00	9.00	8.00	8.00
Mechanics	5.00	5.00	5.00	5.00	5.00
Transportation support staff	4.00	4.00	4.00	4.00	4.00
Central					
Community Relations	2.50	2.50	2.50	2.00	2.00
Technology	16.00	17.00	17.00	19.00	20.00
Personnel	5.00	5.00	5.00	5.00	5.00
Extracurricular					
Athletic Department	2.00	2.00	2.00	3.00	5.00
Food Service Program					
Elementary	34.00	34.00	34.00	35.00	26.00
Middle	14.00	14.00	13.00	16.00	17.00
High School	16.00	16.00	15.00	18.00	22.00
Central	2.00	2.00	2.00	2.00	2.00
Adult Education/Community Service					
Preschool	11.00	11.50	11.50	9.00	9.00
Extended Care	31.00	32.00	34.50	32.00	29.00
Adult Education	2.00	2.00	2.00	1.00	2.00
Totals	<u>1,063.00</u>	<u>1,066.60</u>	<u>1,043.00</u>	<u>1,088.00</u>	<u>1,102.00</u>

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

Berea City School District
Attendance and Graduation Rates
Last Ten School Years

Fiscal Year	Berea Attendance Rate	State Average	Berea Graduation Rate	State Average
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
2008	94.90	94.20	92.70	86.90

Source: Ohio Department of Education Local Report Cards





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
NOVEMBER 5, 2009**