

**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2002**



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2002**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. Department of Agriculture</b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program	N/A	10.550		\$99,049		\$96,150
National School Breakfast Program	043612-05PU-2001 043612-05PU-2002	10.553	\$ 4,564 14,607		\$4,564 14,607	
National School Lunch Program	043612-LLP1-2001 043612-LLP4-2001 043612-LLP4-2002	10.555	60,602 54,655 244,781		60,602 54,655 244,781	
Total U.S. Department of Agriculture - Nutrition Cluster			<b>379,209</b>	<b>99,049</b>	<b>379,209</b>	<b>96,150</b>
<b>U.S. Department of Education</b>						
<i>Passed Through Ohio Department of Education:</i>						
Grants to Local Education Agencies - ESEA Title I	043612-C1S1-2001 043612-C1S1-2002	84.010	21,333 247,726		23,492 232,188	
Total Grants to Local Education Agencies - ESEA Title I			269,059		255,680	
Special Education Cluster:						
Special Education Grants to States Assistance to Handicapped Children (Title VI B)	043612-6B-SF-2001P 043612-6B-SF-2002P	84.027	(403) 697,478		64,859 622,397	
Special Education - Preschool Grant	043612-PG-S1-2000P 043612-PG-S1-2001P 043612-PG-S1-2002P	84.173	(356) 0 26,575		0 5,064 33,127	
Total Special Education Cluster			<b>723,294</b>		<b>725,447</b>	
Emergency Immigrant Education Program	043612-EIS1-2000 043612-EIS1-2001	84.162	(110) (106)		0 169	
Total Emergency Immigrant Education Program			(216)		169	
Drug Free Schools	043612-DR-S1-2000 043612-DR-S1-2001 043612-DR-S1-2002	84.186	(189) 3,286 15,740		893 13,375 12,847	
Total Drug Free Schools			18,837		27,115	
Eisenhower Professional Development State Grants (Title II)	043612-MSS1-2000 043612-MSS1-2001 043612-MSS1-2002	84.281	(886) 2,260 10,921		4,945 9,900 12,256	
Total Eisenhower Professional Development State Grants (Title II)			12,295		27,101	
Innovative Education Program Strategies	043612-C2-S1-00 043612-C2-S1-01 043612-C2-S1-02	84.298	(26) 0 45,846		539 6,498 44,274	
Total Innovative Education Program Strategies			45,820		51,311	
Class Size Reduction	043612-CR-S1-2001 043612-CR-S1-2002	84.340	8,958 77,515		5,434 72,538	
Total Class Size Reduction			86,473		77,972	
Technology Literacy Challenge Fund Grants	043612-TF-V2-2000 043612-TF-VL-2000	84.318	63,878 8,928		63,878 8,928	
Total Technology Literacy Challenge Fund Grants			72,806		72,806	
Total Department of Education			<b>1,228,368</b>		<b>1,237,601</b>	
<b>Corporation For National and Community Services</b>						
<i>Passed Through Ohio Department of Education:</i>						
Learn and Service for America Planning Grant	N/A	94.004			8,549	
Total Corporation For National and Community Services					8,549	
<b>Total Federal Financial Assistance</b>			<b>\$1,607,577</b>	<b>\$99,049</b>	<b>\$1,625,359</b>	<b>\$96,150</b>

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

**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY  
FISCAL YEAR ENDED JUNE 30, 2002**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B--FOOD DISTRIBUTION**

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2002, the District had no significant food commodities in inventory.

CFDA – Catalog of Federal Domestic Assistance

N/A – Not Applicable



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JIM PETRO, AUDITOR OF STATE

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statements of the Berea City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2002, and have issued our report thereon dated December 13, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 13, 2002.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 13, 2002.

This report is intended for the information and use of management, Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a horizontal line extending to the right.

**Jim Petro**  
Auditor of State

December 13, 2002





STATE OF OHIO  
OFFICE OF THE AUDITOR  
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS  
MAJOR FEDERAL PROGRAMS AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

**Compliance**

We have audited the compliance of the Berea City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs are the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

**Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 13, 2002.

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

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2002, and have issued our report thereon dated December 13, 2002. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is 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 stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of management, Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Jim Petro**  
Auditor of State

December 13, 2002

**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY  
JUNE 30, 2002**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 §.505**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Nutrition Cluster – CFDA #10.550, 10.553, 10.555 and Title I – CFDA #84.010
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.



# BEREA CITY SCHOOL DISTRICT

BEREA, OHIO

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

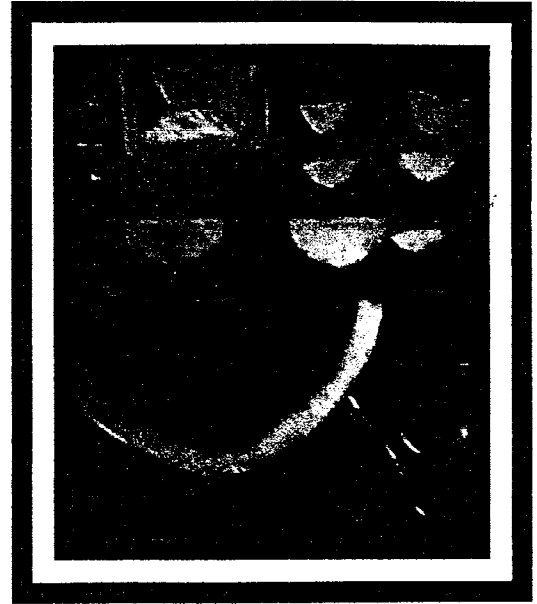
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2002



# Berea, Ohio City School District

## Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2002

Anna Carias  
Parknoll Elementary School  
Art Instructor: Denise Krock



Kevin Dockman  
Midpark High School  
Art Instructor: Janet Luken

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

**Berea City School District**  
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December 13, 2002

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

We are pleased to submit to you the twelfth 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 various funds 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 the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules providing 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.

### **School District Organization**

Berea City School District is one of the 612 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District provides education to 7,737 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. Berea City School District is located in northeastern Ohio, approximately twelve miles southwest of downtown Cleveland. Berea City School District includes the cities of Brook Park and Middleburg Heights, most of the City of Berea and small portions of the cities of Olmsted Falls and Cleveland.



*Berea  
City  
School  
District*

*Berea  
Brook Park  
Middleburg  
Heights*

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

*Randal A. Scherf  
Treasurer*

*390 Fair Street  
Berea, Ohio 44017-2308  
(440) 243-6000  
Fax (440) 243-5522  
email:rscherf@berea.k12.oh.us*

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 Federal agencies.

### **Reporting Entity**

The School District has reviewed its operating entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Berea City School District (the primary government) and its potential component units.

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

### **Economic Condition and Outlook**

The School District contains an amalgamation of communities. The portion of the School District containing all of Brook Park and a small portion of the City of Cleveland is a commercial and industrial center, as well as being a residential community. It contains Ford Motor Company's casting plant and two engine plants. Total employment by the three plants is more than 4,200 people. Also located in this section of the School District is Cleveland Hopkins International Airport, which provides international air transportation and delivery services for the County and surrounding areas.

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

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

Also located within this portion of the School District is United Parcel Service, Incorporated, which employs approximately 1,100 employees and Southwest General Hospital, which employs approximately 1,700 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 November 2002. Collection will begin in January 2003. The last operating levy was passed in 1999. The real property tax system in Ohio does not permit school districts to receive additional tax revenue solely as a result of reassessment or appraisal. 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. The annual revenue from this levy, approximately \$1.8 million, almost equals the depreciation expense of the District.

State funding, specifically funding for general operations, remains unclear for future years. In March 1997, the Ohio Supreme Court ruled the present system of funding Ohio schools to be unconstitutional. The State legislature was directed to adequately fund schools without reducing funds to tax dependent schools such as Berea City Schools. In May 2000 the Ohio Supreme Court reviewed the State's efforts since 1997 and indicated the State had not met the constitutional requirements. However, most recent effort by the Ohio Legislature and Governor during 2002 has been considered constitutional by the Ohio Supreme Court if certain additional funding requirements are met. Berea City School District will not see additional revenue as a result of this state funding system.

### ***Primary accomplishments for 2002 were as follows:***

#### ***Financial***

Received the Government Finance Officers Association (GFOA) Distinguished Budget Award for the fifth consecutive year.

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

#### ***Instruction***

Fully implemented the Continuous Improvement Plan for the District and for all school sites.

Successfully establish a new behavior unit at the middle school level.

Increased targets for proficiency test standards in grades 4, 6, 9 and 10 from 17 to 18 of the 22 State of Ohio standards and remained an "effective" school district.

#### ***Community***

The Community Educational Foundation expanded its 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 2003 are:***

***Financial***

Improve the fiscal self-sufficiency of the Preschool/Extended Care Programs.

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

Receive the Certificate of Excellence in Financial Reporting for the School District's 2002 Comprehensive Annual Financial Report based on the new reporting model for the fourth year.

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

***Instruction***

Utilize the services of a math specialist to assist kindergarten through grade 6 teachers in lesson study process.

Increase the percentage of twelfth grade graduates who had a definite career path.

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

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

The School District has established a separate Educational Community Foundation intended to enhance learning and service opportunity for all young people served by the School District. This foundation has provided staff grants and student scholarships through its endowment.

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

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

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

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

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

As part of this new reporting model, management is responsible for preparing a Discussion and Analysis of the School District. This discussion is included in the financial section of this report, providing an assessment of the School District's finances for 2002. 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 (\$407,918) at June 30, 2002, compared with net assets of (\$169,363) at June 30, 2001. The District is examining the additional amount of funds needed.

***Financial Highlights - Fiduciary Funds*** The trust fund carried on the financial records of the School District is a private purpose trust fund that has net assets totaling \$13,015 at June 30, 2002.

## **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 for the general fund was \$315,725 for the fiscal year ended June 30, 2002.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation as well 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 market value of the pooled collateral must be equal to at least 105 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 2002, investments were limited to Federal Home Loan Bank Bonds, Federal Home Loan Mortgage Notes, Federal National Mortgage Association 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 1997, 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.



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 ten 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.

### **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, 2002. 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 school districts 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, 2001.

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, 29 students have been named National Merit finalists, and 33 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 School 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." Three of our teachers have achieved National Board Certification, set by the board of directors of the National Board for Professional Teaching Standards. Our Transportation Department, for the 25<sup>th</sup> consecutive year, passed the annual State Highway Patrol inspection at the 100% level.

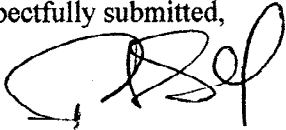
## Acknowledgments

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.

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.

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

Respectfully submitted,



Randal A. Scherf  
Treasurer



Dr. James V. Connell  
Superintendent

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Berea City School  
District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2001

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.



*William Peter Pate*  
President

*Jeffrey L. Esser*  
Executive Director

**Berea City School District  
Principal Officials**

**Board of Education**

Mr. David Pusti..... President  
Mrs. Gale Patten..... Vice-President  
Mr. Robert Drake ..... Member  
Mrs. Dorothy Fabrizi..... Member  
Mr. David Thurau..... Member

**Treasurer**

Mr. Randal A. Scherf

**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  
Mr. Kevin Jaynes ..... Director, Information Technology  
Mr. Gary Puntel ..... Director, Personnel and Employee Relations

# RESIDENTS OF THE DISTRICT

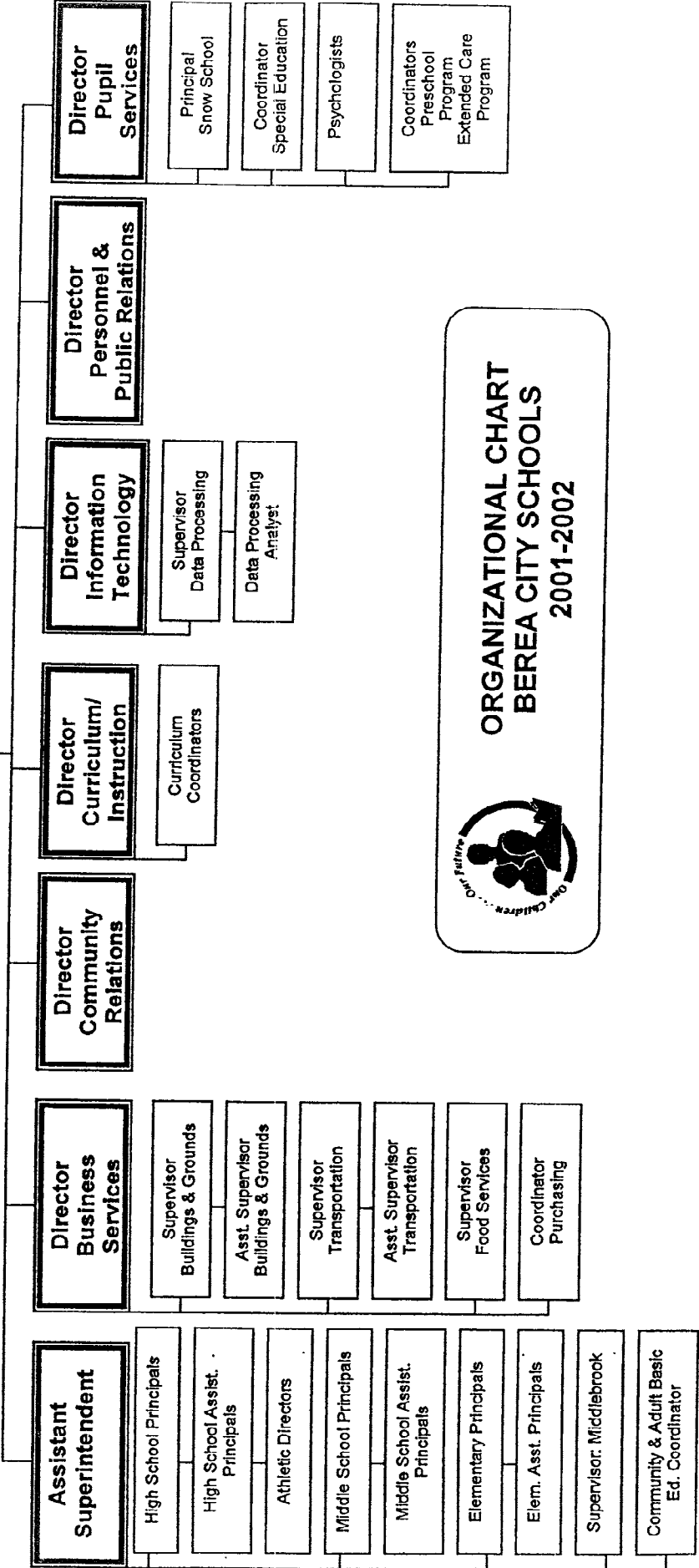
## BOARD OF EDUCATION

**Treasurer**

**Superintendent**

Assistant Treasurer

City/County Personnel assigned to BCSD



**ORGANIZATIONAL CHART  
BEREA CITY SCHOOLS  
2001-2002**

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Building  
615 Superior Avenue, NW.  
Twelfth Floor  
Cleveland, Ohio 44113-1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS**

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

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Berea City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2002, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Berea City School District, Cuyahoga County, Ohio, as of June 30, 2002, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2002 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information the Governmental Accounting Standards Board requires. We applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized and cursive.

**Jim Petro**  
Auditor of State

December 13, 2002



**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

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The discussion and analysis of Berea City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2002. 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 2002 are as follows:

*Overall:*

- Total net assets increased \$3.8 million, Governmental Activities increased \$3.9 million which was offset by a decrease in business-type activities of \$.1 million.
- Total revenue and special items increased to \$77.7 million from \$72.1 million in 2001, an increase of \$5.6 million, virtually all in Governmental Activities.
- Total program expenses were \$76.9 million, up from \$74.3 million in 2001, an increase of 2.6 million. Virtually all of this change was also in Governmental Activities.
- Outstanding debt decreased to \$11.7 million from \$12.1 million in 2001 and \$13.0 million in 2000.

*Governmental Activities:*

- Liabilities remained stable, but total assets increased by \$3.9 million.
- While total revenue and special items increased from \$72.1 million in 2001 to \$77.7 million in 2002, program expenses increased from \$71.2 million to \$73.8 million.
- The increase in program expenses was primarily in Instruction, where expenses increased from \$37.2 in 2001 to \$40.7 in 2002; Pupil and Instructional Staff Support Services expenses increased from \$10.4 million in 2001 to \$10.8 million in 2002; Pupil Transportation increased from \$3.1 million to \$3.4 million, in 2002, Administration, Fiscal and Business Services increased from \$6.3 million in 2001 to \$6.5 million in 2002; Central expenses decreased from 2.6 million in 2001 to \$1.5 million in 2002 and Operation and Maintenance of Plant expenses decreased from \$8.5 million in 2001 to \$8.0 million in 2002.

*Business-Type Activities:*

- Program revenues were flat for Business Activities. Expenses were flat as well.
- Days cash for all Business-Type Activities declined to 99 operating days for business activities from 113 in 2001 and 134 in 2000.
- Net assets in the Food Service, Uniform School Supplies, and Adult and Community Education programs decreased by \$27,883, \$12,615 and \$27,712 respectively

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

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**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Berea City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

***Reporting the School District as a Whole***

*Statement of Net Assets and the Statement of Activities*

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2002?" The Statement of Net Assets and the Statement of Activities answers 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's food service, uniform school supplies and adult and community education programs 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 13. 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

**Berea City School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2002  
Unaudited

improvement capital projects fund.

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

**Proprietary Funds** Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in statements for the School District as a whole.

**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 2002 compared to the two prior years:

Table 1.  
Net Assets  
(In Millions)

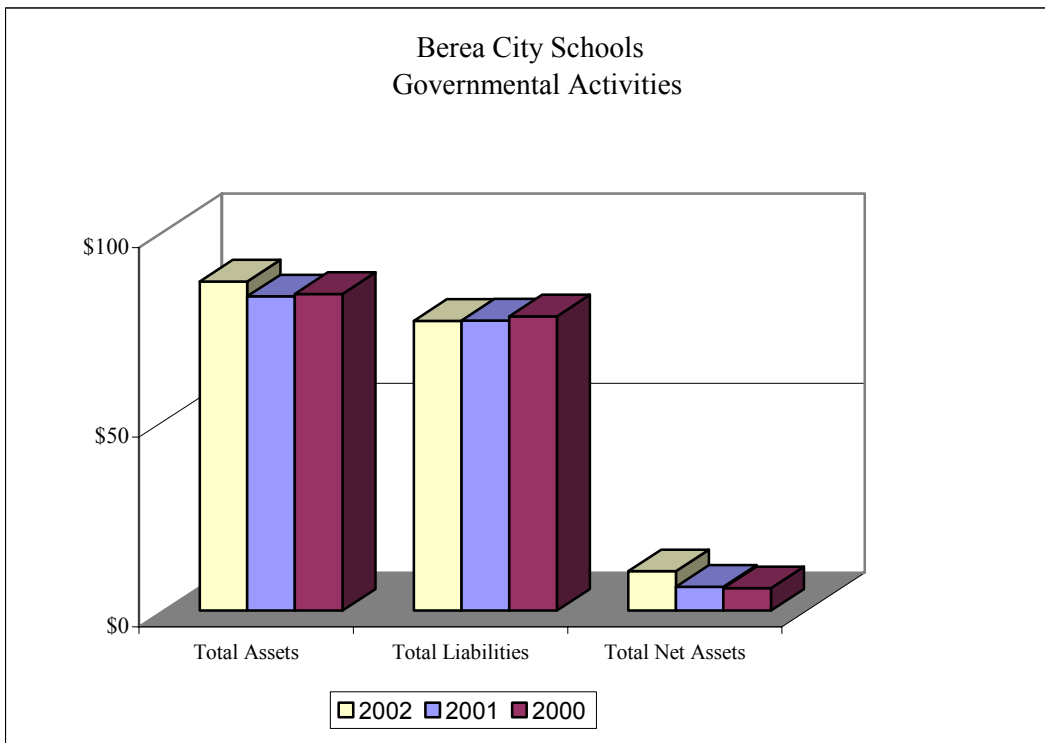
	<i>Governmental Activities</i>			<i>Business -Type Activities</i>			<i>Totals</i>		
	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<i>Assets</i>									
Current and Other Assets	\$ 66.5	\$ 62.7	\$ 62.5	\$ 1.0	\$ 1.1	\$ 1.2	\$ 67.5	\$ 63.8	\$ 63.7
Capital Assets	<u>20.3</u>	<u>20.2</u>	<u>20.7</u>	<u>0.3</u>	<u>0.3</u>	<u>0.2</u>	<u>20.6</u>	<u>20.5</u>	<u>20.9</u>
<i>Total Assets</i>	<u>86.8</u>	<u>82.9</u>	<u>83.2</u>	<u>1.3</u>	<u>1.4</u>	<u>1.4</u>	<u>88.1</u>	<u>84.3</u>	<u>84.6</u>
<i>Liabilities</i>									
Long Term Liabilities	(18.9)	(19.1)	(19.9)	(0.1)	(0.1)	(0.1)	(19.0)	(19.2)	(20.0)
Other Liabilities	<u>(57.5)</u>	<u>(57.3)</u>	<u>(57.7)</u>	<u>(0.2)</u>	<u>(0.2)</u>	<u>(0.2)</u>	<u>(57.7)</u>	<u>(57.5)</u>	<u>(57.9)</u>
<i>Total Liabilities</i>	<u>(76.4)</u>	<u>(76.4)</u>	<u>(77.6)</u>	<u>(0.3)</u>	<u>(0.3)</u>	<u>(0.3)</u>	<u>(76.7)</u>	<u>(76.7)</u>	<u>(77.9)</u>
<i>Net Assets</i>									
Invested in Capital Assets									
Net of Debt	8.6	8.0	7.7	0.3	0.3	0.2	8.9	8.3	7.9
Restricted	4.8	3.4	2.9	-	-	-	4.8	3.4	2.9
Unrestricted (deficit)	<u>(3.0)</u>	<u>(4.9)</u>	<u>(5.0)</u>	<u>0.7</u>	<u>0.8</u>	<u>0.9</u>	<u>(2.3)</u>	<u>(4.1)</u>	<u>(4.1)</u>
<i>Total Net Assets</i>	<u>\$ 10.4</u>	<u>\$ 6.5</u>	<u>\$ 5.6</u>	<u>\$ 1.0</u>	<u>\$ 1.1</u>	<u>\$ 1.1</u>	<u>\$ 11.4</u>	<u>\$ 7.6</u>	<u>\$ 6.7</u>

**Governmental Activities**

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

Graph 1.  
 Net Assets Governmental Activities  
 (In Millions)

	<i>Governmental Activities</i>		
	<u>2002</u>	<u>2001</u>	<u>2000</u>
Total Assets	\$86.8	\$82.9	\$83.2
Total Liabilities	<u>76.4</u>	<u>76.4</u>	<u>77.6</u>
Total Net Assets	<u>\$10.4</u>	<u>\$6.5</u>	<u>\$5.6</u>



Total assets increased by \$3.9 million. Taxes receivable totaled \$58.6 million; of this amount \$48.2 million is offset as deferred revenue, revenue to be used in future periods. Taxes receivable increased from 2001 due mainly to the passage of a new levy in which approximately \$3.9 million is estimated to be collected between January and June 2003. The only reason deferred revenue didn't go up a corresponding amount is because of the large increase in taxes available as an advance at June 30, 2002. Cash decreased from \$7.0 million in 2001 to \$6.4 million in 2002. Total liabilities for Governmental Activities remained stable.

The net impact was an increase in net assets of \$3.9 million. The increase occurred in investment in capital assets, restricted net assets and unrestricted net assets.

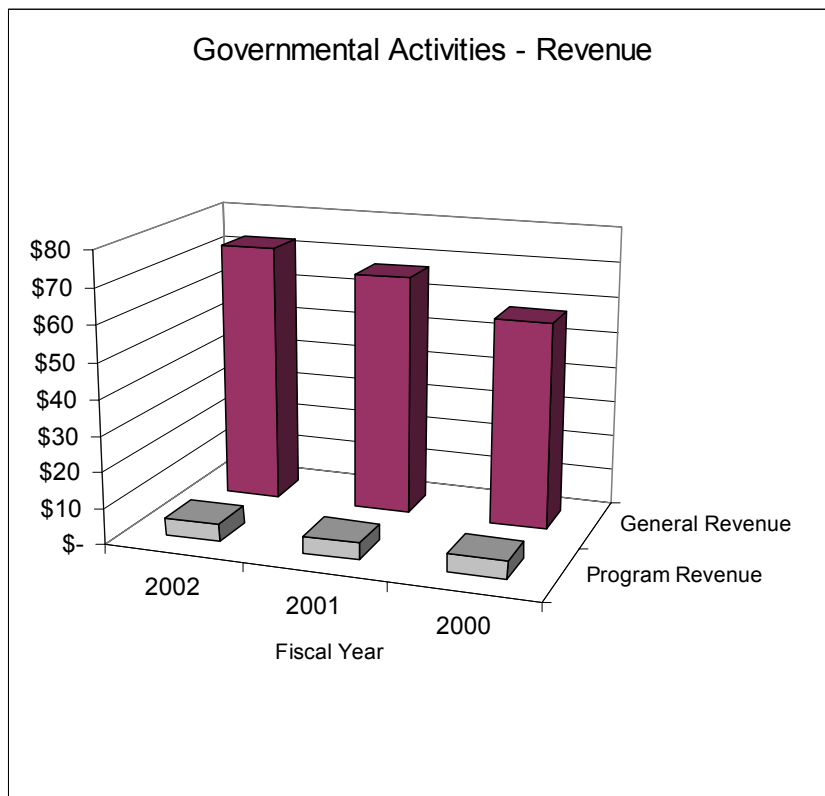
While program revenue increased for Governmental Activities from \$4.7 million to \$4.8 million, the vast majority of revenue supporting Governmental Activities is general revenue. General revenue increased in 2002 from \$67.4 million

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

in 2001 to \$72.5 million in 2002. General revenue comprised 94% of revenue supporting Governmental Activities. The primary source of the increase was property taxes. The increase is primarily related to a \$3.1 million increase in the amount available for advance as of June 30, 2002 from June 30, 2001. Taxes comprised \$58.1 million of general revenue in 2002, compared to \$53.6 million in 2001 and \$45.8 million in 2000. The increase in revenue was primarily due to the Cuyahoga County Treasurer sending the semi-annual tax bills out earlier in the month of June than in past years resulting in more payments reaching the County Treasurer before fiscal year end.

Graph 2.  
 Revenue For Governmental Activities  
 (In Millions)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Program Revenue	\$4.8	\$4.7	\$4.9
General Revenue	72.5	67.4	57.9

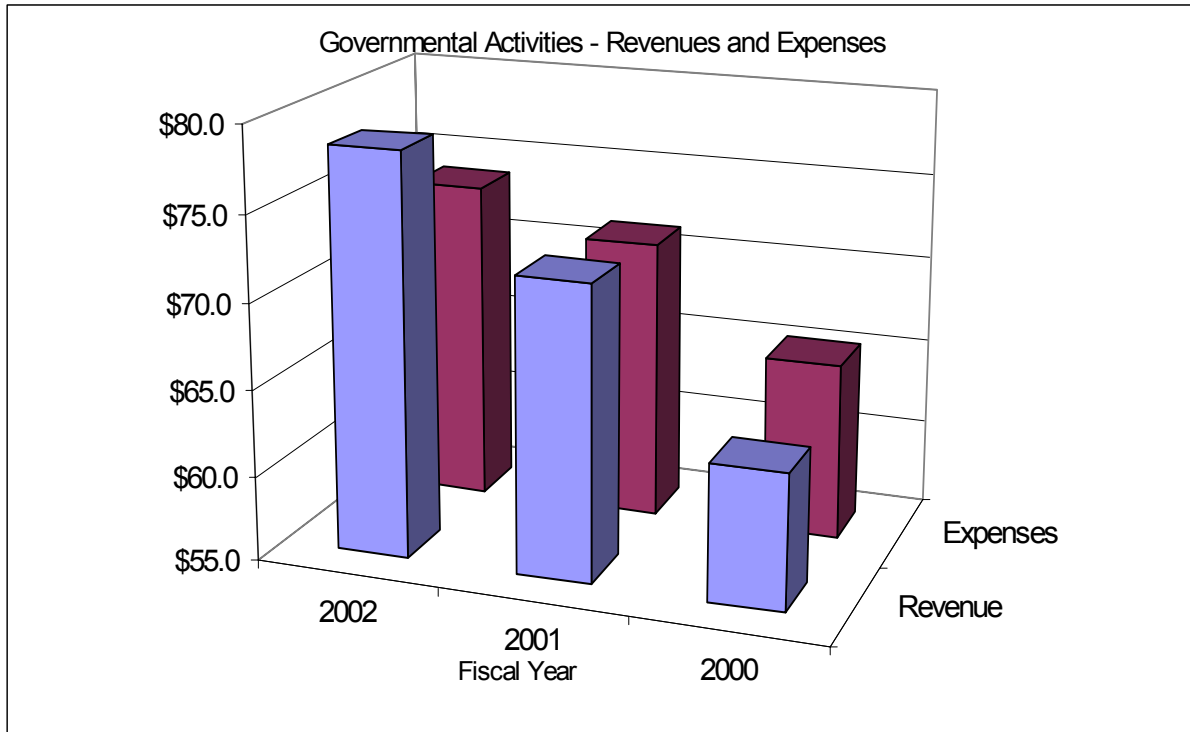


Program expense increased from \$65.3 million in 2000 to \$71.2 million in 2001, and then to \$73.8 million in 2002.

Graph 3.  
 Revenues and Expenses For Governmental Activities

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

<i>Governmental Activities</i>	<i>(In Millions)</i>		
	<u>2002</u>	<u>2001</u>	<u>2000</u>
Revenue	\$77.3	\$72.1	\$ 62.8
Expenses	73.8	71.2	65.3



Much of this increase was in instruction and pupil and instructional staff support. Increased staff salaries and benefit costs and severance payments account for much of the increase. Instructional costs increased \$3.5 million. Of this amount \$2.1 million was due to increased salaries, \$.9 million was due to increased benefit costs, and \$.5 million was due to increased expenses for classroom and maintenance supplies. When combined with pupil and instructional staff support these categories make up 70% of expenses.

Table 2 shows the changes in net assets for fiscal year 2002 for Governmental Activities compared to the two prior years.

Table 2.  
 Change In Net Assets For Governmental Activities

**Berea City School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2002  
Unaudited

(In Millions)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>Revenues</b>			
<i>Program Revenues:</i>			
Charges For Services and Sales	\$ 2.2	\$ 1.8	\$ 2.2
Operating Grants	2.5	2.5	2.5
Capital Grants and Contributions	0.1	0.4	0.2
<i>General Revenue:</i>			
Property Taxes	58.1	53.6	45.8
Grants and Entitlements	13.7	12.6	11.1
Other	<u>0.7</u>	<u>1.2</u>	<u>1.0</u>
<b>Total Revenue</b>	<u>77.3</u>	<u>72.1</u>	<u>62.8</u>
<b>Program Expenses</b>			
Instruction	\$ 40.7	\$ 37.2	\$ 34.7
<i>Support Services:</i>			
Pupil and Instructional Staff	10.8	10.4	9.3
Board of Education, Administration			
Fiscal and Business	6.5	6.3	5.7
Operation and Maintenance of Plant	8.0	8.5	8.5
Pupil Transportation	3.4	3.1	3.2
Central	1.5	2.6	1.1
Non-Instructional Services	0.6	0.8	0.6
Extracurricular Services	1.6	1.5	1.4
Interest and Fiscal Changes	<u>0.7</u>	<u>0.8</u>	<u>0.8</u>
<b>Total Expenses</b>	<u>73.8</u>	<u>71.2</u>	<u>65.3</u>
Special Item - Gain on Sale of Capital Assets	0.4	0	0
<b>Increase (Decrease) In Net Assets</b>	<u>\$ 3.9</u>	<u>\$ 0.9</u>	<u>\$ (2.5)</u>

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

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service. Property taxes made up 75 percent of revenues for governmental activities for Berea City School District in fiscal year 2002.

Interest expense was \$.7 million, 1 percent of expenses. Interest expense was attributable to the outstanding bond and loan between the debt service and the building capital projects fund.

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The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3.  
 Total and Cost of Program Services  
 Governmental Activities  
 (In Millions)

	<u>2002</u>		<u>2001</u>		<u>2000</u>	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 40.7	\$ 38.7	\$ 37.2	\$ 35.1	\$ 34.7	\$ 32.3
Support Services						
Pupil and Instructional Staff	10.8	9.8	10.4	9.5	9.3	8.4
Board of Education, Administration, Fiscal and Business	6.5	6.3	6.3	6.2	5.7	5.5
Operation and Maintenance of Plant	8.0	7.8	8.5	8.3	8.5	8.3
Pupil Transportation	3.4	3.3	3.1	3.0	3.2	3.1
Central	1.5	1.4	2.6	2.6	1.1	1.1
Operation of Non-Instructional Services	0.6	(0.1)	0.8	-	0.6	-
Extracurricular Activities	1.6	1.2	1.5	1.1	1.4	1.0
Interest and Fiscal Charges	<u>0.7</u>	<u>0.7</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>
Total Expenses	<u>\$ 73.8</u>	<u>\$ 69.1</u>	<u>\$ 71.2</u>	<u>\$ 66.6</u>	<u>\$ 65.3</u>	<u>\$ 60.5</u>

The dependence upon general tax revenues for governmental activities is apparent. Over 94 percent of instruction activities are supported through taxes and other general revenues; for all governmental activities general revenue support is 94 percent as shown in Table 2. The community, as a whole, is by far the primary support for Berea City School District students.

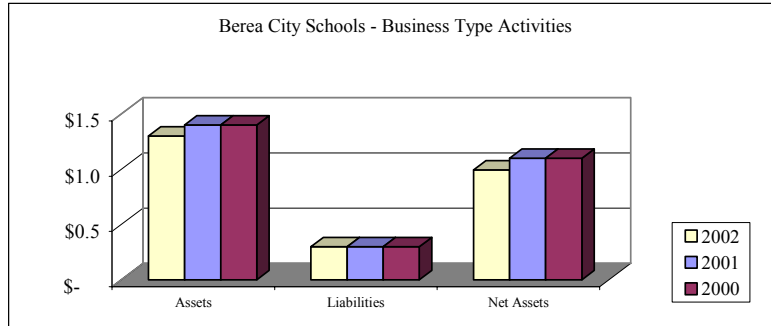
***Business-Type Activities***

Business-type activities include food service, uniform school supply and adult/community education. The adult/community education program has three components: community education programs, preschool and after school programs.

Overall net assets decreased 68,210 in 2002. Cash has declined from \$1.0 million in 2001 to slightly less than \$.9 million for 2002. Overall, however, “days cash” is 99, in excess of management’s goal of 90 days. Only program revenues support business-type activities.



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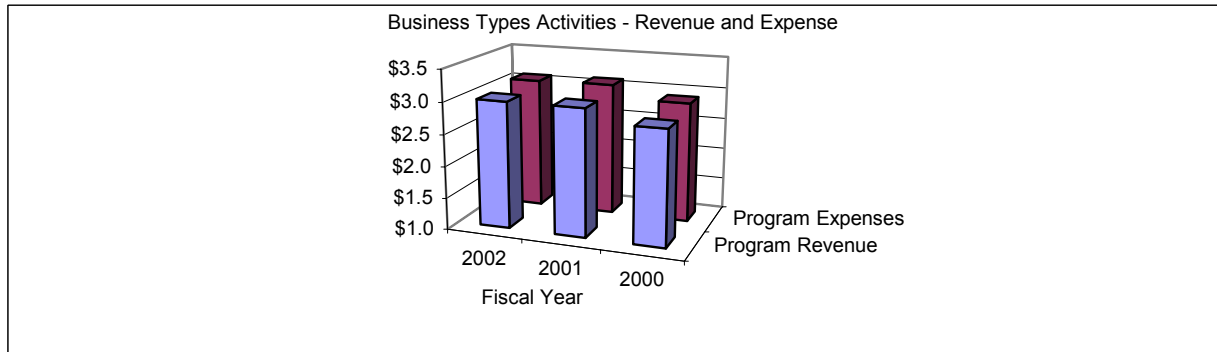


Graph 4.  
 Net Assets Business Type Activities  
*(In Millions)*

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Assets	\$1.3	\$1.4	\$1.4
Liabilities	0.3	0.3	0.3
Net Assets	1.0	1.1	1.1

Graph 5.  
 Revenue and Expense for Business Type Activities  
*(In Millions)*

	<u>2002</u>	<u>2001</u>	<u>2000</u>
Program Revenue	\$3.0	\$3.0	\$2.8
Program Expenses	3.1	3.1	2.9

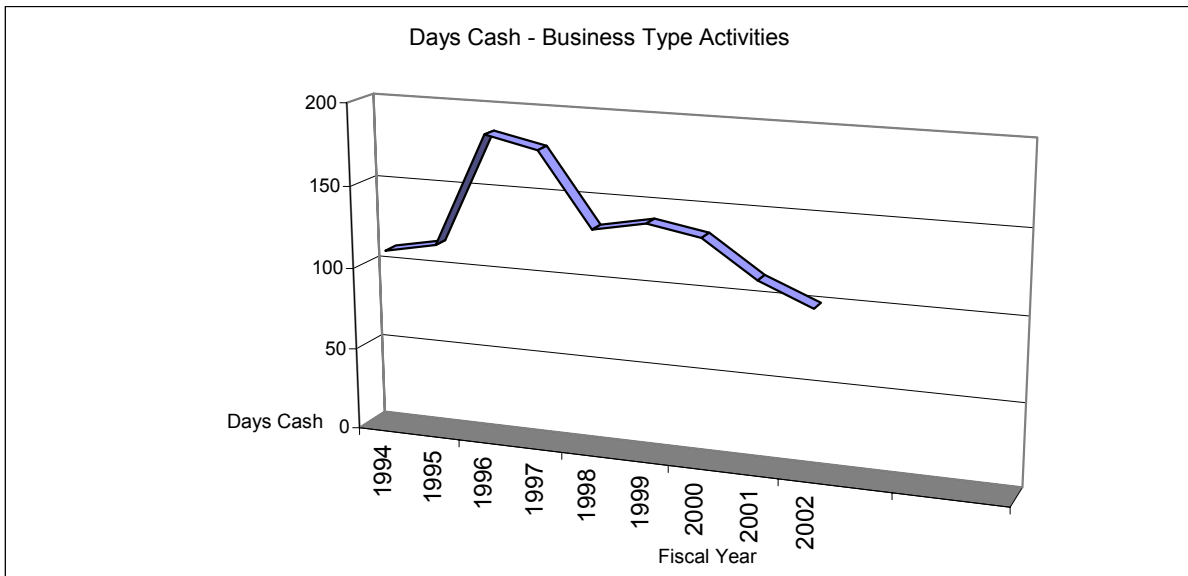


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Graph 6.  
 Days Cash Business-Type Activities

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Days Cash (1993 - 1997)	86	110	116	185	178
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Days Cash (1998 - 2002)	134	140	134	113	99



The individual revenues and expenses for each program compared to the two prior years is shown in Table 4.

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Table 4.  
 Changes In Net Assets for Business-Type Activity Programs  
 (In Millions)

<i>Business Type Activities</i>	<i>Food Service</i>			<i>Uniform School Supply</i>			<i>Adult and Community Education</i>			<i>Total Business - Type Activities</i>		
	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Program Revenues												
Charges For Service and Sales	\$ 1.5	\$ 1.6	\$ 1.5	\$ 0.1	\$ 0.1	\$ 0.1	0.9	0.9	0.8	\$ 2.5	\$ 2.6	\$ 2.4
Operating Grants and Contributions	0.5	0.4	0.4							0.5	0.4	0.4
Total Program Revenue	2.0	2.0	1.9	0.1	0.1	0.1	0.9	0.9	0.8	3.0	3.0	2.8
Program Expenses	<u>2.0</u>	<u>2.0</u>	<u>1.9</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>1.0</u>	<u>1.0</u>	<u>0.9</u>	<u>3.1</u>	<u>3.1</u>	<u>2.9</u>
Increase (Decrease) In Net Assets	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>

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

Information about the School District's major funds starts on page 22. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$75.9 million and expenditures of \$74.2 million. The net change in fund balance for the year was most significant in the General Fund, where the General Fund unreserved deficit went from \$6.0 million in 2001 to \$5.4 million for 2002. Reserves increased from \$6.5 million to \$7.6 million accounting for much of the increase.

***General Fund Budgeting Highlights***

The School District's budget is prepared according to Ohio law except as disclosed in Note 4 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 2002 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 \$66.5 million, above original budget estimates of \$65.6 million. Of this \$.9 million difference, intergovernmental was \$.9 million above original estimates, partly offset by tax revenue \$.6 million above original estimate and interest \$.6 million below original estimate.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$68 million, \$1.5 million above revenues.

***Capital Assets and Debt Administration***

**Capital Assets**

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At the end of fiscal 2002 the School District had \$20.6 million invested in land, buildings, equipment and textbooks, \$20.3 million in governmental activities.

Table 5 shows fiscal 2002 balances compared to the prior two years:

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

	<i>Governmental Activities</i>			<i>Business-Type Activities</i>			<i>Total</i>		
	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Land & Improvements	\$ 2.5	\$ 2.4	\$ 2.6	-	-	-	\$ 2.5	\$ 2.4	\$ 2.6
Buildings & Improvements	14.3	14.9	14.9	-	-	-	14.3	14.9	14.9
Furniture & Equipment	1.5	1.5	1.7	\$ 0.3	\$ 0.3	\$ 0.2	1.8	1.8	1.9
Vehicles	0.9	0.9	0.9	-	-	-	0.9	0.9	0.9
Textbooks	1.1	0.5	0.6	-	-	-	1.1	0.5	0.6
<b>Total</b>	<u>\$ 20.3</u>	<u>\$ 20.2</u>	<u>\$ 20.7</u>	<u>\$ 0.3</u>	<u>\$ 0.3</u>	<u>\$ 0.2</u>	<u>\$ 20.6</u>	<u>\$ 20.5</u>	<u>\$ 20.9</u>

The increase in capital assets is due to recognizing \$2 million in depreciation expense for 2002, offset by \$2.3 million in acquisitions. The District also retired \$.1 million in assets (net of depreciation). The District continued its ongoing commitment to maintaining and improving its fixed assets. For more information refer to note 10 to the basic financial statements.

Senate Bill No. 345 made certain amendments to the textbook and capital reserve set-aside requirements, effective July 1, 2001. The reserves are calculated by multiplying a percentage of the preceding years' formula amount by the District's preceding years student population. For fiscal year 2002, the set-aside requirements amounted to \$.9 million for each set aside. For fiscal year 2002 the School District had qualifying disbursements or offsets exceeding these requirements for capital improvements. For 2001 the District deferred a portion of this amount for textbooks. Thus the required amount increased for 2002 by the deferred amount plus the \$.9 million requirement. For 2002, \$.8 million of this requirement has not yet been met and appears as a reservation of fund balance for 2002.

**Debt**

At June 30, 2002 the School District had \$11.7 million in bonds, \$ .5 million due within one year.

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

**Berea City School District**  
*Management's Discussion and Analysis*  
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Table 6.  
 Outstanding Debt At June 30  
 Governmental Activities  
 (In Millions)

	<u>2002</u>	<u>2001</u>	<u>2000</u>
<i>General Obligation Bonds:</i>			
1993 School Improvement	\$ 11.7	\$ 12.1	\$ 12.6
<i>Notes Payable:</i>			
1997 Tax Anticipation	<u>0.0</u>	<u>0.0</u>	<u>0.4</u>
 Total	 <u>\$ 11.7</u>	 <u>\$ 12.1</u>	 <u>\$ 13.0</u>

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 note was fully repaid in fiscal 2001.

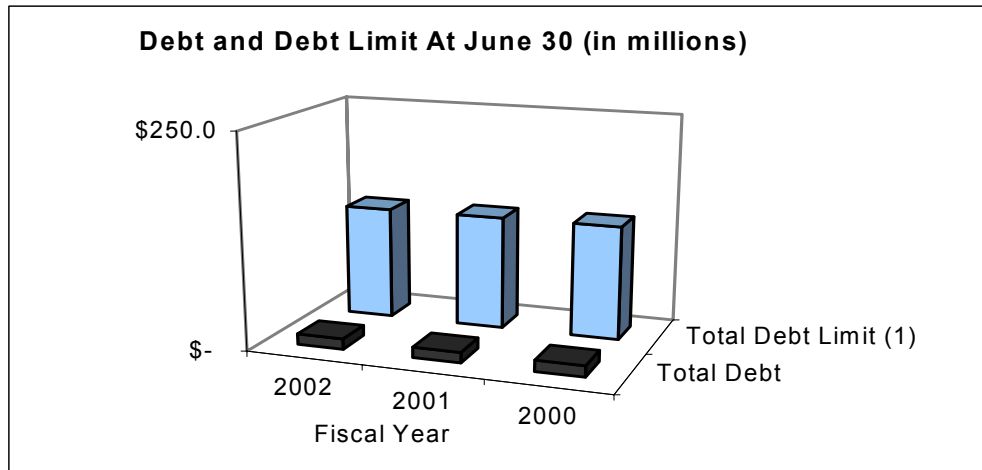
In 1993 the School District passed a 1.0 mill bond issue, providing \$14.6 million for facility improvements including community facilities for each high school, library expansions and improvements in most buildings and other improvements.

At June 30, 2002, the School District's overall legal debt margin was \$122 million with an unvoted debt margin of \$1.5 million. The debt is well within permissible limits. The School District maintains an A-1 bond rating. For more information refer to note 16 to the basic financial statements.

Graph 7.  
 Debt and Debt Limit At June 30  
 (In Millions)

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*Management's Discussion and Analysis*  
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	<u>2002</u>	<u>2001</u>	<u>2000</u>
Total Debt	\$ 11.7	\$ 12.1	\$ 13.0
Total Debt Limit (1)	132.7	133.4	133.8



(1) Debt limit is 9% of assessed value for all debt and .1% of unvoted debt. The district has no unvoted debt.

**Current Financial Related Activities**

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 2003 the School District has been able to continue its education programs. However, financially the future is not without challenges.

While the School District was successful in increasing its tax revenue base by \$8.7 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 three-year plan.

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

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

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

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

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

Berea City School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1991 and the GFOA Budget Award since 1996. The School District was one of the first School Districts in the nation to receive the GFOA Certificate of Achievement for its 1999 Comprehensive Annual Financial Report using the new financial reporting model. This report represents the fourth report using this new financial reporting model.

In addition, the School District's system of budgeting and internal controls is 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 Randy Scherf, Treasurer at Berea City School District, 390 Fair Street, Berea, Ohio 44017. Or e-mail at [rscherf@berea.k12.oh.us](mailto:rscherf@berea.k12.oh.us).

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**Berea City School District**  
*Statement of Net Assets*  
June 30, 2002

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Equity in Pooled Cash and Cash Equivalents	\$6,366,117	\$848,391	\$7,214,508
Cash and Cash Equivalents			
With Escrow Agents	10,963	0	10,963
Accrued Interest Receivable	11,209	0	11,209
Accounts Receivable	68,432	0	68,432
Intergovernmental Receivable	1,185,244	52,318	1,237,562
Prepaid Items	56,147	0	56,147
Inventory Held for Resale	0	41,446	41,446
Materials and Supplies			
Inventory	243,839	39,107	282,946
Taxes Receivable	58,577,466	0	58,577,466
Nondepreciable Capital Assets	920,067	0	920,067
Depreciable Capital Assets, Net	19,383,958	324,248	19,708,206
<i>Total Assets</i>	<u>86,823,442</u>	<u>1,305,510</u>	<u>88,128,952</u>
<b>Liabilities</b>			
Accounts Payable	561,810	42,088	603,898
Contracts Payable	365,678	0	365,678
Accrued Wages	4,166,340	37,991	4,204,331
Matured Compensated Absences Payable	955,344	0	955,344
Retainage Payable	36,185	0	36,185
Intergovernmental Payable	2,180,331	83,592	2,263,923
Deferred Revenue	48,256,552	0	48,256,552
Accrued Interest Payable	31,278	0	31,278
Claims Payable	898,588	0	898,588
Long-Term Liabilities:			
Due Within One Year	1,286,137	7,935	1,294,072
Due Within More Than One Year	17,640,978	153,227	17,794,205
<i>Total Liabilities</i>	<u>76,379,221</u>	<u>324,833</u>	<u>76,704,054</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	8,589,025	324,248	8,913,273
Restricted for:			
Capital Projects	2,252,795	0	2,252,795
Debt Service	1,171,432	0	1,171,432
Set Asides	795,483	0	795,483
Other Purposes	677,308	0	677,308
Unrestricted (Deficit)	(3,041,822)	656,429	(2,385,393)
<i>Total Net Assets</i>	<u>\$10,444,221</u>	<u>\$980,677</u>	<u>\$11,424,898</u>

See accompanying notes to the basic financial statement

**Berea City School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2002

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	
<b>Governmental Activities</b>				
Instruction:				
Regular	\$33,845,941	\$253,976	\$434,525	\$8,937
Special	6,229,099	1,024,544	336,570	0
Vocational	610,196	0	16,307	0
Adult/Continuing	1,494	0	280	0
Support Services:				
Pupil	4,159,680	5,199	380,681	0
Instructional Staff	6,646,034	132,912	457,267	0
Board of Education	25,310	0	0	0
Administration	4,145,642	0	64,676	0
Fiscal	1,473,408	0	0	0
Business	846,750	127,399	0	0
Operation and Maintenance of Plant	8,040,642	219,832	0	0
Pupil Transportation	3,428,270	37,418	817	60,865
Central	1,479,283	0	28,348	11,944
Operation of Non-Instructional Services	622,093	2,043	750,518	0
Extracurricular Activities	1,572,674	370,245	57,938	0
Interest and Fiscal Charges	709,324	0	0	0
<i>Total Governmental Activities</i>	<u>73,835,840</u>	<u>2,173,568</u>	<u>2,527,927</u>	<u>81,746</u>
<b>Business-Type Activities</b>				
Food Service	2,053,944	1,496,808	512,892	0
Uniform School Supplies	53,810	41,195	0	0
Adult and Community Education	969,717	941,905	0	0
<i>Total Business-Type Activities</i>	<u>3,077,471</u>	<u>2,479,908</u>	<u>512,892</u>	<u>0</u>
<b>Totals</b>	<u><u>\$76,913,311</u></u>	<u><u>\$4,653,476</u></u>	<u><u>\$3,040,819</u></u>	<u><u>\$81,746</u></u>

**General Revenues**

Property Taxes Levied for:

  General Purposes

  Debt Service

  Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

*Total General Revenues*

**Special Item**

Gain on the Sale of Capital Assets

Total General Revenues and Special Items

Change in Net Assets

*Net Assets Beginning of Year (Restated - 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
(\$33,148,503)	\$0	(\$33,148,503)
(4,867,985)	0	(4,867,985)
(593,889)	0	(593,889)
(1,214)	0	(1,214)
(3,773,800)	0	(3,773,800)
(6,055,855)	0	(6,055,855)
(25,310)	0	(25,310)
(4,080,966)	0	(4,080,966)
(1,473,408)	0	(1,473,408)
(719,351)	0	(719,351)
(7,820,810)	0	(7,820,810)
(3,329,170)	0	(3,329,170)
(1,438,991)	0	(1,438,991)
130,468	0	130,468
(1,144,491)	0	(1,144,491)
(709,324)	0	(709,324)
<u>(69,052,599)</u>	<u>0</u>	<u>(69,052,599)</u>
0	(44,244)	(44,244)
0	(12,615)	(12,615)
0	(27,812)	(27,812)
0	(84,671)	(84,671)
<u>(69,052,599)</u>	<u>(84,671)</u>	<u>(69,137,270)</u>
54,978,763	0	54,978,763
1,288,957	0	1,288,957
1,836,753	0	1,836,753
13,662,871	0	13,662,871
460,298	13,450	473,748
264,747	3,011	267,758
<u>72,492,389</u>	<u>16,461</u>	<u>72,508,850</u>
468,107	0	468,107
<u>72,960,496</u>	<u>16,461</u>	<u>72,976,957</u>
3,907,897	(68,210)	3,839,687
<u>6,536,324</u>	<u>1,048,887</u>	<u>7,585,211</u>
<u>\$10,444,221</u>	<u>\$980,677</u>	<u>\$11,424,898</u>

**Berea City School District**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2002*

	General	Debt Service	Permanent Improvement Capital Projects
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$984,024	\$294,731	\$2,458,577
Cash and Cash Equivalents			
With Escrow Agents	0	0	10,963
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	795,483	0	0
Receivables:			
Taxes	55,559,305	1,077,762	1,782,899
Accounts	62,648	0	0
Intergovernmental	1,056,083	0	0
Accrued Interest	11,209	0	0
Interfund Receivable	9,759	600,000	0
Prepaid Items	56,147	0	0
Materials and Supplies Inventory	243,839	0	0
<i>Total Assets</i>	<u>\$58,778,497</u>	<u>\$1,972,493</u>	<u>\$4,252,439</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$233,371	\$0	\$261,658
Contracts Payable	0	0	326,262
Accrued Wages	4,133,916	0	0
Matured Compensated Absences Payable	955,344	0	0
Retainage Payable	0	0	33,251
Interfund Payable	0	0	0
Intergovernmental Payable	1,487,043	0	0
Deferred Revenue	49,448,168	878,640	1,530,462
Accrued Interest Payable	0	0	0
Matured Special Termination Benefit Payable	375,288	0	0
<i>Total Liabilities</i>	<u>56,633,130</u>	<u>878,640</u>	<u>2,151,633</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	403,215	0	1,015,555
Reserved for Textbooks	795,483	0	0
Reserved for Unclaimed Monies	19,439	0	0
Reserved for Property Taxes	6,350,107	188,838	229,449
Unreserved, Undesignated, Reported in:			
General Fund (Deficit)	(5,422,877)	0	0
Special Revenue Funds	0	0	0
Debt Service Fund	0	905,015	0
Capital Projects Funds	0	0	855,802
<i>Total Fund Balances</i>	<u>2,145,367</u>	<u>1,093,853</u>	<u>2,100,806</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$58,778,497</u>	<u>\$1,972,493</u>	<u>\$4,252,439</u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2002*

Other Governmental Funds	Total Governmental Funds		
		<b>Total Governmental Fund Balances</b>	<b>\$5,975,394</b>
		<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
\$1,346,207	\$5,083,539	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	20,304,025
0	10,963		
0	795,483	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	
157,500	58,577,466	Taxes	2,780,616
2,209	64,857	Intergovernmental	80,227
129,161	1,185,244	Tuition and Fees	970,844
0	11,209	Rental	6,758
0	609,759		
0	56,147	<b>Total</b>	<b>3,838,445</b>
0	243,839		
<u>\$1,635,077</u>	<u>\$66,638,506</u>	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.	(407,918)
\$66,781	\$561,810	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
39,416	365,678	General Obligation Bonds	11,715,000
32,424	4,166,340	Compensated Absences	5,824,128
0	955,344	Special Termination Benefit Payable	1,012,699
2,934	36,185	Intergovernmental Payable	685,610
609,759	609,759	Accrued Interest Payable	28,288
7,678	1,494,721		
237,727	52,094,997	<b>Total</b>	<b>(19,265,725)</b>
2,990	2,990		
0	375,288		
<u>999,709</u>	<u>60,663,112</u>	<i>Net Assets of Governmental Activities</i>	<u><b>\$10,444,221</b></u>
769,153	2,187,923		
0	795,483		
0	19,439		
0	6,768,394		
0	(5,422,877)		
483,600	483,600		
0	905,015		
(617,385)	238,417		
<u>635,368</u>	<u>5,975,394</u>		
<u>\$1,635,077</u>	<u>\$66,638,506</u>		

**Berea City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2002*

	General	Debt Service	Permanent Improvement Capital Projects
<b>Revenues</b>			
Taxes	\$53,735,877	\$1,243,074	\$1,789,042
Intergovernmental	13,420,835	133,779	190,322
Interest	315,725	0	0
Tuition and Fees	1,314,863	0	0
Extracurricular Activities	29,420	0	0
Rentals	227,333	0	0
Charges for Services	15,381	0	0
Contributions and Donations	5,903	0	0
Miscellaneous	253,127	0	188
<i>Total Revenues</i>	<u>69,318,464</u>	<u>1,376,853</u>	<u>1,979,552</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	31,013,723	0	0
Special	5,823,593	0	0
Vocational	563,921	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	3,682,769	0	0
Instructional Staff	6,080,065	0	0
Board of Education	25,310	0	0
Administration	3,963,871	0	0
Fiscal	1,457,947	0	0
Business	820,447	0	0
Operation and Maintenance of Plant	7,854,732	0	0
Pupil Transportation	3,361,872	0	0
Central	1,748,298	0	0
Operation of Non-Instructional Services	5,907	0	0
Extracurricular Activities	1,178,063	0	0
Capital Outlay	0	0	2,250,880
Debt Service:			
Principal Retirement	0	430,000	0
Interest and Fiscal Charges	0	707,526	0
<i>Total Expenditures</i>	<u>67,580,518</u>	<u>1,137,526</u>	<u>2,250,880</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,737,946</u>	<u>239,327</u>	<u>(271,328)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	0	0
Transfers Out	(3,400)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,400)</u>	<u>0</u>	<u>0</u>
<b>Special Item</b>			
Sale of Neeley School	0	0	547,911
<i>Net Change in Fund Balances</i>	<u>1,734,546</u>	<u>239,327</u>	<u>276,583</u>
<i>Fund Balances Beginning of Year</i> <i>(Restatement - See Note 3)</i>	<u>410,821</u>	<u>854,526</u>	<u>1,824,223</u>
<i>Fund Balances End of Year</i>	<u>\$2,145,367</u>	<u>\$1,093,853</u>	<u>\$2,100,806</u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Fiscal Year Ended June 30, 2002*

Other Governmental Funds	Total Governmental Funds		
		<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$2,237,631</b>
		<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
\$0	\$56,767,993	Governmental funds report capital outlays as expenditures.	
2,259,820	16,004,756	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 outlay exceeded depreciation in the current period.	
135,598	451,323	Capital Asset Additions	2,209,525
0	1,314,863	Current Year Depreciation	<u>(2,001,864)</u>
574,137	603,557		
0	227,333	Total	207,661
0	15,381		
200,022	205,925	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 difference.	
11,432	264,747	Proceeds From Sale of Capital Assets	(547,911)
<u>3,181,009</u>	<u>75,855,878</u>	Gain on Disposal of Capital Assets	468,107
		Loss on Disposal of Capital Assets	<u>(3,319)</u>
		Total	(83,123)
532,528	31,546,251	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
278,124	6,101,717	Taxes	1,336,480
21,808	585,729	Accounts	37,144
1,494	1,494	Intergovernmental	<u>61,863</u>
390,992	4,073,761	Total	1,435,487
601,733	6,681,798	Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	430,000
0	25,310		
68,337	4,032,208	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	1,192
0	1,457,947	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.	
0	820,447	Intergovernmental Payable	(23,104)
0	7,854,732	Compensated Absences Payable	(404,292)
897	3,362,769	Special Termination Payable	<u>345,000</u>
15,932	1,764,230	Total	(82,396)
702,797	708,704	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.	(238,555)
384,266	1,562,329		
195,336	2,446,216		
0	430,000		
2,990	710,516		
<u>3,197,234</u>	<u>74,166,158</u>		
(16,225)	1,689,720		
3,400	3,400		
0	(3,400)		
3,400	0		
0	547,911		
(12,825)	2,237,631		
648,193	3,737,763		
<u>\$635,368</u>	<u>\$5,975,394</u>		
		<i>Change in Net Assets of Governmental Activities</i>	<u><u>\$3,907,897</u></u>

**Berea City School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$50,347,046	\$50,966,984	\$50,966,984	\$0
Intergovernmental	12,496,000	13,420,835	13,420,835	0
Interest	955,000	343,410	350,772	7,362
Tuition and Fees	1,195,000	1,277,203	1,296,004	18,801
Extracurricular Activities	19,000	29,420	29,420	0
Rentals	340,000	213,156	217,623	4,467
Charges for Services	0	15,381	15,381	0
Contributions and Donations	5,000	5,903	5,903	0
Miscellaneous	235,000	223,678	260,648	36,970
<i>Total Revenues</i>	<u>65,592,046</u>	<u>66,495,970</u>	<u>66,563,570</u>	<u>67,600</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	31,251,827	31,239,687	31,236,381	3,306
Special	5,464,523	5,731,457	5,731,203	254
Vocational	560,095	552,497	552,284	213
Support Services:				
Pupil	3,554,652	3,719,988	3,719,371	617
Instructional Staff	6,221,770	6,187,085	6,186,267	818
Board of Education	42,358	20,458	20,415	43
Administration	3,695,993	3,990,453	3,990,120	333
Fiscal	1,325,597	1,450,495	1,449,367	1,128
Business	1,221,010	1,028,296	1,027,843	453
Operation and Maintenance of Plant	8,585,227	7,948,816	7,948,370	446
Pupil Transportation	3,683,119	3,329,200	3,329,051	149
Central	1,719,813	1,640,440	1,639,998	442
Operation of Non-Instructional Services	8,000	5,907	5,907	0
Extracurricular	1,087,005	1,185,383	1,184,714	669
<i>Total Expenditures</i>	<u>68,420,989</u>	<u>68,030,162</u>	<u>68,021,291</u>	<u>8,871</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(\$2,828,943)</u>	<u>(\$1,534,192)</u>	<u>(\$1,457,721)</u>	<u>\$76,471</u> (continued)



**Berea City School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Other Financing Sources (Uses)</b>				
Advances In	\$5,000	\$11,455	\$11,455	\$0
Advances Out	0	(9,759)	(9,759)	0
Operating Transfers Out	(7,400)	(3,400)	(3,400)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,400)</u>	<u>(1,704)</u>	<u>(1,704)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,831,343)	(1,535,896)	(1,459,425)	76,471
<i>Fund Balance Beginning of Year</i>	988,566	988,566	988,566	0
Prior Year Encumbrances Appropriated	<u>2,002,930</u>	<u>2,002,930</u>	<u>2,002,930</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$160,153</u>	<u>\$1,455,600</u>	<u>\$1,532,071</u>	<u>\$76,471</u>

See accompanying notes to the basic financial statements.

**Berea City School District**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*June 30, 2002*

	Business-Type Activities -	
	Food Service	Uniform School Supplies
<b>Assets</b>		
Current Assets:		
Equity in Pooled Cash and Cash Equivalents	\$658,712	\$24,475
Receivables:		
Accounts	0	0
Intergovernmental	52,318	0
Inventory Held for Resale	36,041	5,405
Materials and Supplies Inventory	39,107	0
<i>Total Current Assets</i>	786,178	29,880
Capital Assets, Net	317,053	0
<i>Total Assets</i>	1,103,231	29,880
<b>Liabilities</b>		
Current Liabilities:		
Accounts Payable	37,335	0
Accrued Wages	4,028	0
Compensated Absences Payable	2,443	0
Intergovernmental Payable	52,697	0
Claims Payable	0	0
<i>Total Current Liabilities</i>	96,503	0
Long-Term Liabilities:		
Compensated Absences Payable	93,210	0
<i>Total Liabilities</i>	189,713	0
<b>Net Assets</b>		
Invested in Capital Assets	317,053	0
Unrestricted (Deficit)	596,465	29,880
<i>Total Net Assets (Deficit)</i>	\$913,518	\$29,880

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>
\$165,204	\$848,391	\$487,095
0	0	3,575
0	52,318	0
0	41,446	0
0	39,107	0
165,204	981,262	490,670
7,195	324,248	0
172,399	1,305,510	490,670
4,753	42,088	0
33,963	37,991	0
5,492	7,935	0
30,895	83,592	0
0	0	898,588
75,103	171,606	898,588
60,017	153,227	0
135,120	324,833	898,588
7,195	324,248	0
30,084	656,429	(407,918)
<u>\$37,279</u>	<u>\$980,677</u>	<u>(\$407,918)</u>

**Berea City School District**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2002*

	Business-Type Activities -	
	Food Service	Uniform School Supplies
<b>Operating Revenues</b>		
Tuition	\$0	\$0
Sales	1,496,808	41,195
Charges for Services	0	0
Miscellaneous	2,911	0
<i>Total Operating Revenues</i>	<u>1,499,719</u>	<u>41,195</u>
<b>Operating Expenses</b>		
Salaries	822,211	0
Fringe Benefits	244,740	0
Purchased Services	51,182	0
Materials and Supplies	146,585	0
Cost of Sales	750,197	53,810
Depreciation	39,029	0
Claims	0	0
Other	0	0
<i>Total Operating Expenses</i>	<u>2,053,944</u>	<u>53,810</u>
<i>Operating Loss</i>	<u>(554,225)</u>	<u>(12,615)</u>
<b>Non-Operating Revenues</b>		
Donated Commodities	109,133	0
Interest	13,450	0
Operating Grants	403,759	0
<i>Total Non-Operating Revenues</i>	<u>526,342</u>	<u>0</u>
<i>Change in Net Assets</i>	(27,883)	(12,615)
<i>Net Assets (Deficit) Beginning of Year (Restated - See Note 3)</i>	<u>941,401</u>	<u>42,495</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$913,518</u>	<u>\$29,880</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>
\$941,905	\$941,905	\$0
0	1,538,003	0
0	0	6,089,932
100	3,011	0
<u>942,005</u>	<u>2,482,919</u>	<u>6,089,932</u>
664,782	1,486,993	0
171,185	415,925	0
103,160	154,342	751,553
22,893	169,478	0
0	804,007	0
1,071	40,100	0
0	0	5,585,909
6,626	6,626	0
<u>969,717</u>	<u>3,077,471</u>	<u>6,337,462</u>
<u>(27,712)</u>	<u>(594,552)</u>	<u>(247,530)</u>
0	109,133	0
0	13,450	8,975
0	403,759	0
<u>0</u>	<u>526,342</u>	<u>8,975</u>
(27,712)	(68,210)	(238,555)
<u>64,991</u>	<u>1,048,887</u>	<u>(169,363)</u>
<u>\$37,279</u>	<u>\$980,677</u>	<u>(\$407,918)</u>

**Berea City School District**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Fiscal Year Ended June 30, 2002

	Business-Type Activities -	
	Food Service	Uniform School Supplies
<b>Increase (Decrease) in Cash and Cash Equivalents</b>		
<b>Cash Flows from Operating Activities</b>		
Cash Received from Customers	\$1,519,860	\$41,195
Cash Received from Other Funds	0	0
Other Cash Receipts	2,911	0
Cash Payments to Employees for Services	(824,830)	0
Cash Payments for Employee Benefits	(236,050)	0
Cash Payments for Goods and Services	(824,606)	(53,422)
Cash Payments for Claims	0	0
Other Cash Payments	0	0
<i>Net Cash (Used in) Operating Activities</i>	(362,715)	(12,227)
<b>Cash Flows from Noncapital Financing Activities</b>		
Operating Grants Received	398,772	0
<b>Cash Flows from Capital and Related Financing Activities</b>		
Payments for Capital Acquisitions	(159,130)	0
<b>Cash Flows from Investing Activities</b>		
Interest on Investments	13,450	0
<i>Net (Decrease) in Cash and Cash Equivalents</i>	(109,623)	(12,227)
<i>Cash and Cash Equivalents Beginning of Year (Restatement - See Note 3)</i>	768,335	36,702
<i>Cash and Cash Equivalents End of Year</i>	<u>\$658,712</u>	<u>\$24,475</u>

<u>Enterprise Funds</u>		Governmental
Adult and Community Education	Total	Activities - Internal Service Fund
\$945,925	\$2,506,980	\$0
0	0	6,089,674
100	3,011	0
(636,793)	(1,461,623)	0
(168,570)	(404,620)	0
(135,180)	(1,013,208)	(751,553)
0	0	(5,413,585)
<u>(6,626)</u>	<u>(6,626)</u>	<u>0</u>
(1,144)	(376,086)	(75,464)
0	398,772	0
0	(159,130)	0
<u>0</u>	<u>13,450</u>	<u>8,975</u>
(1,144)	(122,994)	(66,489)
<u>166,348</u>	<u>971,385</u>	<u>553,584</u>
<u>\$165,204</u>	<u>\$848,391</u>	<u>\$487,095</u>

(continued)

**Berea City School District**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Fiscal Year Ended June 30, 2002

	Business-Type Activities -	
	Food Service	Uniform School Supplies
<b>Reconciliation of Operating Loss to Net Cash (Used in) Operating Activities</b>		
Operating Loss	(\$554,225)	(\$12,615)
Adjustments:		
Depreciation	39,029	0
Donated Commodities Received During Year	109,133	0
(Increase) Decrease in Assets:		
Accounts Receivable	23,052	0
Inventory Held for Resale	(17,091)	388
Materials and Supplies Inventory	3,203	0
Increase (Decrease) in Liabilities:		
Accounts Payable	28,113	0
Accrued Wages	(6,119)	0
Compensated Absences Payable	3,500	0
Intergovernmental Payable	8,690	0
Claims Payable	0	0
	<u>(\$362,715)</u>	<u>(\$12,227)</u>
<i>Net Cash (Used in) Operating Activities</i>	<u>(\$362,715)</u>	<u>(\$12,227)</u>

Non Cash Non Capital Financing Activities:

Federal Donated Commodities in the amount of \$109,133 were recorded as revenue when received in the food service fund.

See accompanying notes to the basic financial statements



<u>Enterprise Funds</u>		<u>Governmental</u>
<u>Adult and</u>		<u>Activities -</u>
<u>Community</u>	<u>Total</u>	<u>Internal</u>
<u>Education</u>		<u>Service Fund</u>
(\$27,712)	(\$594,552)	(\$247,530)
1,071	40,100	0
0	109,133	0
4,020	27,072	(258)
0	(16,703)	0
0	3,203	0
(806)	27,307	0
8,066	1,947	0
19,923	23,423	0
(5,706)	2,984	0
0	0	172,324
<u>(\$1,144)</u>	<u>(\$376,086)</u>	<u>(\$75,464)</u>

**Berea City School District**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*June 30, 2002*

	Private Purpose Trust	
	Scholarship	Agency
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalent:	\$13,015	\$150,736
<b>Liabilities</b>		
Undistributed Monies	0	\$15,502
Due to Students	0	135,234
<i>Total Liabilities</i>	0	\$150,736
<b>Net Assets</b>		
Held in Trust for Scholarships	13,015	
<i>Total Net Assets</i>	\$13,015	

See accompanying notes to the basic financial statement

**Berea City School District**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Funds*  
*For the Fiscal Year Ended June 30, 2002*

	Private Purpose Trust
	Scholarship
<b>Additions</b>	
Interest	\$264
<b>Deductions</b>	
Scholarships Awarded	550
<i>Change in Net Assets</i>	(286)
<i>Net Assets Beginning of Year</i>	13,301
<i>Net Assets End of Year</i>	\$13,015

See accompanying notes to the basic financial statement

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

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

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

The School District operates under a locally-elected five-member Board form of government and provides educational services as mandated by the State and federal agencies. This Board of Education controls the School District's eleven instructional/support facilities staffed by 402 classified employees, 507 certificated full-time personnel, and 64 administrators who provide services to 7,737 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.

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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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The School District participates in three jointly governed organizations and one public entity risk pool. These organizations are presented in Note 17 to the financial statements. These organizations are:

Jointly Governed Organizations:

Polaris Career Center  
Educational Community Foundation  
Ohio Schools' Council Association

Public Entity Risk Pool:

Ohio School Boards Association Workers' Compensation Group Rating Program

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

The financial statements of Berea City School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental 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 received from property taxes for the payment of school improvement general obligation bond, principal, interest and related costs.

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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

***Proprietary Funds*** Proprietary funds focus on the determination of operating income/loss, 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 college scholarship program for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds are student activities, employee benefits and staff services.

***B. Basis of Presentation***

***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.

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

**Berea City School District**  
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program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are 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 type.

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

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

***C. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 6.) Revenue from

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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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, 2002, but which were levied to finance fiscal year 2002 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

***D. Cash and Cash Equivalents***

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

During fiscal year 2002, investments were limited to Federal Home Loan Bank Bonds, Federal National Mortgage Association 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. For investments in open-end mutual funds, fair value is determined by the fund's share price. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

Berea City School District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2002. STAR Ohio is an investment pool managed by the State Treasurer's Office,



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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, 2002.

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 2002 amounted to \$315,725, which includes \$199,049 assigned from other School District funds.

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

***E. Restricted Assets***

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation. Restricted assets in the General Fund include amounts required by State statute to be set aside for textbooks and instructional materials. See Note 18 for additional information regarding set-asides.

***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2002, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***G. Inventory***

On the government-wide financial statements inventories are presented at cost on a first-in, first-out basis and are expended/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 and is expended/expensed when used.

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

***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

**Berea City School District**  
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received. The School District maintains a capitalization threshold of one thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets except land and construction in progress 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 - 12 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.

***J. Compensated Absences***

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

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

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund or funds from which the employees who have accumulated the leave are paid.

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***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, compensated absences 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 are due for payment during the current fiscal year. In general, liabilities that mature or come due for payment during the fiscal year 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 when 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, textbooks, unclaimed monies and property taxes.

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

***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 and miscellaneous for adult education and youths and preschoolers classes, sales and miscellaneous 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. Revenues and expenditures not meeting this definition are reported as non-operating.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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***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. During fiscal year 2002, the District sold Neeley Elementary School which resulted in a gain on sale of capital assets of \$468,107.

***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***

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the object level within each fund and function.

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

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

**Note 3 –Restatement of Net Assets and Fund Balances**

**Restatement of Net Assets and Fund Balance** At June 30, 2001, net assets for governmental and business –type activities, and the fund balance of the general fund were restated due to adjustments to cash and matured compensated absences payable. The restatement had the following effect on net assets at June 30, 2001:

	Governmental Activities	Business-Type Activities
Net Assets at June 30, 2001	\$6,347,415	\$1,040,810
Restatements:		
Cash	57,270	8,077
Compensated Absences	131,639	0
Restated Net Assets at June 30, 2001	\$6,536,324	\$1,048,887

The net assets for the food service enterprise fund and the internal service fund were restated from \$933,324 and (\$226,633) to \$941,401 and (\$169,363), respectively, due to understatement of cash.

The fund balance for the general fund was restated from \$1,586,549 to \$410,821 due to the adjustment for matured compensated absences payable.

**Note 4 –Legal Compliance and Accountability**

**Legal Compliance** On February 28, 2002, the following object levels within each fund and function in the governmental funds had expenditures plus encumbrances exceed appropriations contrary to Ohio Revised Code section 5705.41(B & D). In the General Fund under regular instruction-other/ benefits, the excess was \$4,332, the Local Grants Fund under regular instruction/ salaries and wages the excess was \$40,245, the Teacher Development fund under adult continuing education/salaries and wages had an excess of \$129 and the Title I fund under operation of non-instructional services –community service/salaries and wages the excess was \$1,925. These excesses were corrected by the District as of June 30, 2002.

**Fund Deficit** Fund balances/net assets at June 30, 2002 included the following individual fund deficits:

	<u>Deficit</u>
Special Revenue Fund	
Title VIR	(\$9,747)
Internal Service Fund	(407,918)

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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The deficit in the special revenue fund 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.

The deficit in the internal service fund resulted from an adjustment for accrued liabilities. Starting July 2002, the District will maintain the self-insurance fund at 115 percent. The District is examining the additional amount of funds needed.

**Note 5 - Budgetary Basis of Accounting**

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the fund liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).

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

Net Change in Fund Balance	
GAAP Basis	\$1,734,546
Net Adjustment for Revenue Accruals	(2,743,273)
Advances In	11,455
Fair Value Adjustment for Investments	(11,621)
Net Adjustment for Expenditure Accruals	72,422
Advances Out	(9,759)

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Adjustment for Encumbrances	(513,195)
Budget Basis	(\$1,459,425)

**Note 6 - Property Taxes**

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2002 for real and public utility property taxes represents collections of calendar 2001 taxes. Property tax payments received during calendar 2002 for tangible personal property (other than public utility property) are for calendar 2002 taxes.

2002 real property taxes are levied after April 1, 2002, on the assessed value as of January 1, 2002, 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. 2002 public utility property taxes became a lien December 31, 2001, are levied after April 1, 2002 and are collected in 2003 with real property taxes.

2002 tangible personal property taxes are levied after April 1, 2001, on the value as of December 31, 2001. Collections are made in 2002. Tangible personal property assessments are twenty-five percent of true value.

The assessed values upon which the fiscal year 2002 taxes were collected are:

	2001 Second- Half Collections		2002 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/ Residential and Other Real Estate	\$1,197,553,870	80.78	\$1,216,757,830	82.52
Public Utility Personal	49,875,840	3.36	46,168,740	3.13
Tangible Personal Property	235,165,084	15.86	211,623,911	14.35
Total	\$1,482,594,794	100.00	\$1,474,550,481	100.00
Tax rate per \$1,000 of assessed valuation	\$63.80		\$63.80	

**Berea City School District**  
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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 and are intended to finance the fiscal year in which they are paid. This year, the June 2001 tangible personal property tax settlement was not received until July of 2002.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including Berea City School District. The County Auditor periodically advances to the School District its portion of the taxes. Second-half real property tax payments collected by the County by June 30, 2002, are available to finance fiscal year 2002 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable include the late settlement of personal property, real, personal and public utility taxes which became measurable as of June 30, 2002 and for which there is an enforceable legal claim. Although total property tax collections for the 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 year fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current fiscal year operations. The late settlement and the amount available to the School District as an advance at June 30, 2002 is recognized as revenue. At June 30, 2002, \$6,350,107 was available as an advance to the general fund and \$188,838 was available to the debt service fund and \$229,449 for the permanent improvement capital projects fund. The amount available as an advance at June 30, 2001, was \$3,676,400. \$3,449,382 was available to the general fund, \$102,535 for the bond retirement fund and \$124,483 for the permanent improvement fund. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

### **Note 7- 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 five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of



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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;
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.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

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 \$16,559 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 \$440,324 and the bank balance was \$1,397,066. \$211,353 of the bank balance was covered by federal depository insurance and \$1,185,713 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.

	Category 3	Fair Value
Federal Home Loan Bank Bonds	\$251,225	\$251,225
Federal National Mortgage Association Notes	756,825	756,825
Victory Money Market Mutual Fund		212,917
Investment in State Treasurer's Investment Pool		5,711,372
Total	\$1,008,050	\$6,932,339

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	\$7,389,222	\$0
Undeposited Cash	(16,559)	
Investments which are part of a cash management pool:		
Federal Home Loan Bank Bonds	(251,225)	251,225
Federal National Mortgage Association Notes	(756,825)	756,825

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

Victory Money Market Mutual Fund	(212,917)	212,917
Investment in State Treasurer's Investment Pool	(5,711,372)	5,711,372
GASB Statement 3	\$440,324	\$6,932,339

**Note 8 - Interfund Transactions**

The General fund reported an interfund receivable at June 30, 2002 of \$9,759. The Education for Economic Security Act special revenue fund had an interfund payable of \$1,548 and the Preschool special revenue fund had an interfund payable of \$8,211. The Debt service fund reported an interfund receivable at June 30, 2002 of \$600,000 and the Building capital projects fund had an interfund payable of \$600,000.

The General fund reported a transfer out at June 30, 2002 of \$3,400. The District Managed Student Activities special revenue fund had a transfer in of the same amount. The transfer represents the collection of student participation fees for athletics.

**Note 9 – Receivables**

Receivables at June 30, 2002, 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 non-payment of taxes, the stable condition of state programs and the current fiscal year guarantee of federal funds.

**Note 10 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2002, was as follows:

	Balance 6/30/01	Additions	Deductions	Balance 6/30/02
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$956,092	\$0	(\$36,025)	\$920,067
<i>Capital Assets, being depreciated:</i>				
Land Improvements	\$2,234,063	\$250,208	(\$1,161)	\$2,483,110
Buildings and Improvements	42,920,874	200,664	(771,443)	42,350,095
Furniture and Equipment	11,938,107	497,315	(74,927)	12,360,495
Vehicles	3,450,475	209,171	(9,065)	3,650,581
Textbooks	6,964,775	1,052,167	0	8,016,942

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

	Balance 6/30/01	Additions	Deductions	Balance 6/30/02
<i>Total Capital Assets, being depreciated</i>	\$67,508,294	\$2,209,525	(\$856,596)	\$68,861,223
Less Accumulated Depreciation:				
Land Improvements	(\$820,094)	(\$82,770)	\$581	(\$902,283)
Buildings and Improvements	(28,020,420)	(740,325)	728,244	(28,032,501)
Furniture and Equipment	(10,460,933)	(506,683)	74,927	(10,892,689)
Vehicles	(2,525,902)	(185,565)	5,746	(2,705,721)
Textbooks	(6,457,550)	(486,521)	0	(6,944,071)
Total Accumulated Depreciation	(48,284,899)	(2,001,864)	809,498	(49,477,265)
Total Capital Assets being depreciated, net	19,223,395	207,661	(47,098)	19,383,958
Governmental Activities Capital Assets, Net	\$20,179,487	\$207,661	(\$83,123)	\$20,304,025
<b>Business-Type Activities</b>				
Furniture and Equipment	\$786,792	\$92,900	\$0	\$879,692
Less Accumulated Depreciation	(515,344)	(40,100)	0	(555,444)
Business-Type Activities Capital Assets, Net	\$271,448	\$52,800	\$0	\$324,248

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

Instruction:	
Regular	\$1,098,157
Special	102,945
Vocational	10,387
Support Services:	
Pupil	47,326
Instructional Staff	170,952
Administration	79,904
Fiscal	8,989
Business	26,675

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

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Operation and Maintenance of Plant	117,947
Pupil Transportation	252,437
Central	36,634
Operation of Non-Instructional Services	35,084
Extracurricular Activities	<u>14,427</u>
Total Depreciation Expense	<u><u>\$2,001,864</u></u>

**Note 11 - Risk Management**

***A. Property and Liability***

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2002, the School District contracted with Hoffman Insurance Group for Traveler's Property Casualty property and general liability insurance in the amount of \$138,760,430, and Hartford boiler and machinery insurance with a \$5,000,000 single occurrence limit and a \$250 deductible.

General liability is protected by Great American Alliance with a \$1,000,000 single occurrence limit, a \$5,000,000 aggregate and a \$2,000 deductible. Vehicles are covered by Coregis Insurance and hold a \$250 deductible for comprehensive and a \$500 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 2002 the School District participated in the Ohio School Boards 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 medical, 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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

individual in a calendar year, therefore there is no individual or aggregate stop-loss maintained. Medical Mutual of Ohio provides claim review and processing.

The School District maintains stop-loss coverage for its medical insurance program. Aggregate stop loss is maintained at 115 percent of expected claims. The aggregate stop-loss was not met in 2002. Medical Mutual of Ohio provides claim review and processing for the medical insurance program as well.

The claims liability at June 30, 2002 estimated by the third party administrator to be \$898,588, is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in fiscal year 2001 and 2002 were:

	Balance Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
2001	\$717,125	\$5,172,188	\$5,163,049	\$726,264
2002	\$726,264	\$5,585,909	\$5,413,585	\$898,588

**Note 12 - 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, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

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 2002, 5.46 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2001, 4.2 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, 2002, 2001, and 2000 were \$703,612, \$520,553 and \$647,894, respectively; 49.42 percent has been contributed for fiscal year 2002 and 100 percent for fiscal years 2001 and 2000. \$355,896, represents the unpaid contribution for fiscal year 2002. The balance outstanding is reflected as an intergovernmental payable.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

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***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 43215-3771.

For the fiscal year ended June 30, 2002, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 9.5 percent was the portion used to fund pension obligations. For fiscal year 2001, the portion used to fund pension obligations was 6 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, 2002, 2001, and 2000 were \$3,082,540, \$3,031,631 and \$1,800,931, respectively; 84.27 percent has been contributed for fiscal year 2002 and 100 percent for fiscal years 2001 and 2000. \$485,024 represents the unpaid contribution for fiscal year 2002. The balance outstanding is reflected as an intergovernmental payable.

***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, 2002, 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 13- 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, 2002, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$1,460,151 for fiscal year 2002.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

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STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2001, (the latest information available) the balance in the Fund was \$3.256 billion. For the year ended June 30, 2001, net health care costs paid by STRS were \$300,772,000 and STRS had 102,132 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, 2002, employer contributions to fund health care benefits were 8.54 percent of covered payroll, a decrease of 1.26 percent from fiscal year 2001. 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 2002, 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 2002 fiscal year equaled \$1,108,999.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2001 (the latest information available), were \$161,439,934 and the target level was \$242.2 million. At June 30, 2001, SERS had net assets available for payment of health care benefits of \$315.7 million. SERS has approximately 50,000 participants currently receiving health care benefits.

## **Note 14 - Other Employee Benefits**

### ***A. Compensated Absences***

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

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum. Upon retirement, payment is made for one fourth of the total sick leave accumulation, up to a maximum accumulation of 95 days. An employee receiving such payment must meet the retirement provisions set by STRS or SERS.

### ***B. Special Termination Benefit***

The School District Board of Education offered employees participation in an Early Retirement Incentive program. Participation was open to employees between September 13, 1999 through October 29, 1999 who were at least fifty years old and qualified for retirement. Those employees who elected to retire under this plan will receive \$34,250. This amount, along with the employee's severance, will be placed in an account and distributed to the employee over a period of ten years, commencing with their leaving the School District on June 30, 2001. The account will be managed by a third party administrator.



**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

**C. Health and Life Insurance**

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

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

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

**Note 15 Contingencies**

**A. Grants**

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2002.

**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 16 - Long - Term Liabilities**

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

	Principal Outstanding 6/30/01	Additions	Reduction	Principal Outstanding 6/30/02	Amounts Due in One Year
<b>Governmental Activities</b>					
General Obligation Bonds:					
1993 School	\$12,145,000	\$0	\$430,000	\$11,715,000	\$450,000
Compensated Absences	5,419,836	1,832,236	1,427,944	5,824,128	460,849
Special Termination	1,567,418	30,288	209,719	1,387,987	375,288

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

	Principal Outstanding 6/30/01	Additions	Reductions	Principal Outstanding 6/30/02	Amounts Due in One Year
Total Governmental Long-Term Liabilities	\$19,132,254	\$1,862,524	\$2,067,663	\$18,927,115	\$1,286,137
<b>Business-Type Activities</b>					
Compensated Absences	\$137,739	\$66,269	\$42,846	\$161,162	\$7,935

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

Compensated absences will be paid from the general fund, the food service and the adult and community education enterprise funds. The special termination benefit will be paid from the general fund.

At June 30, 2002 the School District's overall legal debt margin was \$122,088,396 with an unvoted debt margin of \$1,474,550. Principal and interest requirements to retire long-term liabilities outstanding at June 30, 2002 are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Total
	Principal	Interest	
2003	\$450,000	\$678,927	\$1,128,927
2004	575,000	642,739	1,217,739
2005	595,000	598,864	1,193,864
2006	620,000	553,302	1,173,302
2007	650,000	505,677	1,155,677
2008 – 2012	3,620,000	1,858,234	5,478,234
2013 – 2017	4,210,000	791,095	5,001,095
2018	995,000	24,875	1,019,875
Total	\$11,715,000	\$5,653,713	\$17,368,713

**Note 17- 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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

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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.

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

The Ohio Schools' Council Association (Council) is a jointly governed organization among 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 an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. During fiscal year 2002 the School District paid \$3,905 to the Council. Financial information can be obtained by contacting Albert G. Vasek, the Executive Secretary/Treasurer of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131. The School District participates in the Council's electric purchase program which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school district will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

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

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

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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

**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 18 - Set-Aside Calculations**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. In prior years the School District was 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.

	Budget Stabilization Reserve	Capital Improvements Reserve	Textbooks Instructional Materials Reserve
Set-aside Reserve Balance as of June 30, 2001	\$334,989	\$0	\$888,800
Current year set-aside requirements	0	930,999	930,999
Reduction Authorized by Legislative Revision	334,989	0	0
Qualifying Disbursements	0	2,029,268	1,024,316
Total	\$0	(\$1,098,269)	\$795,483
Set-aside Reserve Balance as of June 30, 2002	\$0	\$0	\$795,483

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

**Note 19 – State School Funding Decision**

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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2002*

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

**Note 20 – Contractual Commitments**

At June 30, 2002 the School District had \$1,200,104 in contractual commitments for various improvements within the School District.

**Note 21 – Subsequent Event**

On November 5, 2002, the voters approved a 5.9 mill continuing operating levy. This levy will generate an additional \$8.7 million in revenues annually. Collections on this additional levy will begin January, 2003.

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**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 revenues from athletic events and costs (except supplemental coaching contracts) of the School District's athletic program.

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

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

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

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

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

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

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

(continued)



## **Berea City School District**

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

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

**Ohio Reads Fund** This fund accounts for state grant monies intended to supplement the Districts reading 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:

Educational Management Information Systems (EMIS) Fund  
Learn and Serve America Fund  
Education for Economic Security Act Fund  
School Professional Development Fund  
Emergency Immigrant Education Grant Fund  
Parent Mentor Grant Fund  
School Improvement Grant Fund  
Safe School Helpline Fund  
Title VIR Fund  
Virtual Middle School 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 Fund** This fund accounts for state grant monies used to purchase textbooks.

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

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

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2002*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalent:	\$643,141	\$703,066	\$1,346,207
Receivables:			
Taxes	0	157,500	157,500
Accounts	2,209	0	2,209
Intergovernmental Receivable	129,161	0	129,161
<i>Total Assets</i>	<u>\$774,511</u>	<u>\$860,566</u>	<u>\$1,635,077</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$66,781	\$0	\$66,781
Contracts Payable	0	39,416	39,416
Accrued Wages	32,424	0	32,424
Retainage Payable	0	2,934	2,934
Interfund Payable	9,759	600,000	609,759
Intergovernmental Payable	7,678	0	7,678
Deferred Revenue	80,227	157,500	237,727
Accrued Interest Payable	0	2,990	2,990
<i>Total Liabilities</i>	<u>196,869</u>	<u>802,840</u>	<u>999,709</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	94,042	675,111	769,153
Unreserved, Undesignated, Reported in			
Special Revenue Funds	483,600	0	483,600
Capital Projects Funds (Deficit)	0	(617,385)	(617,385)
<i>Total Fund Balances</i>	<u>577,642</u>	<u>57,726</u>	<u>635,368</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$774,511</u>	<u>\$860,566</u>	<u>\$1,635,077</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, 2002*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Intergovernmental	\$2,238,939	\$20,881	\$2,259,820
Interest	3,037	132,561	135,598
Extracurricular Activities	574,137	0	574,137
Contributions and Donations	200,022	0	200,022
Miscellaneous	11,432	0	11,432
<i>Total Revenues</i>	<u>3,027,567</u>	<u>153,442</u>	<u>3,181,009</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	532,528	0	532,528
Special	278,124	0	278,124
Vocational	21,808	0	21,808
Adult/Continuing	1,494	0	1,494
Support Services:			
Pupil	390,992	0	390,992
Instructional Staff	601,733	0	601,733
Administration	68,337	0	68,337
Pupil Transportation	897	0	897
Central	15,932	0	15,932
Operation of Non-Instructional Services:	702,797	0	702,797
Extracurricular Activities	384,266	0	384,266
Capital Outlay	0	195,336	195,336
Interest and Fiscal Charges	0	2,990	2,990
<i>Total Expenditures</i>	<u>2,998,908</u>	<u>198,326</u>	<u>3,197,234</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	28,659	(44,884)	(16,225)
<b>Other Financing Sources</b>			
Transfers In	3,400	0	3,400
<i>Net Change in Fund Balances</i>	32,059	(44,884)	(12,825)
<i>Fund Balances Beginning of Year</i>	<u>545,583</u>	<u>102,610</u>	<u>648,193</u>
<i>Fund Balances End of Year</i>	<u>\$577,642</u>	<u>\$57,726</u>	<u>\$635,368</u>

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2002*

	Title VI-B	Auxiliary Services	Title I
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$71,159	\$96,470	\$14,134
Accounts Receivable	0	0	0
Intergovernmental Receivable	0	0	48,174
<i>Total Assets</i>	<u>\$71,159</u>	<u>\$96,470</u>	<u>\$62,308</u>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$10,465	\$29,392	\$0
Accrued Wages	9,982	0	0
Interfund Payable	0	0	0
Intergovernmental Payable	3,808	1,064	0
Deferred Revenue	0	0	20,174
<i>Total Liabilities</i>	<u>24,255</u>	<u>30,456</u>	<u>20,174</u>
 <b>Fund Balances</b>			
Reserved for Encumbrances	22,288	32,323	1,436
Unreserved, Undesignated (Deficit)	24,616	33,691	40,698
<i>Total Fund Balances (Deficit)</i>	<u>46,904</u>	<u>66,014</u>	<u>42,134</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$71,159</u>	<u>\$96,470</u>	<u>\$62,308</u>

District Managed Student Activities	Preschool At Risk	Public School Support	Local Grants
\$148,839	\$1,469	\$163,127	\$65,488
0	0	1,546	663
0	0	0	0
<u>\$148,839</u>	<u>\$1,469</u>	<u>\$164,673</u>	<u>\$66,151</u>
\$3,909	\$0	\$5,094	\$5,245
0	1,119	0	5,280
0	0	0	0
0	157	0	0
0	0	0	0
<u>3,909</u>	<u>1,276</u>	<u>5,094</u>	<u>10,525</u>
13,344	0	6,458	8,353
<u>131,586</u>	<u>193</u>	<u>153,121</u>	<u>47,273</u>
<u>144,930</u>	<u>193</u>	<u>159,579</u>	<u>55,626</u>
<u>\$148,839</u>	<u>\$1,469</u>	<u>\$164,673</u>	<u>\$66,151</u>

(continued)

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2002*

	Preschool	Teacher Development	Title VI
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,659	\$2,084	\$1,830
Accounts Receivable	0	0	0
Intergovernmental Receivable	13,624	0	16,303
<i>Total Assets</i>	<b>\$15,283</b>	<b>\$2,084</b>	<b>\$18,133</b>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$0	\$0
Accrued Wages	2,940	0	0
Interfund Payable	8,211	0	0
Intergovernmental Payable	815	0	0
Deferred Revenue	1,131	0	16,303
<i>Total Liabilities</i>	13,097	0	16,303
 <b>Fund Balances</b>			
Reserved for Encumbrances	1,659	0	1,746
Unreserved, Undesignated (Deficit)	527	2,084	84
<i>Total Fund Balances (Deficit)</i>	2,186	2,084	1,830
<i>Total Liabilities and Fund Balances</i>	<b>\$15,283</b>	<b>\$2,084</b>	<b>\$18,133</b>

Drug Free Schools	Ohio Reads	EMIS	Education for Economic Security Act
\$4,754	\$9,541	\$52,037	\$1,393
0	0	0	0
15,124	0	0	16,556
<u>\$19,878</u>	<u>\$9,541</u>	<u>\$52,037</u>	<u>\$17,949</u>
\$4,400	\$1,515	\$5,252	\$1,143
0	0	0	0
0	0	0	1,548
0	0	0	0
15,124	0	0	8,115
<u>19,524</u>	<u>1,515</u>	<u>5,252</u>	<u>10,806</u>
0	1,270	0	250
354	6,756	46,785	6,893
<u>354</u>	<u>8,026</u>	<u>46,785</u>	<u>7,143</u>
<u>\$19,878</u>	<u>\$9,541</u>	<u>\$52,037</u>	<u>\$17,949</u>

(continued)

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2002*

	School Professional Development	Parent Mentor Grant	School Improvement Grant
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$303	\$3,760	\$90
Accounts Receivable	0	0	0
Intergovernmental Receivable	0	0	0
<i>Total Assets</i>	<u>\$303</u>	<u>\$3,760</u>	<u>\$90</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$366	\$0
Accrued Wages	0	187	0
Interfund Payable	0	0	0
Intergovernmental Payable	0	26	0
Deferred Revenue	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>579</u>	<u>0</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	0	3,235	0
Unreserved, Undesignated (Deficit)	303	(54)	90
<i>Total Fund Balances (Deficit)</i>	<u>303</u>	<u>3,181</u>	<u>90</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$303</u>	<u>\$3,760</u>	<u>\$90</u>



Safe School Helpline	Title VIR	Total Nonmajor Special Revenue Funds
\$27	\$4,977	\$643,141
0	0	2,209
0	19,380	129,161
<u>\$27</u>	<u>\$24,357</u>	<u>\$774,511</u>
\$0	\$0	66,781
0	12,916	32,424
0	0	9,759
0	1,808	7,678
0	19,380	80,227
<u>0</u>	<u>34,104</u>	<u>196,869</u>
0	1,680	94,042
27	(11,427)	483,600
<u>27</u>	<u>(9,747)</u>	<u>577,642</u>
<u>\$27</u>	<u>\$24,357</u>	<u>\$774,511</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, 2002*

	Title VI-B	Auxiliary Services	Title I
<b>Revenues</b>			
Intergovernmental	\$697,075	\$630,024	\$279,587
Interest	0	2,043	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>697,075</u>	<u>632,067</u>	<u>279,587</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	0	0	0
Special	43,922	0	231,803
Vocational	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	318,063	0	0
Instructional Staff	215,014	0	11,864
Administration	39,500	0	546
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	89,153	585,080	9,174
Extracurricular Activities	0	0	0
<i>Total Expenditures</i>	<u>705,652</u>	<u>585,080</u>	<u>253,387</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,577)	46,987	26,200
<b>Other Financing Sources</b>			
Transfers In	0	0	0
<i>Net Change in Fund Balance</i>	(8,577)	46,987	26,200
<i>Fund Balances (Deficit) Beginning of Year</i>	55,481	19,027	15,934
<i>Fund Balances (Deficit) End of Year</i>	<u>\$46,904</u>	<u>\$66,014</u>	<u>\$42,134</u>

District Managed Student Activities	Preschool At Risk	Public School Support	Local Grants	Preschool
\$0	\$232,344	\$0	\$0	\$38,712
0	0	0	994	0
336,427	0	237,710	0	0
57,605	0	27,485	114,932	0
2,559	0	8,873	0	0
<u>396,591</u>	<u>232,344</u>	<u>274,068</u>	<u>115,926</u>	<u>38,712</u>
0	124,676	95,707	112,427	0
0	0	740	423	851
0	0	0	21,808	0
0	0	0	375	0
3,556	13,640	2,081	6,440	20,763
0	79,271	143,754	13,514	4,435
0	20,082	0	0	0
0	773	75	0	0
0	0	0	0	0
0	0	0	0	12,028
376,574	0	7,650	42	0
<u>380,130</u>	<u>238,442</u>	<u>250,007</u>	<u>155,029</u>	<u>38,077</u>
16,461	(6,098)	24,061	(39,103)	635
<u>3,400</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
19,861	(6,098)	24,061	(39,103)	635
<u>125,069</u>	<u>6,291</u>	<u>135,518</u>	<u>94,729</u>	<u>1,551</u>
<u>\$144,930</u>	<u>\$193</u>	<u>\$159,579</u>	<u>\$55,626</u>	<u>\$2,186</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, 2002*

	Peer Assistance	Teacher Development	Title VI
<b>Revenues</b>			
Intergovernmental	\$0	\$0	\$45,820
Interest	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>45,820</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	31	0	0
Special	0	0	0
Vocational	0	0	0
Adult/Continuing	0	1,119	0
Support Services:			
Pupil	0	0	0
Instructional Staff	0	0	42,483
Administration	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	6,875
Extracurricular Activities	0	0	0
<i>Total Expenditures</i>	<u>31</u>	<u>1,119</u>	<u>49,358</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(31)	(1,119)	(3,538)
<b>Other Financing Sources</b>			
Transfers In	0	0	0
<i>Net Change in Fund Balance</i>	(31)	(1,119)	(3,538)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>31</u>	<u>3,203</u>	<u>5,368</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$0</u>	<u>\$2,084</u>	<u>\$1,830</u>

Drug Free Schools	Ohio Reads	EMIS	Learn and Serve America	Education for Economic Security Act
\$18,837	\$51,500	\$28,348	\$0	\$20,736
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
18,837	51,500	28,348	0	20,736
0	48,547	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
26,449	0	0	0	0
4,530	0	0	8,549	28,244
0	0	0	0	0
49	0	0	0	0
0	0	15,932	0	0
487	0	0	0	0
0	0	0	0	0
31,515	48,547	15,932	8,549	28,244
(12,678)	2,953	12,416	(8,549)	(7,508)
0	0	0	0	0
(12,678)	2,953	12,416	(8,549)	(7,508)
13,032	5,073	34,369	8,549	14,651
\$354	\$8,026	\$46,785	\$0	\$7,143

(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, 2002*

	School Professional Development	Emergency Immigrant Education Grant	Parent Mentor Grant
<b>Revenues</b>			
Intergovernmental	\$5,142	\$0	\$23,874
Interest	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>5,142</u>	<u>0</u>	<u>23,874</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	0	0	0
Special	0	385	0
Vocational	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	8,909	0	30,726
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
<i>Total Expenditures</i>	<u>8,909</u>	<u>385</u>	<u>30,726</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,767)	(385)	(6,852)
<b>Other Financing Sources</b>			
Transfers In	0	0	0
<i>Net Change in Fund Balance</i>	(3,767)	(385)	(6,852)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>4,070</u>	<u>385</u>	<u>10,033</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$303</u>	<u>\$0</u>	<u>\$3,181</u>

School Improvement Grant	Safe School Helpline	Title VIR	Virtual Middle School	Total Nonmajor Special Revenue Funds
\$0	\$7,661	\$86,473	\$72,806	\$2,238,939
0	0	0	0	3,037
0	0	0	0	574,137
0	0	0	0	200,022
0	0	0	0	11,432
0	7,661	86,473	72,806	3,027,567
0	0	87,262	63,878	532,528
0	0	0	0	278,124
0	0	0	0	21,808
0	0	0	0	1,494
0	0	0	0	390,992
1,512	0	0	8,928	601,733
0	8,209	0	0	68,337
0	0	0	0	897
0	0	0	0	15,932
0	0	0	0	702,797
0	0	0	0	384,266
1,512	8,209	87,262	72,806	2,998,908
(1,512)	(548)	(789)	0	28,659
0	0	0	0	3,400
(1,512)	(548)	(789)	0	32,059
1,602	575	(8,958)	0	545,583
\$90	\$27	(\$9,747)	\$0	\$577,642

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2002*

	Building	School Net	Network Connectivity
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$676,352	\$63	\$8,499
Taxes Receivable	157,500	0	0
<i>Total Assets</i>	<u>\$833,852</u>	<u>\$63</u>	<u>\$8,499</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Contracts Payable	\$39,416	\$0	\$0
Retainage Payable	2,934	0	0
Interfund Payable	600,000	0	0
Deferred Revenue	157,500	0	0
Accrued Interest Payable	2,990	0	0
<i>Total Liabilities</i>	<u>802,840</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	675,111	0	0
Unreserved, Undesignated (Deficit)	(644,099)	63	8,499
<i>Total Fund Balances</i>	<u>31,012</u>	<u>63</u>	<u>8,499</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$833,852</u>	<u>\$63</u>	<u>\$8,499</u>



Interactive Video Lab	Total Nonmajor Capital Projects Funds
\$18,152	\$703,066
0	157,500
<u>\$18,152</u>	<u>\$860,566</u>
\$0	\$39,416
0	2,934
0	600,000
0	157,500
0	2,990
<u>0</u>	<u>802,840</u>
0	675,111
<u>18,152</u>	<u>(617,385)</u>
<u>18,152</u>	<u>57,726</u>
<u>\$18,152</u>	<u>\$860,566</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, 2002*

	Building	School Net	Textbook Subsidy
<b>Revenues</b>			
Intergovernmental	\$0	\$4,969	\$0
Interest	132,561	0	0
<i>Total Revenues</i>	<u>132,561</u>	<u>4,969</u>	<u>0</u>
<b>Expenditures</b>			
Capital Outlay	173,114	5,093	13,737
Debt Service:	0	0	0
Interest and Fiscal Charges	2,990	0	0
<i>Total Expenditures</i>	<u>176,104</u>	<u>5,093</u>	<u>13,737</u>
<i>Net Change in Fund Balances</i>	(43,543)	(124)	(13,737)
<i>Fund Balances Beginning of Year</i>	<u>74,555</u>	<u>187</u>	<u>13,737</u>
<i>Fund Balances End of Year</i>	<u><u>\$31,012</u></u>	<u><u>\$63</u></u>	<u><u>\$0</u></u>

Network Connectivity	Interactive Video Lab	Total Nonmajor Capital Projects Funds
\$7,000	\$8,912	\$20,881
0	0	132,561
7,000	8,912	153,442
0	3,392	195,336
0	0	0
0	0	2,990
0	3,392	198,326
7,000	5,520	(44,884)
1,499	12,632	102,610
<u>\$8,499</u>	<u>\$18,152</u>	<u>\$57,726</u>

**Berea City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Fiscal Year Ended June 30, 2002*

	Balance 6-30-01	Additions	Reductions	Balance 6-30-02
<b><i>Student Activities</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$130,677	\$243,442	\$238,885	\$135,234
<i>Total Assets</i>	<u>\$130,677</u>	<u>\$243,442</u>	<u>\$238,885</u>	<u>\$135,234</u>
<b>Liabilities</b>				
Due to Students	\$130,677	\$243,442	\$238,885	\$135,234
<i>Total Liabilities</i>	<u>\$130,677</u>	<u>\$243,442</u>	<u>\$238,885</u>	<u>\$135,234</u>
<b><i>Employee Benefits</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$7,498	\$59,576	\$57,316	\$9,758
<i>Total Assets</i>	<u>\$7,498</u>	<u>\$59,576</u>	<u>\$57,316</u>	<u>\$9,758</u>
<b>Liabilities</b>				
Undistributed Monies	\$7,498	\$59,576	\$57,316	\$9,758
<i>Total Liabilities</i>	<u>\$7,498</u>	<u>\$59,576</u>	<u>\$57,316</u>	<u>\$9,758</u>
<b><i>Staff Services</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$5,009	\$11,071	\$10,336	\$5,744
<i>Total Assets</i>	<u>\$5,009</u>	<u>\$11,071</u>	<u>\$10,336</u>	<u>\$5,744</u>
<b>Liabilities</b>				
Undistributed Monies	\$5,009	\$11,071	\$10,336	\$5,744
<i>Total Liabilities</i>	<u>\$5,009</u>	<u>\$11,071</u>	<u>\$10,336</u>	<u>\$5,744</u>

(continued)

**Berea City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Balance</u> <u>6-30-01</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6-30-02</u>
<b>All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$143,184</u>	<u>\$314,089</u>	<u>\$306,537</u>	<u>\$150,736</u>
<i>Total Assets</i>	<u><u>\$143,184</u></u>	<u><u>\$314,089</u></u>	<u><u>\$306,537</u></u>	<u><u>\$150,736</u></u>
<b>Liabilities</b>				
Undistributed Monies	\$12,507	\$70,647	\$67,652	\$15,502
Due to Students	<u>130,677</u>	<u>243,442</u>	<u>238,885</u>	<u>135,234</u>
<i>Total Liabilities</i>	<u><u>\$143,184</u></u>	<u><u>\$314,089</u></u>	<u><u>\$306,537</u></u>	<u><u>\$150,736</u></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) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Taxes	\$50,347,046	\$50,966,984	\$50,966,984	\$0
Intergovernmental	12,496,000	13,420,835	13,420,835	0
Interest	955,000	343,410	350,772	7,362
Tuition and Fees	1,195,000	1,277,203	1,296,004	18,801
Extracurricular Activities	19,000	29,420	29,420	0
Rentals	340,000	213,156	217,623	4,467
Charges for Services	0	15,381	15,381	0
Contributions and Donations	5,000	5,903	5,903	0
Miscellaneous	235,000	223,678	260,648	36,970
<i>Total Revenues</i>	65,592,046	66,495,970	66,563,570	67,600
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	20,310,890	20,594,882	20,594,538	344
Fringe Benefits	7,799,900	7,860,213	7,860,213	0
Purchased Services	1,116,701	1,100,067	1,099,136	931
Materials and Supplies	1,921,394	1,575,501	1,573,572	1,929
Capital Outlay - New	96,892	52,888	52,794	94
Capital Outlay - Replacement	6,000	1,547	1,547	0
Other	50	54,589	54,581	8
<b>Total Regular</b>	31,251,827	31,239,687	31,236,381	3,306
Special:				
Salaries and Wages	3,927,000	3,964,017	3,964,017	0
Fringe Benefits	1,379,725	1,619,774	1,619,774	0
Purchased Services	104,298	111,488	111,382	106
Materials and Supplies	36,478	23,351	23,230	121
Capital Outlay - New	16,022	12,827	12,800	27
Capital Outlay - Replacement	1,000	0	0	0
<b>Total Special</b>	\$5,464,523	\$5,731,457	\$5,731,203	\$254

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Vocational:				
Salaries and Wages	\$428,250	\$407,600	\$407,580	\$20
Fringe Benefits	130,000	143,492	143,492	0
Purchased Services	567	266	163	103
Materials and Supplies	1,278	1,139	1,049	90
Total Vocational	560,095	552,497	552,284	213
Total Instruction	37,276,445	37,523,641	37,519,868	3,773
Support Services:				
Pupil:				
Salaries and Wages	2,134,600	2,218,947	2,218,947	0
Fringe Benefits	642,400	738,232	738,232	0
Purchased Services	723,589	721,214	721,213	1
Materials and Supplies	48,868	40,950	40,347	603
Capital Outlay - New	5,195	595	582	13
Other	0	50	50	0
Total Pupil	3,554,652	3,719,988	3,719,371	617
Instructional Staff:				
Salaries and Wages	3,810,250	4,031,084	4,031,084	0
Fringe Benefits	1,431,048	1,467,823	1,467,823	0
Purchased Services	687,635	489,534	488,782	752
Materials and Supplies	141,482	98,523	98,489	34
Capital Outlay - New	64,638	29,555	29,524	31
Capital Outlay - Replacement	80,869	67,534	67,534	0
Other	5,848	3,032	3,031	1
Total Instructional Staff	6,221,770	6,187,085	6,186,267	818
Board of Education:				
Salaries and Wages	4,800	4,800	4,800	0
Fringe Benefits	600	600	577	23
Purchased Services	27,658	4,745	4,726	19
Materials and Supplies	400	100	99	1
Other	8,900	10,213	10,213	0
Total Board of Education	\$42,358	\$20,458	\$20,415	\$43

(continued)



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Administration:</b>				
Salaries and Wages	\$2,417,100	\$2,618,099	\$2,618,099	\$0
Fringe Benefits	880,450	1,005,772	1,005,772	0
Purchased Services	346,666	331,043	330,952	91
Materials and Supplies	39,513	20,343	20,133	210
Capital Outlay - New	3,027	5,515	5,503	12
Capital Outlay - Replacement	3,800	289	289	0
Other	5,437	9,392	9,372	20
<b>Total Administration</b>	<b>3,695,993</b>	<b>3,990,453</b>	<b>3,990,120</b>	<b>333</b>
<b>Fiscal:</b>				
Salaries and Wages	376,775	364,946	364,946	0
Fringe Benefits	150,400	167,459	167,459	0
Purchased Services	49,496	46,905	45,954	951
Materials and Supplies	10,726	9,822	9,697	125
Capital Outlay - New	500	314	314	0
Capital Outlay - Replacement	4,000	3,878	3,878	0
Other	733,700	857,171	857,119	52
<b>Total Fiscal</b>	<b>1,325,597</b>	<b>1,450,495</b>	<b>1,449,367</b>	<b>1,128</b>
<b>Business:</b>				
Salaries and Wages	190,850	192,689	192,689	0
Fringe Benefits	85,300	85,300	85,209	91
Purchased Services	500,281	426,755	426,755	0
Materials and Supplies	293,347	216,572	216,537	35
Capital Outlay - New	49,253	22,204	22,194	10
Capital Outlay - Replacement	41,279	22,176	21,943	233
Other	60,700	62,600	62,516	84
<b>Total Business</b>	<b>1,221,010</b>	<b>1,028,296</b>	<b>1,027,843</b>	<b>453</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries and Wages	4,019,600	3,755,950	3,755,950	0
Fringe Benefits	1,237,500	1,266,646	1,266,646	0
Purchased Services	2,842,242	2,529,853	2,529,660	193
Materials and Supplies	370,442	354,539	354,379	160
Capital Outlay - New	47,931	4,979	4,914	65
Capital Outlay - Replacement	47,012	20,749	20,749	0
Other	20,500	16,100	16,072	28
<b>Total Operation and Maintenance of Plant</b>	<b>\$8,585,227</b>	<b>\$7,948,816</b>	<b>\$7,948,370</b>	<b>\$446</b>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Pupil Transportation:				
Salaries and Wages	\$1,930,830	\$2,094,888	\$2,094,888	\$0
Fringe Benefits	570,000	521,814	521,814	0
Purchased Services	392,617	184,124	184,123	1
Materials and Supplies	372,691	312,493	312,493	0
Capital Outlay - New	9,000	2,100	2,047	53
Capital Outlay - Replacement	406,981	213,181	213,136	45
Other	1,000	600	550	50
<b>Total Pupil Transportation</b>	<b>3,683,119</b>	<b>3,329,200</b>	<b>3,329,051</b>	<b>149</b>
Central:				
Salaries and Wages	626,005	731,854	731,854	0
Fringe Benefits	218,975	268,962	268,962	0
Purchased Services	586,325	495,614	495,450	164
Materials and Supplies	60,265	73,030	72,840	190
Capital Outlay - New	211,443	60,663	60,663	0
Capital Outlay - Replacement	16,500	8,556	8,468	88
Other	300	1,761	1,761	0
<b>Total Central</b>	<b>1,719,813</b>	<b>1,640,440</b>	<b>1,639,998</b>	<b>442</b>
<b>Total Support Services</b>	<b>30,049,539</b>	<b>29,315,231</b>	<b>29,310,802</b>	<b>4,429</b>
Operation of Non-Instructional Services:				
Community Services:				
Fringe Benefits	2,000	0	0	0
Other	6,000	5,907	5,907	0
<b>Total Operation of Non-Instructional Services</b>	<b>8,000</b>	<b>5,907</b>	<b>5,907</b>	<b>0</b>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	822,000	217,119	216,619	500
Fringe Benefits	209,600	78,556	78,556	0
Purchased Services	8,500	0	0	0
Materials and Supplies	10,000	0	0	0
Capital Outlay - New	19,500	0	0	0
Capital Outlay - Replacement	11,300	0	0	0
<b>Total Academic and Subject Oriented Activities</b>	<b>1,080,900</b>	<b>295,675</b>	<b>295,175</b>	<b>500</b>
Occupational Oriented Activities:				
Fringe Benefits	\$0	\$50	\$11	\$39

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Sports Oriented Activities:				
Salaries and Wages	\$0	\$657,065	\$657,065	\$0
Fringe Benefits	0	210,706	210,706	0
Purchased Services	3,287	16,487	16,398	89
Materials and Supplies	930	630	591	39
Capital Outlay - New	1,888	4,040	4,039	1
Capital Outlay - Replacement	0	730	729	1
Total Sports Oriented Activities	<u>6,105</u>	<u>889,658</u>	<u>889,528</u>	<u>130</u>
Total Extracurricular Activities	<u>1,087,005</u>	<u>1,185,383</u>	<u>1,184,714</u>	<u>669</u>
<i>Total Expenditures</i>	<u>68,420,989</u>	<u>68,030,162</u>	<u>68,021,291</u>	<u>8,871</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,828,943)</u>	<u>(1,534,192)</u>	<u>(1,457,721)</u>	<u>76,471</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	5,000	11,455	11,455	0
Advances Out	0	(9,759)	(9,759)	0
Operating Transfers Out	(7,400)	(3,400)	(3,400)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,400)</u>	<u>(1,704)</u>	<u>(1,704)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(2,831,343)</u>	<u>(1,535,896)</u>	<u>(1,459,425)</u>	<u>76,471</u>
<i>Fund Balance Beginning of Year</i>	988,566	988,566	988,566	0
Prior Year Encumbrances Appropriated	<u>2,002,930</u>	<u>2,002,930</u>	<u>2,002,930</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$160,153</u>	<u>\$1,455,600</u>	<u>\$1,532,071</u>	<u>\$76,471</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Debt Service Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$1,138,205	\$1,152,638	\$1,158,607	\$5,969
Intergovernmental	122,000	71,252	133,779	62,527
<i>Total Revenues</i>	<u>1,260,205</u>	<u>1,223,890</u>	<u>1,292,386</u>	<u>68,496</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	430,000	430,000	430,000	0
Interest and Fiscal Charges	707,526	707,526	707,526	0
<i>Total Expenditures</i>	<u>1,137,526</u>	<u>1,137,526</u>	<u>1,137,526</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	122,679	86,364	154,860	68,496
<i>Fund Balance Beginning of Year</i>	<u>739,871</u>	<u>739,871</u>	<u>739,871</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$862,550</u></u>	<u><u>\$826,235</u></u>	<u><u>\$894,731</u></u>	<u><u>\$68,496</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Permanent Improvement Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$1,654,716	\$1,674,836	\$1,688,178	\$13,342
Intergovernmental	182,000	111,293	190,322	79,029
Miscellaneous	0	188	188	0
<i>Total Revenues</i>	<u>1,836,716</u>	<u>1,786,317</u>	<u>1,878,688</u>	<u>92,371</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Capital Outlay - New	53,190	110,090	110,090	0
Capital Outlay - Replacement	975,843	367,658	367,179	479
Total Instructional Staff	<u>1,029,033</u>	<u>477,748</u>	<u>477,269</u>	<u>479</u>
Central:				
Purchased Services	0	146,601	146,601	0
Total Support Services	<u>1,029,033</u>	<u>624,349</u>	<u>623,870</u>	<u>479</u>
Capital Outlay:				
Architecture and Engineering Services:				
Capital Outlay - New	161,551	197,752	197,655	97
Building Improvement Services:				
Capital Outlay - New	1,573,331	2,277,769	2,277,758	11
Capital Outlay - Replacement	15,000	0	0	0
Total Building Improvement Services	<u>1,588,331</u>	<u>2,277,769</u>	<u>2,277,758</u>	<u>11</u>
Total Capital Outlay	<u>1,749,882</u>	<u>2,475,521</u>	<u>2,475,413</u>	<u>108</u>
<i>Total Expenditures</i>	<u>2,778,915</u>	<u>3,099,870</u>	<u>3,099,283</u>	<u>587</u>
<i>Excess of Revenues Under Expenditures</i>	(942,199)	(1,313,553)	(1,220,595)	92,958
<b>Special Item</b>				
Sale of Neeley School	650,000	547,911	547,911	0
<i>Net Change in Fund Balance</i>	(292,199)	(765,642)	(672,684)	92,958
<i>Fund Balance Beginning of Year</i>	1,056,900	1,056,900	1,056,900	0
Prior Year Encumbrances Appropriated	808,111	808,111	808,111	0
<i>Fund Balance End of Year</i>	<u>\$1,572,812</u>	<u>\$1,099,369</u>	<u>\$1,192,327</u>	<u>\$92,958</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$705,831	\$697,075	\$697,075	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Purchased Services	0	8,327	8,327	0
Materials and Supplies	27,000	24,421	24,418	3
Capital Outlay - New	12,000	14,372	13,296	1,076
Total Instruction	39,000	47,120	46,041	1,079
Support Services:				
Pupil:				
Salaries and Wages	98,000	105,304	86,018	19,286
Fringe Benefits	21,500	25,745	21,409	4,336
Purchased Services	162,662	218,599	210,187	8,412
Total Pupil	282,162	349,648	317,614	32,034
Instructional Staff:				
Salaries and Wages	252,000	215,000	215,000	0
Fringe Benefits	36,000	0	0	0
Total Instructional Staff	288,000	215,000	215,000	0
Administration:				
Salaries and Wages	38,000	38,295	33,843	4,452
Fringe Benefits	5,000	5,763	4,922	841
Total Administration	43,000	44,058	38,765	5,293
Total Support Services	\$613,162	\$608,706	\$571,379	\$37,327

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Title VI-B Fund (continued)  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services				
Community Services:				
Purchased Services	\$91,000	\$102,589	\$102,589	\$0
<i>Total Expenditures</i>	<u>743,162</u>	<u>758,415</u>	<u>720,009</u>	<u>38,406</u>
<i>Net Change in Fund Balance</i>	(37,331)	(61,340)	(22,934)	38,406
<i>Fund Balance Beginning of Year</i>	24,009	24,009	24,009	0
Prior Year Encumbrances Appropriated	<u>37,331</u>	<u>37,331</u>	<u>37,331</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$24,009</u>	<u>\$0</u>	<u>\$38,406</u>	<u>\$38,406</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Auxiliary Service Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$544,500	\$630,024	\$630,024	\$0
Interest	15,500	2,043	2,043	0
<i>Total Revenues</i>	<u>560,000</u>	<u>632,067</u>	<u>632,067</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	40,000	41,601	41,601	0
Fringe Benefits	18,000	19,687	19,687	0
Purchased Services	250,434	307,526	298,537	8,989
Materials and Supplies	230,961	174,336	156,016	18,320
Capital Outlay - New	40,777	120,663	116,299	4,364
Capital Outlay - Replacement	14,000	1,657	617	1,040
<i>Total Expenditures</i>	<u>594,172</u>	<u>665,470</u>	<u>632,757</u>	<u>32,713</u>
<i>Net Change in Fund Balance</i>	(34,172)	(33,403)	(690)	32,713
<i>Fund Balance Beginning of Year</i>	1,273	1,273	1,273	0
Prior Year Encumbrances Appropriated	<u>34,172</u>	<u>34,172</u>	<u>34,172</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,273</u></u>	<u><u>\$2,042</u></u>	<u><u>\$34,755</u></u>	<u><u>\$32,713</u></u>



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$287,450	\$269,059	\$269,059	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	200,700	183,942	182,955	987
Fringe Benefits	45,000	51,056	45,367	5,689
Purchased Services	4,111	2,081	2,059	22
Materials and Supplies	10,319	4,443	3,443	1,000
Capital Outlay - New	250	0	0	0
<b>Total Instruction</b>	<b>260,380</b>	<b>241,522</b>	<b>233,824</b>	<b>7,698</b>
Support Services:				
Instructional Staff:				
Salaries and Wages	14,000	14,557	13,377	1,180
Fringe Benefits	2,000	1,735	4	1,731
Purchased Services	1,000	322	191	131
Materials and Supplies	322	0	0	0
Capital Outlay - New	500	0	0	0
<b>Total Instructional Staff</b>	<b>17,822</b>	<b>16,614</b>	<b>13,572</b>	<b>3,042</b>
Administration:				
Purchased Services	0	1,000	546	454
<b>Total Support Services</b>	<b>17,822</b>	<b>17,614</b>	<b>14,118</b>	<b>3,496</b>
Operation of Non-Instructional Services				
Community Services:				
Salaries and Wages	10,000	9,730	9,135	595
Fringe Benefits	2,500	948	39	909
<b>Total Community Services</b>	<b>12,500</b>	<b>10,678</b>	<b>9,174</b>	<b>1,504</b>
<b>Total Expenditures</b>	<b>\$290,702</b>	<b>\$269,814</b>	<b>\$257,116</b>	<b>\$12,698</b>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Title I Fund (continued)  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Excess of Revenues Over (Under) Expenditures</i>	(\$3,252)	(\$755)	\$11,943	\$12,698
<b>Other Financing Uses</b>				
Advances Out	<u>0</u>	<u>(2,497)</u>	<u>(2,497)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(3,252)	(3,252)	9,446	12,698
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>3,252</u>	<u>3,252</u>	<u>3,252</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$12,698</u>	<u>\$12,698</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*District Managed Student Activities Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Extracurricular Activities	\$345,000	\$340,323	\$340,336	\$13
Contributions and Donations	48,000	57,605	57,605	0
Miscellaneous	2,000	2,559	2,559	0
<i>Total Revenues</i>	<u>395,000</u>	<u>400,487</u>	<u>400,500</u>	<u>13</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	100	0	0	0
Support Services:				
Pupil:				
Materials and Supplies	3,300	3,556	3,556	0
Extracurricular Activities:				
Academic and Subject Oriented				
Activities:				
Salaries and Wages	0	500	500	0
Purchased Services	25,200	20,470	20,238	232
Materials and Supplies	60,050	113,621	111,531	2,090
Capital Outlay - New	5,000	8,199	8,125	74
Other	1,000	1,244	394	850
Total Academic and Subject Oriented Activities	<u>91,250</u>	<u>144,034</u>	<u>140,788</u>	<u>3,246</u>
Sports Oriented Activities:				
Salaries and Wages	14,000	11,113	11,113	0
Purchased Services	82,435	84,791	83,776	1,015
Materials and Supplies	209,485	159,080	157,369	1,711
Capital Outlay - New	9,000	2,396	2,396	0
Capital Outlay - Replacement	2,357	1,757	1,757	0
Other	0	800	95	705
Total Sports Oriented Activities	<u>317,277</u>	<u>259,937</u>	<u>256,506</u>	<u>3,431</u>
Total Extracurricular Activities	<u>408,527</u>	<u>403,971</u>	<u>397,294</u>	<u>6,677</u>
<i>Total Expenditures</i>	<u>\$411,927</u>	<u>\$407,527</u>	<u>\$400,850</u>	<u>\$6,677</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 District Managed Student Activities Fund (continued)  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Excess of Revenues Under Expenditures</i>	(\$16,927)	(\$7,040)	(\$350)	\$6,690
Operating Transfers In	<u>0</u>	<u>3,400</u>	<u>3,400</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(16,927)	(3,640)	3,050	6,690
<i>Fund Balance Beginning of Year</i>	112,961	112,961	112,961	0
Prior Year Encumbrances Appropriated	<u>16,927</u>	<u>16,927</u>	<u>16,927</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$112,961</u>	<u>\$126,248</u>	<u>\$132,938</u>	<u>\$6,690</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Preschool at Risk Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$236,460	\$232,344	\$232,344	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	82,000	100,908	100,908	0
Fringe Benefits	38,500	30,707	30,433	274
Materials and Supplies	10,103	9,889	9,888	1
Capital Outlay - New	6,529	6,093	6,093	0
Total Instruction	137,132	147,597	147,322	275
Support Services:				
Pupil:				
Purchased Services	10,500	13,640	13,640	0
Instructional Staff:				
Salaries and Wages	72,000	64,118	63,886	232
Fringe Benefits	18,500	16,646	16,090	556
Total Instructional Staff	90,500	80,764	79,976	788
Administration:				
Salaries and Wages	8,200	16,600	16,357	243
Fringe Benefits	2,500	4,290	4,290	0
Purchased Services	500	0	0	0
Materials and Supplies	800	587	468	119
Total Administration	12,000	21,477	21,115	362
Pupil Transportation:				
Purchased Services	660	773	773	0
Central:				
Purchased Services	300	44	0	44
Total Support Services	113,960	116,698	115,504	1,194
<i>Total Expenditures</i>	251,092	264,295	262,826	1,469
<i>Net Change in Fund Balance</i>	(14,632)	(31,951)	(30,482)	1,469
<i>Fund Balance Beginning of Year</i>	17,319	17,319	17,319	0
Prior Year Encumbrances Appropriated	14,632	14,632	14,632	0
<i>Fund Balance End of Year</i>	\$17,319	\$0	\$1,469	\$1,469

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Extracurricular Activities	\$180,000	\$236,044	\$236,164	\$120
Contributions and Donations	30,000	27,485	27,485	0
Miscellaneous	10,000	8,868	8,873	5
<i>Total Revenues</i>	<u>220,000</u>	<u>272,397</u>	<u>272,522</u>	<u>125</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Fringe Benefits	116	1,216	1,159	57
Purchased Services	14,238	11,883	11,881	2
Materials and Supplies	61,707	69,789	69,281	508
Capital Outlay - New	1,000	1,700	1,571	129
Capital Outlay - Replacement	5,500	500	0	500
Other	55	11,256	11,131	125
<i>Total Regular</i>	<u>82,616</u>	<u>96,344</u>	<u>95,023</u>	<u>1,321</u>
Special:				
Materials and Supplies	0	302	299	3
Other	0	503	441	62
<i>Total Special</i>	<u>0</u>	<u>805</u>	<u>740</u>	<u>65</u>
<i>Total Instruction</i>	<u>82,616</u>	<u>97,149</u>	<u>95,763</u>	<u>1,386</u>
Support Services:				
Pupil:				
Purchased Services	100	0	0	0
Materials and Supplies	1,000	2,262	2,102	160
Other	100	0	0	0
<i>Total Pupil</i>	<u>1,200</u>	<u>2,262</u>	<u>2,102</u>	<u>160</u>
Instructional Staff:				
Purchased Services	8,500	8,259	8,140	119
Materials and Supplies	108,690	132,701	131,626	1,075
Capital Outlay - New	2,322	5,833	5,832	1
Capital Outlay - Replacement	1,500	0	0	0
Other	3,500	3,498	3,496	2
<i>Total Instructional Staff</i>	<u>124,512</u>	<u>150,291</u>	<u>149,094</u>	<u>1,197</u>
Pupil Transportation:				
Purchased Services	76	75	75	0
<i>Total Support Services</i>	<u>\$125,788</u>	<u>\$152,628</u>	<u>\$151,271</u>	<u>\$1,357</u>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Public School Support Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Materials and Supplies	\$0	\$195	\$171	\$24
Occupational Oriented Activities:				
Purchased Services	0	975	925	50
Materials and Supplies	0	7,480	7,478	2
Total Occupational Oriented Activities	0	8,455	8,403	52
School and Public Service Co-Curricular Activities:				
Purchased Services	1,000	0	0	0
Materials and Supplies	13,500	0	0	0
Capital Outlay - New	500	0	0	0
Total School and Public Service Co-Curricular Activities	15,000	0	0	0
Total Extracurricular Activities	15,000	8,650	8,574	76
<i>Total Expenditures</i>	<u>223,404</u>	<u>258,427</u>	<u>255,608</u>	<u>2,819</u>
<i>Net Change in Fund Balance</i>	(3,404)	13,970	16,914	2,944
<i>Fund Balance Beginning of Year</i>	125,283	125,283	125,283	0
Prior Year Encumbrances Appropriated	13,404	13,404	13,404	0
<i>Fund Balance End of Year</i>	<u>\$135,283</u>	<u>\$152,657</u>	<u>\$155,601</u>	<u>\$2,944</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Local Grants Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$3,500	\$994	\$994	\$0
Contributions and Donations	83,000	114,269	114,269	0
Miscellaneous	1,000	0	0	0
<i>Total Revenues</i>	<u>87,500</u>	<u>115,263</u>	<u>115,263</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	41,000	68,946	68,946	0
Fringe Benefits	1,000	286	286	0
Purchased Services	27,684	16,582	15,395	1,187
Materials and Supplies	20,235	21,159	16,261	4,898
Capital Outlay - New	8,054	35,187	24,755	10,432
Other	1,000	0	0	0
Total Regular	<u>98,973</u>	<u>142,160</u>	<u>125,643</u>	<u>16,517</u>
Special:				
Materials and Supplies	215	1,409	423	986
Vocational:				
Salaries and Wages	0	2,750	1,746	1,004
Purchased Services	10,000	5,550	3,801	1,749
Materials and Supplies	0	1,500	0	1,500
Capital Outlay - New	0	21,700	18,255	3,445
Total Vocational	<u>10,000</u>	<u>31,500</u>	<u>23,802</u>	<u>7,698</u>
Adult/Continuing:				
Materials and Supplies	0	375	375	0
Total Instruction	<u>109,188</u>	<u>175,444</u>	<u>150,243</u>	<u>25,201</u>
Support Services:				
Pupil:				
Salaries and Wages	0	300	300	0
Purchased Services	0	1,668	1,668	0
Materials and Supplies	1,411	803	789	14
Capital Outlay - New	5,006	4,075	4,047	28
Total Pupil	<u>\$6,417</u>	<u>\$6,846</u>	<u>\$6,804</u>	<u>\$42</u>

(continued)



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Local Grants Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Instructional Staff:				
Salaries and Wages	\$3,750	\$2,870	\$2,194	\$676
Fringe Benefits	1,250	719	283	436
Purchased Services	1,410	5,720	4,607	1,113
Materials and Supplies	5,500	7,968	5,762	2,206
Capital Outlay - New	0	1,179	1,056	123
Other	0	575	450	125
<b>Total Instructional Staff</b>	<b>11,910</b>	<b>19,031</b>	<b>14,352</b>	<b>4,679</b>
<b>Total Support Services</b>	<b>18,327</b>	<b>25,877</b>	<b>21,156</b>	<b>4,721</b>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Materials and Supplies	0	2,906	2,897	9
<b>Total Expenditures</b>	<b>127,515</b>	<b>204,227</b>	<b>174,296</b>	<b>29,931</b>
<b>Net Change in Fund Balance</b>	<b>(40,015)</b>	<b>(88,964)</b>	<b>(59,033)</b>	<b>29,931</b>
<b>Fund Balance Beginning of Year</b>	<b>100,490</b>	<b>100,490</b>	<b>100,490</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>10,759</b>	<b>10,759</b>	<b>10,759</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$71,234</b>	<b>\$22,285</b>	<b>\$52,216</b>	<b>\$29,931</b>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Preschool Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$40,199	\$26,219	\$26,219	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Materials and Supplies	0	375	375	0
Capital Outlay - New	1,021	476	476	0
Total Instruction	1,021	851	851	0
Support Services:				
Pupil:				
Salaries and Wages	18,300	16,357	16,357	0
Fringe Benefits	4,699	4,316	4,316	0
Total Pupil	22,999	20,673	20,673	0
Instructional Staff:				
Salaries and Wages	3,500	3,578	3,578	0
Fringe Benefits	700	611	611	0
Total Instructional Staff	4,200	4,189	4,189	0
Total Support Services	27,199	24,862	24,862	0
Operation of Non-Instructional Services				
Community Services:				
Purchased Services	12,988	14,137	14,137	0
Total Expenditures	41,208	39,850	39,850	0
Excess of Revenues Under Expenditures	(1,009)	(13,631)	(13,631)	0
<b>Other Financing Sources</b>				
Advances In	0	8,211	8,211	0
Net Change in Fund Balance	(1,009)	(5,420)	(5,420)	0
Fund Balance Beginning of Year	4,411	4,411	4,411	0
Prior Year Encumbrances Appropriated	1,009	1,009	1,009	0
Fund Balance End of Year	<u>\$4,411</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Peer Assistance Fund  
 For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	31	31	0
<i>Net Change in Fund Balance</i>	0	(31)	(31)	0
<i>Fund Balance Beginning of Year</i>	31	31	31	0
<i>Fund Balance End of Year</i>	<u>\$31</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Teacher Development Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	7,778	7,908	7,908	0
Fringe Benefits	2,226	2,226	2,226	0
Materials and Supplies	1,452	468	0	468
Total Instruction	11,456	10,602	10,134	468
Support Services:				
Instructional Staff:				
Materials and Supplies	0	854	0	854
Operation of Non-Instructional Services				
Community Services:				
Purchased Services	762	762	0	762
<i>Total Expenditures</i>	12,218	12,218	10,134	2,084
<i>Net Change in Fund Balance</i>	(12,218)	(12,218)	(10,134)	2,084
<i>Fund Balance Beginning of Year</i>	12,218	12,218	12,218	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$2,084	\$2,084

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VI Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$40,672	\$45,820	\$45,820	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	39,794	45,326	45,291	35
Operation of Non-Instructional Services				
Community Services:				
Purchased Services	4,916	870	870	0
Materials and Supplies	3,283	4,669	4,620	49
Capital Outlay - New	0	2,276	2,276	0
Total Operation of Non-Instructional Services	8,199	7,815	7,766	49
<i>Total Expenditures</i>	47,993	53,141	53,057	84
<i>Net Change in Fund Balance</i>	(7,321)	(7,321)	(7,237)	84
<i>Fund Balance Beginning of Year</i>	1,777	1,777	1,777	0
Prior Year Encumbrances Appropriated	5,544	5,544	5,544	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$84	\$84

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Drug Free Schools Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$34,150	\$18,837	\$18,837	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	21,627	9,807	9,670	137
Fringe Benefits	4,963	2,238	2,191	47
Purchased Services	9,567	9,567	9,404	163
Materials and Supplies	5,785	5,785	5,184	601
<b>Total Pupil</b>	<b>41,942</b>	<b>27,397</b>	<b>26,449</b>	<b>948</b>
Instructional Staff:				
Salaries and Wages	1,000	500	0	500
Fringe Benefits	271	192	0	192
Purchased Services	800	800	430	370
<b>Total Instructional Staff</b>	<b>2,071</b>	<b>1,492</b>	<b>430</b>	<b>1,062</b>
Pupil Transportation:				
Salaries and Wages	730	730	0	730
Fringe Benefits	140	140	0	140
Purchased Services	334	334	49	285
<b>Total Pupil Transportation</b>	<b>1,204</b>	<b>1,204</b>	<b>49</b>	<b>1,155</b>
<b>Total Support Services</b>	<b>45,217</b>	<b>30,093</b>	<b>26,928</b>	<b>3,165</b>
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	1,964	1,775	487	1,288
<b>Total Expenditures</b>	<b>47,181</b>	<b>31,868</b>	<b>27,415</b>	<b>4,453</b>
<b>Net Change in Fund Balance</b>	<b>(13,031)</b>	<b>(13,031)</b>	<b>(8,578)</b>	<b>4,453</b>
<b>Fund Balance Beginning of Year</b>	<b>13,017</b>	<b>13,017</b>	<b>13,017</b>	<b>0</b>
Prior Year Encumbrances Appropriated	15	15	15	0
<b>Fund Balance End of Year</b>	<b>\$1</b>	<b>\$1</b>	<b>\$4,454</b>	<b>\$4,453</b>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Ohio Reads Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$51,500	\$51,500	\$51,500	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	20,760	20,760	17,788	2,972
Fringe Benefits	2,174	2,173	1,488	685
Purchased Services	12,196	10,896	10,728	168
Materials and Supplies	17,257	20,053	17,123	2,930
Other	1,900	2,871	2,871	0
<i>Total Expenditures</i>	<u>54,287</u>	<u>56,753</u>	<u>49,998</u>	<u>6,755</u>
<i>Net Change in Fund Balance</i>	(2,787)	(5,253)	1,502	6,755
<i>Fund Balance Beginning of Year</i>	2,467	2,467	2,467	0
Prior Year Encumbrances Appropriated	<u>2,787</u>	<u>2,787</u>	<u>2,787</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,467</u></u>	<u><u>\$1</u></u>	<u><u>\$6,756</u></u>	<u><u>\$6,755</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Educational Management Information Systems Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$29,375	\$28,348	\$28,348	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Central:				
Purchased Services	0	6,889	5,277	1,612
Materials and Supplies	3,114	23,944	1,867	22,077
Capital Outlay - New	48,434	14,232	14,231	1
<i>Total Expenditures</i>	<u>51,548</u>	<u>45,065</u>	<u>21,375</u>	<u>23,690</u>
<i>Net Change in Fund Balance</i>	(22,173)	(16,717)	6,973	23,690
<i>Fund Balance Beginning of Year</i>	34,369	34,369	34,369	0
Prior Year Encumbrances Appropriated	<u>10,695</u>	<u>10,695</u>	<u>10,695</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$22,891</u></u>	<u><u>\$28,347</u></u>	<u><u>\$52,037</u></u>	<u><u>\$23,690</u></u>



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Learn and Serve America Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	8,549	4,598	4,598	0
Capital Outlay - New	<u>0</u>	<u>3,951</u>	<u>3,951</u>	<u>0</u>
<i>Total Expenditures</i>	<u>8,549</u>	<u>8,549</u>	<u>8,549</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(8,549)	(8,549)	(8,549)	0
<i>Fund Balance Beginning of Year</i>	<u>8,549</u>	<u>8,549</u>	<u>8,549</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Education for Economic Security Act Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$29,562	\$12,295	\$12,295	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	16,647	13,363	13,363	0
Fringe Benefits	4,767	3,128	3,128	0
Purchased Services	11,300	1,893	1,893	0
Materials and Supplies	11,499	10,110	10,110	0
<i>Total Expenditures</i>	<u>44,213</u>	<u>28,494</u>	<u>28,494</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(14,651)	(16,199)	(16,199)	0
<b>Other Financing Sources</b>				
Advances In	<u>0</u>	<u>1,548</u>	<u>1,548</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(14,651)	(14,651)	(14,651)	0
<i>Fund Balance Beginning of Year</i>	13,765	13,765	13,765	0
Prior Year Encumbrances Appropriated	<u>886</u>	<u>886</u>	<u>886</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 School Professional Development Fund  
 For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$5,142	\$5,142	\$5,142	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	760	2,060	2,020	40
Fringe Benefits	182	502	358	144
Purchased Services	4,200	6,270	6,200	70
Materials and Supplies	0	359	310	49
Capital Outlay - New	0	21	21	0
<i>Total Expenditures</i>	5,142	9,212	8,909	303
<i>Net Change in Fund Balance</i>	0	(4,070)	(3,767)	303
<i>Fund Balance Beginning of Year</i>	4,070	4,070	4,070	0
<i>Fund Balance End of Year</i>	\$4,070	\$0	\$303	\$303

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Emergency Immigrant Education Grant Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Materials and Supplies	183	169	169	0
Capital Outlay - New	<u>201</u>	<u>216</u>	<u>216</u>	<u>0</u>
<i>Total Expenditures</i>	<u>384</u>	<u>385</u>	<u>385</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(384)	(385)	(385)	0
<i>Fund Balance Beginning of Year</i>	216	216	216	0
Prior Year Encumbrances Appropriated	<u>169</u>	<u>169</u>	<u>169</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Parent Mentor Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$25,000	\$23,874	\$23,874	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	13,500	13,040	13,040	0
Fringe Benefits	7,000	14,539	14,539	0
Purchased Services	2,788	1,048	1,048	0
Materials and Supplies	2,077	3,280	3,259	21
Capital Outlay - New	0	2,000	1,862	138
<i>Total Expenditures</i>	<u>25,365</u>	<u>33,907</u>	<u>33,748</u>	<u>159</u>
<i>Net Change in Fund Balance</i>	(365)	(10,033)	(9,874)	159
<i>Fund Balance Beginning of Year</i>	9,668	9,668	9,668	0
Prior Year Encumbrances Appropriated	<u>365</u>	<u>365</u>	<u>365</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$9,668</u></u>	<u><u>\$0</u></u>	<u><u>\$159</u></u>	<u><u>\$159</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 School Improvement Grant Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	<u>1,602</u>	<u>1,602</u>	<u>1,512</u>	<u>90</u>
<i>Net Change in Fund Balance</i>	(1,602)	(1,602)	(1,512)	90
<i>Fund Balance Beginning of Year</i>	1,511	1,511	1,511	0
Prior Year Encumbrances Appropriated	<u>91</u>	<u>91</u>	<u>91</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$90</u></u>	<u><u>\$90</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Safe School Helpline Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$7,661	\$7,661	\$7,661	\$0
<b>Expenditures</b>				
Current:				
Administration:				
Purchased Services	<u>7,661</u>	<u>8,236</u>	<u>8,209</u>	<u>27</u>
<i>Net Change in Fund Balance</i>	0	(575)	(548)	27
<i>Fund Balance Beginning of Year</i>	<u>575</u>	<u>575</u>	<u>575</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$575</u></u>	<u><u>\$0</u></u>	<u><u>\$27</u></u>	<u><u>\$27</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VI-R*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$105,853	\$86,473	\$86,473	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	58,974	58,974	58,974	0
Fringe Benefits	13,564	13,564	13,564	0
Total Instruction	72,538	72,538	72,538	0
Support Services:				
Instructional Staff:				
Purchased Services	29,791	10,411	7,114	3,297
<i>Total Expenditures</i>	102,329	82,949	79,652	3,297
<i>Excess of Revenues Over Expenditures</i>	3,524	3,524	6,821	3,297
<b>Other Financing Uses</b>				
Advances Out	0	(8,958)	(8,958)	0
<i>Net Change in Fund Balance</i>	3,524	(5,434)	(2,137)	3,297
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	5,434	5,434	5,434	0
<i>Fund Balance End of Year</i>	\$8,958	\$0	\$3,297	\$3,297



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Virtual Middle School*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$49,000	\$72,806	\$72,806	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	8,059	4,834	4,834	0
Fringe Benefits	1,941	1,228	1,228	0
Purchased Services	0	813	813	0
Materials and Supplies	1,250	2,394	2,394	0
Capital Outlay - New	37,750	54,609	54,609	0
Total Instruction	49,000	63,878	63,878	0
Support Services:				
Instructional Staff:				
Salaries and Wages	0	3,225	3,225	0
Fringe Benefits	0	819	819	0
Purchased Services	0	166	166	0
Materials and Supplies	0	4,718	4,718	0
Total Support Services	0	8,928	8,928	0
<i>Total Expenditures</i>	49,000	72,806	72,806	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Building Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$600	\$132,441	\$132,561	\$120
<b>Expenditures</b>				
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Site Improvement Services:				
Capital Outlay - New	65,452	806,096	805,206	890
Building Improvement Services:				
Capital Outlay - New	9,702	669	669	0
<i>Total Expenditures</i>	<u>75,154</u>	<u>806,765</u>	<u>805,875</u>	<u>890</u>
<i>Excess of Revenues Under Expenditures</i>	(74,554)	(674,324)	(673,314)	1,010
<b>Other Financing Sources</b>				
Proceeds of Notes	0	600,000	600,000	0
<i>Net Change in Fund Balance</i>	(74,554)	(74,324)	(73,314)	1,010
<i>Fund Balance Beginning of Year</i>	8,434	8,434	8,434	0
Prior Year Encumbrances Appropriated	66,121	66,121	66,121	0
<i>Fund Balance End of Year</i>	<u>\$1</u>	<u>\$231</u>	<u>\$1,241</u>	<u>\$1,010</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*School Net Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$12,000	\$16,966	\$16,969	\$3
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	12,187	153	93	60
Central:				
Capital Outlay - New	0	17,000	17,000	0
<i>Total Expenditures</i>	<u>12,187</u>	<u>17,153</u>	<u>17,093</u>	<u>60</u>
<i>Net Change in Fund Balance</i>	(187)	(187)	(124)	63
<i>Fund Balance Beginning of Year</i>	<u>187</u>	<u>187</u>	<u>187</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$63</u>	<u>\$63</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Textbook Subsidy Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	<u>14,659</u>	<u>14,660</u>	<u>14,660</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(14,659)	(14,660)	(14,660)	0
<i>Fund Balance Beginning of Year</i>	1	1	1	0
Prior Year Encumbrances Appropriated	<u>14,659</u>	<u>14,659</u>	<u>14,659</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Network Connectivity Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$0	\$7,000	\$7,000	\$0
<b>Expenditures</b>				
Current:				
Central:				
Capital Outlay - New	<u>1,499</u>	<u>1,499</u>	<u>0</u>	<u>1,499</u>
<i>Net Change in Fund Balance</i>	(1,499)	5,501	7,000	1,499
<i>Fund Balance Beginning of Year</i>	199	199	199	0
Prior Year Encumbrances Appropriated	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$7,000</u></u>	<u><u>\$8,499</u></u>	<u><u>\$1,499</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Interactive Video Lab Fund  
 For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$0	\$15,121	\$15,121	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	8,800	1,780	7,020
Fringe Benefits	0	2,126	414	1,712
Purchased Services	7,000	2,283	1,775	508
<i>Total Expenditures</i>	<u>7,000</u>	<u>13,209</u>	<u>3,969</u>	<u>9,240</u>
<i>Net Change in Fund Balance</i>	(7,000)	1,912	11,152	9,240
<i>Fund Balance Beginning of Year</i>	6,625	6,625	6,625	0
Prior Year Encumbrances Appropriated	<u>375</u>	<u>375</u>	<u>375</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$8,912</u></u>	<u><u>\$18,152</u></u>	<u><u>\$9,240</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Sales	\$1,590,000	\$1,517,750	\$1,519,860	\$2,110
Interest	34,000	12,420	13,450	1,030
Operating Grants	326,000	398,772	398,772	0
Miscellaneous	0	2,775	2,911	136
<i>Total Revenues</i>	<u>1,950,000</u>	<u>1,931,717</u>	<u>1,934,993</u>	<u>3,276</u>
<b>Expenses:</b>				
Salaries:				
Food Service Operations	779,450	824,830	824,830	0
Fringe Benefits:				
Food Service Operations	250,000	236,050	236,050	0
Purchased Services:				
Food Service Operations	62,721	62,345	61,626	719
Materials and Supplies:				
Food Service Operations	913,194	788,049	787,890	159
Capital Outlay:				
Capital Outlay - New:				
Food Service Operations	175,000	160,766	160,734	32
Capital Outlay - Replacement:				
Food Service Operations	97,607	172,418	172,417	1
<i>Total Capital Outlay</i>	<u>272,607</u>	<u>333,184</u>	<u>333,151</u>	<u>33</u>
<i>Total Expenses</i>	<u>2,277,972</u>	<u>2,244,458</u>	<u>2,243,547</u>	<u>911</u>
<i>Net Change in Fund Balance</i>	(327,972)	(312,741)	(308,554)	4,187
<i>Fund Balance Beginning of Year</i>	587,498	587,498	587,498	0
Prior Year Encumbrances Appropriated	180,837	180,837	180,837	0
<i>Fund Balance End of Year</i>	<u>\$440,363</u>	<u>\$455,594</u>	<u>\$459,781</u>	<u>\$4,187</u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Uniform School Supplies*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Sales	\$70,000	\$41,195	\$41,195	\$0
<b>Expenses</b>				
Materials and Supplies:				
Regular Instruction	<u>70,161</u>	<u>58,263</u>	<u>54,001</u>	<u>4,262</u>
<i>Net Change in Fund Balance</i>	(161)	(17,068)	(12,806)	4,262
<i>Fund Balance Beginning of Year</i>	36,541	36,541	36,541	0
Prior Year Encumbrances Appropriated	<u>161</u>	<u>161</u>	<u>161</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$36,541</u></u>	<u><u>\$19,634</u></u>	<u><u>\$23,896</u></u>	<u><u>\$4,262</u></u>



**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Adult and Community Education Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Tuition	\$975,000	\$929,562	\$945,925	\$16,363
Miscellaneous	0	100	100	0
<i>Total Revenues</i>	<u>975,000</u>	<u>929,662</u>	<u>946,025</u>	<u>16,363</u>
<b>Expenses:</b>				
Salaries:				
Adult/Continuing Instruction	22,500	15,550	15,475	75
Community Services	592,488	621,318	621,318	0
Total Salaries	<u>614,988</u>	<u>636,868</u>	<u>636,793</u>	<u>75</u>
Fringe Benefits:				
Adult/Continuing Instruction	4,200	1,850	1,757	93
Community Services	191,000	166,900	166,813	87
Total Fringe Benefits	<u>195,200</u>	<u>168,750</u>	<u>168,570</u>	<u>180</u>
Purchased Services:				
Adult/Continuing Instruction	101,807	91,307	91,302	5
Community Services	22,640	15,806	15,485	321
Total Purchased Services	<u>124,447</u>	<u>107,113</u>	<u>106,787</u>	<u>326</u>
Materials and Supplies:				
Adult/Continuing Instruction	5,980	2,003	1,923	80
Community Services	52,578	32,099	32,040	59
Total Materials and Supplies	<u>58,558</u>	<u>34,102</u>	<u>33,963</u>	<u>139</u>
Other:				
Adult/Continuing Instruction	400	400	295	105
Community Services	4,000	6,400	6,331	69
Total Other	<u>4,400</u>	<u>6,800</u>	<u>6,626</u>	<u>174</u>
<i>Total Expenses</i>	<u>997,593</u>	<u>953,633</u>	<u>952,739</u>	<u>894</u>
<i>Net Change in Fund Balance</i>	(22,593)	(23,971)	(6,714)	17,257
<i>Fund Balance Beginning of Year</i>	153,180	153,180	153,180	0
Prior Year Encumbrances Appropriated	<u>13,168</u>	<u>13,168</u>	<u>13,168</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$143,755</u>	<u>\$142,377</u>	<u>\$159,634</u>	<u>\$17,257</u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Self Insurance Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$6,276,000	\$6,065,952	\$6,089,674	\$23,722
Interest	31,000	8,684	8,975	291
<i>Total Revenues</i>	<u>6,307,000</u>	<u>6,074,636</u>	<u>6,098,649</u>	<u>24,013</u>
<b>Expenses:</b>				
Fringe Benefits:				
Central Support Services	6,319,640	5,413,585	5,413,585	0
Purchased Services:				
Central Support Services	<u>0</u>	<u>751,553</u>	<u>751,553</u>	<u>0</u>
Total Expenses	<u>6,319,640</u>	<u>6,165,138</u>	<u>6,165,138</u>	<u>0</u>
Net Change in Fund Balance	(12,640)	(90,502)	(66,489)	24,013
<i>Fund Balance Beginning of Year</i>	<u>553,584</u>	<u>553,584</u>	<u>553,584</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$540,944</u></u>	<u><u>\$463,082</u></u>	<u><u>\$487,095</u></u>	<u><u>\$24,013</u></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, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$675	\$264	\$264	\$0
<b>Expenses</b>				
Other:				
Regular Instruction	0	550	550	0
Instructional Staff Support Services	675	0	0	0
Total Other	675	550	550	0
<i>Net Change in Fund Balance</i>	0	(286)	(286)	0
<i>Fund Balance Beginning of Year</i>	13,301	13,301	13,301	0
<i>Fund Balance End of Year</i>	<u>\$13,301</u>	<u>\$13,015</u>	<u>\$13,015</u>	<u>\$0</u>

# **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*

	2002		2001		2000	
	Full Accrual	Modified Accrual	Full Accrual	Modified Accrual	Full Accrual	Modified Accrual
<b>Program Revenues</b>						
Charges for Services	\$2,184,484	N/A	\$1,783,264	N/A	\$2,184,997	N/A
Operating Grants and Contributions	2,528,921	N/A	2,526,655	N/A	2,516,392	N/A
Capital Grants and Contributions	81,746	N/A	348,293	N/A	158,345	N/A
<b>General Revenues</b>						
Taxes	58,104,473	\$56,767,993	53,626,281	\$52,182,145	45,832,741	\$45,832,741
Intergovernmental	13,662,871	16,004,756	12,552,799	15,234,294	11,118,645	13,656,012
Interest	457,261	451,323	1,009,744	1,005,985	742,868	723,544
Tuition and Fees	0	1,314,863	0	911,045	0	943,578
Extracurricular Activities	0	603,557	0	529,225	0	535,323
Payment in Lieu of Taxes	0	0	161,837	161,837	98,389	98,389
Rentals	0	227,333	0	213,429	0	188,421
Charges for Services	0	15,381	0	22,779	0	14,440
Contributions and Donations	0	205,925	0	207,470	0	130,475
Miscellaneous	255,874	264,747	93,712	69,306	189,014	162,215
<b>Special Item</b>						
Gain on Sale of Capital Assets	468,107	0	20,000	150,000	0	0
<b>Total</b>	<b>\$77,743,737</b>	<b>\$75,855,878</b>	<b>\$72,122,585</b>	<b>\$70,687,515</b>	<b>\$62,841,391</b>	<b>\$62,285,138</b>
<b>Expenses/Expenditures</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular	\$33,845,941	\$31,546,251	\$31,111,178	\$30,882,163	\$28,341,349	\$27,435,354
Special	6,229,099	6,101,717	5,517,738	5,422,151	5,598,623	5,386,485
Vocational	610,196	585,729	512,130	546,342	426,912	424,944
Adult/Continuing	1,494	1,494	56,377	56,377	12,920	12,920
<b>Support Services:</b>						
Pupil	4,159,680	4,073,761	3,719,957	3,750,735	3,313,030	3,253,850
Instructional Staff	6,646,034	6,681,798	6,649,772	6,585,078	5,990,417	5,816,575
Board of Education	25,310	25,310	41,286	41,286	39,552	39,552
Administration	4,145,642	4,032,208	3,887,006	3,743,582	3,470,903	3,538,361
Fiscal	1,473,408	1,457,947	1,333,261	1,307,890	1,334,947	1,342,309
Business	846,750	820,447	1,094,132	1,082,213	864,912	824,504
Operation and Maintenance of Plant	8,040,642	7,854,732	8,533,754	8,413,199	8,531,623	8,395,640
Pupil Transportation	3,428,270	3,362,769	3,085,916	3,199,530	3,069,335	2,963,758
Central	1,479,283	1,764,230	2,602,684	1,353,380	1,108,849	1,126,049
Operation of Non-Instructional Services	622,093	708,704	744,017	781,129	608,592	624,239
Extracurricular Activities	1,572,674	1,562,329	1,523,604	1,544,442	1,404,059	1,404,696
Capital Outlay	0	2,446,216		1,251,527	0	1,434,938
Intergovernmental	0	0	262	262	8,704	8,704
Debt Service	709,324	1,140,516	755,802	1,166,940	825,457	1,222,081
<b>Total</b>	<b>\$73,835,840</b>	<b>\$74,166,158</b>	<b>\$71,168,876</b>	<b>\$71,128,226</b>	<b>\$64,950,184</b>	<b>\$65,254,959</b>

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

1999							
Full Accrual	Modified Accrual	1998	1997	1996	1995	1994	1993
\$1,727,320	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2,102,624	N/A	N/A	N/A	N/A	N/A	N/A	N/A
775,059	N/A	N/A	N/A	N/A	N/A	N/A	N/A
47,740,108	\$47,740,108	\$45,255,176	\$46,701,920	\$44,655,490	\$42,824,939	\$36,629,543	\$33,841,200
11,234,905	14,018,580	13,116,068	12,211,533	12,621,253	12,195,025	10,716,999	10,718,880
752,749	729,351	1,102,064	1,138,272	819,157	898,046	712,288	351,557
0	1,011,588	1,146,034	1,107,645	1,127,012	649,828	617,460	302,657
0	484,221	420,141	609,686	537,894	542,797	411,976	496,836
70,641	70,641	N/A	N/A	N/A	N/A	N/A	N/A
0	223,143	166,313	159,545	126,829	155,477	196,568	163,297
0	78,030	10,310	3,133	40,928	84,134	165,237	220,954
7,351	89,585	154,527	87,481	96,189	124,579	165,037	91,900
43,454	43,454	386,654	105,098	76,044	41,217	33,939	151,132
0	0	0	0	0	0	0	0
<u>\$64,454,211</u>	<u>\$64,488,701</u>	<u>\$61,757,287</u>	<u>\$62,124,313</u>	<u>\$60,100,796</u>	<u>\$57,516,042</u>	<u>\$49,649,047</u>	<u>\$46,338,413</u>
\$29,246,237	\$29,356,082	\$28,943,088	\$26,100,943	\$25,104,953	\$23,462,734	\$21,803,898	\$24,049,668
4,533,049	4,391,462	3,400,272	4,065,687	3,885,824	3,400,093	3,089,146	2,893,846
494,566	543,317	438,641	498,285	134,967	268,976	384,092	719,279
76,955	75,938	64,741	73,121	28,479	26,720	27,686	22,834
3,412,303	3,472,733	3,214,074	2,829,738	2,573,600	2,355,963	2,259,743	2,467,495
5,623,076	5,508,931	5,237,374	4,823,192	4,040,371	3,537,511	3,007,965	2,889,386
27,540	27,540	27,041	36,483	42,135	40,287	33,270	19,497
3,445,483	3,471,943	3,411,741	3,265,813	2,902,489	2,694,072	2,707,058	3,028,321
1,380,235	1,356,311	1,171,319	1,186,141	1,179,912	987,126	899,060	807,325
935,820	924,106	872,065	860,090	957,623	767,583	580,337	598,097
7,497,937	7,277,633	7,108,016	6,876,512	6,411,999	5,854,590	5,424,449	5,457,489
2,565,486	2,606,465	2,999,688	2,710,642	2,536,613	2,540,958	2,028,859	1,974,819
979,137	953,300	911,451	971,485	725,367	1,299,464	664,470	662,052
573,336	597,269	449,712	487,342	341,709	400,246	6,313	13,791
1,333,741	1,329,481	1,264,580	1,248,584	1,080,584	953,980	826,455	971,066
0	1,686,387	3,872,203	1,609,684	689,919	9,083,819	6,630,305	1,230,487
7,514	7,514	2,998	178	32,346	132,303	24,678	21,003
843,331	1,194,279	1,435,207	2,885,574	1,090,954	4,811,795	2,568,590	189,551
<u>\$62,975,746</u>	<u>\$64,780,691</u>	<u>\$64,824,211</u>	<u>\$60,529,494</u>	<u>\$53,759,844</u>	<u>\$62,618,220</u>	<u>\$52,966,374</u>	<u>\$48,016,006</u>

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

Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collection	Percent of Current Levy Collected
2001	\$56,241,838	\$4,442,064	\$60,683,902	\$55,145,121	98.1%
2000	56,319,028	2,062,168	58,381,196	54,967,090	97.6
1999	55,468,842	2,548,942	58,017,784	50,407,727	90.9
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

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) Includes Homestead/Rollback taxes assessed locally, but distributed through the State are reported as Intergovernmental Revenue.
- (2) Represents collection year. 2002 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>
\$2,793,094	\$57,938,215	103.0%
1,193,856	56,160,946	99.7
1,976,163	52,383,890	94.4
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



**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
2002	\$1,216,757,830	\$3,476,450,943	\$46,168,740	\$52,464,477
2001	1,197,553,870	3,421,582,486	49,875,840	56,677,091
2000	1,027,815,310	2,936,615,171	55,967,350	63,599,261
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

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.

Tangible personal property is assessed at 25 percent of actual value for 1993 through 2002.

Tangible Personal Property		Total		Ratio
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value (1)	
\$211,623,911	\$846,495,664	\$1,474,550,481	\$4,375,411,084	34%
235,165,084	940,660,336	1,482,594,794	4,418,919,913	34
244,299,461	977,197,844	1,328,082,121	3,977,412,276	33
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

**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.
2002	\$63.80	\$17.60	\$17.50	\$5.60	\$4.80	\$2.40
2001	63.80	17.60	17.60	5.60	4.80	2.40
2000	63.90	16.70	17.70	5.60	4.80	2.40
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

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.

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Debt Service Included in Total Levy			
School	County	City	Total
\$0.85	\$0.86	\$6.55	\$8.26
0.85	0.79	6.15	7.79
0.95	0.85	6.25	8.05
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

**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>
2002	\$10,621,147	\$1,474,550,481	55,730	0.72%	\$191
2001	11,290,474	1,482,594,794	55,730	0.76	203
2000	11,828,866	1,328,082,121	59,420	0.89	199
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

Source: Cuyahoga County Auditor, School District Financial Records, and the U.S. Census Bureau

**Berea City School District**  
*Computation of Legal Debt Margin*  
 June 30, 2002

Assessed Valuation	\$1,474,550,481
Debt Limit - 9% of Assessed Value (1)	\$132,709,543
Amount of Debt Applicable to Debt Limit:	
General Obligation Bond	11,715,000
Less: Amount Available in Debt Service Fund	(1,093,853)
Amount of Debt Subject to Limit	10,621,147
Overall Debt Margin	\$122,088,396
Debt Margin - .10% of Assessed Value (1)	\$1,474,550
Amount of Debt Applicable	\$0
Unvoted Debt Margin	\$1,474,550

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, 2001*

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
Berea City School District	\$11,715,000	100.00 %	\$11,715,000
Cuyahoga County	216,544,636	5.13	11,108,740
Regional Transit Authority	123,915,000	5.13	6,356,840
Berea City	15,875,561	94.29	14,969,066
Brookpark City	6,273,000	100.00	6,273,000
Middleburg Heights City	27,923,853	100.00	<u>27,923,853</u>
Total			<u>\$78,346,499</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 2002 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
2002	\$430,000	\$707,526	\$1,137,526	\$74,166,158	1.53%
2001	410,000	734,826	1,144,826	71,128,226	1.61
2000	395,000	760,870	1,155,870	65,254,959	1.77
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

Source: School District Financial Records



**Berea City School District**  
*Demographic Statistics*  
*Last Ten Years*

Year	Cuyahoga County Population	Berea City Population	Middleburg Heights City Population	Brook Park City Population	School Enrollment	Unemploymen Rate (1)
2002	1,380,421	18,970	15,542	21,218	7,737	6.0%
2001	1,393,978	18,970	15,542	21,218	7,809	4.3
2000	1,373,000	19,051	17,504	22,865	7,814	5.0
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

Source: Information in this table was provided by the U .S. Census Bureau, and schoo  
financial records.

(1) Represents Cuyahoga County

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

Year (3)	Property Value (1) (Real Estate Only)	Industrial Employment	Financial Institution Deposits (000's) Banks	Value of Building Permits Issued
2001	\$1,197,553,870	N/A	\$88,346,368	\$56,954,231
2000	1,027,815,310	N/A	61,942,764	52,934,621
1999	1,005,040,090	N/A	57,816,942	49,628,432
1998	1,003,703,030	N/A	58,904,596	47,928,289
1997	925,444,240	N/A	53,941,971 (2)	42,469,432
1996	916,893,060	N/A	27,068,211	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

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

(1) Represents assessed value.

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

(3) Data is presented on a calendar year basis. 2002 information is not available.

**Berea City School District**

*Principal Taxpayers*

*Real Estate Tax*

*December 31, 2001*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
Cleveland Port Authority	\$63,194,480	5.19 %
Ford Motor Company	30,069,700	2.47
Southland Store Company	11,139,940	0.92
Islander Company	10,459,310	0.86
Techpark Ltd. Partnership	7,880,670	0.65
City of Middleburg Heights	6,853,600	0.56
Southwest Medical Center	6,184,510	0.51
MWP Company	5,707,420	0.47
Sears, Roebuck, Inc.	5,189,450	0.43
Tower In the Park, Ltd.	4,014,430	0.33
Total	<u>150,693,510</u>	<u>12.39 %</u>
Total Real Estate Valuation	<u>\$1,216,757,830</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 2002

**Berea City School District**  
*Principal Taxpayers*  
*Tangible Personal Property Tax*  
*December 31, 2001*

Name of Taxpayer	Assessed Value (1)	Percent of Tangible Assessed Value
Ford Motor Company	\$66,111,410	31.24 %
Marc Glassman Inc.	9,528,140	4.50
R.R. Donnelley & Sons Co.	4,030,270	1.90
Ken Mac Metals	3,740,050	1.77
IBM Credit Corp.	2,937,220	1.39
GSS Inc.	2,935,380	1.39
Hawk Corporation	2,753,070	1.30
Sears Roebuck, Incorporated	2,354,810	1.11
Sunnyside Automotive	2,337,480	1.10
Foseco Inc.	2,310,540	1.09
Total	<u>\$99,038,370</u>	<u>46.79 %</u>
Total Tangible Assessed Valuation	<u>\$211,623,911</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 2002

**Berea City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*December 31, 2001*

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<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$19,058,520	41.28 %
Ameritech	10,260,560	22.22
AT & T Wireless	6,138,810	13.30
American Transmissions Systems	3,316,900	7.18
Columbia Gas of Ohio, Inc.	1,891,490	4.10
East Ohio Gas, Inc.	<u>657,450</u>	<u>1.42</u>
Total	<u>\$41,323,730</u>	<u>89.50 %</u>
Total Public Utility Assessed Value	<u>\$46,168,740</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 2002

**Berea City School District**  
*Per Pupil Cost*  
*Last Ten Fiscal Years*

Fiscal Year	General Fund Expenditures	Average Student Enrollment	Per Pupil Cost
2002	\$67,580,518	7,737	\$8,735
2001	65,451,555	7,809	8,382
2000	59,855,230	7,814	7,660
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

Source: School District Financial Records.

**Berea City School District**  
*Teacher Education and Experience*  
 June 30, 2002

Degree	Number of Teachers	Percentage of Total
Bachelor's Degree	96	18.93 %
Bachelor + 15	46	9.07
Bachelor + 30	95	18.74
Master's Degree	218	43.00
Master's + 15	27	5.33
Master's + 30	4	0.79
Ph. D.	21	4.14
Total	507	100.00 %

Years of Experience	Number of Teachers	Percentage of Total
0 - 5	142	28.01 %
6 - 10	140	27.61
11 and over	225	44.38
	507	100.00 %

Source: School District Personnel Records







STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**BEREA CITY SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 9, 2003**