

BEREA
CITY
SCHOOL
DISTRICT



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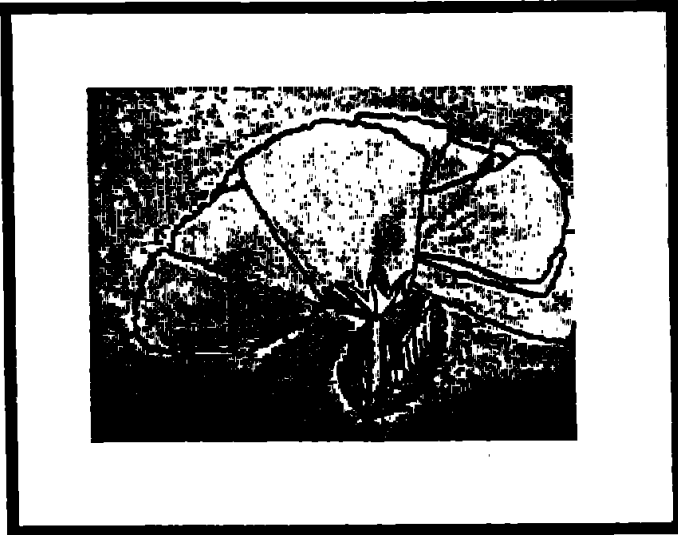
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**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 1999**

Berea, Ohio City School District

**Comprehensive Annual
Financial Report For The Fiscal
Year Ended June 30, 1999**



**Andrea Hegedus
Brookpark Memorial Elementary
Grade 3**

**Kelly Evanovich
Big Creek Elementary
Grade 3**



**Issued by: Treasurer's Office
William Bornhauser, Treasurer
Dale Cummins, Assistant Treasurer**

Introductory Section



Alyssa Hunt
Big Creek Elementary
Grade 5

Berea City School District
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December 17, 1999

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

**Berea
City
School
District**

**Berea
Brook Park
Middleburg
Heights**

We are pleased to submit to you the ninth Comprehensive Annual Financial Report (CAFR) of Berea City School District. This CAFR, which includes an opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of Berea City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to the Cuyahoga County Public Library, major taxpayers, financial rating services and other interested parties.

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

1. The Introductory Section, which contains a Table of Contents, Letter of Transmittal, Government Finance Officer's Association (GFOA) Certificate of Achievement, List of Principal Officials and an Organizational Chart of the School District.
2. The Financial Section, which begins with the Report of Independent Accountants, and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the School District's financial position and operating results, the Combining Statements for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends and the fiscal capacity of Berea City School District.

James V. Connell, Ph.D.
Superintendent of Schools

William Bornbauser
Treasurer

School District Organization

Berea City School District is one of the 611 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District provides education to 7,941 students in grades kindergarten through twelfth. Additionally, the School District provides preschool, after school, adult and community education services to a large number of students and adults. Berea City School District is located in northeastern Ohio, approximately twelve miles southwest of downtown Cleveland. The School District includes the cities of Brook Park and Middleburg Heights, the City of Berea and small portions of the cities of Olmsted Falls and Cleveland.

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When first settled, Middleburgh Township was one community. The first school in Middleburgh Township was in Ephriam Vaughan's log house in the year 1822. In the 1830's, Middleburgh Township dissolved into three distinct political entities; Berea, Brookpark 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/or 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 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 more than 4,500 people. Also located in this section of the School District is Cleveland Hopkins International Airport, which provides international air transportation and delivery services for 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. In recent years, this area has experienced increases in commercial development, primarily, hotels and restaurants serving visitors to the area. The growth is due, in part, to its close proximity to Cleveland Hopkins International Airport and to Interstates I-71, I-80 and I-480.

Also located within this portion of the School District is United Parcel Service, Incorporated, which employs approximately 1,100 employees and Southwest General Hospital, which employs approximately 1,800 employees

Major Initiatives

For the Year Berea City School District has a guardedly optimistic outlook for the future. The voters approved an additional 5.9 mill continuing operating levy in May 1999. Collection will begin January 2000. The last operating levy was passed six years ago in 1993. The real property tax system in Ohio does not permit school districts to receive additional tax revenue solely as a result of reassessment or reappraisal. As a result, real property tax revenue increases very little. The primary means of increasing revenue for Berea City School District is through an additional operating levy, requiring voter approval.

Further indicating voter support, 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.

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. The unknown nature and amount of future State funding creates uncertainty.

Primary accomplishments for 1999 were as follows:

Financial

Passed the 5.9 mill continuing operating levy in May 1999.

Received the third Government Finance Officers Association (GFOA) Distinguished Budget Award for the second consecutive Year.

Received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for the eighth consecutive year.

Instruction

Improved student access to technology through enhanced wiring, increased availability of computers and additional training.

Completed phase II of the Berea High and Big Creek Elementary library projects.

Improved results on State of Ohio proficiency tests.

Continued to change special education process to assure students are part of the regular school experience.

Community

Expanded collaborative work and programs at the Tri-City Senior Center which are designed to share experiences among students and older community residents, including the Intergenerational Art Exhibit and World War II video and interviews.

The Community Educational Foundation provided its first grants to students and staff for education and instructional programs and expanded its 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 2000 are:

Financial

Receive the Government Finance Officer's Association (GFOA)Distinguished Budget Award for the 2000 appropriation.

With successful passage of the 5.9 mill levy, continue our history of prudent fiscal management to not seek additional operating funds for at least four years.

To continue multi-year planning for capital projects, technology and maintenance to assure limited funds are used for the best instructional use.

To receive the Certificate of Excellence in Financial Reporting for the School District's 1999 Comprehensive Annual Financial Report based on the new reporting model.

To continue to carefully monitor and impact, where possible, the Ohio Supreme Court's decision regarding school funds and the legislative implementation of solutions.

Instruction

To meet targets for proficiency test standards in grades 4, 8, 10 and 12.

To increase by 20 percent the number of students taking Algebra in the eighth grade.

To begin elimination of all general middle and high school science courses, to be replaced by increased student enrollment in specific science courses.

To complete wiring of classrooms for student technology, expand current Internet connectivity for classrooms and purchase additional student computers to continue implementation of the School District technology plan.

Service Efforts There are currently twenty-four members on the School District's Business Advisory Council (the Council). The overall focus of the Council is to establish a mutual working 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 intended to enhance learning and service opportunity for all young people served by the School District.

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

The School District also participates on the Quality Communities Partnership, a group representing all major cities, communities, schools, and employers in the Southwestern Cleveland suburbs. This group has enhanced student technology, community technology and health services and is involved in many other innovations intended to link various groups to enhance the quality of life for citizens.

Financial Information

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

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

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District adopts the permanent appropriation measure in September.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the site administrator, Assistant Superintendent or appropriate central office director and be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

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

Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on line inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

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

Financial Condition This is the first year the School District has prepared financial statements following GASB Statement 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the School District's financial activities as follows:

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

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

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

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion follows this letter of transmittal, providing an assessment of the School District finances for 1999 and the outlook for the future. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

Financial Highlights - Internal Service Fund The only internal service fund carried on the financial records of the School District is related to self-insurance. This fund accounts for the revenues and expenses related to the provision of dental and vision and medical benefits to School District employees. Effective October 1, 1997 the School District implemented a medical self-insurance program. The internal service fund had net assets of \$362,859 at June 30, 1999, compared with net assets of \$525,701 at June 30, 1998, reflecting a net decrease in net assets of \$162,842. The balance at June 30, 1999 is sufficient to meet all medical, dental and vision claims liabilities.

Financial Highlights - Fiduciary Funds The trust fund carried on the financial records of the School District is a private purpose trust fund that has assets totaling \$13,103.

Cash Management

The Board pursues an aggressive cash management program by expediting the receipt of revenues and prudently depositing and investing available cash balances. The cash management program is beneficial because of access to daily balances which enables the Board to maintain minimum balance accounts and invest to the maximum extent. The total amount of interest earned was \$799,417 for the year ended June 30, 1999, \$709,160 being credited directly to the general fund.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must be equal to at least 110 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

During fiscal year 1999, investments were limited to Federal Home Loan Bank Bonds, Federal Farm Credit Discount Notes, Federal Home Loan Mortgage Notes, Federal National Mortgage Notes, Certificates of Deposit, overnight Repurchase Agreements, Victory Money Market mutual fund and STAR Ohio.

Risk Management

The School District manages the dental/vision benefits for its employees on a self-insured basis. A third party administrator processes and pays the claims. Because the maximum payment per participant is limited in both the dental and vision plans, no individual or aggregate stop-losses are necessary. During fiscal year 1998, the School District converted its fully insured health insurance plan to a self-insured plan. The School District funds the plan by charging each appropriate fund premium amounts per employee sufficient to claims and administrative costs. Unobligated reserves at June 30, 1999, are more than sufficient to meet claim obligations.

The School District uses the State Workers' Compensation plan and pays the premium based on a rate per \$100 of salaries. The School District is a member of Ohio School Boards Association Workers' Compensation Group Rating Program. The projected savings show a forty-nine percent reduction in the workers' compensation premium. The School District contracts for general liability insurance with a \$5,000,000 limit and a \$250 deductible. The School District also carries a single occurrence \$2,000,000 limit for professional liability, \$5,000,000 aggregate and no deductible.

Independent Audit

State statutes require the School District to be subjected to an annual examination by an independent auditor. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the School District's financial statements as of June 30, 1999. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Pursuant to statute, the State prescribed a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

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 for the year ended June 30, 1998.

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 Berea City School District is proud to have both staff and students receive State and national recognition for their accomplishments. Since 1984, 26 students have been named National Merit finalists, and 27 more students were semi-finalists. The United States Department of Education has recognized Berea High School as one of the best high schools in the nation. Brookpark Memorial and Riveredge Elementary Schools have been selected as two of Ohio's Hall of Fame Schools. Several teachers have received national recognition as recipients of the "Presidential Award for Excellence in Science and Mathematics Teaching."

Acknowledgments

This Comprehensive Annual Financial Report represents one of the first school district's in the United States to report its finances based upon the new financial reporting model. The goal is to continuously improve our financial accountability to our citizens.

When a project of this magnitude is undertaken many people are deserving of thanks. The Local Government Services Division of the Auditor of State's Office has been an immeasurable help.

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 worked long and hard to make this document a reality, with her boss promising her it will be easier next year, and it will.

Finally, our thanks is extended to the Board of Education where the commitment to excellence begins. As pianist Keith Jarrett has said, "The only standards worth having are the highest."

Respectfully submitted,



William Bornhauser
Treasurer



Dr. James V. Connell
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Berea, Ohio City
School District

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1998

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.



Douglas R. Ellsworth
President

Jeffrey L. Esser
Executive Director

Berea City School District
Principal Officials

Board of Education

Mr. Mark Comstock President
Mrs. Dorothy Fabrizi Vice-President
Mr. Carl Burgio Member
Mr. Robert Drake Member
Mr. David Thurau Member

Treasurer

Mr. William Bornhauser

Administration

Dr. James V. Connell Superintendent
Mr. Derran Wimer Assistant Superintendent
Mrs. Jennie Adams Director, Pupil Personnel
Mrs. Nancy Braford Director, School/Community Relations
Mr. Kenneth Clickenger Director, Business Services
Ms. Donna Lambert Director, Personnel and Employee Relations
Mrs. Cheryl Schoffman Director, Curriculum and Instruction
Mr. Robert Snedeker Director, M.I.S. and Data Processing

RESIDENTS OF THE DISTRICT

BOARD OF EDUCATION

Treasurer

Superintendent

City/County Personnel assigned to BCSD

Assistant Superintendent

High School Principals

Middle School Principals

Elementary Principals

Supervisor Middlebrook Ed. Ctr.

Coordinator Community Education

Coordinators Adult Basic Education

Director Business Services

Supervisor Buildings & Grounds

Supervisor Transportation

Supervisor Food Services

Coordinator Purchasing

Director Community Relations

Director Curriculum/ Instruction

Curriculum Coordinators

Director, MIS and Technology

Supervisor Data Processing


Director, Personnel & Employee Relations

Director, Pupil Services

Principal Snow School

Psychologists

Coordinator, Pre-school Program Extended Care Program



Organizational Chart
Berea City Schools
1998-99



Michael Pease
Brookpark Memorial Elementary
Grade 4

Financial Section

Julia Dreyer
Big Creek Elementary
Grade 3



Jason Orzel
Brookpark Memorial Elementary
Grade 4



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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615 Superior Avenue, NW
Cleveland, Ohio 44113
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REPORT OF INDEPENDENT ACCOUNTANTS

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

We have audited the accompanying basic financial statements of the Berea City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 1999, as listed in the table of contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 opinion.

As described in Note 3 to the financial statements, the District adopted Governmental Accounting Standards Boards Statements numbers 33 and 34 as of and for the year ended June 30, 1999.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Berea City School District, Cuyahoga County, as of June 30, 1999, and the results of its operations and the cash flows of its business type activities for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 1999 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 grants.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the District, taken as a whole. The combining statements and individual fund schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

We did not audit the data included in the statistical section of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

JIM PETRO
Auditor of State

December 17, 1999

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 1999
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, 1999. 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, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 1999 are as follows:

- ❑ In total, net assets increased \$1.4 million. Net assets of governmental activities increased \$1.5 million which represents a 23 percent increase from 1998. Net assets of business-type activities declined \$.1 million or 7.7 percent from 1998.
- ❑ General revenues accounted for \$59.9 million in revenue or 89 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$7.3 million or 11 percent of total revenues of \$67.2 million.
- ❑ Total assets of governmental activities increased by \$2.4 million as taxes receivable (beginning to recognize the new levy) increased by \$5.2 million while cash and other receivables declined by \$2.8 million.
- ❑ The School District had \$63 million in expenses related to governmental activities; only \$4.6 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$59.9 million were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$57.9 million in revenues and \$59.1 million in expenditures. The general fund's fund balance declined to \$5.3 million from \$6.5 million. To address this decline, the School District received voter approval for a 5.9 mill operating levy in May of 1999. This levy will generate about \$7.5 million annually in additional tax revenues. Collection begins January 2000.
- ❑ Net assets for enterprise funds declined slightly. This decline resulted from operating expenses of \$2.8 million exceeding operating revenues of \$2.4 million. Grants of \$.3 million in the food service fund reduced the operating loss. However, pricing of sales items and tuition were insufficient to meet expenses.

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

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 1999
Unaudited

of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds 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 1999?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- 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.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District adult and community education programs, food service and uniform school supplies are reported as business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 16. 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.

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 1999
Unaudited

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* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer 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.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

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 1999 compared to 1998:

(Table 1)
Net Assets
(In Millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
Assets						
Current and Other Assets	\$77.4	\$74.9	\$1.3	\$1.3	\$78.7	\$76.2
Capital Assets	21.3	21.4	0.2	0.2	21.5	21.6
Total Assets	<u>98.7</u>	<u>96.3</u>	<u>1.5</u>	<u>1.5</u>	<u>100.2</u>	<u>97.8</u>
Liabilities						
Long-Term Liabilities	(22.3)	(24.0)	(0.1)	(0.1)	(22.4)	(24.1)
Other Liabilities	(68.4)	(65.8)	(0.2)	(0.1)	(68.6)	(65.9)
Total Liabilities	<u>(90.7)</u>	<u>(89.8)</u>	<u>(0.3)</u>	<u>(0.2)</u>	<u>(91.0)</u>	<u>(90.0)</u>
Net Assets						
Invested in Capital Assets Net of Debt	7.5	6.7	0.2	0.2	7.7	6.9
Restricted	2.8	2.5	0.0	0.0	2.8	2.5
Unrestricted (Deficit)	(2.3)	(2.7)	1.0	1.1	(1.3)	(1.6)
Total Net Assets	<u>\$8.0</u>	<u>\$6.5</u>	<u>\$1.2</u>	<u>\$1.3</u>	<u>\$9.2</u>	<u>\$7.8</u>

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Total assets increased \$2.4 million. Equity in pooled cash and cash equivalents decreased \$2.4 million. Taxes receivable increased \$5.2 million; of this increase, \$3.1 million is offset by an increase in deferred revenue. Taxes receivable and deferred revenue increased due to the passage of a new levy in May of 1999. Collections from this levy will begin in 2000. The additional increase in taxes receivable resulted from increased tax monies being available from the county auditor at June 30, 1999.

Net assets of the School District's governmental activities increased by \$1.5 million. The deficit in unrestricted net assets decreased by \$.4 million. The need for a new levy is based both on a review of the change in governmental net assets and an analysis of the cash flows of governmental activities. An analysis of cash flows for governmental activities for fiscal year 1999 demonstrates cash payments for operations exceeding unrestricted cash receipts by \$3.1 million. The School District had placed a levy on the ballot in November of 1998, but this levy was defeated, causing the School District to draw down accumulated cash balances. In response to this levy defeat, the School District cut back on programs. If not, the unrestricted net asset deficit would have increased substantially rather than have diminished. Had the levy not passed in May of 1999, more significant cuts would have occurred.

The net assets of the School District business-type activities decreased by \$.1 million or 7.7 percent. Although the decline was slight, management has reviewed and, where feasible, increased fees. Food service pricing was increased an average of four percent in August 1999. This action should insure that business-type activities remain self-supporting.

Table 2 shows the changes in net assets for fiscal year 1999. Since this is the first year the School District has prepared financial statements following GASB Statement 34, revenue and expense comparisons to fiscal year 1998 are not available.

Table 2
Changes in Net Assets
(In Millions)

	Governmental Activities 1999	Business-Type Activities 1999	Total 1999
Revenues			
Program Revenues:			
Charges for Services	\$1.7	\$2.4	\$4.1
Operating Grants	2.1	0.3	2.4
Capital Grants	0.8	0.0	0.8
General Revenue:			
Property Taxes	47.7	0.0	47.7
Grants and Entitlements	11.2	0.0	11.2
Other	1.0	0.0	1.0
	\$64.5	\$2.7	\$67.2
Total Revenues	\$64.5	\$2.7	\$67.2

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 1999
Unaudited

	Governmental Activities 1999	Business-Type Activities 1999	Total 1999
Program Expenses			
Instruction	\$34.4	\$0.0	\$34.4
Support Services:			
Pupil and Instructional Staff	9.0	0.0	9.0
Board of Education, Administration, Fiscal and Business	5.8	0.0	5.8
Operation and Maintenance of Plant	7.5	0.0	7.5
Pupil Transportation	2.6	0.0	2.6
Central	1.0	0.0	1.0
Operation of Non-Instructional Services	0.6	0.0	0.6
Extracurricular Activities	1.3	0.0	1.3
Interest and Fiscal Charges	0.8	0.0	0.8
Food Service	0.0	1.9	1.9
Adult and Community Education	0.0	0.9	0.9
Total Expenses	63.0	2.8	65.8
Increase (Decrease) in Net Assets	\$1.5	(\$0.1)	\$1.4

Governmental Activities

When the need for additional operating funds became apparent, management placed a 5.9 mill operating levy on the November 1998 ballot. This levy was unsuccessful. The levy was anticipated to raise \$7.5 million in cash during calendar 1999. According to Ohio law, any levy passed during one calendar year begins collection the following calendar year. Thus when the levy was unsuccessful, the School District was unable to collect \$7.5 million in tax receipts during calendar 1999.

To assure no deficit would occur in fiscal 2000, management reduced about \$1.0 million from the fiscal 1999 budget and another \$1.1 million from the fiscal 2000 budget. For 1999 these reductions included:

- Reduced equipment and bus purchases.
- Not filling certain vacancies and reducing overtime.
- Reduction in supply purchases, specifically textbooks.

Planned reductions for 2000 were primarily staff reductions. All of these reductions were done through a committee process involving all collective bargaining groups.

Management placed the 5.9 mill levy on the May ballot where it was successful. Because the School District would not begin collecting tax receipts until January 2000, some but not all of the reductions were restored. Management will carefully control expenses during the coming years to continue to assure tax levy revenues are prudently managed.

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The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 74 percent of revenues for governmental activities for Berea Schools in fiscal year 1999.

Instruction comprises 55 percent of governmental program expenses. Interest expense was 1.3 percent. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

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. Comparisons to 1998 have not been made since they are not available.

Table 3
Governmental Activities
(In Millions)

	Total Cost of Services 1999	Net Cost of Services 1999
Instruction	\$34.4	\$31.9
Support Services		
Pupil and Instructional Staff	9.0	8.2
Board of Education, Administration, Fiscal and Business	5.8	5.7
Operation and Maintenance of Plant	7.5	7.3
Pupil Transportation	2.6	2.5
Central	1.0	0.9
Operation of Non-Instructional Services	0.6	0.1
Extracurricular Activities	1.3	1.0
Interest and Fiscal Charges	0.8	0.8
Total Expenses	\$63.0	\$58.4

The dependence upon tax revenues for governmental activities is apparent. Over 92 percent of instruction activities are supported through taxes and other general revenues, for all governmental activities general revenue support is 93 percent. The community, as a whole, is by far the primary support for Berea City School District students.

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Business-Type Activities

Business-type activities include adult/community education, which includes preschool and after school programs, the food service operation and the sale of uniform school supplies. These programs had revenues of \$2.7 million and expenses of \$2.8 million for fiscal year 1999. As discussed earlier, management has reviewed these programs and food service fees were increased about 4 percent in August 1999. To also insure that net assets are not further reduced in fiscal 2000, the School District is taking steps to reduce expenses, including renegotiating vendor agreements. Business activities receive no support from tax revenues.

The School District's Funds

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$64.5 million and expenditures of \$64.8 million. The net change in fund balance for the year was most significant in the General Fund, a decline of \$1.2 million. This decline indicated the School District needed to increase its revenue base to continue meeting School District obligations as a whole. As previously discussed, the School District received voter approval for a 5.9 mill operating levy in May of 1999. This new tax revenue, which will first be received in 2000, will improve School District financial stability for several years.

General Fund Budgeting Highlights

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

During the course of fiscal 1999 the School District amended its general fund budget numerous times, none significant. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, budget basis revenue was \$56.2 million, above original budget estimates of \$54.5 million. Of this \$1.7 million difference, most was due to conservative tax, intergovernmental and tuition estimates.

Much of this conservative estimate was offset as the original appropriations of \$60.2 million were increased to \$61.6 million. Salary costs proved to be higher than anticipated in the original budget. At the end of June 1998, the School District had over 100 employees retire due to a retirement incentive. The savings of the incentive are closely monitored and the program was successful. To date the School District has saved \$1.3 million. However, as positions began to be filled, beginning salaries were higher than anticipated. In addition, 2.4 full-time equivalent instructional positions were added due to special education and enrollment needs and 8.5 support positions were created, primarily as aides or for 24 hour building coverage and security.

The School District's ending unobligated cash balance was \$311,000 above the final budgeted amount.

Berea City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 1999
Unaudited

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 1999 the School District had \$21.5 million invested in land, buildings, equipment and textbooks, \$21.3 million in governmental activities. Table 4 shows fiscal 1999 balances compared to 1998:

(Table 4)
Capital Assets at June 30
 (Net of Depreciation, in Millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
Land	\$2.7	\$2.8	\$0.0	\$0.0	\$2.7	\$2.8
Buildings and Improvements	15.0	14.9	0.0	0.0	15.0	14.9
Furniture and Equipment	1.8	1.8	0.2	0.2	2.0	2.0
Vehicles	0.9	0.8	0.0	0.0	0.9	0.8
Textbooks	0.9	1.1	0.0	0.0	0.9	1.1
Totals	<u>\$21.3</u>	<u>\$21.4</u>	<u>\$0.2</u>	<u>\$0.2</u>	<u>\$21.5</u>	<u>\$21.6</u>

The primary increase occurred in buildings and improvements which include construction projects for computer cabling, heating and lighting systems and library renovations. The lack of an increase in equipment and vehicles and the decrease in textbooks are the result of budget reductions deferring these purchases until funds are available.

For fiscal year 1999, a change in Ohio law required school districts to set aside two percent of certain revenues for capital improvements and an additional two percent for textbooks. For fiscal year 1999, this amounted to \$911,139 for each set aside. For fiscal year 1999 the School District had qualifying disbursements or offsets exceeding these requirements. For fiscal year 2000, the set aside will be raised to three percent. The School District has budgeted to meet these requirements.

As of June 30, 1999, the School District has contractual commitments for additions on two libraries and for technology improvements. The balance outstanding on these contracts is \$151,459 and \$429,402, respectively.

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Management's Discussion and Analysis
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Unaudited

Debt

At June 30, 1999 the School District had \$14.8 million in bonds and notes outstanding, \$1.7 million due within one year. Table 5 summarizes bonds and notes outstanding

(Table 5)
Outstanding Debt, at Year End
(In Millions)

	Governmental Activities 1999	Governmental Activities 1998
General Obligation Bonds		
1993 School Improvement	\$13.0	\$13.3
Notes Payable		
1997 Tax Anticipation	0.9	1.4
1999 Energy Conservation	0.9	0.0
Total	\$14.8	\$14.7

The 1999 energy conservation note was issued to replace heating systems and lighting systems at one high school. It is to be repaid in June, 2000, from the General Fund.

The 1997 tax anticipation note was issued to allow the School District to undertake several key projects following passage of a 1.0 mill permanent improvement levy in November 1996. The notes will be fully repaid in fiscal 2001.

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.

At June 30, 1999, the School District's overall legal debt margin was \$105,593,286 with an unvoted debt margin of \$1,309,604. The School District maintains an A-1 bond rating.

For the Future

Berea City School District is strong financially. As the preceding information shows, the School District heavily depends on its property taxpayers. With the passage of a 5.9 mill operating levy and collection beginning January 2000 the School District will be able to continue its education programs. However, financially the future is not without challenges, one internal and one external.

While the School District was successful in increasing its tax revenue base by \$7.5 million annually, this increase is a one-time increase. State law fixes the amount of this increase, forcing it to remain nearly constant. Thus management must diligently plan expenses, staying carefully within the School District's five-year plan. Additional revenues must not be treated as a windfall to expand programs but as an opportunity to extend the time horizon of the five-year plan.

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Externally, the State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational system, one that was neither "adequate" nor "equitable." Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. Whether the State has met the standards of the Ohio Supreme Court will be determined this winter.

Berea City School District has not anticipated any meaningful growth in State revenue. The concern is that, to meet the requirements of the court, the State may require redistribution of commercial and industrial property tax. With \$60 of every \$100 paid in taxes for the School District coming from business or industry, this could have a significant impact on the School District's residential taxpayers.

Both scenarios require management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

In conclusion, 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.

In addition, the School District's system of budgeting and internal controls are well regarded. All of the School District's financial abilities will be needed to meet the challenges of the future.

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 Bill Bornhauser, Treasurer at Berea City School District, 390 Fair Street, Berea, Ohio 44017. Or E-Mail at bbornhauser@berea.k12.oh.us.

Berea City School District
Statement of Net Assets
June 30, 1999

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$9,272,830	\$1,101,336	\$10,374,166
Cash and Cash Equivalents:			
With Fiscal Agents	1,422	0	1,422
With Escrow Agents	140,113	0	140,113
Receivables:			
Taxes	66,768,199	0	66,768,199
Accounts	59,807	5,210	65,017
Intergovernmental	436,234	43,425	479,659
Accrued Interest	91,962	0	91,962
Prepaid Items	5,256	0	5,256
Inventory Held for Resale	0	59,208	59,208
Materials and Supplies			
Inventory	254,274	35,867	290,141
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	334,989	0	334,989
Capital Assets, Net	<u>21,329,607</u>	<u>240,036</u>	<u>21,569,643</u>
Total Assets	<u>98,694,693</u>	<u>1,485,082</u>	<u>100,179,775</u>
Liabilities			
Accounts Payable	418,813	15,694	434,507
Contracts Payable	95,899	0	95,899
Accrued Wages	3,582,309	29,533	3,611,842
Retainage Payable	150,420	0	150,420
Intergovernmental Payable	1,769,124	88,183	1,857,307
Deferred Revenue	61,729,090	22,222	61,751,312
Matured Interest Payable	1,422	0	1,422
Accrued Interest Payable	35,299	0	35,299
Claims Payable	644,252	0	644,252
Long-Term Liabilities:			
Due Within One Year	2,275,247	3,054	2,278,301
Due In More Than One Year	<u>19,996,775</u>	<u>117,209</u>	<u>20,113,984</u>
Total Liabilities	<u>90,698,650</u>	<u>275,895</u>	<u>90,974,545</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	7,479,607	240,036	7,719,643
Restricted for:			
Capital Projects	1,327,866	0	1,327,866
Debt Service	646,692	0	646,692
Other Purposes	851,676	0	851,676
Unrestricted (Deficit)	<u>(2,309,798)</u>	<u>969,151</u>	<u>(1,340,647)</u>
Total Net Assets	<u>\$7,996,043</u>	<u>\$1,209,187</u>	<u>\$9,205,230</u>

See accompanying notes to the basic financial statements

Berea City School District
Statement of Activities
For the Fiscal Year Ended June 30, 1999

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Instruction:				
Regular	\$29,246,237	\$259,375	\$361,534	\$719,948
Special	4,533,049	644,434	338,711	0
Vocational	494,566	53,683	18	0
Adult/Continuing	76,955	0	66,241	0
Support Services:				
Pupil	3,412,303	4,156	217,272	0
Instructional Staff	5,623,076	97,617	501,978	0
Board of Education	27,540	0	0	0
Administration	3,445,483	0	50,567	0
Fiscal	1,380,235	0	0	0
Business	935,820	78,396	0	0
Operation and Maintenance of Plant	7,497,937	223,143	0	0
Pupil Transportation	2,565,486	36,278	747	55,111
Central	979,137	0	22,284	0
Operation of Non-Instructional Services				
	573,336	10,183	492,259	0
Extracurricular Activities	1,333,741	320,055	51,013	0
Intergovernmental	7,514	0	0	0
Interest and Fiscal Charges	843,331	0	0	0
<i>Total Governmental Activities</i>	<u>62,975,746</u>	<u>1,727,320</u>	<u>2,102,624</u>	<u>775,059</u>
Business-Type Activities				
Food Service	1,878,046	1,491,687	364,815	0
Uniform School Supplies	70,804	69,511	0	0
Adult and Community Education	883,567	844,822	0	0
<i>Total Business-Type Activities</i>	<u>2,832,417</u>	<u>2,406,020</u>	<u>364,815</u>	<u>0</u>
Totals	<u>\$65,808,163</u>	<u>\$4,133,340</u>	<u>\$2,467,439</u>	<u>\$775,059</u>

General Revenues

Property Taxes Levied for:

General Purposes

Debt Service

Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Payment in Lieu of Taxes

Unrestricted Contributions

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year - (See Note 3)

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$27,905,380)	\$0	(\$27,905,380)
(3,549,904)	0	(3,549,904)
(440,865)	0	(440,865)
(10,714)	0	(10,714)
(3,190,875)	0	(3,190,875)
(5,023,481)	0	(5,023,481)
(27,540)	0	(27,540)
(3,394,916)	0	(3,394,916)
(1,380,235)	0	(1,380,235)
(857,424)	0	(857,424)
(7,274,794)	0	(7,274,794)
(2,473,350)	0	(2,473,350)
(956,853)	0	(956,853)
(70,894)	0	(70,894)
(962,673)	0	(962,673)
(7,514)	0	(7,514)
(843,331)	0	(843,331)
(58,370,743)	0	(58,370,743)
0	(21,544)	(21,544)
0	(1,293)	(1,293)
0	(38,745)	(38,745)
0	(61,582)	(61,582)
(58,370,743)	(61,582)	(58,432,325)
44,747,147	0	44,747,147
1,157,210	0	1,157,210
1,835,751	0	1,835,751
11,234,905	0	11,234,905
70,641	0	70,641
7,351	0	7,351
752,749	19	752,768
43,454	40	43,494
59,849,208	59	59,849,267
1,478,465	(61,523)	1,416,942
6,517,578	1,270,710	7,788,288
\$7,996,043	\$1,209,187	\$9,205,230

Berea City School District
Balance Sheet
Governmental Funds
June 30, 1999

	General	Debt Service	Permanent Improvement Capital Projects
Assets			
Equity in Pooled Cash and Cash Equivalents	\$5,918,426	\$522,774	\$930,857
Cash and Cash Equivalents:			
With Fiscal Agents	0	1,422	0
With Escrow Agents	0	0	15,429
Restricted Assets			
Equity in Pooled Cash and Cash Equivalents	334,989	0	0
Receivables:			
Taxes	62,874,278	1,587,750	2,306,171
Accounts	59,807	0	0
Intergovernmental	391,261	0	0
Accrued Interest	91,962	0	0
Interfund Receivable	31,000	0	0
Due from Other Funds	10,726	0	0
Prepaid Items	5,256	0	0
Materials and Supplies Inventory	254,274	0	0
Total Assets	\$69,971,979	\$2,111,946	\$3,252,457
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$342,686	\$0	\$14,415
Contracts Payable	0	0	95,899
Accrued Wages	3,547,794	0	0
Compensated Absences Payable	323,445	0	0
Retainage Payable	0	0	25,736
Interfund Payable	0	0	0
Due to Other Funds	0	0	0
Intergovernmental Payable	1,117,791	0	0
Deferred Revenue	58,508,986	1,431,590	2,104,988
Matured Interest Payable	0	1,422	0
Accrued Interest Payable	1,276	0	1,781
Notes Payable	875,000	0	900,000
Total Liabilities	64,716,978	1,433,012	3,142,819
Fund Balances			
Reserved for Encumbrances	1,722,466	0	558,231
Reserved for Inventory	254,274	0	0
Reserved for Unclaimed Monies	19,553	0	0
Reserved for Property Taxes	3,747,781	140,071	169,006
Reserved for Budget Stabilization	334,989	0	0
Unreserved, Undesignated, Reported in:			
General Fund (Deficit)	(824,062)	0	0
Special Revenue Funds	0	0	0
Debt Service Fund	0	538,863	0
Capital Projects Funds (Deficit)	0	0	(617,599)
Total Fund Balances	5,255,001	678,934	109,638
Total Liabilities and Fund Balances	\$69,971,979	\$2,111,946	\$3,252,457

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, 1999*

Other Governmental Funds	Total Governmental Funds
\$893,662	\$8,265,719
0	1,422
124,684	140,113
0	334,989
0	66,768,199
0	59,807
44,973	436,234
0	91,962
0	31,000
0	10,726
0	5,256
0	254,274
<u>\$1,063,319</u>	<u>\$76,399,701</u>
61,712	\$418,813
0	95,899
34,515	3,582,309
288	323,733
124,684	150,420
31,000	31,000
10,726	10,726
10,199	1,127,990
24,646	62,070,210
0	1,422
0	3,057
0	1,775,000
<u>297,770</u>	<u>69,590,579</u>
271,029	2,551,726
0	254,274
0	19,553
0	4,056,858
0	334,989
0	(824,062)
338,396	338,396
0	538,863
156,124	(461,475)
<u>765,549</u>	<u>6,809,122</u>
<u>\$1,063,319</u>	<u>\$76,399,701</u>

Total Governmental Fund Balances	\$6,809,122
<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	21,329,607
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds	341,120
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	362,859
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(20,846,665)</u>
<i>Net Assets of Governmental Activities</i>	<u>\$7,996,043</u>

Berea City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 1999

	General	Debt Service	Permanent Improvement Capital Projects
Revenues			
Taxes	\$44,747,147	\$1,157,210	\$1,835,751
Intergovernmental	11,005,111	122,660	162,245
Interest	709,160	0	0
Tuition and Fees	1,011,504	0	0
Extracurricular Activities	22,484	0	0
Payment in Lieu of Taxes	70,641	0	0
Rentals	223,143	0	0
Charges for Services	78,030	0	0
Contributions and Donations	7,351	0	0
Miscellaneous	22,311	0	107
Total Revenues	57,896,882	1,279,870	1,998,103
Expenditures			
Current:			
Instruction:			
Regular	28,796,947	0	0
Special	4,029,147	0	0
Vocational	543,298	0	0
Adult/Continuing	3,805	0	0
Support Services:			
Pupil	3,252,430	0	0
Instructional Staff	4,930,769	0	0
Board of Education	27,540	0	0
Administration	3,424,599	0	0
Fiscal	1,356,311	0	0
Business	924,106	0	0
Operation and Maintenance of Plant	7,277,633	0	0
Pupil Transportation	2,605,644	0	0
Central	929,857	0	0
Operation of Non-Instructional Services	15,634	0	0
Extracurricular Activities	1,006,637	0	0
Capital Outlay	0	0	1,059,243
Intergovernmental	0	0	0
Debt Service:			
Principal Retirement	0	350,000	0
Interest and Fiscal Charges	1,276	785,113	57,890
Total Expenditures	59,125,633	1,135,113	1,117,133
Net Change in Fund Balance	(1,228,751)	144,757	880,970
Fund Balances (Deficit) Beginning of Year - Restated (See Note 3)	6,497,767	534,177	(771,332)
Decrease in Reserve for Inventory	(14,015)	0	0
Fund Balances End of Year	\$5,255,001	\$678,934	\$109,638

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, 1999*

Other Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	(\$291,990)
		<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
		Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	4,293
		Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of fixed assets. There were no proceeds	(26,001)
		Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(31,512)
		Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	350,000
		In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	948
		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.	1,635,569
		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.	(162,842)
		<i>Change in Net Assets of Governmental Activities</i>	<u><u>\$1,478,465</u></u>
\$0	\$47,740,108		
2,728,564	14,018,580		
20,191	729,351		
84	1,011,588		
461,737	484,221		
0	70,641		
0	223,143		
0	78,030		
82,234	89,585		
21,036	43,454		
<u>3,313,846</u>	<u>64,488,701</u>		
559,135	29,356,082		
362,315	4,391,462		
19	543,317		
72,133	75,938		
220,303	3,472,733		
578,162	5,508,931		
0	27,540		
47,344	3,471,943		
0	1,356,311		
0	924,106		
0	7,277,633		
821	2,606,465		
23,443	953,300		
581,635	597,269		
322,844	1,329,481		
627,144	1,686,387		
7,514	7,514		
0	350,000		
0	844,279		
<u>3,402,812</u>	<u>64,780,691</u>		
(88,966)	(291,990)		
854,515	7,115,127		
0	(14,015)		
<u>\$765,549</u>	<u>\$6,809,122</u>		

Berea City School District
Statement of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 1999

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$42,364,885	\$42,784,248	\$42,906,637	\$122,389
Intergovernmental	10,505,000	11,005,111	11,005,111	0
Interest	900,000	912,352	953,515	41,163
Tuition and Fees	632,107	955,404	990,240	34,836
Extracurricular Activities	0	22,484	22,484	0
Payment in Lieu of Taxes	0	75,351	75,351	0
Rentals	0	181,543	182,957	1,414
Charges for Services	61,660	28,946	67,680	38,734
Contributions and Donations	2,000	7,351	7,351	0
Miscellaneous	21,016	8,965	22,153	13,188
<i>Total Revenues</i>	<i>54,486,668</i>	<i>55,981,755</i>	<i>56,233,479</i>	<i>251,724</i>
Expenditures				
Current:				
Instruction:				
Regular	28,483,513	29,389,332	29,386,559	2,773
Special	3,621,411	3,856,838	3,849,162	7,676
Vocational	721,270	546,693	544,355	2,338
Adult/Continuing	0	3,850	3,805	45
Support Services:				
Pupil	3,157,492	3,236,620	3,231,458	5,162
Instructional Staff	5,330,804	5,232,030	5,230,871	1,159
Board of Education	22,222	28,901	27,540	1,361
Administration	3,766,158	3,520,418	3,514,774	5,644
Fiscal	1,245,803	1,366,634	1,355,282	11,352
Business	1,343,089	1,165,226	1,162,926	2,300
Operation and Maintenance of Plant	7,416,915	8,372,885	8,363,010	9,875
Pupil Transportation	3,111,230	2,876,323	2,873,262	3,061
Central	1,003,614	949,625	946,801	2,824
Operation of Non-Instructional Services	16,836	16,250	15,634	616
Extracurricular Activities	914,053	1,030,681	1,027,660	3,021
<i>Total Expenditures</i>	<i>60,154,410</i>	<i>61,592,306</i>	<i>61,533,099</i>	<i>59,207</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(\$5,667,742)</i>	<i>(\$5,610,551)</i>	<i>(\$5,299,620)</i>	<i>\$310,931</i>

(continued)

Berea City School District
*Statement of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 General Fund (continued)
 For the Fiscal Year Ended June 30, 1999*

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Other Financing Sources (Uses)				
Proceeds of Notes	\$0	\$875,000	\$875,000	\$0
Advances In	287,000	291,808	291,808	0
Advances Out	0	(31,000)	(31,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>287,000</u>	<u>1,135,808</u>	<u>1,135,808</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(5,380,742)	(4,474,743)	(4,163,812)	310,931
<i>Fund Balance Beginning of Year</i>	7,091,564	7,091,564	7,091,564	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,376,724</u>	<u>1,376,724</u>	<u>1,376,724</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,087,546</u>	<u>\$3,993,545</u>	<u>\$4,304,476</u>	<u>\$310,931</u>

See accompanying notes to the basic financial statements

Berea City School District
*Statement of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Debt Service Fund
 For the Fiscal Year Ended June 30, 1999*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$1,534,781	\$1,563,246	\$1,563,246	\$0
Intergovernmental	158,950	122,660	122,660	0
<i>Total Revenues</i>	<u>1,693,731</u>	<u>1,685,906</u>	<u>1,685,906</u>	<u>0</u>
Expenditures				
Debt Service:				
Principal Retirement	800,000	800,000	800,000	0
Interest and Fiscal Charges	843,982	843,982	843,894	88
<i>Total Expenditures</i>	<u>1,643,982</u>	<u>1,643,982</u>	<u>1,643,894</u>	<u>88</u>
<i>Net Change in Fund Balance</i>	49,749	41,924	42,012	88
<i>Fund Balance Beginning of Year</i>	<u>480,762</u>	<u>480,762</u>	<u>480,762</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$530,511</u>	<u>\$522,686</u>	<u>\$522,774</u>	<u>\$88</u>

See accompanying notes to the basic financial statements

Berea City School District
Statement of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$1,178,478	\$1,230,128	\$1,230,128	\$0
Intergovernmental	172,000	162,245	162,245	0
Miscellaneous	2,000	107	107	0
<i>Total Revenues</i>	<u>1,352,478</u>	<u>1,392,480</u>	<u>1,392,480</u>	<u>0</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff	22,147	22,147	22,079	68
Capital Outlay	2,059,952	1,903,171	1,902,083	1,088
<i>Total Expenditures</i>	<u>2,082,099</u>	<u>1,925,318</u>	<u>1,924,162</u>	<u>1,156</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(729,621)	(532,838)	(531,682)	1,156
Other Financing Uses				
Advances Out	(287,000)	(287,000)	(287,000)	0
<i>Net Change in Fund Balance</i>	(1,016,621)	(819,838)	(818,682)	1,156
<i>Fund Balance Beginning of Year</i>	41,639	41,639	41,639	0
Prior Year Encumbrances Appropriated	1,032,798	1,032,798	1,032,798	0
<i>Fund Balance End of Year</i>	<u>\$57,816</u>	<u>\$254,599</u>	<u>\$255,755</u>	<u>\$1,156</u>

See accompanying notes to the basic financial statements

Berea City School District
Statement of Net Assets
Proprietary Funds
June 30, 1999

	<u>Business-Type Activities -</u>	
	<u>Food Service</u>	<u>Uniform School Supplies</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$683,981	\$23,839
Receivables:		
Accounts	5,210	0
Intergovernmental	43,425	0
Inventory Held for Resale	47,530	11,678
Materials and Supplies Inventory	<u>35,867</u>	<u>0</u>
<i>Total Current Assets</i>	816,013	35,517
Capital Assets, Net	<u>234,749</u>	<u>0</u>
<i>Total Assets</i>	<u>1,050,762</u>	<u>35,517</u>
Liabilities		
Accounts Payable	13,433	0
Accrued Wages	92	0
Compensated Absences Payable	0	0
Intergovernmental Payable	49,928	0
Deferred Revenue	22,222	0
Claims Payable	<u>0</u>	<u>0</u>
<i>Total Current Liabilities</i>	85,675	0
Long-Term Liabilities:		
Compensated Absences Payable	<u>75,352</u>	<u>0</u>
<i>Total Liabilities</i>	<u>161,027</u>	<u>0</u>
Net Assets		
Invested in Capital Assets, Net of Related Debt	234,749	0
Unrestricted	<u>654,986</u>	<u>35,517</u>
<i>Total Net Assets</i>	<u>\$889,735</u>	<u>\$35,517</u>

See accompanying notes to the basic financial statements

<u>Enterprise Funds</u>		
<u>Adult and Community Education</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$393,516	\$1,101,336	\$1,007,111
0	5,210	0
0	43,425	0
0	59,208	0
0	35,867	0
<u>393,516</u>	<u>1,245,046</u>	<u>1,007,111</u>
<u>5,287</u>	<u>240,036</u>	<u>0</u>
<u>398,803</u>	<u>1,485,082</u>	<u>1,007,111</u>
2,261	15,694	0
29,441	29,533	0
3,054	3,054	0
38,255	88,183	0
0	22,222	0
0	0	644,252
<u>73,011</u>	<u>158,686</u>	<u>644,252</u>
<u>41,857</u>	<u>117,209</u>	<u>0</u>
<u>114,868</u>	<u>275,895</u>	<u>644,252</u>
5,287	240,036	0
<u>278,648</u>	<u>969,151</u>	<u>362,859</u>
<u>\$283,935</u>	<u>\$1,209,187</u>	<u>\$362,859</u>

Berea City School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 1999*

	<u>Business-Type Activities -</u>	
	<u>Food Service</u>	<u>Uniform School Supplies</u>
Operating Revenues		
Tuition	\$0	\$0
Sales	1,455,883	69,511
Charges for Services	0	0
Miscellaneous	40	0
<i>Total Operating Revenues</i>	<u>1,455,923</u>	<u>69,511</u>
Operating Expenses		
Salaries	724,364	0
Fringe Benefits	224,297	0
Purchased Services	34,245	0
Materials and Supplies	172,047	0
Cost of Sales	693,691	70,804
Depreciation	29,402	0
Claims	0	0
Other	0	0
<i>Total Operating Expenses</i>	<u>1,878,046</u>	<u>70,804</u>
<i>Operating Loss</i>	<u>(422,123)</u>	<u>(1,293)</u>
Non-Operating Revenues		
Donated Commodities	88,019	0
Interest	35,804	19
Operating Grants	276,796	0
<i>Total Non-Operating Revenues</i>	<u>400,619</u>	<u>19</u>
<i>Change in Net Assets</i>	(21,504)	(1,274)
<i>Net Assets Beginning of Year - Restated (See Note 3)</i>	<u>911,239</u>	<u>36,791</u>
<i>Net Assets End of Year</i>	<u>\$889,735</u>	<u>\$35,517</u>

See accompanying notes to the basic financial statements

<u>Enterprise Funds</u>		
<u>Adult and Community Education</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$844,822	\$844,822	\$0
0	1,525,394	0
0	0	4,212,659
0	40	0
<u>844,822</u>	<u>2,370,256</u>	<u>4,212,659</u>
584,305	1,308,669	0
132,985	357,282	0
96,292	130,537	534,833
65,067	237,114	0
0	764,495	0
695	30,097	0
0	0	3,874,249
4,223	4,223	0
<u>883,567</u>	<u>2,832,417</u>	<u>4,409,082</u>
<u>(38,745)</u>	<u>(462,161)</u>	<u>(196,423)</u>
0	88,019	0
0	35,823	33,581
0	276,796	0
<u>0</u>	<u>400,638</u>	<u>33,581</u>
(38,745)	(61,523)	(162,842)
<u>322,680</u>	<u>1,270,710</u>	<u>525,701</u>
<u>\$283,935</u>	<u>\$1,209,187</u>	<u>\$362,859</u>

Berea City School District
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 1999

	Business-Type Activities -	
	Food Service	Uniform School Supplies
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash Received from Customers	\$1,454,291	\$69,511
Cash Received from Quasi-External Transactions With Other Funds	0	0
Other Cash Receipts	40	0
Cash Payments to Employees for Services	(722,915)	0
Cash Payments for Employee Benefits	(210,610)	0
Cash Payments for Goods and Services	(817,498)	(70,469)
Cash Payments for Claims	0	0
Other Cash Payments	0	0
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>(296,692)</u>	<u>(958)</u>
Cash Flows from Noncapital Financing Activities		
Operating Grants Received	276,076	0
Repayment of Advance	0	(77)
<i>Net Cash Provided by (Used in) Noncapital Financing Activities</i>	<u>276,076</u>	<u>(77)</u>
Cash Flows from Capital and Related Financing Activities		
Payments for Capital Acquisitions	(50,260)	0
Cash Flows from Investing Activities		
Interest on Investments	35,804	19
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	<u>(35,072)</u>	<u>(1,016)</u>
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>719,053</u>	<u>24,855</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$683,981</u></u>	<u><u>\$23,839</u></u>

<u>Enterprise Funds</u>		<u>Governmental</u>
<u>Adult and</u>		<u>Activities -</u>
<u>Community</u>		<u>Internal</u>
<u>Education</u>	<u>Total</u>	<u>Service Fund</u>
\$857,204	\$2,381,006	\$0
0	0	4,221,617
0	40	0
(562,235)	(1,285,150)	0
(130,927)	(341,537)	0
(167,028)	(1,054,995)	(534,833)
0	0	(3,629,744)
(4,223)	(4,223)	0
<u>(7,209)</u>	<u>(304,859)</u>	<u>57,040</u>
0	276,076	0
0	(77)	0
<u>0</u>	<u>275,999</u>	<u>0</u>
(1,358)	(51,618)	0
<u>0</u>	<u>35,823</u>	<u>34,523</u>
(8,567)	(44,655)	91,563
<u>402,083</u>	<u>1,145,991</u>	<u>915,548</u>
<u>\$393,516</u>	<u>\$1,101,336</u>	<u>\$1,007,111</u>
		(continued)

Berea City School District
Statement of Cash Flows
Proprietary Funds (continued)
For the Fiscal Year Ended June 30, 1999

	Business-Type Activities -	
	Food Service	Uniform School Supplies
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities		
Operating Loss	(\$422,123)	(\$1,293)
Adjustments:		
Depreciation	29,402	0
Donated Commodities Used During Year	88,019	0
(Increase) Decrease in Assets:		
Accounts Receivable	(4,210)	0
Intergovernmental Receivable	2,618	0
Inventory Held for Resale	(4,731)	335
Materials and Supplies Inventory	4,846	0
Increase (Decrease) in Liabilities:		
Accounts Payable	5,147	0
Contracts Payable	(10,000)	0
Accrued Wages	92	0
Compensated Absences Payable	1,357	0
Retainage Payable	(796)	0
Intergovernmental Payable	13,687	0
Claims Payable	0	0
	(\$296,692)	(\$958)
<i>Net Cash Provided by (Used in) Operating Activities</i>	(\$296,692)	(\$958)

See accompanying notes to the basic financial statements

<u>Enterprise Funds</u>		
<u>Adult and Community Education</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
(\$38,745)	(\$462,161)	(\$196,423)
695	30,097	0
0	88,019	0
12,382	8,172	8,958
0	2,618	0
0	(4,396)	0
0	4,846	0
(2,872)	2,275	0
0	(10,000)	0
13,019	13,111	0
9,051	10,408	0
0	(796)	0
(739)	12,948	0
0	0	244,505
<u>(\$7,209)</u>	<u>(\$304,859)</u>	<u>\$57,040</u>

Berea City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 1999

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$13,103	\$142,844
Liabilities		
Undistributed Monies	0	\$24,265
Due to Students	0	118,579
<i>Total Liabilities</i>	0	\$142,844
Net Assets		
Held in Trust for Scholarships	13,103	
<i>Total Net Assets</i>	\$13,103	

See accompanying notes to the basic financial statements

Berea City School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 1999

	Private Purpose Trust
	Scholarship
Additions	
Interest	\$662
Deductions	
	0
<i>Change in Net Assets</i>	662
<i>Net Assets Beginning of Year</i>	12,441
<i>Net Assets End of Year</i>	\$13,103

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, 1999

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/or federal agencies. This Board of Education controls the School District's eleven instructional/support facilities staffed by 403 classified employees, 501 certificated full-time teaching personnel, and 67 administrators who provide services to 7,941 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 the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Berea City School District, this includes general operations, food service, preschool, community services, and student related activities of the School District. The following activity is also included within the reporting entity.

Nonpublic Schools Within the School District boundaries, St. Mary's, St. Bartholomew's and St. Adalbert are operated through the Catholic diocese. The Greater Cleveland Christian School, Scribes and Scribblers, Lewis Little Folks and Family Life Center are also within School District boundaries. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed by the School District on behalf of the nonpublic schools by the Treasurer of the School District, as directed by the nonpublic schools. These transactions are reported as a governmental activity of the School District.

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

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

Cities of Berea, Middleburg Heights and Brook Park The city governments of Berea, Middleburg Heights and Brook Park are separate bodies politic and corporate. An elected mayor and council administer the provision of traditional city services. Council acts as the taxing and budgeting authority.

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

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

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.

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

Jointly Governed Organizations:

Polaris Career Center
Educational Community Foundation
Ohio Schools Council

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 and business-type activities and to its proprietary funds provided they do not 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 for, and the payment of, general long-term debt principal, interest and related costs.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

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

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

Proprietary Funds Proprietary funds focus on the determination of the changes in net assets, financial position and cash flows and are classified as either enterprise or internal service.

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District's major enterprise funds are:

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 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 educational opportunities offered on a tuition basis to preschoolers, youths and adults living within the community.

Internal Service Funds Internal service funds account 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 scholarship program for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

B. Basis of Presentation

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. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School District and for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of 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 business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types 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 fund types 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.

Fiduciary funds are 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.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

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 7.) Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the 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 fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

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

Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 1999, but which were levied to finance fiscal year 2000 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

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

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

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 utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the financial statements as "cash and cash equivalents with fiscal agent". The School District also utilizes an escrow agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as "cash and cash equivalents with escrow agents" and represents deposits or short-term investments in certificates of deposit.

During fiscal year 1999, investments were limited to Federal Home Loan Bank Bonds, Federal Farm Credit Discount Notes, Federal Home Loan Mortgage Notes, Federal National Mortgage Notes, Certificates of Deposit, overnight Repurchase Agreements, Victory Money Market mutual fund and STAR Ohio.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits and repurchase agreements are reported at cost.

Berea City School District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 1999. 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, 1999.

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 1999 amounted to \$709,160, which includes \$76,217 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

Restricted assets are cash and cash equivalents whose use is limited by legal requirements. Restricted assets represent amounts required by statute to be set-aside by the School District to create a reserve for budget stabilization. See Note 20 for the calculation of the year-end restricted asset balance.

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 1999, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

G. Inventory

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

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

H. 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. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five hundred 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 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	Business-Type Activities Estimated Lives
Land Improvements	30 years	N/A
Buildings and Improvements	10 - 30 years	N/A
Furniture and Equipment	5 - 10 years	12 years
Vehicles	10 years	N/A
Textbooks	5 years	N/A

I. 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, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

J. Compensated Absences

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for 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.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

K. 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, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgements, the noncurrent portion of capital leases, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

L. 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, inventories of supplies and materials, property taxes, budget stabilization, and unclaimed monies.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The reserve for budget stabilization represents money required to be set-aside by statute to protect against cyclical changes in revenues and expenditures. 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.

M. Net Assets

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

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

N. 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 tuition for adult education classes, sales for food service and uniform school supplies, and 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.

O. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of fixed assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

P. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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 and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 1999.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

R. 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.

S. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Board of Education at the object level within each fund and function. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the Cuyahoga County Budget Commission for rate determination.

Estimated Resources Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further 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 amended certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 1999.

Appropriations Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certification saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations provided the total appropriations by fund do not exceed the amounts set forth in the most

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

recent certificate of estimated resources. The amounts reported as the original budgeted amounts in the budgetary statements reflect the appropriation in the first complete appropriated budget, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

Encumbrances As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On fund financial statements, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds. A reserve for encumbrances is not reported on government-wide financial statements.

Lapsing of Appropriations At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

Note 3 – Changes in Accounting Principles and Restatement of Fund Balance

Changes in Accounting Principles For fiscal year 1999, the School District has implemented GASB Statement No. 33, “Accounting and Financial Reporting for Nonexchange Transactions” and GASB Statement No. 34, “Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments.” At June 30, 1998, there was no effect on fund balance as a result of implementing GASB 33.

GASB 34 creates new basic financial statements for reporting on the School District’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements split the School District’s programs between business-type and governmental activities. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at June 30, 1998, caused by the elimination of the internal service fund and the conversion to the accrual basis of accounting.

Restatement of Fund Balance During fiscal year 1999 it was determined that intergovernmental payables were overstated at June 30, 1998 in the general fund and that tax revenue was overstated for fiscal year 1998 in the general, debt service and permanent improvement capital projects funds. These restatements had the following effects on fund balance of the major and nonmajor funds of the School District as they were previously reported. The transition from governmental fund balance to net assets of the governmental activities is also presented.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

	General	Debt Service	Permanent Improvement Capital Projects	Nonmajor	Total
Fund Balance June 30, 1998	\$6,961,109	\$551,969	(\$731,560)	\$854,515	\$7,636,033
Intergovernmental Payable	691,093	0	0	0	691,093
Tax Revenue	(1,154,435)	(17,792)	(39,772)	0	(1,211,999)
Adjusted Fund Balance, June 30, 1998	<u>\$6,497,767</u>	<u>\$534,177</u>	<u>(\$771,332)</u>	<u>\$854,515</u>	7,115,127
GASB 34 Adjustments:					
Capital Assets					21,351,315
Internal Service Fund					525,701
Long-Term Liabilities					(22,847,197)
Long-Term (Deferred) Assets					<u>372,632</u>
Governmental Activities Net Assets, June 30, 1998					<u>\$6,517,578</u>

At June 30, 1998, fixed assets were overstated in the enterprise funds. This restatement had the following effect on fund equity as it was previously reported:

	Food Service	Uniform School Supplies	Adult and Community Education	Total
Fund Equity June 30, 1998	\$984,866	\$36,791	\$322,844	\$1,344,501
Fixed Assets	(73,627)	0	(164)	(73,791)
Adjusted Net Assets, June 30, 1998	<u>\$911,239</u>	<u>\$36,791</u>	<u>\$322,680</u>	<u>\$1,270,710</u>

Note 4 - Fund Deficits

The Title I special revenue fund had a deficit fund balance at June 30, 1999 of \$12,960. This deficit balance resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in this fund and will provide operating transfers when cash is required, not when accruals occur.

Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for each major governmental 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:

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

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. Proceeds from, and repayments of, tax anticipation notes are reported on the operating statement (budget) rather than on the balance sheet (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the major governmental funds.

	Net Change in Fund Balance Major Governmental Funds		
	General	Debt Service	Permanent Improvement Capital Projects
GAAP Basis	(\$1,228,751)	\$144,757	\$880,970
Net Adjustment for Revenue Accruals	(1,661,200)	(102,745)	(96,842)
Proceeds from Notes	875,000	0	0
Taxes Revenue for Repayment of Debt	0	508,781	(508,781)
Advance In	291,808	0	0
Unrecorded Cash	(2,203)	0	0
Net Adjustment for Expenditure Accruals	(402,823)	0	(190,708)
Principal Retirement	0	(450,000)	0
Interest and Fiscal Charges	0	(58,781)	58,781
Advance Out	(31,000)	0	(287,000)
Adjustment for Encumbrances	(2,004,643)	0	(675,102)
Budget Basis	<u>(\$4,163,812)</u>	<u>\$42,012</u>	<u>(\$818,682)</u>

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

Note 6 - Deposits and Investments

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

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

Inactive monies are public deposits that the Board of Education has identified as not required for use within the current two 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 monies 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.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies are to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

Undeposited Cash At year-end, the School District's had \$19,372 in undeposited cash on hand which is included as part of "equity in pooled cash and cash equivalents."

Deposits At year-end, the carrying amount of the School District's deposits was (\$89,197) and the bank balance was \$844,039. \$323,805 of the bank balance was covered by federal depository insurance. and \$520,234 was uninsured and uncollateralized. Although all state 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 Federal Deposit Insurance Corporation.

Investments The School District's investments are required to be categorized to give an indication of the level of risk assumed by the School District at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments for which securities are held by the counterparty's trust department or an agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. Investments in the Victory Money Market Mutual Fund and in STAR Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

	1	Category 2	3	Carrying Value	Fair Value
Federal Home Loan Bank Bonds	\$0	\$297,630	\$4,305,250	\$4,602,880	\$4,602,880
Federal Farm Credit Discount Notes	0	493,450	0	493,450	493,450
Fannie Mae Notes	0	692,950	1,289,810	1,982,760	1,982,760
Repurchase Agreement	0	0	563,036	563,036	563,036
Victory Money Market Mutual Fund				1,462,179	1,462,179
Investment in State Treasurer's Investment Pool				1,972,157	1,972,157
Total	\$0	\$1,484,030	\$6,158,096	\$11,076,462	\$11,076,462

The classification of cash and cash equivalents, and investments on the basic financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the basic financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/ Deposits	Investments
GASB Statement 9	\$11,006,637	\$0
Undeposited Cash	(19,372)	
Investments which are part of a cash management pool:		
Federal Home Loan Bank Bonds	(4,602,880)	4,602,880
Federal Farm Credit Discount Notes	(493,450)	493,450
Fannie Mae Notes	(1,982,760)	1,982,760
Repurchase Agreement	(563,036)	563,036
Victory Money Market Mutual Fund	(1,462,179)	1,462,179
Investment in State Treasurer's Investment Pool	(1,972,157)	1,972,157
GASB Statement 3	(\$89,197)	\$11,076,462

Note 7- Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 1999 for real and public utility property taxes represents collections of calendar 1998 taxes. Property tax payments received during calendar 1999 for tangible personal property (other than public utility property) is for calendar 1999 taxes.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

1999 real property taxes are levied after April 1, 1999, on the assessed value as of January 1, 1999, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 1999 public utility property taxes became a lien December 31, 1998, are levied after April 1, 1999 and are collected in 2000 with real property taxes.

1999 tangible personal property taxes are levied after April 1, 1998, on the value as of December 31, 1998. Collections are made in 1999. Tangible personal property assessments are twenty-five percent of true value.

The assessed values upon which the fiscal year 1999 taxes were collected are:

	1998 Second- Half Collections		1999 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/ Residential and Other Real Estate	\$1,003,703,030	75.94%	\$1,005,040,090	76.75%
Public Utility Personal	56,081,630	4.24	56,737,020	4.33
Tangible Personal Property	261,930,469	19.82	247,826,803	18.92
Total	\$1,321,715,129	100.00%	\$1,309,603,913	100.00%
Tax rate per \$1,000 of assessed valuation	\$57.90		\$58.00	

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30. This year, the June 1999 tangible personal property tax settlement was not received until July of 1999.

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, 1999, are available to finance fiscal year 1999 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding, the late settlement of personal property taxes and real property, personal property and public utility taxes which are measurable as of June 30, 1999 and for which there is an enforceable legal claim. Although total property tax collections for the

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

next fiscal year are measurable, only the delayed settlement of personal property tax and the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current year operations. The late settlement and the amount available as an advance at June 30 are recognized as revenue.

At June 30, 1999, \$3,747,781 was available as an advance to the general fund, \$140,071 was available to the debt service fund and \$169,006 was available to the permanent improvement capital projects fund.

Note 8 - Receivables

Receivables at June 30, 1999, consisted of taxes, accounts (rent and student fees), intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental Activities	
Excess Costs	\$316,474
Tuition and Fees	50,460
Payment in Lieu of Taxes	24,327
Title I	40,654
Drug Free Schools	4,319
<i>Total Governmental Activities</i>	436,234
Business-Type Activities	
Food Service Lunch Reimbursement	43,425
Grand Total	\$479,659

Note 9 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 1999, was as follows:

	<u>Balance 6/30/98</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/99</u>
Governmental Activities				
Land and Improvements	\$3,304,320	\$9,135	\$0	\$3,313,455
Buildings and Improvements	40,639,257	852,551	0	41,491,808
Furniture and Equipment	10,767,922	539,146	(31,043)	11,276,025
Vehicles	3,241,455	316,430	(258,187)	3,299,698
Textbooks	6,405,863	227,401	0	6,633,264
Construction in Progress	245,682	694,745	(844,528)	95,899
Totals at Historical Cost	<u>\$64,604,499</u>	<u>\$2,639,408</u>	<u>(\$1,133,758)</u>	<u>\$66,110,149</u>

Berea City School District
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For the Fiscal Year Ended June 30, 1999

	Balance 6/30/98	Additions	Deductions	Balance 6/30/99
Less Accumulated Depreciation:				
Land and Improvements	(\$567,065)	(\$70,533)	\$0	(\$637,598)
Buildings and Improvements	(25,982,128)	(624,115)	0	(26,606,243)
Furniture and Equipment	(8,981,426)	(478,142)	31,043	(9,428,525)
Vehicles	(2,430,976)	(186,806)	232,186	(2,385,596)
Textbooks	(5,291,589)	(430,991)	0	(5,722,580)
Total Accumulated Depreciation	<u>(43,253,184)</u>	<u>(1,790,587) *</u>	<u>263,229</u>	<u>(44,780,542)</u>
Governmental Activities Capital Assets, Net	<u>\$21,351,315</u>	<u>\$848,821</u>	<u>(\$870,529)</u>	<u>\$21,329,607</u>
Business-Type Activities				
Furniture and Equipment	\$644,344	\$47,556	\$0	\$691,900
Less Accumulated Depreciation	<u>(421,767)</u>	<u>(30,097)</u>	<u>0</u>	<u>(451,864)</u>
Business-Type Activities Capital Assets, Net	<u>\$222,577</u>	<u>\$17,459</u>	<u>\$0</u>	<u>\$240,036</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,112,717
Special	73,315
Vocational	7,784
Support Services:	
Pupil	47,248
Instructional Staff	62,389
Administration	71,316
Fiscal	8,636
Business	21,385
Operation and Maintenance of Plant	107,457
Pupil Transportation	236,897
Central	20,324
Operation of Non-Instructional Services	5,655
Extracurricular Activities	15,464
Total Depreciation Expense	<u>\$1,790,587</u>

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

Note 10 - 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 1999, the School District contracted with Hoffman Insurance Agency for property and general liability insurance. Hoffman Insurance Agency also covers boiler and machinery with a \$5,000,000 single occurrence limit and a \$250 deductible.

Professional liability is protected by Nationwide Insurance with a \$2,000,000 single occurrence limit, a \$5,000,000 aggregate and no deductible. Vehicles are also covered by Nationwide Insurance and hold a \$50 deductible for comprehensive and a \$250 deductible for collision. Automobile liability has a \$2,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past ten years. There have been no significant reductions in insurance coverage from the prior year.

B. Workers' Compensation

For fiscal year 1999, the School District participated in the Ohio School Board Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. 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. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Company provides administrative, cost control and actuarial services to the GRP.

C. Employee Medical Benefits

The School District operates and manages employee dental and vision benefits on a self-insured basis. Commencing October 1, 1997 the School District converted its fully-insured medical insurance program to a self-insured basis. The dental and vision program limits total expenditures for any covered individual in a calendar year, therefore there is no individual or aggregate stop-loss maintained. Medical Mutual of Ohio provides claim review and processing.

The School District maintains stop-loss coverage for its medical insurance program. Individual stop-loss is \$75,000 and aggregate stop loss is maintained at 110 percent of expected claims. The aggregate stop-loss was not met in 1999. Medical Mutual of Ohio provides claim review and processing for the medical insurance program as well.

The claims liability at June 30, 1999, was estimated by the third party administrator to be \$644,252. This is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims,

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

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 year 1998 and 1999 were:

	Balance Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
1999	\$399,747	\$3,874,249	\$3,629,744	\$644,252
1998	29,926	2,480,265	2,110,444	399,747

Note 11 - Defined Benefit Pension Plans

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 N. Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 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 1999, 7.7 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 1998, 9.02 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$873,246, \$1,041,072 and \$1,031,809, respectively; 51.53 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$423,277, represents the unpaid contribution for fiscal year 1999.

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

For the fiscal year ended June 30, 1999, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. For fiscal year 1998, the portion used to fund pension obligations was 10.5 percent. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$1,706,603, \$2,981,847 and \$3,325,376, respectively; 87.33 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$216,158 represents the unpaid contribution for fiscal year 1999.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 1999, one of the members of the Board of Education has elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 12 - Postemployment Benefits

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

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 1999, the STRS Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund, an increase from 3.5 percent for fiscal year 1998. For the School District, this amount equaled \$2,275,470 for fiscal year 1999.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 1998, (the latest information available) the balance in the Fund was \$2,156 million. For the year ended June 30, 1998, net health care costs paid by STRS were \$219,224,000 and STRS had 91,999 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 1999, employer contributions to fund health care benefits were 6.30 percent of covered payroll, an increase from 4.98 percent for fiscal year 1998.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 1999 fiscal year equaled \$823,549.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 125 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 1998 (the latest information available), were \$111,900,575 and the target level was \$139.9 million. At June 30, 1998, SERS had net assets available for payment of health care benefits of \$160.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

Note 13 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

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 90 days for classified employees and 90 days for certified employees. An employee receiving such payment must meet the retirement provisions set by STRS or SERS.

B. Early Retirement Incentive

The School District Board of Education offered employees participation in an Early Retirement Incentive program. Participation was open to employees who are at least fifty years old and qualified for retirement with the years purchased by the Board. The credit could not exceed two years. This liability was paid during fiscal year 1999.

As an additional provision of the program, STRS and SERS members who elected to have the Board of Education purchase two years of retirement credit receive their unused compensated absence payment as follows:

Fifty percent is paid within thirty days of the thirty-sixth month after the effective date of retirement.

Fifty percent is paid within thirty days of the forty-eighth month after the effective date of retirement.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

C. Health and Life Insurance

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 equal the employee's annual salary or are provided in an amount of \$10,000 or \$20,000.

Note 14 - Long - Term Liabilities

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

	Principal Outstanding 6/30/98	Additions	Reductions	Principal Outstanding 6/30/99	Amounts Due in One Year
Governmental Activities					
General Obligation Bonds:					
1993 School Improvement	\$13,300,000	\$0	\$350,000	\$12,950,000	\$395,000
Notes Payable:					
1997 Tax Anticipation Note	1,350,000	0	450,000	900,000	450,000
1999 Energy Conservation Note	0	875,000	0	875,000	875,000
Compensated Absences	6,706,452	840,570	0	7,547,022	555,247
Early Retirement Incentive	2,676,859	0	2,676,859	0	0
Total Governmental Activities					
Long-Term Liabilities	<u>\$24,033,311</u>	<u>\$1,715,570</u>	<u>\$3,476,859</u>	<u>\$22,272,022</u>	<u>\$2,275,247</u>
Business-Type Activities					
Compensated Absences	<u>\$109,855</u>	<u>\$10,408</u>	<u>\$0</u>	<u>\$120,263</u>	<u>\$3,054</u>

On April 1, 1993, the School District issued \$14,575,000, 5.0 - 6.5 percent general obligation bonds. These bonds were issued to fund various school improvements and will be paid from property taxes.

During fiscal year 1997, the School District issued a \$1,800,000, 4.75 percent tax anticipation note. The note is backed by the full faith and credit of Berea City School District and will be paid from property taxes.

During fiscal year 1999, the School District issued a \$875,000, 3.5 percent energy conservation note. The note is backed by the full faith and credit of Berea City School District and will be paid from property taxes.

Compensated absences will be paid from the fund where the employee's salary is paid. The early retirement incentive was paid from the general fund.

Tax and revenue anticipation notes are reported as liabilities on the fund financial statements in the funds which received the proceeds.

Berea City School District
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At June 30, 1999, the School District's overall legal debt margin was \$105,593,286 with an unvoted debt margin of \$1,309,604. Principal and interest requirements to retire long-term liabilities outstanding at June 30, 1999 are as follows:

Fiscal Year Ending June 30	General Obligation Bonds	Notes	Total
2000	\$1,155,989	\$1,393,031	\$2,549,020
2001	1,144,826	466,031	1,610,857
2002	1,137,526	0	1,137,526
2003	1,128,926	0	1,128,926
2004	1,217,739	0	1,217,739
2005 - 2009	5,755,273	0	5,755,273
2010 - 2014	5,292,270	0	5,292,270
2015 - 2018	3,974,500	0	3,974,500
Total	\$20,807,049	\$1,859,062	\$22,666,111

Note 15 - Interfund Transactions

On fund financial statements the general fund reported an interfund receivable at June 30, 1999, of \$31,000. The Title I special revenue fund had an interfund payable of the same amount.

On fund financial statements the general fund reported a due from other funds at June 30, 1999, of \$10,726. The auxiliary services special revenue fund had a due to other funds of the same amount.

Note 16 - State School Funding Decision

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the Ohio General Assembly to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 1999, the School District received \$6,967,945 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the Ohio General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. At this time, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas in Perry County has been stayed by the Ohio Supreme Court, and, as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

As of the date of these financial statements, the School District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under this program and on its financial operations.

Note 17 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 1999.

B. Litigation

Berea City School District is a party to legal proceedings. The School District management is of the opinion that ultimate disposition of these claims will not have a material effect on the financial condition of the School District.

Note 18 - Jointly Governed Organizations and Public Entity Risk Pool

A. Jointly Governed Organizations

Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The board of education is comprised of representatives from the board of each participating school district. The board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. Berea City School District students may attend the vocational school. Each School District's control is limited to its representation on the board. During fiscal year 1999, Berea City School District made contributions of \$220,416.

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.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

The Ohio Schools Council is a jointly governed organization among eighty-two school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying a one time fee of \$500 and an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. Financial information can be obtained by contacting Joseph Lesak, the Executive Secretary of the Ohio Schools Council at 6376 Mill Road, Broadview Heights, Ohio 44147.

The School District participates in the Council's electric purchase program which was implemented during fiscal year 1999. This program allows school districts to purchase electricity at reduced rates, if the school district will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

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

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.

Note 19 – Contractual Commitments

As of June 30, 1999, the School District has contractual commitments for the additions on two libraries and for technology improvements. The School District is reporting construction in progress for amounts already expended at June 30, 1999. The amount of each capital project is as follows:

Projects	Contractual Commitment	Expended	Balance 6/30/99
Berea High School	\$165,880	\$14,421	\$151,459
Technology	510,880	81,478	429,402
Total Contractual Commitments	\$676,760	\$95,899	\$580,861

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

Note 20 - Set-Aside Calculations and Fund Reserves

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 School District is also required to set aside money for budget stabilization.

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

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set-aside Cash Balance as of June 30, 1998	\$0	\$0	\$334,989
Current year set-aside requirements	911,139	911,139	0
Current Year Offsets	(114,759)	(1,230,128)	0
Qualifying expenditures during the fiscal year	<u>(984,191)</u>	<u>0</u>	<u>0</u>
 Total	 <u>(\$187,811)</u>	 <u>(\$318,989)</u>	 <u>\$334,989</u>
 Cash Balance Carried Forward to FY 2000	 <u>\$0</u>	 <u>\$0</u>	 <u>\$334,989</u>

Although the School District had offsets and qualifying disbursements during the year that reduced the set-aside amounts to below zero, these extra amounts may not be used to reduce the set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year.

Note 21 - Year 2000 Information

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the government's operations.

Berea City School District has completed an inventory of computer systems and other equipment necessary to conducting School District operations and has identified such systems as being financial reporting, payroll and employee benefits, and educational statistics reporting. The School District has eleven school buildings with power systems which have extensive efficiency utilization measures within the systems.

The School District uses Ace Software for its financial reporting, payroll and student systems. Testing has been completed on the School District's financial software.

The School District utilizes the HP3000/939 computer and its operating systems to conduct School District operations. Hewlett-Packard Company has indicated that the HP9000/939 is year 2000 ready but to support the year 2000 and beyond, the operating system must be updated with MPE/IX 5.5 with the latest patches. The School District has done this update.

Berea City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 1999

Cuyahoga County collects property taxes for distribution to the School District. Cuyahoga County is responsible for remediating its tax collection system and has indicated year 2000 readiness.

The State of Ohio distributes a substantial sum of money to the School District in the form of "Foundation" and federal and state grant payments. Further, the State processes a significant amount of financial and non-financial information about the School District through EMIS. The State is responsible for remediating these systems. The State of Ohio has indicated year 2000 readiness for these systems.

The School District has assessed the power systems, heating systems, electrical systems, and telephone and voice mail systems. All, in the opinion of management, based on information from vendors, will operate for their intended purpose in 2000.

Management has done a comprehensive review of internal and external systems. However, because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the School District is or will be Year 2000 ready, and that the School District's remediation efforts will be successful in whole or in part, or that parties with whom the School District does business will be year 2000 ready.

Berea City School District

Combining Statements and Individual Fund Schedules

Berea City School District
Combining Statements - Nonmajor Funds
Nonmajor Special Revenue Funds

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

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 other revenues from athletic events and all 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.

Venture Grant Fund This fund accounts for State monies used for staff development.

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.

Peer Assistance Fund - This fund accounts for State monies used for developing, researching, implementing, and evaluating career enhancement programs.

Adult Basic Fund This fund accounts for federal monies used to provide reading, writing, and math competency programs for adults that do not have a high school diploma.

Teacher Development Fund This fund accounts for state grant monies used to support locally developed teacher training and professional development.

(continued)

Berea City School District

Nonmajor Special Revenue Funds
(continued)

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

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

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:

- Emergency Immigrant Education Fund
- Education Management Information System (EMIS) Fund
- Learn and Serve Fund
- Education for Economic Security Act Fund
- Conflict Management Fund
- Continuous Improvement Fund
- Dependant Care Grant Fund
- Parent Mentor Grant Fund
- Library Services and Technology Act (LSTA) Mini 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 the 1993 school improvement 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.

Textbook Subsidy This fund accounts for State Grant monies used to purchase textbooks.

Raise the Bar Fund This fund accounts for State Grant monies used for technology improvements, primarily at the School District's middle schools.

Power Up Grant Fund This fund accounts for grant monies expended to make wiring in the classrooms technology ready.

Berea City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 1999

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$553,899	\$339,763	\$893,662
Cash and Cash Equivalents with Escrow Agents	0	124,684	124,684
Intergovernmental Receivable	44,973	0	44,973
<i>Total Assets</i>	<u>\$598,872</u>	<u>\$464,447</u>	<u>\$1,063,319</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$40,177	\$21,535	\$61,712
Accrued Wages	34,515	0	34,515
Compensated Absences Payable	288	0	288
Retainage Payable	0	124,684	124,684
Interfund Payable	31,000	0	31,000
Due to Other Funds	10,726	0	10,726
Intergovernmental Payable	10,199	0	10,199
Deferred Revenue	24,646	0	24,646
<i>Total Liabilities</i>	<u>151,551</u>	<u>146,219</u>	<u>297,770</u>
Fund Balances			
Reserved for Encumbrances	108,925	162,104	271,029
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	338,396	0	338,396
Capital Projects Funds	0	156,124	156,124
<i>Total Fund Balances</i>	<u>447,321</u>	<u>318,228</u>	<u>765,549</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$598,872</u>	<u>\$464,447</u>	<u>\$1,063,319</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, 1999

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$2,008,616	\$719,948	\$2,728,564
Interest	13,741	6,450	20,191
Tuition and Fees	84	0	84
Extracurricular Activities	461,737	0	461,737
Contributions and Donations	82,234	0	82,234
Miscellaneous	21,036	0	21,036
<i>Total Revenues</i>	<u>2,587,448</u>	<u>726,398</u>	<u>3,313,846</u>
Expenditures			
Current:			
Instruction:			
Regular	559,135	0	559,135
Special	362,315	0	362,315
Vocational	19	0	19
Adult/Continuing	72,133	0	72,133
Support Services:			
Pupil	220,303	0	220,303
Instructional Staff	578,162	0	578,162
Administration	47,344	0	47,344
Pupil Transportation	821	0	821
Central	23,443	0	23,443
Operation of Non-Instructional Services	581,635	0	581,635
Extracurricular Activities	322,844	0	322,844
Capital Outlay	0	627,144	627,144
Intergovernmental	6,062	1,452	7,514
<i>Total Expenditures</i>	<u>2,774,216</u>	<u>628,596</u>	<u>3,402,812</u>
<i>Net Change in Fund Balances</i>	(186,768)	97,802	(88,966)
<i>Fund Balances Beginning of Year</i>	<u>634,089</u>	<u>220,426</u>	<u>854,515</u>
<i>Fund Balances End of Year</i>	<u>\$447,321</u>	<u>\$318,228</u>	<u>\$765,549</u>

Berea City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 1999

	Title VI-B	Auxiliary Services	Title I
Assets			
Equity in Pooled Cash and Cash Equivalents	\$54,614	\$51,966	\$2,061
Intergovernmental Receivable	0	0	40,654
<i>Total Assets</i>	<u>\$54,614</u>	<u>\$51,966</u>	<u>\$42,715</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$4,728	\$25,425	\$0
Accrued Wages	9,819	0	0
Compensated Absences Payable	0	0	0
Interfund Payable	0	0	31,000
Due to Other Funds	0	10,726	0
Intergovernmental Payable	3,553	557	4,348
Deferred Revenue	0	0	20,327
<i>Total Liabilities</i>	<u>18,100</u>	<u>36,708</u>	<u>55,675</u>
Fund Balances			
Reserved for Encumbrances	10,207	25,581	1,475
Unreserved, Undesignated, Reported in: Special Revenue Funds (Deficit)	<u>26,307</u>	<u>(10,323)</u>	<u>(14,435)</u>
<i>Total Fund Balances (Deficit)</i>	<u>36,514</u>	<u>15,258</u>	<u>(12,960)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$54,614</u>	<u>\$51,966</u>	<u>\$42,715</u>

District Managed Student Activities	Preschool At Risk	Public School Support	Local Grants	Preschool
\$70,672 0	\$13,827 0	\$120,803 0	\$122,597 0	\$4,150 0
<u>\$70,672</u>	<u>\$13,827</u>	<u>\$120,803</u>	<u>\$122,597</u>	<u>\$4,150</u>
\$0 0 0 0 0 0 0	\$0 12,938 288 0 0 601 0	\$2,653 0 0 0 0 0 0	\$263 7,368 0 0 0 0 0	\$104 2,644 0 0 0 662 0
<u>0</u>	<u>13,827</u>	<u>2,653</u>	<u>7,631</u>	<u>3,410</u>
13,228	1,815	8,331	21,069	0
<u>57,444</u>	<u>(1,815)</u>	<u>109,819</u>	<u>93,897</u>	<u>740</u>
<u>70,672</u>	<u>0</u>	<u>118,150</u>	<u>114,966</u>	<u>740</u>
<u>\$70,672</u>	<u>\$13,827</u>	<u>\$120,803</u>	<u>\$122,597</u>	<u>\$4,150</u>

(continued)

Berea City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 1999

	Peer Assistance	Adult Basic	Teacher Development
Assets			
Equity in Pooled Cash and Cash Equivalents	\$26,383	\$450	\$863
Intergovernmental Receivable	0	0	0
<i>Total Assets</i>	<u>\$26,383</u>	<u>\$450</u>	<u>\$863</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$219	\$0
Accrued Wages	0	0	0
Compensated Absences Payable	0	0	0
Interfund Payable	0	0	0
Due to Other Funds	0	0	0
Intergovernmental Payable	212	0	0
Deferred Revenue	0	0	0
<i>Total Liabilities</i>	<u>212</u>	<u>219</u>	<u>0</u>
Fund Balances			
Reserved for Encumbrances	267	91	0
Unreserved, Undesignated, Reported in: Special Revenue Funds (Deficit)	<u>25,904</u>	<u>140</u>	<u>863</u>
<i>Total Fund Balances (Deficit)</i>	<u>26,171</u>	<u>231</u>	<u>863</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$26,383</u>	<u>\$450</u>	<u>\$863</u>

Title VI	Drug Free Schools	EMIS	Learn and Serve	Education for Economic Security Act
\$10,938 0	\$7,108 4,319	\$10,757 0	\$3,234 0	\$16,999 0
<u>\$10,938</u>	<u>\$11,427</u>	<u>\$10,757</u>	<u>\$3,234</u>	<u>\$16,999</u>
\$2,783 0 0 0 0 0 0 0	\$0 250 0 0 0 35 4,319	\$0 0 0 0 0 0 0	\$1,062 0 0 0 0 0 0	\$1,631 0 0 0 0 0 0
<u>2,783</u>	<u>4,604</u>	<u>0</u>	<u>1,062</u>	<u>1,631</u>
4,836	0	165	298	3,949
<u>3,319</u>	<u>6,823</u>	<u>10,592</u>	<u>1,874</u>	<u>11,419</u>
<u>8,155</u>	<u>6,823</u>	<u>10,757</u>	<u>2,172</u>	<u>15,368</u>
<u>\$10,938</u>	<u>\$11,427</u>	<u>\$10,757</u>	<u>\$3,234</u>	<u>\$16,999</u>

(continued)

Berea City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 1999

	Conflict Management	Continuous Improvement	Dependant Care Grant
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,285	\$15,699	\$1,276
Intergovernmental Receivable	0	0	0
<i>Total Assets</i>	<u>\$1,285</u>	<u>\$15,699</u>	<u>\$1,276</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$428	\$0	\$0
Accrued Wages	0	1,496	0
Compensated Absences Payable	0	0	0
Interfund Payable	0	0	0
Due to Other Funds	0	0	0
Intergovernmental Payable	0	231	0
Deferred Revenue	0	0	0
<i>Total Liabilities</i>	<u>428</u>	<u>1,727</u>	<u>0</u>
Fund Balances			
Reserved for Encumbrances	100	0	1,276
Unreserved, Undesignated, Reported in: Special Revenue Funds (Deficit)	757	13,972	0
<i>Total Fund Balances (Deficit)</i>	<u>857</u>	<u>13,972</u>	<u>1,276</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,285</u>	<u>\$15,699</u>	<u>\$1,276</u>

Parent Mentor Grant	LSTA Mini Grant	Total Nonmajor Special Revenue Funds
\$4,480	\$13,737	\$553,899
0	0	44,973
<u>\$4,480</u>	<u>\$13,737</u>	<u>\$598,872</u>
\$881	\$0	\$40,177
0	0	34,515
0	0	288
0	0	31,000
0	0	10,726
0	0	10,199
0	0	24,646
<u>881</u>	<u>0</u>	<u>151,551</u>
2,504	13,733	108,925
<u>1,095</u>	<u>4</u>	<u>338,396</u>
3,599	13,737	447,321
<u>\$4,480</u>	<u>\$13,737</u>	<u>\$598,872</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, 1999

	Title VI-B	Auxiliary Services	Title I
Revenues			
Intergovernmental	\$492,476	\$462,404	\$271,264
Interest	0	10,183	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>492,476</u>	<u>472,587</u>	<u>271,264</u>
Expenditures			
Current:			
Instruction:			
Regular	0	0	0
Special	73,736	0	283,335
Vocational	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	129,704	0	0
Instructional Staff	215,053	0	13,336
Administration	35,815	0	803
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	548,350	27,310
Extracurricular Activities	0	0	0
Intergovernmental	0	0	0
<i>Total Expenditures</i>	<u>454,308</u>	<u>548,350</u>	<u>324,784</u>
<i>Net Change in Fund Balances</i>	38,168	(75,763)	(53,520)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(1,654)</u>	<u>91,021</u>	<u>40,560</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$36,514</u>	<u>\$15,258</u>	<u>(\$12,960)</u>

District Managed Student Activities	Preschool At Risk	Public School Support	Venture Grant	Local Grants	Preschool
\$0	\$218,568	\$0	\$0	\$47,312	\$36,504
0	0	0	0	3,558	0
84	0	0	0	0	0
288,850	0	172,887	0	0	0
49,684	0	27,465	0	5,085	0
4,786	0	16,250	0	0	0
<u>343,404</u>	<u>218,568</u>	<u>216,602</u>	<u>0</u>	<u>55,955</u>	<u>36,504</u>
0	104,456	76,102	43,409	72,495	0
0	0	0	0	401	1,109
0	0	0	0	0	0
0	0	0	0	0	0
3,514	11,140	1,096	0	0	32,051
0	99,845	118,903	174	6,010	3,501
0	10,726	0	0	0	0
0	577	0	0	0	0
0	100	0	0	0	0
0	0	0	0	0	0
308,358	0	14,486	0	0	0
0	0	0	0	0	90
<u>311,872</u>	<u>226,844</u>	<u>210,587</u>	<u>43,583</u>	<u>78,906</u>	<u>36,751</u>
31,532	(8,276)	6,015	(43,583)	(22,951)	(247)
<u>39,140</u>	<u>8,276</u>	<u>112,135</u>	<u>43,583</u>	<u>137,917</u>	<u>987</u>
<u>\$70,672</u>	<u>\$0</u>	<u>\$118,150</u>	<u>\$0</u>	<u>\$114,966</u>	<u>\$740</u>

(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, 1999

	Peer Assistance	Adult Basic	Teacher Development
Revenues			
Intergovernmental	\$197,850	\$48,405	\$38,841
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>197,850</u>	<u>48,405</u>	<u>38,841</u>
Expenditures			
Current:			
Instruction:			
Regular	259,705	0	0
Special	0	0	0
Vocational	0	0	0
Adult/Continuing	0	37,011	35,122
Support Services:			
Pupil	0	0	0
Instructional Staff	13,929	14,705	0
Administration	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	2,746
Extracurricular Activities	0	0	0
Intergovernmental	0	0	5,302
<i>Total Expenditures</i>	<u>273,634</u>	<u>51,716</u>	<u>43,170</u>
<i>Net Change in Fund Balances</i>	(75,784)	(3,311)	(4,329)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>101,955</u>	<u>3,542</u>	<u>5,192</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$26,171</u>	<u>\$231</u>	<u>\$863</u>

Title VI	Drug Free Schools	Emergency Immigrant Education	EMIS	Learn and Serve	Education for Economic Security Act
\$33,184	\$50,101	\$2,479	\$22,188	\$3,000	\$23,303
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
<u>33,184</u>	<u>50,101</u>	<u>2,479</u>	<u>22,188</u>	<u>3,000</u>	<u>23,303</u>
0	0	0	0	0	0
0	0	3,734	0	0	0
0	0	0	0	19	0
0	0	0	0	0	0
0	41,264	0	0	0	0
35,979	11,338	0	0	3,136	13,541
0	0	0	0	0	0
0	244	0	0	0	0
0	0	0	23,343	0	0
3,082	0	0	0	0	147
0	0	0	0	0	0
36	0	0	0	0	143
<u>39,097</u>	<u>52,846</u>	<u>3,734</u>	<u>23,343</u>	<u>3,155</u>	<u>13,831</u>
(5,913)	(2,745)	(1,255)	(1,155)	(155)	9,472
<u>14,068</u>	<u>9,568</u>	<u>1,255</u>	<u>11,912</u>	<u>2,327</u>	<u>5,896</u>
<u>\$8,155</u>	<u>\$6,823</u>	<u>\$0</u>	<u>\$10,757</u>	<u>\$2,172</u>	<u>\$15,368</u>

(continued)

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, 1999

	<u>Conflict Management</u>	<u>Continuous Improvement</u>	<u>Dependant Care Grant</u>
Revenues			
Intergovernmental	\$2,000	\$20,000	\$0
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>2,000</u>	<u>20,000</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Regular	2,196	0	772
Special	0	0	0
Vocational	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	0	0	1,534
Instructional Staff	239	6,028	1,044
Administration	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Intergovernmental	491	0	0
<i>Total Expenditures</i>	<u>2,926</u>	<u>6,028</u>	<u>3,350</u>
<i>Net Change in Fund Balances</i>	(926)	13,972	(3,350)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,783</u>	<u>0</u>	<u>4,626</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$857</u></u>	<u><u>\$13,972</u></u>	<u><u>\$1,276</u></u>

Parent Mentor Grant	LSTA Mini Grant	Total Nonmajor Special Revenue Funds
\$25,000	\$13,737	\$2,008,616
0	0	13,741
0	0	84
0	0	461,737
0	0	82,234
0	0	21,036
<u>25,000</u>	<u>13,737</u>	<u>2,587,448</u>
0	0	559,135
0	0	362,315
0	0	19
0	0	72,133
0	0	220,303
21,401	0	578,162
0	0	47,344
0	0	821
0	0	23,443
0	0	581,635
0	0	322,844
0	0	6,062
<u>21,401</u>	<u>0</u>	<u>2,774,216</u>
3,599	13,737	(186,768)
<u>0</u>	<u>0</u>	<u>634,089</u>
<u>\$3,599</u>	<u>\$13,737</u>	<u>\$447,321</u>

Berea City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 1999

	Building	School Net	Textbook Subsidy
Assets			
Equity in Pooled Cash and Cash Equivalents	\$67,228	\$4,332	\$87,257
Cash and Cash Equivalents with Escrow Agents	124,684	0	0
<i>Total Assets</i>	<u>\$191,912</u>	<u>\$4,332</u>	<u>\$87,257</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$0	\$17,499
Retainage Payable	124,684	0	0
<i>Total Liabilities</i>	<u>124,684</u>	<u>0</u>	<u>17,499</u>
Fund Balances			
Reserved for Encumbrances	9,850	1,306	2,838
Unreserved, Undesignated, Reported in: Capital Projects Funds	57,378	3,026	66,920
<i>Total Fund Balances</i>	<u>67,228</u>	<u>4,332</u>	<u>69,758</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$191,912</u>	<u>\$4,332</u>	<u>\$87,257</u>

<u>Raise the Bar</u>	<u>Power Up Grant</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$11,100 0	\$169,846 0	\$339,763 124,684
<u>\$11,100</u>	<u>\$169,846</u>	<u>\$464,447</u>
\$560 0	\$3,476 0	\$21,535 124,684
<u>560</u>	<u>3,476</u>	<u>146,219</u>
4,310	143,800	162,104
<u>6,230</u>	<u>22,570</u>	<u>156,124</u>
<u>10,540</u>	<u>166,370</u>	<u>318,228</u>
<u>\$11,100</u>	<u>\$169,846</u>	<u>\$464,447</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, 1999

	<u>Building</u>	<u>School Net</u>	<u>Textbook Subsidy</u>
Revenues			
Intergovernmental	\$0	\$228,763	\$114,759
Interest	6,450	0	0
<i>Total Revenues</i>	<u>6,450</u>	<u>228,763</u>	<u>114,759</u>
Expenditures			
Capital Outlay	35,129	253,367	101,746
Intergovernmental	0	0	0
<i>Total Expenditures</i>	<u>35,129</u>	<u>253,367</u>	<u>101,746</u>
<i>Net Change in Fund Balances</i>	(28,679)	(24,604)	13,013
<i>Fund Balances Beginning of Year</i>	<u>95,907</u>	<u>28,936</u>	<u>56,745</u>
<i>Fund Balances End of Year</i>	<u>\$67,228</u>	<u>\$4,332</u>	<u>\$69,758</u>

<u>Raise the Bar</u>	<u>Power Up Grant</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$162,500	\$213,926	\$719,948
0	0	6,450
<u>162,500</u>	<u>213,926</u>	<u>726,398</u>
189,346	47,556	627,144
1,452	0	1,452
<u>190,798</u>	<u>47,556</u>	<u>628,596</u>
(28,298)	166,370	97,802
<u>38,838</u>	<u>0</u>	<u>220,426</u>
<u>\$10,540</u>	<u>\$166,370</u>	<u>\$318,228</u>

Berea City School District

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

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 1999

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$42,364,885	\$42,784,248	\$42,906,637	\$122,389
Intergovernmental	10,505,000	11,005,111	11,005,111	0
Interest	900,000	912,352	953,515	41,163
Tuition and Fees	632,107	955,404	990,240	34,836
Extracurricular Activities	0	22,484	22,484	0
Payment in Lieu of Taxes	0	75,351	75,351	0
Rentals	0	181,543	182,957	1,414
Charges for Services	61,660	28,946	67,680	38,734
Contributions and Donations	2,000	7,351	7,351	0
Miscellaneous	21,016	8,965	22,153	13,188
Total Revenues	54,486,668	55,981,755	56,233,479	251,724
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	17,443,785	18,094,013	18,092,521	1,492
Fringe Benefits	8,789,820	9,222,812	9,222,812	0
Purchased Services	1,081,209	1,148,230	1,147,483	747
Materials and Supplies	922,375	612,456	612,456	0
Capital Outlay - New	174,976	249,512	249,512	0
Capital Outlay - Replacement	12,198	4,064	3,964	100
Other	59,150	58,245	57,811	434
Total Regular	28,483,513	29,389,332	29,386,559	2,773
Special:				
Salaries and Wages	2,395,418	2,606,200	2,606,183	17
Fringe Benefits	1,021,942	1,056,196	1,053,229	2,967
Purchased Services	134,870	135,438	131,535	3,903
Materials and Supplies	47,205	35,892	35,229	663
Capital Outlay - New	14,178	18,514	18,411	103
Capital Outlay - Replacement	7,798	4,598	4,575	23
Total Special	3,621,411	3,856,838	3,849,162	7,676
Vocational:				
Salaries and Wages	473,941	347,941	347,294	647
Fringe Benefits	237,864	192,323	191,961	362
Purchased Services	7,663	5,059	3,798	1,261
Materials and Supplies	1,802	1,370	1,302	68
Total Vocational	\$721,270	\$546,693	\$544,355	\$2,338

(continued)

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 1999

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Adult/Continuing:				
Salaries and Wages	\$0	\$3,250	\$3,232	\$18
Fringe Benefits	0	600	573	27
Total Adult/Continuing	0	3,850	3,805	45
Total Instruction	32,826,194	33,796,713	33,783,881	12,832
Support Services:				
Pupil:				
Salaries and Wages	1,744,774	1,879,124	1,878,240	884
Fringe Benefits	687,409	702,410	701,910	500
Purchased Services	669,791	592,030	589,962	2,068
Materials and Supplies	40,507	42,801	41,584	1,217
Capital Outlay - New	15,011	20,205	19,712	493
Other	0	50	50	0
Total Pupil	3,157,492	3,236,620	3,231,458	5,162
Instructional Staff:				
Salaries and Wages	3,099,413	3,215,632	3,215,567	65
Fringe Benefits	1,085,922	1,081,165	1,081,165	0
Purchased Services	426,427	507,929	507,730	199
Materials and Supplies	213,123	169,929	169,929	0
Capital Outlay - New	224,746	163,450	162,555	895
Capital Outlay - Replacement	279,294	92,955	92,955	0
Other	1,879	970	970	0
Total Instructional Staff	5,330,804	5,232,030	5,230,871	1,159
Board of Education:				
Salaries and Wages	4,800	4,800	4,800	0
Fringe Benefits	672	672	60	612
Purchased Services	10,000	13,491	13,358	133
Materials and Supplies	0	308	308	0
Capital Outlay - New	0	9,630	9,014	616
Other	6,750	0	0	0
Total Board of Education	\$22,222	\$28,901	\$27,540	\$1,361

(continued)

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 1999

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Administration:				
Salaries and Wages	\$2,343,130	\$2,186,130	\$2,184,755	\$1,375
Fringe Benefits	1,080,874	1,022,390	1,022,105	285
Purchased Services	293,815	264,106	263,383	723
Materials and Supplies	29,758	27,569	25,577	1,992
Capital Outlay - New	9,385	7,380	6,437	943
Capital Outlay - Replacement	3,496	4,245	3,919	326
Other	5,700	8,598	8,598	0
Total Administration	3,766,158	3,520,418	3,514,774	5,644
Fiscal:				
Salaries and Wages	336,744	372,744	371,757	987
Fringe Benefits	109,376	123,876	123,670	206
Purchased Services	51,607	56,520	56,239	281
Materials and Supplies	21,323	26,432	26,339	93
Capital Outlay - New	1,000	1,000	161	839
Capital Outlay - Replacement	4,403	4,403	3,486	917
Other	721,350	781,659	773,630	8,029
Total Fiscal	1,245,803	1,366,634	1,355,282	11,352
Business:				
Salaries and Wages	176,245	171,245	171,075	170
Fringe Benefits	52,202	71,202	71,104	98
Purchased Services	582,623	500,243	499,834	409
Materials and Supplies	238,770	229,065	228,775	290
Capital Outlay - New	97,023	93,245	92,835	410
Capital Outlay - Replacement	126,001	61,001	60,762	239
Other	70,225	39,225	38,541	684
Total Business	1,343,089	1,165,226	1,162,926	2,300
Operation and Maintenance of Plant:				
Salaries and Wages	3,440,888	3,669,085	3,669,085	0
Fringe Benefits	1,044,235	1,067,158	1,067,110	48
Purchased Services	2,329,264	2,242,294	2,233,396	8,898
Materials and Supplies	435,421	460,300	459,702	598
Capital Outlay - New	87,988	34,173	33,905	268
Capital Outlay - Replacement	58,419	884,875	884,875	0
Other	20,700	15,000	14,937	63
Total Operation and Maintenance of Plant	\$7,416,915	\$8,372,885	\$8,363,010	\$9,875

(continued)

Berea City School District
Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 1999

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Pupil Transportation:				
Salaries and Wages	\$1,702,150	\$1,704,650	\$1,704,550	\$100
Fringe Benefits	400,207	390,487	390,130	357
Purchased Services	185,340	151,853	151,784	69
Materials and Supplies	349,526	307,526	307,032	494
Capital Outlay - New	16,500	16,692	14,750	1,942
Capital Outlay - Replacement	455,207	304,015	303,916	99
Other	2,300	1,100	1,100	0
Total Pupil Transportation	3,111,230	2,876,323	2,873,262	3,061
Central:				
Salaries and Wages	500,519	500,519	499,940	579
Fringe Benefits	145,571	186,432	185,662	770
Purchased Services	193,710	164,285	163,965	320
Materials and Supplies	80,458	19,715	18,812	903
Capital Outlay - New	70,756	70,904	70,829	75
Capital Outlay - Replacement	12,500	7,500	7,323	177
Other	100	270	270	0
Total Central	1,003,614	949,625	946,801	2,824
Total Support Services	26,397,327	26,748,662	26,705,924	42,738
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	2,000	0	0	0
Fringe Benefits	9,836	9,835	9,219	616
Other	5,000	6,415	6,415	0
Total Operation of Non-Instructional Services	16,836	16,250	15,634	616
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	662,946	755,623	754,747	876
Fringe Benefits	170,144	223,895	223,389	506
Purchased Services	45,824	22,824	22,371	453
Materials and Supplies	15,200	200	0	200
Capital Outlay - New	14,139	28,139	27,153	986
Capital Outlay - Replacement	5,800	0	0	0
Total Extracurricular Activities	914,053	1,030,681	1,027,660	3,021
Total Expenditures	60,154,410	61,592,306	61,533,099	59,207
Excess of Revenues Under Expenditures	(\$5,667,742)	(\$5,610,551)	(\$5,299,620)	\$310,931

(continued)

Berea City School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 General Fund (continued)
 For the Fiscal Year Ended June 30, 1999*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Other Financing Sources (Uses)				
Proceeds of Notes	\$0	\$875,000	\$875,000	\$0
Advances In	287,000	291,808	291,808	0
Advances Out	0	(31,000)	(31,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>287,000</u>	<u>1,135,808</u>	<u>1,135,808</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(5,380,742)	(4,474,743)	(4,163,812)	310,931
<i>Fund Balance Beginning of Year</i>	7,091,564	7,091,564	7,091,564	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,376,724</u>	<u>1,376,724</u>	<u>1,376,724</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,087,546</u></u>	<u><u>\$3,993,545</u></u>	<u><u>\$4,304,476</u></u>	<u><u>\$310,931</u></u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$492,476	\$492,476	\$492,476	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Purchased Services	76,356	69,945	69,945	0
Materials and Supplies	1,676	9,549	1,992	7,557
Capital Outlay - New	0	3,809	1,969	1,840
Total Instruction	<u>78,032</u>	<u>83,303</u>	<u>73,906</u>	<u>9,397</u>
Support Services:				
Pupil:				
Salaries and Wages	148,100	84,975	77,436	7,539
Fringe Benefits	19,486	19,486	17,013	2,473
Purchased Services	52,868	21,769	21,769	0
Materials and Supplies	0	5,876	2,855	3,021
Capital Outlay - New	21,752	33,076	26,559	6,517
Total Pupil	<u>242,206</u>	<u>165,182</u>	<u>145,632</u>	<u>19,550</u>
Instructional Staff:				
Salaries and Wages	149,586	215,000	215,000	0
Administration:				
Salaries and Wages	27,039	35,026	30,710	4,316
Fringe Benefits	3,968	3,968	3,968	0
Materials and Supplies	0	800	795	5
Total Administration	<u>31,007</u>	<u>39,794</u>	<u>35,473</u>	<u>4,321</u>
Total Support Services	<u>422,799</u>	<u>419,976</u>	<u>396,105</u>	<u>23,871</u>
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	0	1,211	0	1,211
Capital Outlay - New	0	5,200	0	5,200
Total Operation of Non-Instructional Services	<u>0</u>	<u>6,411</u>	<u>0</u>	<u>6,411</u>
Total Expenditures	<u>500,831</u>	<u>509,690</u>	<u>470,011</u>	<u>39,679</u>
Net Change in Fund Balance	(8,355)	(17,214)	22,465	39,679
Fund Balance Beginning of Year	8,859	8,859	8,859	0
Prior Year Encumbrances Appropriated	8,355	8,355	8,355	0
Fund Balance End of Year	<u>\$8,859</u>	<u>\$0</u>	<u>\$39,679</u>	<u>\$39,679</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$415,000	\$462,404	\$462,404	\$0
Interest	11,000	10,183	10,183	0
<i>Total Revenues</i>	<u>426,000</u>	<u>472,587</u>	<u>472,587</u>	<u>0</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	25,500	41,994	41,899	95
Fringe Benefits	8,200	11,825	11,825	0
Purchased Services	191,399	182,179	182,099	80
Materials and Supplies	226,144	303,819	303,147	672
Capital Outlay - New	13,173	38,162	38,049	113
Capital Outlay - Replacement	4,500	4,172	4,172	0
Other	500	0	0	0
<i>Total Expenditures</i>	<u>469,416</u>	<u>582,151</u>	<u>581,191</u>	<u>960</u>
<i>Net Change in Fund Balance</i>	(43,416)	(109,564)	(108,604)	960
<i>Fund Balance Beginning of Year</i>	77,547	77,547	77,547	0
Prior Year Encumbrances Appropriated	32,017	32,017	32,017	0
<i>Fund Balance End of Year</i>	<u>66,148</u>	<u>0</u>	<u>960</u>	<u>960</u>

Berea City School District
Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 1999

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$297,500	\$255,135	\$255,135	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	170,000	215,288	215,288	0
Fringe Benefits	77,750	56,303	56,303	0
Purchased Services	3,776	3,580	3,580	0
Materials and Supplies	6,442	7,573	7,573	0
Capital Outlay - New	500	0	0	0
Total Instruction	258,468	282,744	282,744	0
Support Services:				
Instructional Staff:				
Salaries and Wages	16,000	11,566	11,566	0
Fringe Benefits	8,500	1,365	1,365	0
Purchased Services	100	0	0	0
Materials and Supplies	1,700	193	193	0
Capital Outlay - New	500	0	0	0
Total Instructional Staff	26,800	13,124	13,124	0
Administration:				
Purchased Services	0	803	803	0
Total Support Services	26,800	13,927	13,927	0
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	8,300	21,874	21,874	0
Fringe Benefits	5,500	5,358	5,358	0
Materials and Supplies	150	0	0	0
Capital Outlay - New	400	0	0	0
Total Operation of Non-Instructional Services	14,350	27,232	27,232	0
Total Expenditures	299,618	323,903	323,903	0
<i>Excess of Revenues Under Expenditures</i>	(2,118)	(68,768)	(68,768)	0
Other Financing Sources				
Advances In	0	31,000	31,000	0
<i>Net Change in Fund Balance</i>	(2,118)	(37,768)	(37,768)	0
<i>Fund Balance Beginning of Year</i>	36,236	36,236	36,236	0
Prior Year Encumbrances Appropriated	2,118	2,118	2,118	0
Fund Balance End of Year	\$36,236	\$586	\$586	\$0

Berea City School District
Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 1999

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Tuition and Fees	\$0	\$84	\$84	\$0
Extracurricular Activities	235,000	288,800	288,850	50
Contributions and Donations	45,000	49,684	49,684	0
Miscellaneous	5,000	4,199	5,034	835
<i>Total Revenues</i>	<u>285,000</u>	<u>342,767</u>	<u>343,652</u>	<u>885</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	0	16	16	0
Support Services:				
Pupil:				
Materials and Supplies	3,500	3,514	3,514	0
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	0	100	100	0
Purchased Services	17,236	14,584	14,228	356
Materials and Supplies	45,715	70,060	60,631	9,429
Capital Outlay - New	3,150	3,670	3,586	84
Other	1,000	37	11	26
Total Academic and Subject Oriented Activities	<u>67,101</u>	<u>88,451</u>	<u>78,556</u>	<u>9,895</u>
Sports Oriented Activities:				
Salaries and Wages	6,800	5,107	5,105	2
Purchased Services	62,430	69,512	69,449	63
Materials and Supplies	154,174	162,077	162,015	62
Capital Outlay - New	5,700	3,222	3,145	77
Other	0	8,832	8,826	6
Total Sports Oriented Activities	<u>229,104</u>	<u>248,750</u>	<u>248,540</u>	<u>210</u>
Total Extracurricular Activities	<u>296,205</u>	<u>337,201</u>	<u>327,096</u>	<u>10,105</u>
<i>Total Expenditures</i>	<u>299,705</u>	<u>340,731</u>	<u>330,626</u>	<u>10,105</u>
<i>Net Change in Fund Balance</i>	(14,705)	2,036	13,026	10,990
<i>Fund Balance Beginning of Year</i>	39,863	39,863	39,863	0
<i>Prior Year Encumbrances Appropriated</i>	4,555	4,555	4,555	0
<i>Fund Balance End of Year</i>	<u>\$29,713</u>	<u>\$46,454</u>	<u>\$57,444</u>	<u>\$10,990</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool at Risk Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$218,568	\$218,568	\$218,568	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	78,000	76,062	65,616	10,446
Fringe Benefits	24,000	19,267	19,267	0
Materials and Supplies	6,707	7,103	7,103	0
Capital Outlay - New	12,832	6,290	6,290	0
Total Instruction	<u>121,539</u>	<u>108,722</u>	<u>98,276</u>	<u>10,446</u>
Support Services:				
Pupil:				
Purchased Services	12,000	11,145	11,140	5
Instructional Staff:				
Salaries and Wages	64,000	83,003	81,458	1,545
Fringe Benefits	15,000	17,916	17,916	0
Purchased Services	2,500	0	0	0
Materials and Supplies	500	0	0	0
Total Instructional Staff	<u>82,000</u>	<u>100,919</u>	<u>99,374</u>	<u>1,545</u>
Administration:				
Salaries and Wages	10,630	9,148	9,148	0
Fringe Benefits	1,488	1,820	1,820	0
Purchased Services	700	0	0	0
Materials and Supplies	2,133	1,469	1,453	16
Total Administration	<u>14,951</u>	<u>12,437</u>	<u>12,421</u>	<u>16</u>
Pupil Transportation:				
Purchased Services	0	700	700	0
Central:				
Purchased Services	0	100	100	0
Total Support Services	<u>108,951</u>	<u>125,301</u>	<u>123,735</u>	<u>1,566</u>
Total Expenditures	<u>230,490</u>	<u>234,023</u>	<u>222,011</u>	<u>12,012</u>
Net Change in Fund Balance	(11,922)	(15,455)	(3,443)	12,012
Fund Balance Beginning of Year	3,533	3,533	3,533	0
Prior Year Encumbrances Appropriated	11,922	11,922	11,922	0
Fund Balance End of Year	<u>\$3,533</u>	<u>\$0</u>	<u>\$12,012</u>	<u>\$12,012</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 1999

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Extracurricular Activities	\$158,000	\$172,701	\$172,887	\$186
Contributions and Donations	20,000	27,465	27,465	0
Miscellaneous	12,000	15,728	16,250	522
<i>Total Revenues</i>	<u>190,000</u>	<u>215,894</u>	<u>216,602</u>	<u>708</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	10,238	9,377	9,365	12
Materials and Supplies	58,887	63,824	62,523	1,301
Capital Outlay - New	4,500	3,373	3,373	0
Capital Outlay - Replacement	1,000	2,000	1,485	515
Total Regular	<u>74,625</u>	<u>78,574</u>	<u>76,746</u>	<u>1,828</u>
Special:				
Materials and Supplies	0	103	0	103
Total Instruction	<u>74,625</u>	<u>78,677</u>	<u>76,746</u>	<u>1,931</u>
Support Services:				
Pupil:				
Purchased Services	100	0	0	0
Materials and Supplies	1,200	1,613	1,096	517
Other	100	0	0	0
Total Pupil	<u>1,400</u>	<u>1,613</u>	<u>1,096</u>	<u>517</u>
Instructional Staff:				
Purchased Services	5,251	9,404	9,376	28
Materials and Supplies	81,140	107,871	106,892	979
Capital Outlay - New	8,302	5,317	5,160	157
Capital Outlay - Replacement	1,000	124	0	124
Other	4,000	2,232	2,216	16
Total Instructional Staff	<u>99,693</u>	<u>124,948</u>	<u>123,644</u>	<u>1,304</u>
Total Support Services	<u>\$101,093</u>	<u>\$126,561</u>	<u>\$124,740</u>	<u>\$1,821</u>

(continued)

Berea City School District
Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund (continued)
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	\$200	\$0	\$0	\$0
Materials and Supplies	21,900	0	0	0
Capital Outlay - New	500	0	0	0
Total Operation of Non-Instructional Services	22,600	0	0	0
Extracurricular Activities:				
School and Public Service Co-Curricular Activities:				
Purchased Services	0	74	0	74
Materials and Supplies	7,181	23,796	23,796	0
Total Extracurricular Activities	7,181	23,870	23,796	74
Total Expenditures	205,499	229,108	225,282	3,826
Excess of Revenues Under Expenditures	(15,499)	(13,214)	(8,680)	4,534
Other Financing Sources				
Advances In	0	77	77	0
Net Change in Fund Balance	(15,499)	(13,137)	(8,603)	4,534
Fund Balance Beginning of Year	104,048	104,048	104,048	0
Prior Year Encumbrances Appropriated	15,499	15,499	15,499	0
Fund Balance End of Year	\$104,048	\$106,410	\$110,944	\$4,534

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Venture Grant Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	8,088	8,088	0
Fringe Benefits	0	1,781	1,781	0
Purchased Services	21,778	31,444	31,444	0
Materials and Supplies	141	9,472	9,472	0
Total Instruction	21,919	50,785	50,785	0
Support Services:				
Instructional Staff:				
Salaries and Wages	0	174	174	0
Total Expenditures	21,919	50,959	50,959	0
<i>Net Change in Fund Balance</i>	<i>(21,919)</i>	<i>(50,959)</i>	<i>(50,959)</i>	<i>0</i>
<i>Fund Balance Beginning of Year</i>	<i>32,008</i>	<i>32,008</i>	<i>32,008</i>	<i>0</i>
Prior Year Encumbrances Appropriated	<u>18,951</u>	<u>18,951</u>	<u>18,951</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$29,040</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 Basis) and Actual
Local Grants Fund
For the Fiscal Year Ended June 30 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$25,000	\$74,786	\$74,786	\$0
Interest	3,000	3,558	3,558	0
Contributions and Donations	35,000	5,085	5,085	0
Miscellaneous	1,000	0	0	0
Total Revenues	<u>64,000</u>	<u>83,429</u>	<u>83,429</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	32,250	39,587	38,990	597
Fringe Benefits	300	339	0	339
Purchased Services	12,025	10,672	6,019	4,653
Materials and Supplies	9,700	8,493	7,250	1,243
Capital Outlay - New	24,409	52,854	50,764	2,090
Other	2,000	1,800	1,800	0
Total Regular	<u>80,684</u>	<u>113,745</u>	<u>104,823</u>	<u>8,922</u>
Special:				
Purchased Services	50	0	0	0
Materials and Supplies	0	725	626	99
Total Special	<u>50</u>	<u>725</u>	<u>626</u>	<u>99</u>
Total Instruction	<u>80,734</u>	<u>114,470</u>	<u>105,449</u>	<u>9,021</u>
Support Services:				
Pupil:				
Salaries and Wages	0	300	0	300
Purchased Services	500	143	0	143
Materials and Supplies	150	30	0	30
Capital Outlay - New	1,200	2,836	0	2,836
Total Pupil	<u>\$1,850</u>	<u>\$3,309</u>	<u>\$0</u>	<u>\$3,309</u>

(continued)

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Grants Fund (continued)
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Instructional Staff:				
Salaries and Wages	\$1,900	\$3,158	\$528	\$2,630
Fringe Benefits	900	808	121	687
Purchased Services	3,210	1,703	1,614	89
Materials and Supplies	7,100	4,848	3,898	950
Capital Outlay - New	0	260	257	3
Total Instructional Staff	<u>13,110</u>	<u>10,777</u>	<u>6,418</u>	<u>4,359</u>
Operation and Maintenance of Plant:				
Materials and Supplies	0	5	0	5
Total Support Services	<u>14,960</u>	<u>14,091</u>	<u>6,418</u>	<u>7,673</u>
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	0	306	0	306
Purchased Services	0	1,061	0	1,061
Materials and Supplies	0	1,539	0	1,539
Total Extracurricular Activities	<u>0</u>	<u>2,906</u>	<u>0</u>	<u>2,906</u>
Total Expenditures	<u>95,694</u>	<u>131,467</u>	<u>111,867</u>	<u>19,600</u>
Net Change in Fund Balance	(31,694)	(48,038)	(28,438)	19,600
Fund Balance Beginning of Year	106,910	106,910	106,910	0
Prior Year Encumbrances Appropriated	<u>22,793</u>	<u>22,793</u>	<u>22,793</u>	<u>0</u>
Fund Balance End of Year	<u>\$98,009</u>	<u>\$81,665</u>	<u>\$101,265</u>	<u>\$19,600</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$36,504</u>	<u>\$32,902</u>	<u>\$36,504</u>	<u>\$3,602</u>
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	<u>0</u>	<u>1,109</u>	<u>1,109</u>	<u>0</u>
Support Services:				
Pupil:				
Salaries and Wages	19,288	14,119	14,119	0
Fringe Benefits	4,541	2,162	2,162	0
Purchased Services	<u>13,330</u>	<u>13,249</u>	<u>13,115</u>	<u>134</u>
Total Pupil	<u>37,159</u>	<u>29,530</u>	<u>29,396</u>	<u>134</u>
Instructional Staff:				
Salaries and Wages	0	3,006	3,006	0
Fringe Benefits	<u>0</u>	<u>527</u>	<u>527</u>	<u>0</u>
Total Instructional Staff	<u>0</u>	<u>3,533</u>	<u>3,533</u>	<u>0</u>
Total Support Services	<u>37,159</u>	<u>33,063</u>	<u>32,929</u>	<u>134</u>
<i>Total Expenditures</i>	<u>37,159</u>	<u>34,172</u>	<u>34,038</u>	<u>134</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(655)	(1,270)	2,466	3,736
Other Financing Uses				
Refund of Prior Year Receipts	<u>0</u>	<u>(90)</u>	<u>(90)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(655)	(1,360)	2,376	3,736
<i>Fund Balance Beginning of Year</i>	1,119	1,119	1,119	0
Prior Year Encumbrances Appropriated	<u>655</u>	<u>655</u>	<u>655</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,119</u>	<u>\$414</u>	<u>\$4,150</u>	<u>\$3,736</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Peer Assistance Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	<u>\$185,000</u>	<u>\$197,850</u>	<u>\$197,850</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	198,105	215,861	206,227	9,634
Fringe Benefits	47,879	49,929	49,643	286
Purchased Services	9,200	11,500	3,530	7,970
Materials and Supplies	<u>1,052</u>	<u>1,052</u>	<u>305</u>	<u>747</u>
Total Instruction	<u>256,236</u>	<u>278,342</u>	<u>259,705</u>	<u>18,637</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	16,272	15,716	10,282	5,434
Fringe Benefits	3,503	3,349	2,929	420
Purchased Services	4,570	2,520	895	1,625
Materials and Supplies	<u>6,796</u>	<u>300</u>	<u>300</u>	<u>0</u>
Total Support Services	<u>31,141</u>	<u>21,885</u>	<u>14,406</u>	<u>7,479</u>
Total Expenditures	<u>287,377</u>	<u>300,227</u>	<u>274,111</u>	<u>26,116</u>
Net Change in Fund Balance	(102,377)	(102,377)	(76,261)	26,116
Fund Balance Beginning of Year	101,942	101,942	101,942	0
Prior Year Encumbrances Appropriated	<u>435</u>	<u>435</u>	<u>435</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$26,116</u>	<u>\$26,116</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Basic Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$47,500</u>	<u>\$48,405</u>	<u>\$48,405</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	25,500	28,113	28,113	0
Fringe Benefits	5,500	6,706	6,706	0
Purchased Services	500	0	0	0
Materials and Supplies	1,837	2,700	2,640	60
Capital Outlay - New	<u>1,700</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>35,037</u>	<u>37,519</u>	<u>37,459</u>	<u>60</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	10,500	11,868	11,845	23
Fringe Benefits	2,300	2,577	2,577	0
Purchased Services	<u>0</u>	<u>1,038</u>	<u>981</u>	<u>57</u>
Total Support Services	<u>12,800</u>	<u>15,483</u>	<u>15,403</u>	<u>80</u>
Total Expenditures	<u>47,837</u>	<u>53,002</u>	<u>52,862</u>	<u>140</u>
Net Change in Fund Balance	(337)	(4,597)	(4,457)	140
Fund Balance Beginning of Year	4,260	4,260	4,260	0
Prior Year Encumbrances Appropriated	<u>337</u>	<u>337</u>	<u>337</u>	<u>0</u>
Fund Balance End of Year	<u>\$4,260</u>	<u>\$0</u>	<u>\$140</u>	<u>\$140</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Teacher Development Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$38,841</u>	<u>\$38,841</u>	<u>\$38,841</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	38,695	21,054	21,054	0
Fringe Benefits	982	1,249	1,249	0
Purchased Services	247	13,000	13,000	0
Materials and Supplies	<u>681</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	40,605	35,303	35,303	0
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	<u>3,609</u>	<u>3,609</u>	<u>2,746</u>	<u>863</u>
Total Expenditures	44,214	38,912	38,049	863
<i>Excess of Revenues Over (Under) Expenditures</i>	(5,373)	(71)	792	863
Other Financing Uses				
Refund of Prior Year Receipts	<u>0</u>	<u>(5,302)</u>	<u>(5,302)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(5,373)	(5,373)	(4,510)	863
<i>Fund Balance Beginning of Year</i>	<u>5,373</u>	<u>5,373</u>	<u>5,373</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$863</u>	<u>\$863</u>

Berea City School District
Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$32,000	\$41,208	\$41,208	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	37,181	42,746	40,047	2,699
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	800	782	782	0
Materials and Supplies	5,187	4,130	3,510	620
Total Operation of Non-Instructional Services	5,987	4,912	4,292	620
<i>Total Expenditures</i>	43,168	47,658	44,339	3,319
<i>Excess of Revenues Under Expenditures</i>	(11,168)	(6,450)	(3,131)	3,319
Other Financing Uses				
Refund of Prior Year Receipts	0	(36)	(36)	0
Advances Out	0	(4,808)	(4,808)	0
<i>Total Other Financing Uses</i>	0	(4,844)	(4,844)	0
<i>Net Change in Fund Balance</i>	(11,168)	(11,294)	(7,975)	3,319
<i>Fund Balance Beginning of Year</i>	126	126	126	0
Prior Year Encumbrances Appropriated	11,168	11,168	11,168	0
<i>Fund Balance End of Year</i>	\$126	\$0	\$3,319	\$3,319

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Schools Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$42,500	\$50,101	\$50,101	\$0
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	15,300	22,559	22,275	284
Fringe Benefits	5,400	3,697	3,624	73
Purchased Services	7,040	16,806	15,027	1,779
Materials and Supplies	3,635	738	458	280
Total Pupil	31,375	43,800	41,384	2,416
Instructional Staff:				
Salaries and Wages	1,000	1,000	0	1,000
Fringe Benefits	500	242	0	242
Purchased Services	9,615	13,809	12,013	1,796
Total Instructional Staff	11,115	15,051	12,013	3,038
Pupil Transportation:				
Salaries and Wages	1,000	1,077	77	1,000
Fringe Benefits	150	140	0	140
Purchased Services	600	600	167	433
Total Pupil Transportation	1,750	1,817	244	1,573
Total Support Services	44,240	60,668	53,641	7,027
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	0	81	0	81
Total Expenditures	44,240	60,749	53,641	7,108
Net Change in Fund Balance	(1,740)	(10,648)	(3,540)	7,108
Fund Balance Beginning of Year	8,908	8,908	8,908	0
Prior Year Encumbrances Appropriated	1,740	1,740	1,740	0
Fund Balance End of Year	<u>\$8,908</u>	<u>\$0</u>	<u>\$7,108</u>	<u>\$7,108</u>

Berea City School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Emergency Immigrant Education Fund
 For the Fiscal Year Ended June 30, 1999*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$2,479	\$2,479	\$2,479	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Purchased Services	495	495	495	0
Materials and Supplies	3,239	3,239	3,239	0
Total Expenditures	3,734	3,734	3,734	0
Net Change in Fund Balance	(1,255)	(1,255)	(1,255)	0
Fund Balance Beginning of Year	177	177	177	0
Prior Year Encumbrances Appropriated	1,078	1,078	1,078	0
Fund Balance End of Year	\$0	\$0	\$0	\$0

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
EMIS Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$19,000</u>	<u>\$22,188</u>	<u>\$22,188</u>	<u>\$0</u>
Expenditures				
Current:				
Support Services:				
Central:				
Purchased Services	4,700	11,057	7,400	3,657
Materials and Supplies	7,500	8,861	4,605	4,256
Capital Outlay - New	<u>7,580</u>	<u>14,182</u>	<u>11,503</u>	<u>2,679</u>
<i>Total Expenditures</i>	<u>19,780</u>	<u>34,100</u>	<u>23,508</u>	<u>10,592</u>
<i>Net Change in Fund Balance</i>	(780)	(11,912)	(1,320)	10,592
<i>Fund Balance Beginning of Year</i>	11,132	11,132	11,132	0
Prior Year Encumbrances Appropriated	<u>780</u>	<u>780</u>	<u>780</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$11,132</u>	<u>\$0</u>	<u>\$10,592</u>	<u>\$10,592</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Learn and Serve Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$3,000</u>	<u>\$3,000</u>	<u>\$3,000</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	30	0	0	0
Materials and Supplies	<u>41</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Regular	<u>71</u>	<u>0</u>	<u>0</u>	<u>0</u>
Vocational:				
Salaries and Wages	1,396	1,099	0	1,099
Fringe Benefits	<u>356</u>	<u>356</u>	<u>19</u>	<u>337</u>
Total Vocational	<u>1,752</u>	<u>1,455</u>	<u>19</u>	<u>1,436</u>
Total Instruction	<u>1,823</u>	<u>1,455</u>	<u>19</u>	<u>1,436</u>
Support Services:				
Instructional Staff:				
Purchased Services	1,424	1,248	1,107	141
Materials and Supplies	<u>2,499</u>	<u>3,043</u>	<u>2,746</u>	<u>297</u>
Total Support Services	<u>3,923</u>	<u>4,291</u>	<u>3,853</u>	<u>438</u>
<i>Total Expenditures</i>	<u>5,746</u>	<u>5,746</u>	<u>3,872</u>	<u>1,874</u>
<i>Net Change in Fund Balance</i>	(2,746)	(2,746)	(872)	1,874
<i>Fund Balance Beginning of Year</i>	71	71	71	0
Prior Year Encumbrances Appropriated	<u>2,675</u>	<u>2,675</u>	<u>2,675</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$1,874</u>	<u>\$1,874</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Education for Economic Security Act Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$20,000	\$23,303	\$23,303	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	5,800	6,580	441	6,139
Fringe Benefits	1,300	1,411	62	1,349
Purchased Services	3,390	5,666	3,386	2,280
Materials and Supplies	11,475	18,251	16,782	1,469
Capital Outlay - New	2,500	0	0	0
Total Support Services	24,465	31,908	20,671	11,237
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	0	329	147	182
Total Expenditures	24,465	32,237	20,818	11,419
Excess of Revenues Over (Under) Expenditures	(4,465)	(8,934)	2,485	11,419
Other Financing Uses				
Refund of Prior Year Receipts	0	(143)	(143)	0
Net Change in Fund Balance	(4,465)	(9,077)	2,342	11,419
Fund Balance Beginning of Year	4,612	4,612	4,612	0
Prior Year Encumbrances Appropriated	4,465	4,465	4,465	0
Fund Balance End of Year	\$4,612	\$0	\$11,419	\$11,419

Berea City School District
Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Conflict Management Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	<u>\$2,792</u>	<u>\$2,000</u>	<u>\$2,000</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	1,247	833	420	413
Fringe Benefits	249	191	102	89
Purchased Services	560	530	530	0
Materials and Supplies	<u>1,734</u>	<u>1,244</u>	<u>1,244</u>	<u>0</u>
Total Instruction	<u>3,790</u>	<u>2,798</u>	<u>2,296</u>	<u>502</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	723	432	210	222
Fringe Benefits	<u>62</u>	<u>62</u>	<u>29</u>	<u>33</u>
Total Support Services	<u>785</u>	<u>494</u>	<u>239</u>	<u>255</u>
Total Expenditures	<u>4,575</u>	<u>3,292</u>	<u>2,535</u>	<u>757</u>
<i>Excess of Revenues Under Expenditures</i>	(1,783)	(1,292)	(535)	757
Other Financing Uses				
Refund of Prior Year Receipts	<u>0</u>	<u>(491)</u>	<u>(491)</u>	<u>0</u>
Net Change in Fund Balance	(1,783)	(1,783)	(1,026)	757
<i>Fund Balance Beginning of Year</i>	1,207	1,207	1,207	0
Prior Year Encumbrances Appropriated	<u>576</u>	<u>576</u>	<u>576</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$757</u>	<u>\$757</u>

Berea City School District
Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Continuous Improvement Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$20,000</u>	<u>\$0</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	15,933	15,933	3,464	12,469
Fringe Benefits	<u>4,067</u>	<u>4,067</u>	<u>837</u>	<u>3,230</u>
<i>Total Expenditures</i>	<u>20,000</u>	<u>20,000</u>	<u>4,301</u>	<u>15,699</u>
<i>Net Change in Fund Balance</i>	0	0	15,699	15,699
<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>\$15,699</u>	<u>\$15,699</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Dependent Care Grant Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	<u>0</u>	<u>772</u>	<u>772</u>	<u>0</u>
Support Services:				
Pupil:				
Capital Outlay - New	<u>2,186</u>	<u>2,392</u>	<u>2,392</u>	<u>0</u>
Instructional Staff:				
Salaries and Wages	<u>1,788</u>	<u>1,044</u>	<u>1,044</u>	<u>0</u>
Purchased Services	<u>1,510</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instructional Staff	<u>3,298</u>	<u>1,044</u>	<u>1,044</u>	<u>0</u>
Total Support Services	<u>5,484</u>	<u>3,436</u>	<u>3,436</u>	<u>0</u>
Total Expenditures	<u>5,484</u>	<u>4,208</u>	<u>4,208</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(5,484)</u>	<u>(4,208)</u>	<u>(4,208)</u>	<u>0</u>
Other Financing Uses				
Refund of Prior Year Receipts	<u>0</u>	<u>(1,276)</u>	<u>(1,276)</u>	<u>0</u>
Net Change in Fund Balance	<u>(5,484)</u>	<u>(5,484)</u>	<u>(5,484)</u>	<u>0</u>
Fund Balance Beginning of Year	<u>4,403</u>	<u>4,403</u>	<u>4,403</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>1,081</u>	<u>1,081</u>	<u>1,081</u>	<u>0</u>
Fund Balance End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parent Mentor Grant Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$0</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	16,931	11,536	10,870	666
Fringe Benefits	2,554	6,949	6,949	0
Purchased Services	3,815	1,698	1,698	0
Materials and Supplies	<u>1,700</u>	<u>4,817</u>	<u>4,388</u>	<u>429</u>
<i>Total Expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>23,905</u>	<u>1,095</u>
<i>Net Change in Fund Balance</i>	0	0	1,095	1,095
<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>\$1,095</u>	<u>\$1,095</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
LSTA Mini Grant Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$13,737	\$13,737	\$13,737	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Capital Outlay - New	<u>13,737</u>	<u>13,737</u>	<u>13,733</u>	<u>4</u>
<i>Net Change in Fund Balance</i>	0	0	4	4
<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>\$4</u>	<u>\$4</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$1,178,478	\$1,230,128	\$1,230,128	\$0
Intergovernmental	172,000	162,245	162,245	0
Miscellaneous	2,000	107	107	0
<i>Total Revenues</i>	<u>1,352,478</u>	<u>1,392,480</u>	<u>1,392,480</u>	<u>0</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	1,190	1,190	1,190	0
Capital Outlay - New	20,957	20,957	20,889	68
Total Support Services	<u>22,147</u>	<u>22,147</u>	<u>22,079</u>	<u>68</u>
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Architecture and Engineering Services:				
Capital Outlay - New	42,725	110,725	110,239	486
Building Improvement Services:				
Capital Outlay - New	2,015,227	1,792,446	1,791,844	602
Capital Outlay - Replacement	2,000	0	0	0
Total Building Improvement Services	<u>2,017,227</u>	<u>1,792,446</u>	<u>1,791,844</u>	<u>602</u>
Total Capital Outlay	<u>2,059,952</u>	<u>1,903,171</u>	<u>1,902,083</u>	<u>1,088</u>
<i>Total Expenditures</i>	<u>2,082,099</u>	<u>1,925,318</u>	<u>1,924,162</u>	<u>1,156</u>
<i>Excess of Revenues Under Expenditures</i>	(729,621)	(532,838)	(531,682)	1,156
Other Financing Uses				
Advances Out	(287,000)	(287,000)	(287,000)	0
<i>Net Change in Fund Balance</i>	(1,016,621)	(819,838)	(818,682)	1,156
<i>Fund Balance Beginning of Year</i>	41,639	41,639	41,639	0
Prior Year Encumbrances Appropriated	<u>1,032,798</u>	<u>1,032,798</u>	<u>1,032,798</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$57,816</u>	<u>\$254,599</u>	<u>\$255,755</u>	<u>\$1,156</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$10,553	\$5,982	\$6,450	\$468
Expenditures				
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Building Improvement Services:				
Capital Outlay - New	<u>74,368</u>	<u>76,497</u>	<u>75,605</u>	<u>892</u>
<i>Net Change in Fund Balance</i>	(63,815)	(70,515)	(69,155)	1,360
<i>Fund Balance Beginning of Year</i>	62,718	62,718	62,718	0
Prior Year Encumbrances Appropriated	<u>63,815</u>	<u>63,815</u>	<u>63,815</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$62,718</u></u>	<u><u>\$56,018</u></u>	<u><u>\$57,378</u></u>	<u><u>\$1,360</u></u>

Berea City School District
Schedule of Revenues Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
School Net Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	<u>\$228,763</u>	<u>\$228,763</u>	<u>\$228,763</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	94	94	94	0
Purchased Services	10,000	10,000	10,000	0
Materials and Supplies	200	200	200	0
Capital Outlay - New	<u>247,944</u>	<u>247,944</u>	<u>244,918</u>	<u>3,026</u>
<i>Total Expenditures</i>	<u>258,238</u>	<u>258,238</u>	<u>255,212</u>	<u>3,026</u>
<i>Net Change in Fund Balance</i>	(29,475)	(29,475)	(26,449)	3,026
<i>Fund Balance Beginning of Year</i>	28,593	28,593	28,593	0
Prior Year Encumbrances Appropriated	<u>882</u>	<u>882</u>	<u>882</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$3,026</u>	<u>\$3,026</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Textbook Subsidy Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$115,250	\$114,759	\$114,759	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	<u>228,289</u>	<u>227,798</u>	<u>160,878</u>	<u>66,920</u>
<i>Net Change in Fund Balance</i>	(113,039)	(113,039)	(46,119)	66,920
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>113,039</u>	<u>113,039</u>	<u>113,039</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$66,920</u>	<u>\$66,920</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Raise the Bar Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	<u>\$30,000</u>	<u>\$162,500</u>	<u>\$162,500</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	7,500	21,843	17,843	4,000
Fringe Benefits	3,200	5,439	4,439	1,000
Purchased Services	231	3,364	3,364	0
Materials and Supplies	0	3,456	3,437	19
Capital Outlay - New	<u>130,368</u>	<u>276,852</u>	<u>275,641</u>	<u>1,211</u>
<i>Total Expenditures</i>	<u>141,299</u>	<u>310,954</u>	<u>304,724</u>	<u>6,230</u>
<i>Excess of Revenues Under Expenditures</i>	(111,299)	(148,454)	(142,224)	6,230
Other Financing Uses				
Refund of Prior Year Receipts	<u>0</u>	<u>(1,452)</u>	<u>(1,452)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(111,299)	(149,906)	(143,676)	6,230
<i>Fund Balance Beginning of Year</i>	38,607	38,607	38,607	0
Prior Year Encumbrances Appropriated	<u>111,299</u>	<u>111,299</u>	<u>111,299</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$38,607</u>	<u>\$0</u>	<u>\$6,230</u>	<u>\$6,230</u>

Berea City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Power Up Grant Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$582,737	\$213,926	\$213,926	\$0
Expenditures				
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Architecture and Engineering Services:				
Capital Outlay - New	<u>582,737</u>	<u>213,926</u>	<u>191,356</u>	<u>22,570</u>
<i>Net Change in Fund Balance</i>	0	0	22,570	22,570
<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>\$22,570</u>	<u>\$22,570</u>

Berea City School District
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Sales	\$1,511,235	\$1,449,222	\$1,454,291	\$5,069
Interest	0	32,779	35,804	3,025
Miscellaneous	0	40	40	0
Operating Grants	293,350	276,076	276,076	0
<i>Total Revenues</i>	<u>1,804,585</u>	<u>1,758,117</u>	<u>1,766,211</u>	<u>8,094</u>
Expenses				
Salaries:				
Food Service Operations	666,729	722,929	722,915	14
Fringe Benefits:				
Food Service Operations	190,000	212,057	210,610	1,447
Purchased Services:				
Food Service Operations	85,314	34,344	34,245	99
Materials and Supplies:				
Food Service Operations	1,218,034	866,661	857,775	8,886
Capital Outlay:				
Capital Outlay - New:				
Food Service Operations	220,033	50,349	50,260	89
Capital Outlay - Replacement:				
Food Service Operations	684	684	684	0
Total Capital Outlay	<u>220,717</u>	<u>51,033</u>	<u>50,944</u>	<u>89</u>
<i>Total Expenses</i>	<u>2,380,794</u>	<u>1,887,024</u>	<u>1,876,489</u>	<u>10,535</u>
<i>Net Change in Fund Balance</i>	(576,209)	(128,907)	(110,278)	18,629
<i>Fund Balance Beginning of Year</i>	599,020	599,020	599,020	0
Prior Year Encumbrances Appropriated	<u>120,033</u>	<u>120,033</u>	<u>120,033</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$142,844</u>	<u>\$590,146</u>	<u>\$608,775</u>	<u>\$18,629</u>

Berea City School District
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 1999

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Sales	\$66,000	\$69,491	\$69,511	\$20
Interest	0	19	19	0
<i>Total Revenues</i>	<u>66,000</u>	<u>69,510</u>	<u>69,530</u>	<u>20</u>
Expenses				
Materials and Supplies:				
Regular Instruction	67,203	68,542	68,516	26
Central Support Services	0	2,200	2,162	38
<i>Total Expenses</i>	<u>67,203</u>	<u>70,742</u>	<u>70,678</u>	<u>64</u>
<i>Excess of Revenues Under Expenses</i>	(1,203)	(1,232)	(1,148)	84
Advances Out	0	(77)	(77)	0
<i>Net Change in Fund Balance</i>	(1,203)	(1,309)	(1,225)	84
<i>Fund Balance Beginning of Year</i>	23,652	23,652	23,652	0
Prior Year Encumbrances Appropriated	1,203	1,203	1,203	0
<i>Fund Balance End of Year</i>	<u>\$23,652</u>	<u>\$23,546</u>	<u>\$23,630</u>	<u>\$84</u>

Berea City School District
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult and Community Education Fund
For the Fiscal Year Ended June 30, 1999

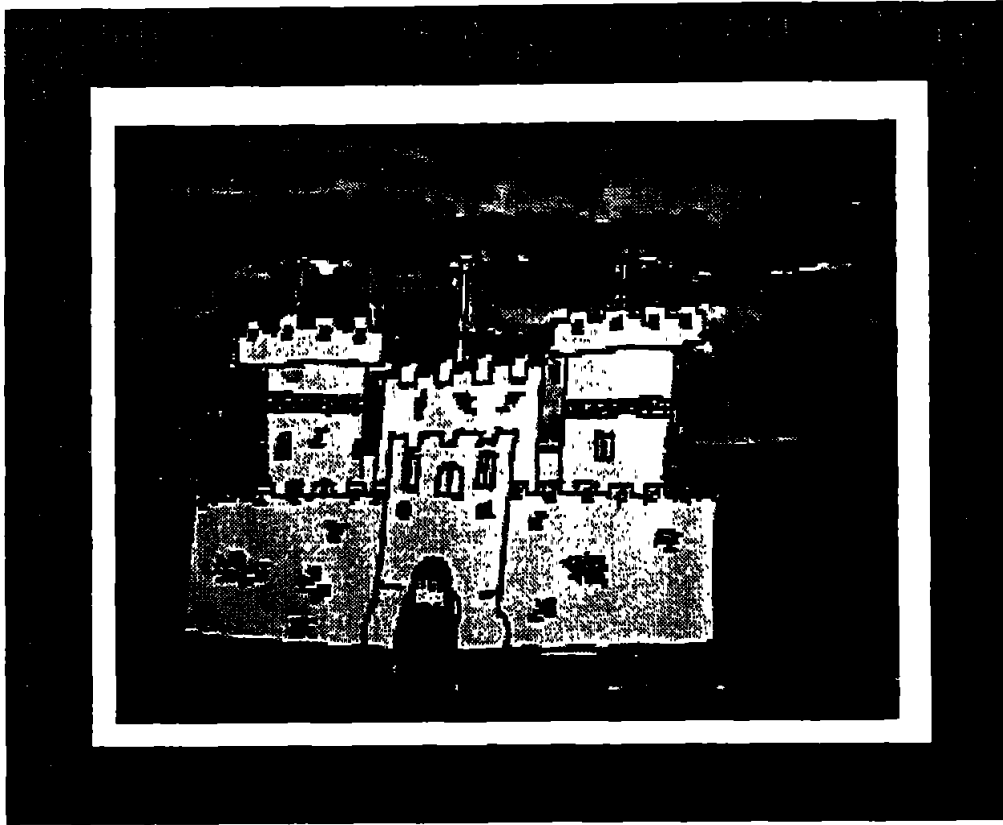
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Tuition	<u>\$882,000</u>	<u>\$843,753</u>	<u>\$857,204</u>	<u>\$13,451</u>
Expenses				
Salaries:				
Adult/Continuing Instruction	24,000	20,200	20,131	69
Community Services	<u>565,100</u>	<u>543,100</u>	<u>542,104</u>	<u>996</u>
Total Salaries	<u>589,100</u>	<u>563,300</u>	<u>562,235</u>	<u>1,065</u>
Fringe Benefits:				
Adult/Continuing Instruction	8,500	7,300	7,262	38
Community Services	<u>125,000</u>	<u>123,700</u>	<u>123,665</u>	<u>35</u>
Total Fringe Benefits	<u>133,500</u>	<u>131,000</u>	<u>130,927</u>	<u>73</u>
Purchased Services:				
Adult/Continuing Instruction	95,576	95,951	95,693	258
Community Services	<u>27,027</u>	<u>9,227</u>	<u>9,096</u>	<u>131</u>
Total Purchased Services	<u>122,603</u>	<u>105,178</u>	<u>104,789</u>	<u>389</u>
Materials and Supplies:				
Adult/Continuing Instruction	10,334	5,044	4,682	362
Community Services	<u>85,355</u>	<u>75,326</u>	<u>74,220</u>	<u>1,106</u>
Total Materials and Supplies	<u>95,689</u>	<u>80,370</u>	<u>78,902</u>	<u>1,468</u>
Capital Outlay:				
Capital Outlay - New:				
Adult/Continuing Instruction	2,284	1,774	1,358	416
Community Services	<u>89</u>	<u>89</u>	<u>89</u>	<u>0</u>
Total Capital Outlay	<u>2,373</u>	<u>1,863</u>	<u>1,447</u>	<u>416</u>
Other:				
Community Services	<u>0</u>	<u>4,229</u>	<u>4,223</u>	<u>6</u>
Total Expenses	<u>943,265</u>	<u>885,940</u>	<u>882,523</u>	<u>3,417</u>
Net Change in Fund Balance	<u>(61,265)</u>	<u>(42,187)</u>	<u>(25,319)</u>	<u>16,868</u>
Fund Balance Beginning of Year	<u>383,918</u>	<u>383,918</u>	<u>383,918</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>18,165</u>	<u>18,165</u>	<u>18,165</u>	<u>0</u>
Fund Balance End of Year	<u>\$340,818</u>	<u>\$359,896</u>	<u>\$376,764</u>	<u>\$16,868</u>

Berea City School District
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Fiscal Year Ended June 30, 1999

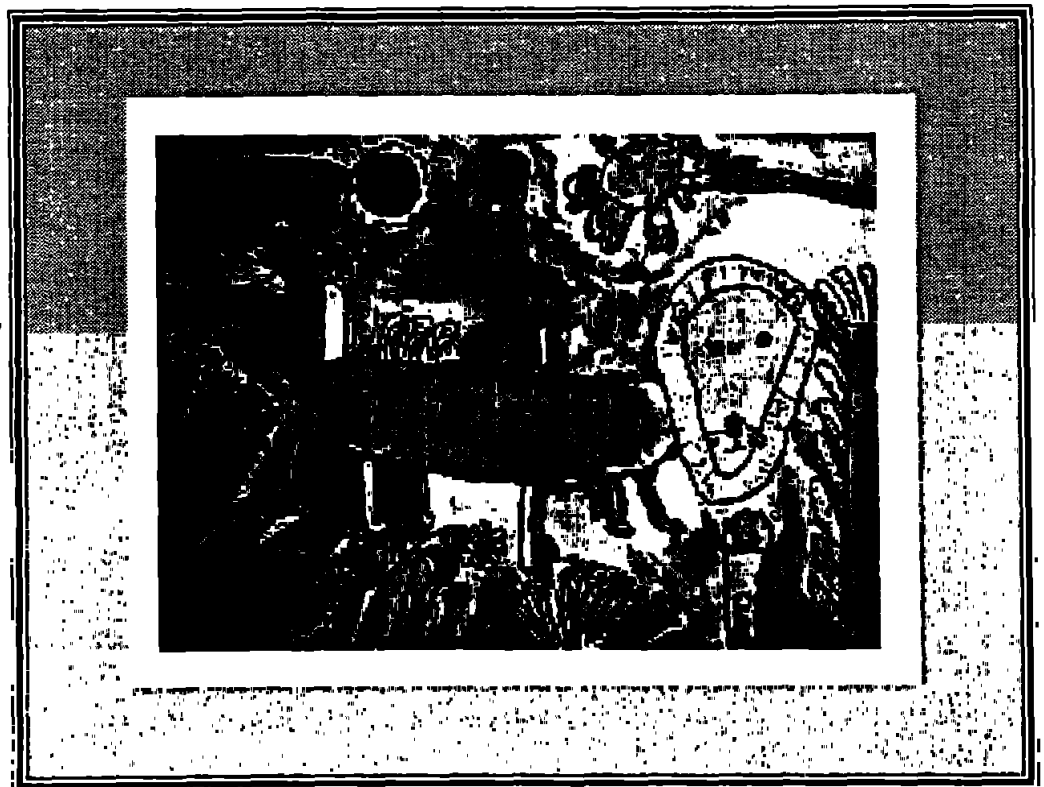
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$4,153,182	\$4,199,820	\$4,221,617	\$21,797
Interest	35,000	30,863	34,523	3,660
<i>Total Revenues</i>	<u>4,188,182</u>	<u>4,230,683</u>	<u>4,256,140</u>	<u>25,457</u>
Expenses				
Fringe Benefits:				
Central Support Services	0	3,774,183	3,629,744	144,439
Other:				
Central Support Services	4,333,981	559,799	536,333	23,466
<i>Total Expenses</i>	<u>4,333,981</u>	<u>4,333,982</u>	<u>4,166,077</u>	<u>167,905</u>
<i>Net Change in Fund Balance</i>	(145,799)	(103,299)	90,063	193,362
<i>Fund Balance Beginning of Year</i>	<u>915,548</u>	<u>915,548</u>	<u>915,548</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$769,749</u>	<u>\$812,249</u>	<u>\$1,005,611</u>	<u>\$193,362</u>

Berea City School District
*Schedule of Revenues, Expenses and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Scholarship Trust Fund
 For the Fiscal Year Ended June 30, 1999*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$675	\$662	\$662	\$0
Contributions and Donations	325	0	0	0
<i>Total Revenues</i>	<u>1,000</u>	<u>662</u>	<u>662</u>	<u>0</u>
Expenses				
Other:				
Instructional Staff Support Services	675	0	0	0
<i>Net Change in Fund Balance</i>	<u>325</u>	<u>662</u>	<u>662</u>	<u>0</u>
<i>Fund Balance Beginning of Year</i>	<u>12,441</u>	<u>12,441</u>	<u>12,441</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$12,766</u>	<u>\$13,103</u>	<u>\$13,103</u>	<u>\$0</u>

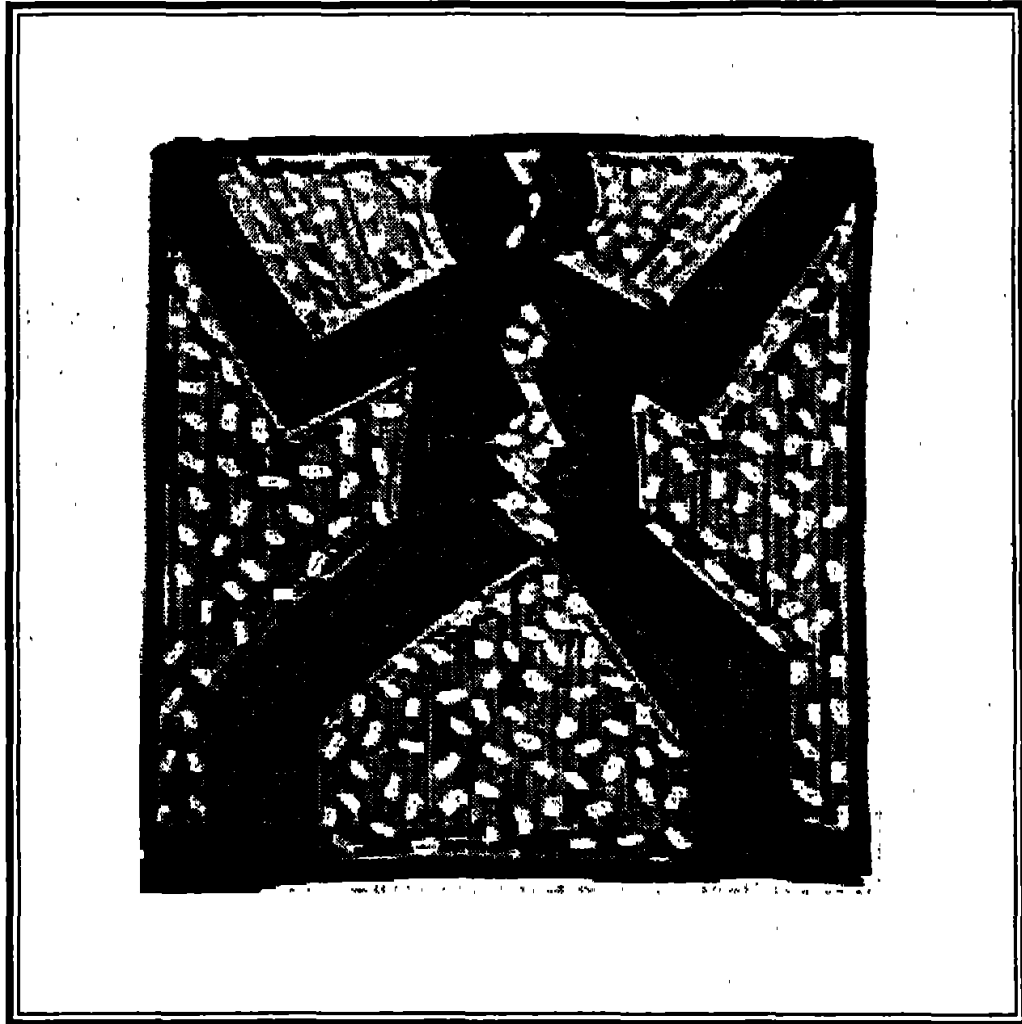


James M.
Snow School



Trent Schulz
Big Creek Elementary
Grade 3

Statistical Section



**Alex Schwedt
Brookpark Memorial Elementary
Grade 5**

Berea City School District

Statistical Section

The following statistical tables reflect social and economic data, financial trends and fiscal capacity of the School District.

Berea City School District
General Governmental
Revenues by Source and Expenses Expenditures by Function(1)
Last Ten Fiscal Years (2)

	1999		1998	1997
	Full Accrual	Modified Accrual		
Program Revenues				
Charges for Services	\$1,727,320	N/A	N/A	N/A
Operating Grants and Contributions	2,102,624	N/A	N/A	N/A
Capital Grants and Contributions	775,059	N/A	N/A	N/A
General Revenues				
Taxes	47,740,108	\$47,740,108	\$45,255,176	\$46,701,920
Intergovernmental	11,234,905	14,018,580	13,116,068	12,211,533
Interest	752,749	729,351	1,102,064	1,138,272
Tuition and Fees	0	1,011,588	1,146,034	1,107,645
Extracurricular Activities	0	484,221	420,141	609,686
Payment in Lieu of Taxes	70,641	70,641	N/A	N/A
Rentals	0	223,143	166,313	159,545
Charges for Services	0	78,030	10,310	3,133
Contributions and Donations	7,351	89,585	154,527	87,481
Miscellaneous	43,454	43,454	386,654	105,098
Total	\$64,454,211	\$64,488,701	\$61,757,287	\$62,124,313
Expenses/Expenditures				
Current:				
Instruction:				
Regular	\$29,246,237	\$29,356,082	\$28,943,088	\$26,100,943
Special	4,533,049	4,391,462	3,400,272	4,065,687
Vocational	494,566	543,317	438,641	498,285
Adult/Continuing	76,955	75,938	64,741	73,121
Other	0	0	0	0
Support Services:				
Pupil	3,412,303	3,472,733	3,214,074	2,829,738
Instructional Staff	5,623,076	5,508,931	5,237,374	4,823,192
Board of Education	27,540	27,540	27,041	36,483
Administration	3,445,483	3,471,943	3,411,741	3,265,813
Fiscal	1,380,235	1,356,311	1,171,319	1,186,141
Business	935,820	924,106	872,065	860,090
Operation and Maintenance of Plant	7,497,937	7,277,633	7,108,016	6,876,512
Pupil Transportation	2,565,486	2,606,465	2,999,688	2,710,642
Central	979,137	953,300	911,451	971,485
Operation of Non-Instructional Services				
Extracurricular Activities	573,336	597,269	449,712	487,342
Capital Outlay	0	1,686,387	3,872,203	1,609,684
Intergovernmental	7,514	7,514	2,998	178
Debt Service	843,331	1,194,279	1,435,207	2,885,574
Total	\$62,975,746	\$64,780,691	\$64,824,211	\$60,529,494

Source: School District Financial Records

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds for modified accrual and all governmental activities for full accrual

(2) 1991 through 1999 reported on a GAAP Basis; 1990 on a Cash Basis

1996	1995	1994	1993	1992	1991	1990
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$44,655,490	\$42,824,939	\$36,629,543	\$33,841,200	\$33,004,610	\$29,351,895	\$26,357,124
12,621,253	12,195,025	10,716,999	10,718,880	10,231,358	10,403,054	9,979,819
819,157	898,046	712,288	351,557	434,218	583,016	711,339
1,127,012	649,828	617,460	302,657	741,615	369,427	331,182
537,894	542,797	411,976	496,836	573,841	399,171	234,860
N/A	N/A	N/A	N/A	N/A	N/A	N/A
126,829	155,477	196,568	163,297	167,224	139,938	0
40,928	84,134	165,237	220,954	166,507	85,947	0
96,189	124,579	165,037	91,900	93,050	128,607	0
76,044	41,217	33,939	151,132	136,545	105,075	282,304
<u>\$60,100.796</u>	<u>\$57,516.042</u>	<u>\$49,649.047</u>	<u>\$46,338.413</u>	<u>\$45,548,968</u>	<u>\$41,566,130</u>	<u>\$37,896.628</u>
\$25,104,953	\$23,462,734	\$21,803,898	\$24,049,668	\$23,493,392	\$21,862,893	\$19,659,622
3,885,824	3,400,093	3,089,146	2,893,846	2,729,466	2,433,533	2,197,447
134,967	268,976	384,092	719,279	535,993	477,391	398,991
28,479	26,720	27,686	22,834	23,129	26,084	23,099
0	0	0	0	0	0	346,567
2,573,600	2,355,963	2,259,743	2,467,495	2,201,027	2,076,222	1,913,155
4,040,371	3,537,511	3,007,965	2,889,386	2,866,209	2,659,037	2,200,094
42,135	40,287	33,270	19,497	56,330	31,928	16,476
2,902,489	2,694,072	2,707,058	3,028,321	2,750,860	2,511,880	2,470,385
1,179,912	987,126	899,060	807,325	982,028	729,850	788,037
957,623	767,583	580,337	598,097	636,507	519,624	475,407
6,411,999	5,854,590	5,424,449	5,457,489	5,375,836	5,072,125	4,745,032
2,536,613	2,540,958	2,028,859	1,974,819	2,011,229	1,956,530	1,626,030
725,367	1,299,464	664,470	662,052	659,147	774,437	645,843
341,709	400,246	6,313	13,791	1,195	28,283	255,382
1,080,584	953,980	826,455	971,066	973,082	839,693	770,444
689,919	9,083,819	6,630,305	1,230,487	920,432	1,229,522	2,238,561
32,346	132,303	24,678	21,003	6,090	2,648	0
1,090,954	4,811,795	2,568,590	189,551	297,863	268,806	405,178
<u>\$53,759.844</u>	<u>\$62,618,220</u>	<u>\$52,966,374</u>	<u>\$48,016,006</u>	<u>\$46,519,815</u>	<u>\$43,500,486</u>	<u>\$41,175,750</u>

Berea City School District
Property Tax Levies and Collections
Real and Tangible Personal Property (1)
Last Ten Calendar Years

<u>Year (2)</u>	<u>Current Levy</u>	<u>Delinquent Levy (3)</u>	<u>Total Levy</u>	<u>Current Collection</u>	<u>Percent of Current Levy Collected</u>
1998	\$48,638,195	\$3,650,397	\$52,288,592	\$47,163,054	97.0%
1997	48,689,899	2,080,057	50,769,956	47,755,145	98.1
1996	48,350,805	2,548,410	50,899,215	47,694,375	98.6
1995	47,233,210	3,619,059	50,852,269	46,299,343	98.0
1994	45,736,108	2,952,483	48,688,591	44,420,281	97.1
1993	37,857,458	2,293,102	40,150,560	36,786,097	97.2
1992	36,459,314	2,096,486	38,555,800	35,564,159	97.5
1991	35,706,398	1,550,286	37,256,684	34,805,706	97.5
1990	29,276,576	1,695,382	30,971,958	28,828,999	98.5
1989	28,402,140	1,298,393	29,700,533	27,983,368	98.5

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because this is the manner in which the information is maintained maintained by the County Auditor.

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State are reported as Intergovernmental Revenue.
- (2) Represents collection year. 1999 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection As a Percent of Current Levy</u>
\$1,899,015	\$49,062,069	100.9%
1,211,905	48,967,050	100.6
1,492,700	49,187,075	101.7
1,966,080	48,265,423	102.2
650,861	45,071,142	98.5
676,429	37,462,526	99.0
766,018	36,330,177	99.6
565,867	35,371,573	99.1
743,368	29,572,367	101.0
574,830	28,558,198	100.5

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

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1999	\$1,005,040,090	\$2,871,543,114	\$56,737,020	\$64,473,886
1998	1,003,703,030	2,867,722,943	56,081,630	63,729,125
1997	925,444,240	2,644,126,400	57,359,690	65,181,466
1996	916,893,060	2,619,694,457	57,581,770	65,433,830
1995	914,320,920	2,612,345,486	61,155,940	69,495,386
1994	808,445,250	2,309,843,571	60,329,740	68,556,523
1993	809,606,320	2,313,160,913	59,786,720	67,939,455
1992	795,116,020	2,271,760,057	59,510,610	67,625,693
1991	676,040,420	1,931,544,057	58,225,670	66,199,625
1990	661,862,430	1,891,035,514	56,514,760	56,514,760

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because this is the manner in which the information is maintained by the County Auditor.

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

Real Estate is assessed at 35 percent of actual value.

Public utility personal is assessed at 88 percent of actual value. Prior to 1991 it was assessed at 100 percent of actual value.

Tangible personal property is assessed at 25 percent of actual value for 1993 through 1999.

Tangible Personal Property		Total		Ratio
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value (1)	
\$247,826,803	\$991,307,212	\$1,309,603,913	\$3,927,324,212	33%
261,930,469	1,047,721,876	1,321,715,129	3,979,173,944	33
278,548,460	1,114,193,840	1,261,352,390	3,823,501,706	33
259,983,771	1,039,935,084	1,234,458,601	3,725,063,371	33
244,868,858	979,475,432	1,220,345,718	3,661,316,304	33
211,234,870	844,939,480	1,080,009,860	3,223,339,574	34
202,742,046	810,968,184	1,072,135,086	3,192,068,552	34
202,220,803	777,772,319	1,056,847,433	3,117,158,069	34
210,165,313	778,397,456	944,431,403	2,776,141,138	34
202,103,638	721,798,707	920,480,828	2,669,348,981	34

Berea City School District
Property Tax Rates - Direct and Overlapping Governments
(per \$1,000 of Assessed Valuation)
Last Ten Calendar Years

Year	School Levy	County Levy	Berea City	Middleburg Heights City	Brookpark City	Polaris J.V.S.D
1999	\$58.00	\$16.70	\$17.70	\$5.60	\$4.50	\$2.40
1998	57.90	18.00	17.80	5.60	5.50	2.40
1997	57.90	18.00	17.80	5.60	5.50	2.40
1996	57.00	18.00	17.80	5.90	5.50	2.50
1995	56.90	18.20	17.80	5.90	5.50	2.50
1994	57.00	17.50	18.30	5.90	5.50	2.50
1993	51.10	17.80	18.80	5.90	5.50	2.50
1992	50.20	17.80	19.10	6.30	5.50	2.50
1991	50.30	17.80	19.70	6.50	5.50	2.50
1990	43.50	16.30	19.90	6.80	5.50	2.50

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

Debt Service Included in Total Levy			
School	County	City	Total
\$0.95	\$0.72	\$6.20	\$7.87
0.95	0.60	6.15	7.70
0.85	0.90	6.03	7.78
0.95	0.87	6.03	7.85
0.85	0.76	5.39	7.00
1.00	0.68	6.00	7.68
1.00	0.71	6.77	8.48
0.05	0.80	6.94	7.79
0.15	0.87	9.50	10.52
0.15	0.80	10.00	10.95

Berea City School District
*Ratio of Net General Obligation Bonded Debt to
 Assessed Value and Net Bonded Debt Per Capita
 Last Ten Years*

<u>Year</u>	<u>Net General Obligation Bonded Debt</u>	<u>Assessed Value</u>	<u>Population</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
1999	\$12,271,066	\$1,309,603,913	63,986	0.94%	\$192
1998	12,748,031	1,321,715,129	62,590	0.96	204
1997	13,030,060	1,261,352,390	62,590	1.03	208
1996	13,350,237	1,234,458,601	60,702	1.08	220
1995	13,710,350	1,220,345,718	60,702	1.12	226
1994	13,864,828	1,080,009,860	60,702	1.28	228
1993	13,965,163	1,072,135,086	56,618	1.30	247
1992	0	1,056,847,433	56,618	0.00	0
1991	0	944,431,403	56,524	0.00	0
1990	149,881	920,480,828	56,524	0.02	3

Source: Cuyahoga County Auditor, School District Financial Records, and the Cleveland Plain Dealer.

Berea City School District
Computation of Legal Debt Margin
 June 30, 1999

Assessed Valuation	\$1,309,603,913
Debt Limit - 9% of Assessed Value (1)	\$117,864,352
Amount of Debt Applicable to Debt Limit:	
General Obligation Bond	12,950,000
Tax Anticipation Note	900,000
Energy Conservation Note	875,000
Less: Amount Available in Debt Service Fund	(678,934)
Total	14,046,066
Exemptions:	
Tax Anticipation Note	900,000
Energy Conservation Note	875,000
Total Exemptions	1,775,000
Amount of Debt Subject to the Limit	12,271,066
Overall Debt Margin	\$105,593,286
Debt Margin - .10% of Assessed Value (1)	\$1,309,604
Amount of Debt Applicable	0
Unvoted Debt Margin	\$1,309,604
Additional Limit for Unvoted Energy Conservation Notes	
Debt Limit - 1% of Assessed Valuation	\$13,096,039
Less: Energy Conservation Notes	875,000
Additional Unvoted Debt Margin	\$12,221,039

Source: Cuyahoga County Auditor and School District Financial Records

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

Berea City School District
Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 1998

Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Berea City School District	\$12,950,000	100.00 %	\$12,950,000
Cuyahoga County	154,064,636	5.16	7,949,735
Regional Transit Authority	102,945,000	5.16	5,311,962
Berea City	19,266,861	95.40	18,380,585
Brookpark City	9,823,755	100.00	9,823,755
Middleburg Heights City	35,239,950	100.00	35,239,950
Polaris Joint Vocational School District	0	37.80	<u>0</u>
Total			<u><u>\$89,655,987</u></u>

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis (including School District) because that is the manner in which information is maintained by the County Auditor.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 1999 collection year.

Berea City School District
Ratio of Annual Debt Service Expenditures For
General Obligation Bonded Debt to General Governmental Expenditures
Last Ten Fiscal Years

Year	Principal	Interest	Total Debt Service	Total Governmental Fund Expenditures	Ratio of Debt Service to Governmental Fund Expenditures
1999	\$350,000	\$785,113	\$1,135,113	\$64,780,691	1.75%
1998	300,000	806,326	1,106,326	64,824,211	1.71
1997	275,000	852,326	1,127,326	60,529,494	1.86
1996	225,000	841,263	1,066,263	53,759,844	1.98
1995	200,000	855,076	1,055,076	62,618,220	1.68
1994	275,000	1,020,540	1,295,540	52,966,374	2.45
1993	80,000	3,430	83,430	48,016,006	0.17
1992	160,000	6,600	166,600	46,519,815	0.36
1991	160,000	12,801	172,801	43,500,486	0.40
1990	160,000	15,898	175,898	41,175,750	0.43

Source: School District Financial Records

Berea City School District
Demographic Statistics
Last Ten Years

<u>Year</u>	<u>Cuyahoga County Population</u>	<u>Berea City Population</u>	<u>Middleburg Heights City Population</u>	<u>Brook Park City Population</u>	<u>School Enrollment</u>	<u>Unemployment Rate (1)</u>
1999	1,406,139	20,301	17,302	26,383	7,941	4.6%
1998	1,398,169	19,960	16,813	25,817	7,946	3.9
1997	1,398,169	19,960	16,813	25,817	7,958	4.6
1996	1,398,169	19,500	14,702	26,500	7,997	4.7
1995	1,412,140	19,500	14,702	26,500	7,977	4.9
1994	1,412,140	19,500	14,702	26,500	7,879	5.3
1993	1,412,140	19,051	14,702	22,865	7,832	7.6
1992	1,412,140	19,051	14,702	22,865	7,846	6.3
1991	1,404,286	19,018	14,685	22,821	7,845	5.2
1990	1,404,286	19,018	14,685	22,821	7,939	5.8

Source: Information in this table was provided by the City of Berea, the City of Middleburg Heights, the City of Brook Park, Cuyahoga County and the Cleveland Plain Dealer.

(1) Represents Cuyahoga County.

Berea City School District
Property Value, Industrial Employment
Financial Institution Deposits and Building Permits
Last Ten Years

Year	Property Value (1) (Real Estate Only)	Industrial Employment	Financial Institution Deposits (000's) Banks	Value of Building Permits Issued
1998	\$1,003,703,030	N/A	\$56,770,353	\$47,928,289
1997	925,444,240	N/A	53,941,941 (3)	42,469,432
1996	916,893,060	N/A	24,628,923	38,923,621
1995	914,320,920	N/A	22,458,573	37,893,542
1994	808,445,250	N/A	20,885,453	39,598,388
1993	809,606,320	1,054,900	21,009,421	44,289,198
1992	795,116,020	921,200	19,379,280	91,515,099
1991	676,040,420	748,676	18,392,243	54,856,789
1990	661,862,430	702,000	19,188,641	25,338,999 (2)
1989	657,071,700	694,700	18,850,223	30,092,395 (2)

Source: Ohio Bureau of Employment Service
and Federal Reserve Bank of Cleveland

(1) Represents assessed value.

(2) 1990 and 1989 do not include City of Berea. Only the cities of Brook Park and Middleburg Heights are included.

(3) Large increase in deposits due to Key Bank becoming single charter in 1997.

Berea City School District
Principal Taxpayers
Real Estate Tax
December 31, 1998

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
Ford Motor Company	\$24,446,240	2.43 %
Cleveland Port Authority	19,493,950	1.94
Brookpark Community Urban Development	9,302,340	0.93
Techpart Limited Partnership	9,538,280	0.95
Southland Store Company	9,337,200	0.93
Islander Company	8,978,910	0.89
Sears, Roebuck, Incorporated	4,995,590	0.50
Southwest Medical Center	4,896,660	0.49
Tower In The Park Limited	3,606,330	0.36
Middleburgh Towne Square, Limited	3,183,840	0.32
Total	\$97,779,340	9.73 %
Total Real Estate Valuation	\$1,005,040,090	

Source: Cuyahoga County Auditor

(1) Assessed values are for 1999.

Berea City School District
Principal Taxpayers
Tangible Personal Property Tax
December 31, 1998

Name of Taxpayer	Assessed Value (1)	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	2.26
B. F. Goodrich Company	4,880,440	1.97
Penton Publishing Incorporated	3,514,290	1.42
Foseco Manufacturing Incorporated	3,383,270	1.37
Hawk Corporation	3,271,050	1.32
Goodyear Tire and Rubber	3,025,620	1.22
Sears, Roebuck, Incorporated	2,686,900	1.08
IBM Credit Corporation	2,640,990	1.07
Total	\$143,392,820	57.86 %
Total Tangible Assessed Valuation	\$247,826,803	

Source: Cuyahoga County Auditor

(1) Assessed values are for 1999.

Berea City School District
Principal Taxpayers
Public Utilities Tax
December 31, 1998

Name of Taxpayer	Assessed Value (1)	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$28,494,770	50.22 %
Ohio Bell Telephone Company	14,004,380	24.68
Columbia Gas of Ohio, Inc.	6,499,910	11.46
East Ohio Gas Company	2,220,600	3.92
AT & T Wireless	1,426,660	2.51
	<u>\$52,646,320</u>	<u>92.79 %</u>
Total Public Utility Assessed Value	<u>\$56,737,020</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 1999.

Berea City School District
Per Pupil Cost
Last Ten Fiscal Years (1)

Fiscal Year	General Fund Expenditures	Average Student Enrollment	Per Pupil Cost
1999	\$59,125,633	7,941	\$7,446
1998	57,246,101	7,946	7,204
1997	55,273,812	7,958	6,946
1996	49,786,027	7,997	6,226
1995	50,077,966	7,977	6,278
1994	43,436,260	7,879	5,513
1993	44,830,862	7,832	5,724
1992	43,647,399	7,846	5,563
1991	40,415,608	7,845	5,152
1990	37,480,788	7,939	4,721

Source: School District Financial Records.

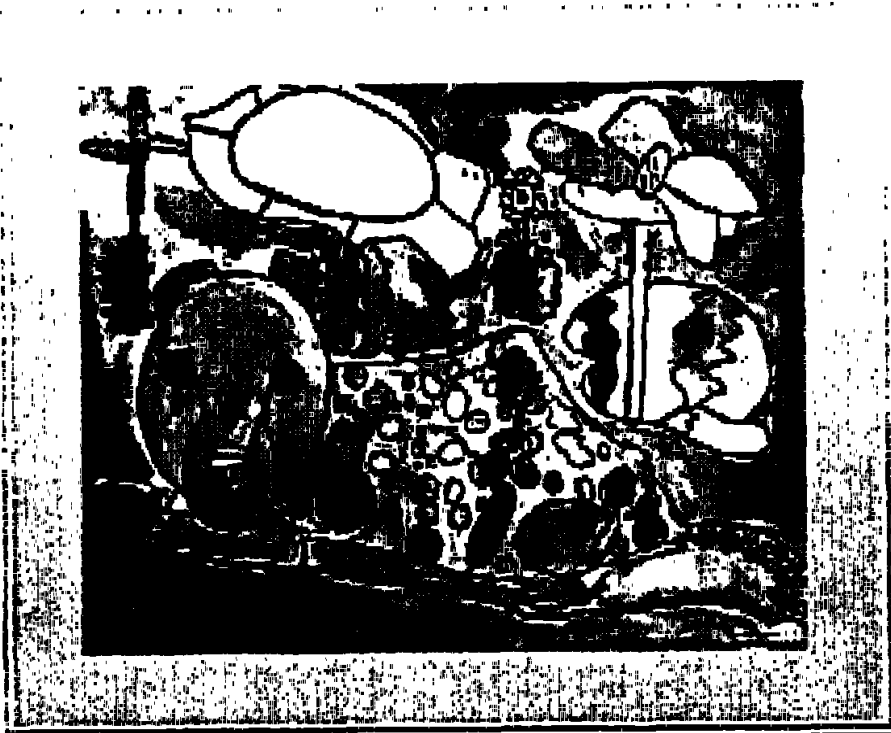
(1) 1991 through 1999 on Modified Accrual Basis.

Berea City School District
Teacher Education and Experience
 June 30, 1999

Degree	Number of Teachers	Percentage of Total
Bachelor's Degree	72	14.37 %
Bachelor + 15	87	17.37
Bachelor + 30	69	13.76
Master's Degree	212	42.32
Master's + 15	28	5.59
Master's + 30	7	1.40
Ph. D.	26	5.19
Total	501	100.00 %

Years of Experience	Number of Teachers	Percentage of Total
0 - 5	127	25.35 %
6 - 10	121	24.15
11 and over	253	50.50
	501	100.00 %

Source: School District Personnel Records



Brittany Smith
Big Creek Elementary
Grade 3



Brittany Bianchi
Big Creek Elementary
Grade 5