

**BUTLER TECHNOLOGY AND CAREER  
DEVELOPMENT SCHOOLS, OHIO**

Single Audit Reports

June 30, 2006





Mary Taylor, CPA  
Auditor of State

Board of Education  
Butler Technology and Career Development Schools  
3603 Hamilton-Middletown Road  
Hamilton, Ohio 45011

We have reviewed the *Independent Auditors' Report* of the Butler Technology and Career Development Schools, Butler County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2005 through June 30, 2006. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Butler Technology and Career Development Schools is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

February 8, 2007

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# BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

## Table of Contents

	<u>Page</u>
Schedule of Expenditures of Federal Awards	1
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	2 - 3
Report on Compliance with Requirements Applicable to each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	4 - 5
Schedule of Findings and Questioned Costs	6 - 7
Schedule of Prior Audit Findings	8

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2006

<u>Federal Grantor/Program Title</u>	<u>Pass Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Expenditures</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Federal Pell Grant Program	n/a	84.063	561,440	561,440
<i>Passed through Ohio Department of Education:</i>				
Special Education - Grants to States	6BS3	84.027	63,408	71,030
Vocational Education - Basic Grants to States	20C1	84.048	719,175	796,533
Safe and Drug-Free Schools and Communities - State Grants	DRS1	84.186	5,220	3,480
State Grants for Innovative Programs	C2S1	84.298	6,295	4,200
Vocational Education - Occupational & Employment Information	n/a	84.346	7,582	3,316
Improving Teacher Quality State Grants	TRS1	84.367	<u>5,460</u>	<u>2,944</u>
Total U.S. Department of Education			<u>1,368,580</u>	<u>1,442,943</u>
Total Federal Awards			\$ <u>1,368,580</u>	<u>1,442,943</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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



**Clark, Schaefer, Hackett & Co.**  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Education  
Butler Technology and Career Development Schools:

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Butler Technology and Career Development Schools, (the School District) as of and for the year ended June 30, 2006, which collectively comprise the School District's basic financial statements and have issued our report thereon dated November 15, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion 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 reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts 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 operations that we consider to be material weaknesses.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2006-1.

We also noted certain additional matters that we reported to management of the School District in a separate letter dated November 15, 2006.

This report is intended solely for the information and use of management, the 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 those specified parties.

*Clark, Schaefer, Haskett & Co.*

Cincinnati, Ohio  
November 15, 2006



**Clark, Schaefer, Hackett & Co.**  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Education  
Butler Technology and Career Development Schools:

Compliance

We have audited the compliance of Butler Technology and Career Development Schools, (the School 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, 2006. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School 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 with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School 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 of the School District's compliance with those requirements.

In our opinion, the School 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, 2006.

### Internal Control Over Compliance

The management of School 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 School 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 the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be 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 have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the School District as of and for the year ended June 30, 2006, and have issued our report thereon dated November 15, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards 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 solely for the information of management, the 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 those specified parties.

*Clark, Schaefer, Hackett & Co.*

Cincinnati, Ohio  
November 15, 2006

# BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS

## Schedule of Findings and Questioned Costs

Year Ended June 30, 2006

### Section I - Summary of Auditors' Results

#### Financial Statements

Type of auditors' report issued:	unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	no
• Reportable condition(s) identified that are not considered to be material weaknesses?	no
Noncompliance material to financial statements noted?	yes

#### Federal Awards

Internal Control over major programs:	
• Material weakness(es) identified?	no
• Reportable condition(s) identified not considered to be material weaknesses?	no
Type of auditors' report issued on compliance for major programs:	unqualified
Any audit findings disclosed that are required To be reported in accordance with section 510(a) of OMB Circular A-133?	no
Identification of major programs:	
<i>CFDA 84.063 – Federal Pell Grant Program</i>	
Dollar threshold to distinguish between Type A and Type B Programs:	\$300,000
Auditee qualified as low-risk auditee?	yes

## **Section II - Financial Statement Findings**

### 2006-1 Estimated Revenues and Appropriations

Ohio Revised Code Section 5705.39 stipulates that the total appropriation from each fund shall not exceed the total estimated revenue. No appropriation measure is to become effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate. During 2006, nine funds of the School District had appropriations in excess of total estimated resources.

*Managements' response: The School District did not update and obtain a Certificate of Estimated Resources in a timely manner to support the appropriations in certain funds. The School District will take steps to ensure such documents are received and all budgetary requirements are met during the 2006-07 fiscal year*

## **Section III - Federal Award Findings and Questioned Costs**

None.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS**

Schedule of Prior Audit Findings

Year Ended June 30, 2006

2005-1 Estimated Revenues and Appropriations

Ohio Revised Code Section 5705.39 stipulates that the total appropriation from each fund shall not exceed the total estimated revenue. No appropriation measure is to become effective until the county auditor files a certificate that the total appropriations from each fund do not exceed the total official estimate or amended official estimate. During 2005, eight funds of the School District had appropriations in excess of total estimated resources. *Not corrected and repeated as 2006-1*

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

***BUTLER TECHNOLOGY AND CAREER  
DEVELOPMENT SCHOOLS  
BUTLER COUNTY, OHIO***

***Year Ended June 30, 2006***

BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS

BUTLER COUNTY, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Prepared by:  
Chief Financial Officer

Edmund Pokora

*Butler Technology and Career  
Development Schools, Ohio*

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# **INTRODUCTORY SECTION**

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**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 YEAR ENDED JUNE 30, 2006**

TABLE OF CONTENTS

	<u>Page</u>
 <u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	i
List of Principal Officials	viii
Certificate of Achievement for Excellence in Financial Reporting	ix
Organization Chart	x
 <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
<b>Government-wide Financial Statements:</b>	
Statement of Net Assets	13
Statement of Activities	14
<b>Fund Financial Statements:</b>	
Balance Sheet - Governmental Funds	16
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18
Statement of Net Assets - Proprietary Funds	20
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	21
Statement of Cash Flows - Proprietary Funds	22
Statement of Net Assets - Fiduciary Funds	23
Statement of Changes in Fiduciary Net Assets	24
Notes to the Basic Financial Statements	25
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budget (Non-GAAP Budgetary Basis) - General Fund	47
Notes to Required Supplementary Information	48
Supplemental Section:	
Fund Descriptions	50
Combining Balance Sheet - Nonmajor Governmental Funds	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	55
Combining Balance Sheet - Nonmajor Special Revenue Funds	56
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	58

## TABLE OF CONTENTS

(Continued)

	<u>Page</u>
Schedules of Revenue, Expenditures, and Changes in Fund Balance	
- Budget and Actual (Budget Basis) for the following funds:	
Public School Support Fund	60
Other Grant Fund	61
Termination Benefits Fund	62
Entry Year Teachers Fund	63
Post Secondary Vocational Education Fund	64
Management Information Systems Fund	65
One Net Fund	66
Career Development Fund	67
Miscellaneous State Grants Fund	68
Title V Fund	69
Vocational Education Fund	70
Improve Teacher Quality Fund	71
Drug Free Schools Fund	72
Miscellaneous Federal Grants Fund	73
Debt Service Fund	74
Permanent Improvement Fund	75
Building Fund	76
Combining Statement of Net Assets - Nonmajor Enterprise Funds	77
Combining Statement of Revenues, Expenses and Changes in Fund Net	
Assets - Nonmajor Enterprise Funds	78
Combining Statement of Cash Flows - Nonmajor Enterprise Funds	79
Combining Statement of Net Assets - Agency Funds	80
Combining Statement of Changes in Fiduciary Assets - Agency Funds	81

## STATISTICAL SECTION

Net Assets by Component	83
Changes in Net Assets	84
Fund Balances, Governmental Funds	86
Changes in Fund Balances, Governmental Funds	87
Assessed and Estimated Actual Values of Taxable Property	88
Property Tax Rates	90
Principal Taxpayers	91
Property Tax Levies and Collections	92
Computation of Direct and Overlapping Debt Attributable to Governmental Activities	93
Computation of Legal Debt Margin	94
Ratio of Debt to Assessed Value and Debt Per Capita	96
Demographic and Economic Statistics	98
Principal Employers	99
School District Employees by Function/Program	100
Operating Statistics	101
Building Statistics	102



December 21, 2006

## **TO THE CITIZENS AND MEMBERS OF THE BOARD OF EDUCATION OF THE BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS:**

The Comprehensive Annual Financial Report (CAFR) for the Butler Technology and Career Development Schools (School District) for the year ending June 30, 2006, is hereby submitted. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation rests with the School District. The report is comprised of the following three major sections:

1. **The Introductory Section** includes the table of contents, this letter of transmittal, a list of elected officials and key administrative personnel, an organizational chart, and the Certificate of Achievement for Excellence in Financial Reporting.
2. **The Financial Section** contains the Independent Auditors' Report, Management's Discussion and Analysis, and the School District's basic financial statements, which include explanatory notes thereto, and Required Supplementary Information. This section also contains additional supplementary information including the combining financial statements and the individual fund budget-versus-actual schedules.
3. **The Statistical Section** presents social, economic and historical data in a multi-year format which can be used to identify financial trends and data relative to the fiscal capacity of the School District.

A complete CAFR is not required to be prepared, but by doing so it represents a commitment by the School District to achieve the highest nationally recognized standards of excellence in financial reporting as established by the Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

This report consists of management's representations concerning the finances of the School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile reliable information for the preparation of the School District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the School District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The School District's financial statements have been audited by Clark, Schaefer, Hackett, and Co., Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the School District for the year ended June 30, 2006, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the School District's financial statements for the year ended June 30, 2006, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The School District's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE GOVERNMENT**

As a joint vocational school (JVS) district organized under Section 3311.18 of the Ohio Revised Code, the School District provides career-technical education programs to nine member school districts. The member school districts are Edgewood, Fairfield, Lakota, Madison, Middletown, Monroe, New Miami, Ross, and Talawanda. The School District provides career-technical education programs to secondary and adult students. The School District is governed by a nine (9)-member Board of Education representing each participating Butler County school district. Each of the member school districts has direct representation through board members (elected to their local school district board) and appointed to serve on the School District Board for a two-year term. The School District Board holds power and authority for the management and control of the School District (Section 3311.19 (A) of the Ohio Revised Code). Section 3311.19 (D) vests the School District's Board of Education the same powers, duties, and authorities as granted by law to a board of education of a city school district and all provisions of law that applies to a city school district (excluding jurisdiction by a city civil service commission).

The Board serves as the taxing authority, contracting body, and policy initiator for the operation of the School District and is also responsible for the tax budget and the annual operating budget. The Board has only those powers and authority conferred upon it by the Ohio Revised Code.

The Chief Executive Officer (CEO) of the School District is directly responsible to the Board for all educational and support operations of the School District. The Board employed Robert D. Sommers, Ph.D. as the School District's CEO (also known as the Superintendent) effective January 1, 2002. Dr. Sommers has been an educator for 26 years, beginning his career as an industrial arts and agricultural educator. From 1986 to 2001, he was an educational administrator with the Ohio Department of Education, where he rose to the position of Associate Director in the Office of Career-Technical and Adult Education. Dr. Sommers earned his Bachelor of Science degree in Education from Miami University in Oxford, Ohio. He went on to earn both a Master's Degree in Agricultural Education as well as a Doctor of Philosophy in Education Administration and Leadership from the Ohio State University.

The Board employed Edmund R. Pokora as Chief Financial Officer (also known as the Treasurer) of the School District and he is directly responsible to the Board for all financial operations, investments, and maintains custody of all School District funds as well as serving as Secretary to the Board. Mr. Pokora was appointed effective May 10, 2004, and received a contract through January 1, 2007. Mr. Pokora has served as a school CFO since 1983 and holds a B.B.A. in Accounting from the University of Cincinnati. Mr. Pokora is recognized by the Ohio Association of School Business Officials as a Registered School Business Fiscal Officer (RSBFO).

All other School District employees are responsible to the Chief Executive Officer and are employed by the Board upon the recommendation of the Chief Executive Officer.

D. Russel Lee Career Technology Center provides its' 650 students a variety of secondary workforce development programs designed to give high school students technical and academic skills. The School District operates over 100 satellite programs, located in the members' school buildings, provides nearly 7,400 middle and high school students career-technical programs needed in today's global economy. As part of their programs, students are involved in career-technical student organizations that allow students to participate in both skill events and leadership activities.

In addition to middle school and high school programs, the School District is a state designated Adult Education Full Service Center offering various career enhancement and career development programs to over 13,000 adults who enroll in these programs yearly. Career enhancement programs provide adult students with opportunities to receive education in specific skill areas in a 4-6 week period. These courses can be used to enhance current skills or generate new skills that are useful in the workplace.

The annual budget is the foundation for the School District's financial planning and control. Prior to January 15, the CEO and CFO submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The School District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Ohio Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The School District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not reappropriated. As demonstrated by the schedules included in the financial section of this report, the School District continues to meet its responsibility of sound financial management.

## **FACTORS AFFECTING FINANCIAL CONDITION**

Expanding residential and commercial growth has fueled Butler County to be one of the fastest growing counties in Ohio. The County was recently ranked by Forbes Magazine as one of the top 100 locations in the country to live and work. Housing starts in the unincorporated areas of West Chester, Liberty and Fairfield Townships continue to expand to meet the burgeoning demand. Business expansion at the Union Centre interchange with I-75 continues as new companies expand into the area. New job opportunities, low tax rates and the fact that the County is located within a central metroplex between the Cincinnati and Dayton areas have created significant growth.

The favorable economic outlook for Butler County has augmented the presence and strength of longstanding Butler County companies, such as AK Steel, Cincinnati Financial Corporation, and the Ohio Casualty Insurance Company, which employ approximately 2,800, 2,600, and 1,300 people respectively. Financial services, paper manufacturing, retail stores, and medical companies as well as educational and governmental organizations complete the list of top employers. All of these larger companies create the need for a variety of smaller businesses that are thriving in the growing atmosphere that the County is currently enjoying.

The School District endeavors to foster cooperative relationships with business and industry, professional organizations, associate school districts, and other interested, concerned groups and organizations. The purpose of cooperative relationships is to consider, plan, and implement educational programs designed to meet the common needs and interests of students.

Additionally, the School District has pursued closer relationships with all five Chambers of Commerce in Butler County. This included, but has not been limited to, administrators from the School District being elected to seats on the Board of Directors of two of these Chambers. Relationships such as these have led to more formal business-school partnerships, and serve to build closer ties with a significant stakeholder group for the School District.

The business-school partnerships are formal, voluntary relationships between the School District and businesses. These partnerships bring together businesses and the School District in order to address specific educational goals and objectives. They also give the School District insight into the educational and training needs of business and industry.

One way in which the School District involves the business community is through program advisory committees. These committees are comprised of individuals who agree to serve as advisors for one or more career-technical programs. Membership may include former students, parents of current students, and representatives of business, industry, labor, and community agencies. These members can provide valuable advice, guidance, and assistance in providing opportunities for students to understand and learn the basic skills necessary to succeed.

## **MAJOR INITIATIVES**

During the 2005-06 school year, several major initiatives were underway within the School District. Some of these are highlighted below.

### **Butler Tech Celebrates 30 years**

In the early 1960's, Butler County leaders recognized the need for a skilled workforce. To provide the education necessary to ensure targeted career-based programs, consideration was given to establishing a new career-technical school. In December 1965, seven public school districts in Butler County passed resolutions to become participating members of the Butler County Joint Vocational School District. (The School District changed the name to Butler Technology and Career Development Schools in September 2002).

During the 1970's, voters in the county approved funding for building construction as well as local tax millage for operations to support the new school district. A total of 520 students entered the new facility for the first time on September 3, 1975 as a new era in education began in Butler County. During the 2005-06 fiscal year the School District celebrated 30 years of providing career-technical education to Butler County residents.

### **China Exchange Program Formed**

Butler Tech linked with the world's economic future in a trip to China. The trip included local business people and culminated in an agreement to work with the Guangxi Engineering and Electronic Industry School. A student exchange program is planned for the 2006-07 school year.

### **Secondary Workforce Ranked Second in State**

High school students enrolled in Secondary Workforce education programs achieved the second highest ranking of 49 career-technical school districts in the state based on nine performance indicators established by the Ohio Department of Education. Five years ago, the District ranked 41 out of 49 based on the established performance indicators. Secondary Workforce programs are available to high school students in grades 9-12 and provide career and technical training to prepare students for post-secondary education and the workforce.

### **Adult Workforce Education Reaches Record Numbers**

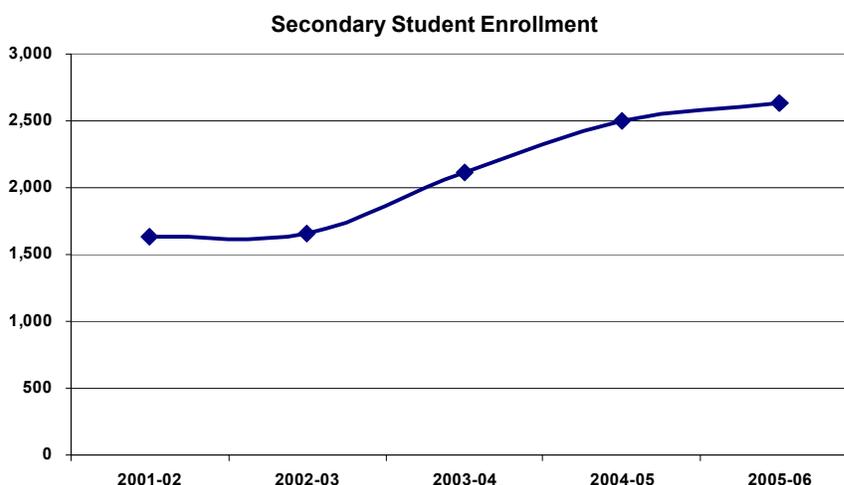
Enrollment in Adult Education programs offered by Butler Tech reached an all-time high during the 2005-06 year as more than 13,400 adult students were served in one or more programs. This is a 70% increase from 2003-04 when 7,900 adult students were enrolled in adult education programs.

### Ohio Partnership for Excellence Award

During the 2005-06 year, Butler Tech was recognized by the Ohio Partnership of Excellence (OPE) as a Tier Three award winner for organizational excellence. OPE is a non-profit organization that utilizes Malcolm Baldrige Criteria for Performance Excellence to assist organizations to see improved results and productivity. OPE recognizes organizations in one of four levels of achievement: Pledge to Excellence, Commitment to Excellence, Achievement of Excellence, and the Governor's Award. Butler Tech's Achievement of Excellence Award is the first time an Ohio school district has reached this level after only three years in the program.

### Enrollment Growth – Second Largest District

The School District again experienced significant student growth in secondary programs and remained the second largest career-technical school district in the State of Ohio. On a full-time equivalent basis, the School District increased high school student enrollment from 1,639 in 2001-02 to 2,638 in 2005-06. The following chart shows the increase in high school enrollment over the past five years:



## **FINANCIAL INFORMATION**

**Cash Management Policies and Practices.** The School District's cash management program addresses the issues of safety, liquidity and yield while maximizing returns. The School District utilizes U.S. Treasury notes, certificates of deposit, commercial paper and repurchase agreements for long-term investments for cash, which is not readily needed.

**Risk Management.** The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2006, the School District contracted with the Ohio School Plan for general liability insurance with \$3,000,000 each occurrence limit and a \$5,000,000 aggregate. Buildings, contents and school vehicles are protected through a local insurance agent. There were no significant reductions in insurance coverage in the prior year. Settlements have not exceeded insurance coverage during the past three fiscal years.

The School District participates in the Ohio Association of School Business Officials 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. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The Sheakley firm provides administrative, cost control and actuarial services to the GRP.

The School District participates in the Butler County Health Plan (the Trust), a group insurance purchasing pool, in order to provide dental and medical benefits to employees, their dependents and designated beneficiaries and to set aside funds for such purposes. The Trustee provides insurance policies in whole or in part through one or more group insurance policies.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Butler Technology and Career Development Schools for its comprehensive annual financial report for the fiscal year ending June 30, 2005. This was the eighth consecutive year that the School District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports, which substantially conform to the principals and standards of financial reporting as recommended and adopted by ASBO. The School District has not participated in this program in the past, but believes the current report conforms to these principles and is submitting it to ASBO for review.

The preparation of this report was made possible by the dedicated service of the entire Financial Services' staff and Central Office Leadership staff. Finally, a word of thanks is necessary to recognize the commitment to excellence in financial management and reporting by all the members of the Butler Technology and Career Development Schools Board of Education.

Respectfully,

Edmund R. Pokora  
Chief Financial Officer

# BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

## LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2006

### BOARD OF EDUCATION

<u>Title</u>	<u>Name</u>	<u>District</u>	<u>Term Expires</u>	<u>Initial Appointment</u>
President	Tom Birdwell	Monroe	12/31/06	2001
Vice President	Richard Emery	Ross	12/31/07	1998
Member	Todd Daniel	Madison	12/31/07	2006
Member	Mollie Hansel	Talawanda	12/31/07	2006
Member	Katie McNeil	Middletown	12/31/06	2000
Member	Sue Price	New Miami	12/31/06	1997
Member	Terry Senger *	Fairfield	12/31/06	2006
Member	John Snyder	Edgewood	12/31/06	2006
Member	Daniel Warncke	Lakota	12/31/07	2000

\* Mr. Senger resigned in August 2006 and Mr. Eugene Ball was appointed to fulfill the term.

### ADMINISTRATIVE OFFICIALS

Chief Executive Officer	Robert D. Sommers, Ph.D.
Chief Financial Officer	Edmund R. Pokora
Vice President, Operations	Jan Kesselring
Vice President, Educational Options	Harold Niehaus
Vice President, Adult Workforce Education	Mary Jane Perry
Vice President, Secondary Workforce Education	Dan Schroer
Vice President, Career Development	Debby Snyder

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Butler Technology  
and Career Development Schools  
Ohio

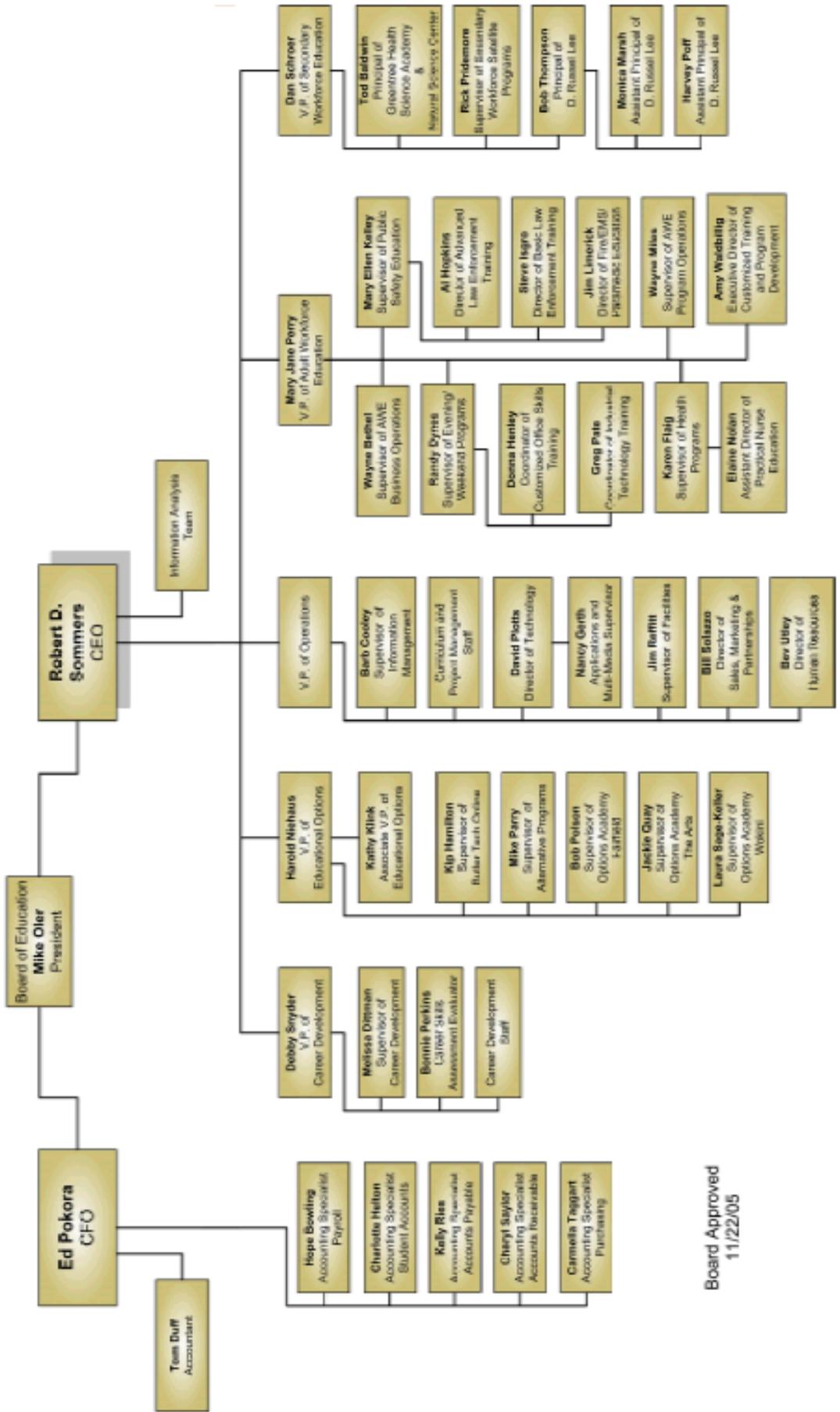
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



Board Approved  
11/22/05

*Butler Technology and Career  
Development Schools, Ohio*

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# **FINANCIAL SECTION**

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Clark, Schaefer, Hackett & Co.  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Butler Technology and Career Development Schools:

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Butler Technology and Career Development Schools (the School District), as of and for the year ended June 30, 2006, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School 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, the business type activities, each major fund, and the aggregate remaining fund information of the Butler Technology and Career Development Schools as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2006, on our consideration of School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. 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.

The Management's Discussion and Analysis and the budgetary comparison information on pages 3 through 11 and 47 through 48, respectively, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Clark, Schaefer, Hackett & Co.*

Cincinnati, Ohio  
November 15, 2006

## **BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) Year Ended June 30, 2006**

This discussion and analysis provides key information from management highlighting the overall financial performance of the Butler County Technology and Career Development Schools ("School District") for the year ended June 30, 2006. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the transmittal letter and the School District's financial statements.

#### **Financial Highlights**

Major financial highlights for fiscal year 2006 are listed below:

- ✓ The assets of the School District exceeded its liabilities at year-end by \$37.1 million. Of this amount, \$3.4 million may be used to meet the government's ongoing obligations to citizens and creditors.
- ✓ Total revenue for the School District increased 7% for the year, approximating \$38 million.
- ✓ The District had \$29.2 million in expenses related to governmental activities; only \$979,000 of these expenses were offset by program specific charges for services, grants or contributions. General revenue of \$30.8 million, made up primarily of property taxes and State Foundation payments, was used to provide for these programs.
- ✓ In total, net assets increased by \$537,000 from the previous year
- ✓ The General Fund balance decreased by approximately \$437,000 from \$4.9 million in fiscal year 2005 to \$4.5 million at June 30, 2006.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances in a manner similar to a private-sector business.

## **BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

### **Management's Discussion and Analysis**

**Year Ended June 30, 2006**

**Unaudited**

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The statement of net assets presents information on all of the School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years (e.g. uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the School District include instruction, support services, administration, operation and maintenance of plant, and extracurricular activities. The primary business-type activities of the School District include adult education, online education and food services.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for government activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between government funds and governmental activities.

The School District accounts for its activities using many individual funds. The most significant funds are reported in separate columns in the governmental fund financial statements. These statements provide detailed information about the individual major funds – unlike the government-wide financial statements, which report on the School District as a whole. Some funds are required to be established by State law. However, the School District may also establish separate funds to show that it is meeting legal responsibilities for using certain grants or other money.

**Proprietary funds.** The School District utilizes enterprise funds, which report the same functions presented as business-type activities in the government-wide financial statements. The School District uses enterprise funds to account for its adult education, online education and food services program. Enterprise funds provide the same information as the government-wide financial statements, only in more detail.

# BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

## Management's Discussion and Analysis

Year Ended June 30, 2006

Unaudited

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information concerning the budget for the General Fund. Combining statements related to nonmajor governmental and proprietary funds are presented immediately following the required supplementary information.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### A. Net assets at year-end

The following table presents a condensed summary of the School District's overall financial position at June 30, 2006 and 2005:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY06</u>	<u>FY05</u>	<u>FY06</u>	<u>FY05</u>	<u>FY06</u>	<u>FY05</u>
Current and other assets	\$ 25,629,736	23,342,327	(803)	310,811	25,628,933	23,653,138
Capital assets	<u>30,643,376</u>	<u>31,291,283</u>	<u>209,272</u>	<u>186,556</u>	<u>30,852,648</u>	<u>31,477,839</u>
Total assets	<u>56,273,112</u>	<u>54,633,610</u>	<u>208,469</u>	<u>497,367</u>	<u>56,481,581</u>	<u>55,130,977</u>
Long-term debt outstanding	1,500,024	3,717,860	172,113	163,068	1,672,137	3,880,928
Other liabilities	<u>17,376,755</u>	<u>14,232,632</u>	<u>319,845</u>	<u>441,925</u>	<u>17,696,600</u>	<u>14,674,557</u>
Total liabilities	<u>18,876,779</u>	<u>17,950,492</u>	<u>491,958</u>	<u>604,993</u>	<u>19,368,737</u>	<u>18,555,485</u>
Net assets:						
Invested in capital assets, net of debt	30,448,376	28,996,283	209,272	186,556	30,657,648	29,182,839
Restricted:						
For capital purposes	3,078,390	152,195	-	-	3,078,390	152,195
Other purposes	4,851	7,420	-	-	4,851	7,420
Unrestricted	<u>3,864,716</u>	<u>7,527,220</u>	<u>(492,761)</u>	<u>(294,182)</u>	<u>3,371,955</u>	<u>7,233,038</u>
Total net assets	\$ <u>37,396,333</u>	<u>36,683,118</u>	<u>(283,489)</u>	<u>(107,626)</u>	<u>37,112,844</u>	<u>36,575,492</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2006 the School District's assets exceeded liabilities by \$37.1 million. Total assets of the School District increased \$1.35 million or nearly 2.5% from the previous year. Total liabilities increased \$800,000 or 14% from the 2005 fiscal year due to \$3 million in Notes Payable issued during the year for permanent improvements to facilities. Long-term debt outstanding declined nearly \$2.2 million from the previous year as the School District retired outstanding bonds from the construction of the Public Safety Education Complex.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2006**  
**Unaudited**

**B. Governmental and Business-type Activities during fiscal year 2006**

The following table presents a condensed summary of the School District's activities during fiscal year 2006 and 2005 and the resulting change in net assets:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>FY06</u>	<u>FY05</u>	<u>FY06</u>	<u>FY05</u>	<u>FY06</u>	<u>FY05</u>
<b>Revenues:</b>						
Program revenues:						
Charges for services and sales	\$ 102,263	65,909	4,651,703	4,215,142	4,753,966	4,281,051
Operating grants and contributions	<u>877,157</u>	<u>917,663</u>	<u>1,449,134</u>	<u>1,204,115</u>	<u>2,326,291</u>	<u>2,121,778</u>
Total program revenues	<u>979,420</u>	<u>983,572</u>	<u>6,100,837</u>	<u>5,419,257</u>	<u>7,080,257</u>	<u>6,402,829</u>
General revenues:						
Property taxes	11,898,935	11,316,460	-	-	11,898,935	11,316,460
Grants and entitlements	17,856,790	16,859,349	-	-	17,856,790	16,859,349
Investment earnings	290,398	292,328	-	-	290,398	292,328
Miscellaneous	<u>776,098</u>	<u>472,456</u>	<u>-</u>	<u>-</u>	<u>776,098</u>	<u>472,456</u>
Total general revenues	<u>30,822,221</u>	<u>28,940,593</u>	<u>-</u>	<u>-</u>	<u>30,822,221</u>	<u>28,940,593</u>
<b>Total revenues</b>	<u>31,801,641</u>	<u>29,924,165</u>	<u>6,100,837</u>	<u>5,419,257</u>	<u>37,902,478</u>	<u>35,343,422</u>
<b>Expenses:</b>						
Instruction	17,962,291	18,122,410	-	-	17,962,291	18,122,410
Support services:						
Pupil	1,341,195	1,210,551	-	-	1,341,195	1,210,551
Instructional staff	1,498,128	1,574,082	-	-	1,498,128	1,574,082
General administration	267,959	322,216	-	-	267,959	322,216
School administration	2,042,132	2,531,604	-	-	2,042,132	2,531,604
Fiscal	896,082	807,920	-	-	896,082	807,920
Business	56,702	175,600	-	-	56,702	175,600
Operation and maintenance of plant	2,415,442	2,921,765	-	-	2,415,442	2,921,765
Pupil transportation	14,212	38,224	-	-	14,212	38,224
Central	2,327,831	2,469,252	-	-	2,327,831	2,469,252
Non-instructional services	341,995	200,061	-	-	341,995	200,061
Interest and fiscal charges	22,325	53,700	-	-	22,325	53,700
Adult education	-	-	5,515,694	4,692,112	5,515,694	4,692,112
Food services	-	-	426,422	314,929	426,422	314,929
On-line education	-	-	1,956,333	2,075,425	1,956,333	2,075,425
Other enterprise	<u>-</u>	<u>-</u>	<u>280,383</u>	<u>178,984</u>	<u>280,383</u>	<u>178,984</u>
<b>Total expenses</b>	<u>29,186,294</u>	<u>30,427,385</u>	<u>8,178,832</u>	<u>7,261,450</u>	<u>37,365,126</u>	<u>37,688,835</u>
<b>Transfers</b>	<u>(1,902,132)</u>	<u>(1,399,496)</u>	<u>1,902,132</u>	<u>1,399,496</u>	<u>-</u>	<u>-</u>
<b>Change in net assets</b>	\$ <u>713,215</u>	<u>(1,902,716)</u>	<u>(175,863)</u>	<u>(442,697)</u>	<u>537,352</u>	<u>(2,345,413)</u>

## **BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

### **Management's Discussion and Analysis**

**Year Ended June 30, 2006**

**Unaudited**

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Of the total governmental activities revenues of \$31,801,641, \$979,420 (3%) is from program revenue. This means that the government relies on general revenues to fund the majority of the cost of services provided to the citizens. Of those general revenues, 37% (\$11,898,935) comes from property tax levies and 56% (\$17,856,790) is from state funding. The School District's operations are reliant upon its property tax levy and the state's foundation program.

The School District again experienced significant enrollment growth during the 2006 fiscal year, resulting in higher revenues from state grants and entitlements. Total funded enrollment increased over 135 students during the year resulting in total secondary enrollment exceeding 2,600 students. Increases in the local tax base also resulted in higher revenues from property taxes.

Total revenues of the School District increased \$2.5 million or 7.2% from the previous fiscal year. The increase in revenues during the 2006 fiscal year were due to several factors:

- State funding and entitlements accounted for the majority of the increase, \$1 million of which was due to the student enrollment increase from 2,502 students to 2,638.
- Local property taxes also increased as the tax base in Butler County continues to show strong growth and development. The total assessed valuation for the District rose 8% from the 2005 fiscal year, resulting in a \$580,000 increase in property tax revenue.
- Total program revenues rose over \$675,000 (10.5%) due to an expansion in the Adult Education programs for the 2006 year.

The School District also reduced total expenses during the year by 1% or \$320,000 over the 2005 fiscal year. Most of this was the result of new programs added during the previous fiscal year that included start-up costs and non-recurring operational expenses. In addition:

- Administrative costs were reduced 20% from the previous year.
- Adult Education costs increased 17.5% and are directly related to increases in programs and enrollments.

### ***Governmental Activities***

The following table presents the total cost of each of the government's primary services, and the comparative net cost after deducting the revenues generated by each function. Approximately 3% of the cost of the general government programs was recouped in program revenues. Instruction costs were \$17,962,291 but program revenue contributed to fund 1% of those costs. Thus, general revenues of \$17,734,222 were used to support of remainder of the instruction costs.

The School District's governmental activities net assets increased by \$713,215 .

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2006**  
**Unaudited**

<b>Governmental Activities</b>				
	<b>Total Cost</b>	<b>Program</b>	<b>Revenues</b>	<b>Net Cost</b>
	<b><u>of Services</u></b>	<b><u>Revenue</u></b>	<b><u>as a % of</u></b>	<b><u>of Services</u></b>
			<b><u>Total Costs</u></b>	
Instruction	\$ 17,962,291	228,069	1%	17,734,222
Support services	10,859,683	579,085	5%	10,280,598
Non-instructional services	341,995	172,266	50%	169,729
Interest and fiscal charges	<u>22,325</u>	<u>-</u>	0%	<u>22,325</u>
<b>Total</b>	\$ <u>29,186,294</u>	<u>979,420</u>	<u>3%</u>	<u>28,206,874</u>

***Business-type Activities***

The following table presents the total cost of each of the School District's business segments and the net cost after deducting the revenues generated by each segment. Tuition charges and operating grants paid for 93% of the costs of Adult Education. The costs of Online Education were only covered by a small portion of program revenue.

<b>Business-type Activities</b>				
	<b>Total Cost</b>	<b>Program</b>	<b>Revenues</b>	<b>Net Cost</b>
	<b><u>of Services</u></b>	<b><u>Revenue</u></b>	<b><u>as a % of</u></b>	<b><u>(Revenue)</u></b>
			<b><u>Total Costs</u></b>	<b><u>of Services</u></b>
Adult education	\$ 5,515,694	5,110,009	93%	405,685
Food services	426,422	300,555	70%	125,867
Online education	1,956,333	281,880	14%	1,674,453
Other enterprise	<u>280,383</u>	<u>408,393</u>	146%	<u>(128,010)</u>
<b>Total</b>	\$ <u>8,178,832</u>	<u>6,100,837</u>	<u>75%</u>	<u>2,077,995</u>

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S INDIVIDUAL FUNDS**

**Governmental funds**

The School District has two major governmental funds: General Fund and Permanent Improvement Fund. Assets of these two funds comprise \$25,395,892 (99%) of the total \$25,756,425 governmental funds assets. The following provides an analysis of these major funds:

**General Fund.** Fund balance at June 30, 2006 was \$4,493,841, including \$2,803,550 of unreserved balance, which represents 10% of general fund expenditures for fiscal year 2006. The primary reason for the decrease in fund balance of \$437,078 was a transfer of approximately \$1.9 million to finance start-up operations of new programs, in particular, Butler Tech OnLine.

## **BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

### **Management's Discussion and Analysis**

**Year Ended June 30, 2006**

**Unaudited**

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the decrease in fund balance of \$437,078 was a transfer of approximately \$1.9 million to finance start-up operations of new programs, in particular, Butler Tech OnLine.

**Permanent Improvement Fund.** This fund is used to account for resources used for building maintenance and repair projects. During the year these funds were used for renovation and improvement projects at the School District's main educational campus.

### **Proprietary funds**

The School District has two major proprietary funds: Adult Education Fund and Online Education Fund. Assets of these two funds comprise \$773,488 (71%) of the total \$1,092,107 proprietary funds assets. The following provides an analysis of these major funds:

**Adult Education Fund.** Net assets at June 30, 2006 were \$491,530, including \$282,258 of unrestricted net assets. The primary reason for the decrease in net assets of \$433,553 was a result of higher expenses for contracted services related to the Public Safety Education Complex, a facility dedicated to adult education programs related to fire, police and safety careers.

**Online Education Fund.** The year ended June 30, 2006 was just the third year of operations for these new online programs and the fund has required support from the General Fund. The General Fund transferred \$1.8 million to the fund during the fiscal year and has temporarily loaned nearly \$884,000 to this fund to provide operating capital.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The schedule comparing the School District's original and final budgets and actual results are included in the required supplementary information. Differences between the original and final budget relate primarily to the following:

Total revenues were well within the original and final budgeted amounts for the 2006 fiscal year. All major areas of revenue showed variances within acceptable levels. Total actual revenue was within 1.2% of the original budgeted amounts, and within 1.5% of the revised amounts.

All program budgets in the General Fund are based upon the number of approved FTE's (full-time equivalent) students in each program as of the October enrollment count. Each budget is calculated by multiplying the cost per program times the number of approved FTE's in that program. The School District also maintains restricted accounts that are not appropriated to program budgets each year, but are determined based on the organizational needs at the beginning of each year.

As a result of the program budgets, the total amount spent in the various General Fund categories were less than the amounts budgeted for the year. For vocational instruction, some programs did not receive the necessary student enrollment and were never implemented. In other cases, some staff positions originally planned for the 2006 year were deferred or not filled. In addition, planned capital and equipment expenditures for some programs were not implemented.

The School District ended the year \$3 million or 8% under the final budgeted amounts. The use of FTE program budgets helps to control budget costs and variances, yet provide flexibility for the management team.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2006**  
**Unaudited**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** At June 30, 2006, the School District had \$30,852,648 invested in a broad range of capital assets, including land, buildings, equipment and vehicles. See Note 6 to the financial statements for more detail.

**Capital Assets at Year-End  
(Net of Depreciation)**

		<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
		<u>FY06</u>	<u>FY05</u>	<u>FY06</u>	<u>FY05</u>	<u>FY06</u>	<u>FY05</u>
Land	\$	3,438,645	3,438,645	-	-	3,438,645	3,438,645
Construction in progress		-	-	-	-	-	-
Buildings		19,061,135	19,540,110	-	-	19,061,135	19,540,110
Building improvements		3,952,205	3,800,457	-	-	3,952,205	3,800,457
Furniture and equipment		3,924,262	4,194,076	209,272	186,556	4,133,534	4,380,632
Vehicles		<u>267,129</u>	<u>317,995</u>	<u>-</u>	<u>-</u>	<u>267,129</u>	<u>317,995</u>
Total	\$	<u>30,643,376</u>	<u>31,291,283</u>	<u>209,272</u>	<u>186,556</u>	<u>30,852,648</u>	<u>31,477,839</u>

**Debt**

The School District retired \$2,100,000 of general obligation bonds during fiscal year 2006. The total general obligation bonds outstanding at year-end were \$195,000 with \$100,000 due within one year. The School District's general obligation bonds mature in December 2008. See Note 11 to the financial statements.

The School District issued \$3 million in notes during the year for planned capital improvements at the D. Russel Lee campus. The School District utilized a section of the Ohio Revised Code that permits school districts to issue unvoted indebtedness not to exceed 1/10 of 1% of the property valuation of the School District. See Note 12 to the financial statements.

**ECONOMIC FACTORS**

Like most districts in Ohio, a challenge facing the School District is the future of state funds. 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 system 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 on its financial operations.

The State of Ohio will adopt a new two-year budget before June 30, 2007 that could make some changes to the current education budget and funding formulas. It is not practical to determine at this time the long-range effect of any funding changes as a result of a new state budget.

The School District continues to experience solid growth in both student enrollment and in the local tax base. It is estimated that these trends will continue over the next several years and provide the necessary revenue base to allow all programs and services to continue without financial hardship.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2006**  
**Unaudited**

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**REQUESTS FOR ADDITIONAL INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, 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. Anyone having questions about this report or need additional financial information may contact Ed Pokora, Chief Financial Officer for the Butler Technology and Career Development Schools at 3603 Hamilton-Middletown Road, Hamilton, OH, 45011 or by phone at 513-868-1911.

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## BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

### Statement of Net Assets

June 30, 2006

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Equity in pooled cash and investments	\$ 10,997,928	709,488	11,707,416
Receivables:			
Taxes	13,056,000	-	13,056,000
Accounts	22,610	40,517	63,127
Intergovernmental	88,019	132,830	220,849
Interest	113,588	-	113,588
Internal balances	883,638	(883,638)	-
Restricted assets	467,953	-	467,953
Nondepreciable capital assets	3,438,645	-	3,438,645
Depreciable capital assets, net	<u>27,204,731</u>	<u>209,272</u>	<u>27,414,003</u>
<b>Total assets</b>	<u>56,273,112</u>	<u>208,469</u>	<u>56,481,581</u>
<b>Liabilities:</b>			
Accounts payable	427,731	113,016	540,747
Accrued wages	1,863,724	206,829	2,070,553
Unearned revenue	12,082,000	-	12,082,000
Accrued interest payable	3,300	-	3,300
Notes payable	3,000,000	-	3,000,000
Long-term liabilities:			
Due within one year	177,744	-	177,744
Due within more than one year	<u>1,322,280</u>	<u>172,113</u>	<u>1,494,393</u>
<b>Total liabilities</b>	<u>18,876,779</u>	<u>491,958</u>	<u>19,368,737</u>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	30,448,376	209,272	30,657,648
Restricted for:			
Capital projects	3,078,390	-	3,078,390
Other purposes	4,851	-	4,851
Unrestricted	<u>3,864,716</u>	<u>(492,761)</u>	<u>3,371,955</u>
<b>Total net assets</b>	<u>\$ 37,396,333</u>	<u>(283,489)</u>	<u>37,112,844</u>

See accompanying notes to the basic financial statements.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Statement of Activities

Year Ended June 30, 2006

		<u>Program Revenues</u>	
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>
<b>Governmental Activities:</b>			
Instruction:			
Regular	\$ 390,185	-	-
Vocational education	17,572,106	102,263	125,806
Support services:			
Pupil	1,341,195	-	144,992
Instructional staff	1,498,128	-	223,460
General administration	267,959	-	-
School administration	2,042,132	-	25,743
Fiscal	896,082	-	-
Business	56,702	-	-
Operation and maintenance of plant	2,415,442	-	-
Pupil transportation	14,212	-	-
Central	2,327,831	-	184,890
Non-instructional services:			
Extracurricular activities	293,609	-	172,266
Community service	48,386	-	-
Interest on long-term debt	22,325	-	-
Total Governmental Activities	<u>29,186,294</u>	<u>102,263</u>	<u>877,157</u>
<b>Business-Type Activities:</b>			
Food Service	426,422	300,005	550
Uniform School Supplies	2,350	2,096	-
Adult Education	5,515,694	3,661,425	1,448,584
Online Education	1,956,333	281,880	-
Other enterprise	278,033	406,297	-
Total Business-Type Activities	<u>8,178,832</u>	<u>4,651,703</u>	<u>1,449,134</u>
	<u>\$ 37,365,126</u>	<u>4,753,966</u>	<u>2,326,291</u>
<b>General Revenues:</b>			
Property taxes levied for general purposes			
Property taxes levied for debt service			
Grants and entitlements not restricted to specific programs			
Investment earnings			
Miscellaneous			
<b>Transfers</b>			
Total general revenues and transfers			
Change in net assets			
Net assets beginning of year			
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
\$	(390,185)	-	(390,185)
	(17,344,037)	-	(17,344,037)
	(1,196,203)	-	(1,196,203)
	(1,274,668)	-	(1,274,668)
	(267,959)	-	(267,959)
	(2,016,389)	-	(2,016,389)
	(896,082)	-	(896,082)
	(56,702)	-	(56,702)
	(2,415,442)	-	(2,415,442)
	(14,212)	-	(14,212)
	(2,142,941)	-	(2,142,941)
	(121,343)	-	(121,343)
	(48,386)	-	(48,386)
	(22,325)	-	(22,325)
	<u>(28,206,874)</u>	<u>-</u>	<u>(28,206,874)</u>
	-	(125,867)	(125,867)
	-	(254)	(254)
	-	(405,685)	(405,685)
	-	(1,674,453)	(1,674,453)
	-	128,264	128,264
	<u>-</u>	<u>(2,077,995)</u>	<u>(2,077,995)</u>
	<u>(28,206,874)</u>	<u>(2,077,995)</u>	<u>(30,284,869)</u>
	9,771,510	-	9,771,510
	2,127,425	-	2,127,425
	17,856,790	-	17,856,790
	290,398	-	290,398
	776,098	-	776,098
	(1,902,132)	1,902,132	-
	<u>28,920,089</u>	<u>1,902,132</u>	<u>30,822,221</u>
	713,215	(175,863)	537,352
	36,683,118	(107,626)	36,575,492
\$	<u>37,396,333</u>	<u>(283,489)</u>	<u>37,112,844</u>

# BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

Balance Sheet  
Governmental Funds  
June 30, 2006

	<u>General</u>	<u>Permanent Improvement Fund</u>	<u>Other Governmental Funds</u>
<b>Assets:</b>			
Equity in pooled cash and investments	\$ 4,935,448	5,789,966	272,514
Restricted cash	467,953	-	-
Receivables:			
Taxes	13,056,000	-	-
Accounts	22,610	-	-
Accrued interest	113,588	-	-
Intergovernmental	-	-	88,019
Interfund receivable	1,010,327	-	-
<b>Total assets</b>	<u>19,605,926</u>	<u>5,789,966</u>	<u>360,533</u>
<b>Liabilities:</b>			
Accounts payable	416,145	-	11,586
Accrued wages and benefits	1,862,384	-	1,340
Interfund payable	-	-	126,689
Compensated absences payable	23,274	-	-
Notes payable	-	3,000,000	-
Deferred revenue	12,810,282	-	88,019
<b>Total liabilities</b>	<u>15,112,085</u>	<u>3,000,000</u>	<u>227,634</u>
<b>Fund Balances:</b>			
Reserved for:			
Encumbrances	916,338	24,067	125,147
Budget stabilization	467,953	-	-
Property taxes	306,000	-	-
Unreserved, reported in:			
General Fund	2,803,550	-	-
Special Revenue Funds	-	-	(36,558)
Capital Projects Funds	-	2,765,899	44,310
<b>Total fund balances</b>	<u>4,493,841</u>	<u>2,789,966</u>	<u>132,899</u>
<b>Total liabilities and fund balances</b>	\$ <u>19,605,926</u>	<u>5,789,966</u>	<u>360,533</u>

See accompanying notes to the basic financial statements.

Reconciliation of Total Governmental Fund Balances to  
Net Assets of Governmental Activities  
June 30, 2006

	<b>Total Governmental Fund Balances</b>	\$	7,416,706
Total Governmental Funds			
	Amounts reported for governmental activities in the statement of net assets are different because:		
10,997,928			
467,953			
	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
13,056,000			30,643,376
22,610			
113,588			
88,019			
<u>1,010,327</u>	Other long-term assets are not available to pay for current-period expenditures and therefore are not reported in the funds.		
<u>25,756,425</u>			816,301
	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
427,731			
1,863,724			
126,689			
23,274	General obligation bonds	195,000	
3,000,000	Compensated absences	1,281,750	
<u>12,898,301</u>	Accrued interest payable	<u>3,300</u>	
<u>18,339,719</u>	Total		<u>(1,480,050)</u>
	Net Assets of Governmental Activities	\$	<u>37,396,333</u>
1,065,552			
467,953			
306,000			
2,803,550			
(36,558)			
<u>2,810,209</u>			
<u>7,416,706</u>			
<u>25,756,425</u>			

## BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2006

	General	Permanent Improvement Fund	Other Governmental Funds
<b>Revenues:</b>			
Taxes	\$ 9,623,510	-	2,127,425
Tuition and fees	45,085	-	57,178
Investment income	157,366	83,884	5,180
Intergovernmental	17,856,790	-	871,022
Miscellaneous	691,194	50,399	39,155
<b>Total revenues</b>	<b>28,373,945</b>	<b>134,283</b>	<b>3,099,960</b>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	390,185	-	-
Vocational education	16,558,738	-	104,262
Special education	-	-	119,119
Support services:			
Pupil	1,171,190	-	168,721
Instructional staff	1,221,808	-	253,913
General administration	264,579	-	-
School administration	1,921,702	-	27,531
Fiscal	859,886	-	-
Business	35,046	-	21,656
Operation and maintenance of plant	2,398,199	14,855	-
Pupil transportation	14,212	-	-
Central	1,881,086	29,500	197,822
Non-instructional services:			
Extracurricular	106,006	-	187,603
Community service	48,386	-	-
Capital outlay	10,000	445,388	57,579
Debt Service:			
Principal	-	-	2,100,000
Interest and fiscal charges	-	-	27,425
<b>Total expenditures</b>	<b>26,881,023</b>	<b>489,743</b>	<b>3,265,631</b>
Excess of revenues over (under) expenditures	<u>1,492,922</u>	<u>(355,460)</u>	<u>(165,671)</u>
<b>Other financing sources (uses):</b>			
Transfers in	-	-	27,868
Transfers out	(1,930,000)	-	-
<b>Total other financing sources (uses)</b>	<b>(1,930,000)</b>	<b>-</b>	<b>27,868</b>
Net change in fund balances	(437,078)	(355,460)	(137,803)
Fund balance, beginning of year	4,930,919	3,145,426	270,702
Fund balance, end of year	\$ 4,493,841	2,789,966	132,899

See accompanying notes to the basic financial statements.

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
June 30, 2006

Total Governmental Funds	<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$ (930,341)
11,750,935	Amounts reported for governmental activities in the statement of activities are different because:	
102,263		
246,430		
18,727,812	Governmental funds report capital outlays as expenditures.	
780,748	However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
31,608,188		
	Capital outlay	1,616,213
	Depreciation expense	(2,254,998)
390,185	Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	2,100,000
16,663,000		
119,119		
1,339,911		
1,475,721	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	5,100
264,579		
1,949,233		
859,886		
56,702	Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(7,090)
2,413,054		
14,212		
2,108,408		
293,609	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	193,453
48,386		
512,967		
2,100,000	In the statement of activities, loss on the disposal of capital assets is reported whereas only proceeds from sales are reported in the funds.	(9,122)
27,425		
30,636,397		
971,791	Change in Net Assets of Governmental Activities	\$ <u>713,215</u>
27,868		
(1,930,000)		
(1,902,132)		
(930,341)		
8,347,047		
7,416,706		

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

## Statement of Net Assets

## Enterprise Funds

June 30, 2006

	Adult Education Fund	Online Education Fund	Non-major Enterprise Funds	Total
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and investments	\$ 391,373	-	318,115	709,488
Receivables:				
Accounts	40,013	-	504	40,517
Intergovernmental	132,830	-	-	132,830
Total current assets	<u>564,216</u>	<u>-</u>	<u>318,619</u>	<u>882,835</u>
Noncurrent assets:				
Capital assets, net	<u>209,272</u>	<u>-</u>	<u>-</u>	<u>209,272</u>
<b>Total assets</b>	<u>773,488</u>	<u>-</u>	<u>318,619</u>	<u>1,092,107</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	60,106	-	52,910	113,016
Accrued wages	76,081	112,324	18,424	206,829
Interfund payable	<u>-</u>	<u>883,638</u>	<u>-</u>	<u>883,638</u>
Total current liabilities	<u>136,187</u>	<u>995,962</u>	<u>71,334</u>	<u>1,203,483</u>
Long-term liabilities:				
Compensated absences	<u>145,771</u>	<u>26,342</u>	<u>-</u>	<u>172,113</u>
<b>Total liabilities</b>	<u>281,958</u>	<u>1,022,304</u>	<u>71,334</u>	<u>1,375,596</u>
<b>Net Assets:</b>				
Invested in capital assets, net of related debt	209,272	-	-	209,272
Unrestricted	<u>282,258</u>	<u>(1,022,304)</u>	<u>247,285</u>	<u>(492,761)</u>
<b>Total net assets</b>	<u>\$ 491,530</u>	<u>(1,022,304)</u>	<u>247,285</u>	<u>(283,489)</u>

See accompanying notes to the basic financial statements.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

## Statement of Revenues, Expenses and Changes in Fund Net Assets

## Enterprise Funds

Year Ended June 30, 2006

	Adult Education Fund	Online Education Fund	Non-major Enterprise Funds	Total
<b>Operating revenues:</b>				
Charges for services	\$ 3,597,135	207,380	330,592	4,135,107
Other operating revenues	64,290	74,500	377,806	516,596
<b>Total operating revenues</b>	<u>3,661,425</u>	<u>281,880</u>	<u>708,398</u>	<u>4,651,703</u>
<b>Operating expenses:</b>				
Salaries and wages	2,780,755	1,004,171	71,895	3,856,821
Fringe benefits	606,360	199,335	53,140	858,835
Contractual services	710,763	556,531	489,393	1,756,687
Materials and supplies	596,524	36,337	55,504	688,365
Depreciation	92,652	-	-	92,652
Other expenses	728,640	159,959	36,873	925,472
<b>Total operating expenses</b>	<u>5,515,694</u>	<u>1,956,333</u>	<u>706,805</u>	<u>8,178,832</u>
Operating income (loss)	(1,854,269)	(1,674,453)	1,593	(3,527,129)
<b>Nonoperating revenues (expenses):</b>				
Operating grants	1,448,584	-	-	1,448,584
Interest income	-	-	550	550
<b>Total nonoperating revenues</b>	<u>1,448,584</u>	<u>-</u>	<u>550</u>	<u>1,449,134</u>
Net income (loss) before transfers	(405,685)	(1,674,453)	2,143	(2,077,995)
Transfers in	-	1,845,000	85,000	1,930,000
Transfers out	(27,868)	-	-	(27,868)
Net income (loss)	(433,553)	170,547	87,143	(175,863)
Net assets, beginning of year	925,083	(1,192,851)	160,142	(107,626)
Net assets, end of year	\$ <u>491,530</u>	<u>(1,022,304)</u>	<u>247,285</u>	<u>(283,489)</u>

See accompanying notes to the basic financial statements.

## BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

Statement of Cash Flows  
 Enterprise Funds  
 Year Ended June 30, 2006

	Adult Education Fund	Online Education Fund	Non-major Enterprise Funds	Total
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 3,795,993	207,380	350,390	4,353,763
Cash received from other operating sources	64,290	74,500	377,806	516,596
Cash payments for personal services	(3,480,375)	(1,318,958)	(117,477)	(4,916,810)
Cash payments for contract services	(650,754)	(581,331)	(436,483)	(1,668,568)
Cash payments for supplies and materials	(669,507)	(36,337)	(55,504)	(761,348)
Cash payments for other expenses	(655,657)	(159,959)	(36,873)	(852,489)
Net cash used by operating activities	(1,596,010)	(1,814,705)	81,859	(3,328,856)
<b>Cash flows from noncapital financing activities:</b>				
Transfers	(27,868)	1,845,000	85,000	1,902,132
Interfund loans (repayments)	-	(30,295)	-	(30,295)
Cash received from operating grants	1,448,584	-	-	1,448,584
Net cash provided by noncapital financing activities	1,420,716	1,814,705	85,000	3,320,421
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets	(115,368)	-	-	(115,368)
<b>Cash flows from investing activities:</b>				
Investment income	-	-	550	550
Net change in cash and investments	(290,662)	-	167,409	(123,253)
Cash and investments at beginning of year	682,035	-	150,706	832,741
Cash and investments at end of year	\$ 391,373	-	318,115	709,488
 Reconciliation of operating loss to net cash used by operating activities:				
Operating income (loss)	\$ (1,854,269)	(1,674,453)	1,593	(3,527,129)
Adjustments to reconcile operating loss to net cash used by operating activities:				
Depreciation	92,652	-	-	92,652
Changes in assets and liabilities:				
Accounts receivable	198,858	-	19,798	218,656
Accounts payable	60,009	(24,800)	52,910	88,119
Accrued wages and benefits	(99,231)	(118,526)	7,558	(210,199)
Compensated absences payable	5,971	3,074	-	9,045
Net cash used by operating activities	\$ (1,596,010)	(1,814,705)	81,859	(3,328,856)

See accompanying notes to the basic financial statements.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Statement of Net Assets

Fiduciary Funds

June 30, 2006

		Private Purpose Trusts	Agency Funds
<b>ASSETS</b>			
Equity in pooled cash and investments	\$	126,287	3,526,321
Intergovernmental receivable		-	101,693
Total assets		<u>126,287</u>	<u>3,628,014</u>
<b>LIABILITIES</b>			
Accounts payable		-	10,438
Due to student groups		-	127,507
Due to other governments		-	3,490,069
Total liabilities		<u>-</u>	<u>3,628,014</u>
<b>NET ASSETS</b>			
Held in trust	\$	<u>126,287</u>	

See accompanying notes to the basic financial statements.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Statement of Changes in Fiduciary Net Assets

Fiduciary Funds

Year Ended June 30, 2006

	<u>Private- Purpose Trust Fund</u>
<b>Additions:</b>	
Interest	\$ <u>3,468</u>
Total additions	<u>3,468</u>
<b>Deductions:</b>	
Benefits	<u>250</u>
Total deductions	<u>250</u>
Change in net assets	3,218
Net assets, beginning of year	<u>123,069</u>
Net assets, end of year	\$ <u><u>126,287</u></u>

See accompanying notes to the basic financial statements.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Butler Technology and Career Development Schools (the "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. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent they do not conflict with or contradict GASB pronouncements. The School District has the option of following subsequent private-sector guidance but has elected not to do so. The more significant of the School District's accounting policies are described below.

**A. Reporting Entity**

The School District is a joint vocational school district organized under Section 3311.18 of the Ohio Revised Code. The School District provides vocational education for nine school districts serving an eligible student population of approximately 14,375 throughout southwestern Ohio. The District fosters cooperative relationships with business and industry, professional organizations, participating school districts, and other interested, concerned groups and organizations to consider, plan and implement educational programs designed to meet the common needs and interests of students.

The reporting entity is comprised of the primary government. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School District. Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The School District serves as fiscal agent for legally separate Southwest Ohio Computer Association (SWOCA) but is not financially accountable. Therefore, SWOCA has been included in the School District's financial statements as an agency fund.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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**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. 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, which differs from the manner in which the governmental fund financial statements are prepared. Therefore, the governmental fund financial statements 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 of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore 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 proprietary 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. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present 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 liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total assets.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

---

Operating revenues and expenses generally result from providing services and producing and delivering services in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**C. Fund Accounting**

The School District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial 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 funds of the School District are grouped into the categories governmental, proprietary and fiduciary.

**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 to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Permanent Improvement Fund** - The permanent improvement fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by trust funds.

**Proprietary funds** are used to account for the School District's ongoing activities that are similar to those found in the private sector where the intent of the governing body is that the cost of providing goods and services to the general public be financed or recovered primarily through user charges. The School District has two major proprietary funds:

**Adult Education Fund** - Accounts for revenues and expenditures involved in upgrading and retraining out-of-school youth and adults for the purpose of improving their skills and knowledge in their current or planned occupation.

**Online Education Fund** - Accounts for revenues and expenditures for the School District's online education program.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

---

*Fiduciary Funds* report on net assets and changes in net assets. The School District's fiduciary funds consist of a private-purpose trust fund and agency funds. The School District's only private-purpose trust fund accounts for scholarship programs for students. These assets are not available for the School District's use. Agency funds, used to account for student activities, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**D. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and relates to the timing of the measurements made.

The modified accrual basis of accounting is used by the governmental funds. On a modified accrual basis, revenues are recorded when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after fiscal year end. Under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, interest, tuition, student fees, and grants.

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 except for unmatured principal and interest on general long-term debt which is recognized when due. Allocations of cost, such as depreciation, are not recognized in the governmental funds.

Government-wide financial statements are prepared using the accrual basis of accounting. Also, proprietary funds and fiduciary funds utilize accrual accounting. Revenues are recognized when earned and expenses are recognized when incurred.

***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.

Non-exchange transactions, in which the School District receives value without directly giving 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 were levied.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

---

Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

*Deferred Revenue* Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes measurable as of June 30, 2006, which are intended to finance fiscal year 2007 operations, have been 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.

**E. Cash and Cash Equivalents**

To improve cash management, all cash received by the School District is pooled in a central bank account. Monies for all funds are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the balance sheet. During 2006, investments were limited to repurchase agreements, mutual funds and federal agency securities.

The Governmental Accounting Standards Board Statement No. 31 (GASB 31), "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", requires that investments, with certain exceptions, be recorded at their fair value and that changes in the fair value be reported in the operating statement. The School District recorded investments, other than repurchase agreements, held at June 30, 2006 at the fair value. Repurchase agreements are reported at cost.

Under existing Ohio statutes, all investment earnings accrue to the general fund except those specifically related to agency funds, certain trust funds, and those other funds individually authorized by Board resolution. Interest earnings are allocated to these funds based on average monthly cash balance.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, 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.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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**F. Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type columns in the government-wide financial statements. The School District defines capital assets as those with an individual cost of more than \$1,000 and an estimated useful life in excess of one year. All capital assets are capitalized at cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at their estimated fair values as of the date received. 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 capitalized.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are reported as expenditures of the current period in the governmental fund financial statements.

All reported capital assets except land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Buildings	40 years
Building improvements	20 years
Equipment and furniture other than vehicles	3-10 years
Vehicles	10 years

**G. Interfund Balances**

On fund financials, receivables and payables resulting from short-term interfund loans are classified as "interfund receivable/payable." These amounts are eliminated in the governmental activities column of the statement of net assets.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

**H. 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.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

---

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

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that has matured, for example, as a result of employee resignations and retirements.

**I. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

Governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources with the exception of compensated absences as noted above.

**J. Fund Balance Reserves**

The School District records reservations for portions of fund equity that are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balances indicates that portion of fund equity that is available for appropriation in future periods. Fund equity reserves are established for encumbrances, property taxes, and budget reserve set-asides.

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

**K. Restricted Assets**

Restricted assets in the general fund represent cash and cash equivalents set aside to establish a budget stabilization reserve. A corresponding fund balance reserve has also been established.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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**L. 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. Estimates**

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

**2. FUND BALANCE DEFICITS**

At June 30, 2006, the following special revenue funds had deficit fund balances:

Miscellaneous Federal Grants Fund	\$1,154
Vocational Education Fund	\$38,772
Career Development Fund	\$1,527

The deficits were created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

In addition, the Online Education enterprise fund had a net asset deficit of \$1,022,304.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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

Interim deposits are deposits of interim monies. Interim monies are those monies that are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including pass book accounts. Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, or by a single collateral pool established by the financial institution to secure the repayment of all public monies on deposit.

Interim monies may 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 or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by the 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;

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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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); and,
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time.

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 that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and amended by GASB Statement No. 40 "Deposit and Investment Risk Disclosures".

### Deposits

#### *Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District's custodial credit risk policy requires that deposits be collateralized as required by ORC Chapter 135. At year-end, \$4,078,754 of the School District's bank balance of \$4,478,754 was exposed to custodial credit risk since it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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Investments

The School District's investments at June 30, 2006 are as summarized as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
FHLB	\$ 3,096,984	1.26
FNMA	2,439,341	1.21
FHLMC	<u>5,329,565</u>	<u>0.60</u>
	<u>\$ 10,865,890</u>	<u>0.92</u>

*Credit Risk*

It is the School District's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings by nationally recognized statistical rating organizations. The School District's investments in FHLB, FNMA and FHLMC securities were rated AAA by Standard & Poor's and Aaa by Moody's.

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a failure of a counter party, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's investment securities are registered in the name of the School District.

*Concentration of Credit Risk*

The School District's policy places no limit on the amount it may invest in any one issuer. The School District investments in commercial paper and FHLB, FNMA, and FHLMC securities represent , 29%, 22%, and 49%, respectively, of the School District's total investments.

*Interest Rate Risk*

In accordance with the investment policy, the School District manages its exposure to declines in fair value by limiting the weighted average maturity of its investment portfolio to five years.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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**4. PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years.

Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2006. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2006, was \$306,000 in the General Fund.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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

	<u>2005 Second- Half Collections</u>		<u>2006 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 5,536,064,770	85.96%	6,036,241,040	86.85%
Public Utility	238,119,270	3.70%	232,462,720	3.34%
Tangible Personal Property	<u>666,053,908</u>	10.33%	<u>681,872,431</u>	9.81%
Total Assessed Value	\$ <u>6,440,237,948</u>	100.00%	<u>6,950,576,191</u>	100.00%
Tax rate per \$1,000 of assessed valuation		\$1.93		\$1.93

**5. INTERFUND TRANSACTIONS**

On the fund financial statements, the General Fund has a receivable of \$1,010,327 that consists of \$126,689 due from non-major governmental funds and \$883,638 due from the Online Education Fund. These interfund loans were made to provide operating capital.

Interfund transfers for the year ended June 30, 2006, consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	1,930,000
Non-major Governmental Funds	27,868	-
Adult Education Fund	-	27,868
On-line Education Fund	1,845,000	
Non-major Enterprise Funds	<u>85,000</u>	<u>-</u>
Total	\$ <u>1,957,868</u>	<u>1,957,868</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

**6. CAPITAL ASSETS**

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

	Balance 7/1/05	Additions	Disposals	Balance 6/30/06
<b>Governmental Activities</b>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 3,438,645	-	-	3,438,645
<i>Capital assets being depreciated:</i>				
Buildings	24,528,368	137,676	-	24,666,044
Building improvements	4,589,648	422,583	-	5,012,231
Furniture and equipment	8,934,822	1,047,454	(83,441)	9,898,835
Vehicles	547,244	8,500	-	555,744
Subtotal	<u>38,600,082</u>	<u>1,616,213</u>	<u>(83,441)</u>	<u>40,132,854</u>
Totals at historical cost	<u>42,038,727</u>	<u>1,616,213</u>	<u>(83,441)</u>	<u>43,571,499</u>
Less accumulated depreciation:				
Buildings	4,988,258	616,651	-	5,604,909
Building improvements	789,191	270,835	-	1,060,026
Furniture and equipment	4,740,746	1,308,146	(74,319)	5,974,573
Vehicles	229,249	59,366	-	288,615
Total accumulated depreciation	<u>10,747,444</u>	<u>2,254,998</u>	<u>(74,319)</u>	<u>12,928,123</u>
Capital assets, net	<u>\$ 31,291,283</u>	<u>(638,785)</u>	<u>(9,122)</u>	<u>30,643,376</u>
	Balance 7/1/05	Additions	Disposals	Balance 6/30/06
<b>Business-type Activities:</b>				
Furniture and equipment	\$ 373,891	115,368	-	489,259
Less accumulated depreciation	<u>187,335</u>	<u>92,652</u>	<u>-</u>	<u>279,987</u>
Capital assets, net	<u>\$ 186,556</u>	<u>22,716</u>	<u>-</u>	<u>209,272</u>

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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Depreciation expense was charged to governmental functions as follows:

Instruction:	
Adult	\$ 5,120
Vocational	1,874,289
Support services:	
Pupil	1,284
Instructional staff	22,407
General administration	3,380
School administration	92,899
Fiscal	36,196
Central	219,423
Total depreciation expense	\$ <u>2,254,998</u>

Depreciation expense of \$92,652 was charged to the adult education segment.

## **7. RISK MANAGEMENT**

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2006, the School District contracted with the Ohio School Plan for general liability insurance with \$3,000,000 each occurrence limit and a \$5,000,000 aggregate. Buildings, contents and school vehicles are protected through a local insurance agent. There were no significant reductions in insurance coverage in the prior year. Settlements have not exceeded insurance coverage during the past three fiscal years.

The School District participates in the Butler County Health Trust (the Trust), a group insurance purchasing pool, in order to provide dental, life, medical, and disability benefits to employees, their dependents and designated beneficiaries and to set aside funds for such purposes. The Trustee provides insurance policies in whole or in part through one or more group insurance policies.

The School District participates 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.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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**8. DEFINED BENEFIT PENSION PLANS**

**School Employees Retirement System**

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit retirement system administered by the School Employees Retirement Board. SERS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Chapter 3309 of the Ohio Revised Code establishes benefits. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. The report may be obtained by writing to SERS, 300 East Broad Street, Columbus, Ohio 43215.

Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts by the SERS's Retirement Board. The School District's required contributions to SERS for the fiscal years ended June 30, 2006, 2005, and 2004 were approximately \$455,000, \$380,000 and \$349,000, respectively. 100% of the required contributions have been made for all three years.

**State Teachers Retirement System**

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer defined benefit retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Chapter 3307 of the Ohio Revised Code establishes benefits. STRS issued a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the STRS, 275 East Broad Street, Columbus, Ohio 43215-3771.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute 14%. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The School District's required contributions to STRS for the fiscal years ended June 30, 2006, 2005, and 2004 were approximately \$2,457,000, \$2,213,000 and \$1,728,000, respectively. 100% of the required contributions have been made for all three years.

### **Social Security System**

All employees not otherwise covered by SERS or STRS have an option to choose Social Security or SERS/STRS. As of June 30, 2006, some members of the Board of Education have elected Social Security. The Board's liability is 6.2% of wages paid.

## **9. 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 Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by state statute and are funded on a pay-as-you-go basis.

STRS 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 Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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For the year ended June 30, 2006, the board allocated employer contributions equal to 1.00% of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled approximately \$176,000 during fiscal year 2006. STRS pays health care benefits from the Health Care Reserve Fund. The balance in the fund was \$3.3 billion at June 30, 2005. For the year ended June 30, 2005, net health care costs paid by STRS were \$254.8 million and STRS had 115,395 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more years of qualifying service credit, 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% of the premium. For this fiscal year, employer contributions to fund health care benefits were 3.43% of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2006, the minimum pay has been established at \$25,400. The surcharge rate added to the unallocated portion of the 14% 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% of annual health care expenses. Expenses for health care for the year ended June 30, 2006 were \$178.2 million and the target level was \$238.2 million. At June 30, 2005, SERS' net assets available for payment of health care benefits was \$267.5 million. SERS has approximately 58,000 participants currently receiving health care benefits. For the School District, this amount to fund health care benefits, including the surcharge, equaled approximately \$111,000 during the 2006 fiscal year.

## **10. EMPLOYEE BENEFITS**

### **Compensated Absences**

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one fourth days per month. Sick leave may be accumulated up to maximum of 240 days for teachers, 225 days for classified staff and unlimited days for administrators. Upon retirement, payment is made for 25% of the employee's accumulated sick leave up to a maximum of 60 days for teachers and administrators, and 45 for classified employees.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

**11. LONG-TERM LIABILITIES**

The changes in the School District's long-term liabilities during fiscal year 2006 were as follows:

	Principal Outstanding <u>7/1/05</u>	<u>Additions</u>	<u>Reductions</u>	Principal Outstanding <u>6/30/06</u>	Amounts Due in <u>One Year</u>
<b><i>Governmental Activities:</i></b>					
General obligation bonds:					
Energy Conservation	\$ 295,000	-	(100,000)	195,000	100,000
School Improvement	2,000,000	-	(2,000,000)	-	-
Compensated absences	<u>1,422,860</u>	<u>75,315</u>	<u>(193,151)</u>	<u>1,305,024</u>	<u>77,744</u>
Total	\$ <u>3,717,860</u>	<u>75,315</u>	<u>(2,293,151)</u>	<u>1,500,024</u>	<u>177,744</u>
<b><i>Business-type Activities:</i></b>					
Compensated absences	\$ <u>163,068</u>	<u>16,713</u>	<u>(7,668)</u>	<u>172,113</u>	<u>-</u>

*Energy Conservation Bonds* - In August of 1998, the School District issued unvoted bonds in the amount of \$995,000 at an interest rate of 4.34% and a maturity of December 1, 2007. The proceeds of the bonds were used to implement building, equipment repair and improvements that provide energy savings. This project was approved by the Ohio Department of Education in accordance with House Bill 264.

*School Improvement Bonds* - In March of 2003, the School District issued unvoted bonds in the amount of \$6,000,000 at an interest rate of 1.46%. The proceeds of these bonds were used for renovations and construction of an additional building.

Compensated absences are generally liquidated from the general fund.

Principal and interest requirements to retire the Energy Conservation and School Improvement Bonds outstanding at June 30, 2006, are as follows:

Fiscal Year <u>Ending June 30,</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$	100,000	8,725	108,725
2008		<u>95,000</u>	<u>4,275</u>	<u>99,275</u>
Total	\$	<u>195,000</u>	<u>13,000</u>	<u>208,000</u>

The School District's voted legal debt margin was \$625,551,857 with an unvoted debt margin of \$6,950,576 at June 30, 2006.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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**12. SHORT-TERM OBLIGATIONS**

On June 23, 2006, the School District issued \$3,000,000 of bond anticipation notes for school improvements bearing interest at 4.50%. These notes mature on June 22, 2007.

**13. JOINTLY GOVERNED ORGANIZATION**

*Southwestern Ohio Computer Association*

The Southwestern Ohio Computer Association (SWOCA), a jointly governed organization, was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the member schools of the three county consortium supports SWOCA based upon per pupil charge dependent upon the software package utilized. SWOCA is governed by a board of directors consisting of the superintendents and treasurers of member school districts. The degree of control exercised by any participating School District is limited to its representation on the Board. To obtain financial information, write to the Southwestern Ohio Computer Association, at 3603 Hamilton-Middletown, Hamilton, Ohio 45011.

**14. INSURANCE PURCHASING POOLS**

*Butler County Health Plan*

The School District participates in the Butler County Health Plan (BCHP), an insurance purchasing pool, formed to provide affordable and desirable dental, life, medical, and other disability group insurance for member's employees, eligible dependents and designated beneficiaries. The Board of Directors consists of one representative from each of the participating members and is elected by the vote of a majority of the member school districts. Financial information can be obtained from BCHP at 1910 Fairgrove Avenue, Hamilton, Ohio 45011.

*Ohio School Plan*

The Ohio School Plan (OSP) is an insurance purchasing pool among school districts in Ohio formed for the purpose of establishing a group primary and excess insurance/self-insurance and risk management program. Members agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverage provided by OSP. This coverage includes comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance. The affairs of the corporation are managed by a 13-member Board of Directors made up of school administrators. The School District does not have an equity interest in OSP.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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*Ohio School Boards Association Workers' Compensation Group Rating Plan*

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.

**15. REQUIRED SET-ASIDES**

The School District is required by State Statute to annually set aside in the general fund an amount based on the statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. The following cash basis information describes the change in the year-end set aside amounts for textbooks, capital acquisition, and budget stabilization. Disclosure of this information is required by State statute.

		<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-aside balance as of June 30, 2005	\$	(5,966,506)	-	467,953
Current year set-aside requirement		388,021	388,021	-
Less qualifying disbursements and offsets		<u>(968,715)</u>	<u>(1,631,921)</u>	<u>-</u>
Total		<u>(6,547,200)</u>	<u>(1,243,900)</u>	<u>467,953</u>
Balance carried to FY2007		<u>(6,547,200)</u>	<u>-</u>	<u>467,953</u>
Reserve balance as of June 30, 2006	\$	<u>-</u>	<u>-</u>	<u>467,953</u>

Since the School District had offsets and qualifying disbursements during the year that reduced the set aside amount for textbooks and instructional materials to below zero, these extra amounts may be used to reduce the set aside requirements of future years. However, the excess qualifying disbursements of the capital improvement set-aside may not be used to reduce the capital improvement set aside requirements of future years. The Ohio General Assembly eliminated the requirement for the budget stabilization reserve and effective April 10, 2001, the Board of Education could choose to eliminate the reserve with the exception of rebates received from the Bureau of Workers Compensation. The School District chose not to reduce its budget stabilization reserve.

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**  
**Notes to the Basic Financial Statements**  
**Year Ended June 30, 2006**

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**16. CONTINGENCIES**

**Grants**

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

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## REQUIRED SUPPLEMENTARY INFORMATION

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## BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)

Year Ended June 30, 2006

	<b>General Fund</b>			
	Budgeted Amounts			Variance
	Original	Final	Actual	With Final Budget
<b>Revenues:</b>				
Taxes	9,643,481	9,625,000	9,631,510	6,510
Tuition	50,000	45,000	45,085	85
Interest	150,000	155,000	175,090	20,090
Intergovernmental	17,806,073	17,858,195	17,856,790	(1,405)
Miscellaneous	343,632	223,812	635,251	411,439
<b>Total revenues</b>	<u>27,993,186</u>	<u>27,907,007</u>	<u>28,343,726</u>	<u>436,719</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	406,678	405,970	407,203	(1,233)
Vocational	19,448,843	19,468,362	17,632,231	1,836,131
Support services:				
Pupil	1,263,068	1,253,514	1,217,229	36,285
Instructional staff	1,296,635	1,362,809	1,273,649	89,160
General administration	265,932	320,687	329,581	(8,894)
School administration	2,595,172	2,361,173	2,062,803	298,370
Fiscal	827,873	906,231	934,928	(28,697)
Business	25,131	33,990	35,522	(1,532)
Operation and maintenance of plant	2,433,416	2,673,986	2,520,565	153,421
Pupil transportation	14,203	16,203	14,715	1,488
Central	2,102,554	2,202,353	2,056,206	146,147
Non-instructional services:				
Extracurricular activities	147,210	144,216	125,942	18,274
Food services	8,700	53,700	49,986	3,714
Facilities acquisition and construction	17,476	27,476	12,500	14,976
<b>Total expenditures</b>	<u>30,852,891</u>	<u>31,230,670</u>	<u>28,673,060</u>	<u>2,557,610</u>
Excess of revenues over expenditures	<u>(2,859,705)</u>	<u>(3,323,663)</u>	<u>(329,334)</u>	<u>2,994,329</u>
<b>Other financing sources (uses)</b>				
Transfers out	(3,000,000)	(2,150,000)	(1,930,000)	220,000
Advances in	360,000	60,000	60,000	-
Advances out	(500,000)	(426,689)	(426,689)	-
Other financing sources (uses)	-	55,000	52,547	(2,453)
<b>Total other financing sources (uses)</b>	<u>(3,140,000)</u>	<u>(2,461,689)</u>	<u>(2,244,142)</u>	<u>217,547</u>
Net change in fund balance	<u>(5,999,705)</u>	<u>(5,785,352)</u>	<u>(2,573,476)</u>	<u>3,211,876</u>
Fund balance - beginning of year	5,625,125	5,625,125	5,625,125	
Prior year carryover appropriations	1,457,358	1,457,358	1,457,358	
Fund balance - end of year	<u>1,082,778</u>	<u>1,297,131</u>	<u>4,509,007</u>	

See accompanying notes to required supplemental information.

# BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

Notes to Required Supplementary Information

Year Ended June 30, 2006

## Note A Budgetary Basis of Accounting

While the District is reporting financial position, results of operations, and changes in fund balances 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 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

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

Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

Encumbrances are treated as expenditures for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).

The adjustments necessary to convert the results of operations for the year ended June 30, 2006, on the GAAP basis to the budget basis are as follows:

	<u>General Fund</u>
Net change in fund balance - GAAP Basis	\$ (437,078)
Increase / (decrease):	
Due to revenues	(30,219)
Due to expenditures	(464,374)
Due to other financing sources	(314,142)
Due to encumbrances	<u>(1,327,663)</u>
Net change in fund balance - Budget Basis	<u>(2,573,476)</u>

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SUPPLEMENTAL SECTION  
COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

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# *Butler Technology and Career Development Schools, Ohio*

## GENERAL FUND

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

## SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. The following are descriptions of each Special Revenue Fund:

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

The **Public School Support Fund** accounts for specific local revenue sources generated by the individual school buildings. Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

The **Other Grant Fund** accounts for various state and local grants.

The **Termination Benefits Fund** accounts for the accumulation of resources and payments of employee severance.

The **Entry Year Teachers Fund** accounts for state funds for teacher training.

The **Post Secondary Vocational Education Fund** accounts for revenue and expenditures incurred in providing opportunities for adults to acquire adequate employment skills.

The **Management Information Systems Fund** accounts for state funds provided to assist the District in implementing a staff, student, and financial reporting system as mandated by the Omnibus Education Reform Act of 1989.

The **One Net Fund** accounts for state grants for Ohio Educational Computer Network Connections.

The **Schoolnet Professional Development Fund** accounts for state grants for the provision of hardware, software, telecommunications services, and staff development to support educational uses of technology in the classroom.

## *Butler Technology and Career Development Schools, Ohio*

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

The **Career Development Fund** accounts for state and federal grants which are provided to introduce various career opportunities to students.

The **Miscellaneous State Grants Fund** accounts for various monies received from state agencies which are not classified elsewhere.

The **Title V Fund** accounts for federal funds used for highly qualified teachers.

The **Vocational Education Fund** accounts for federal funds used in the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, cooperative education, advisory committees, and work-study projects.

The **Improve Teacher Quality Fund** accounts for federal funds the addition of classroom teachers to reduce the number of student per teacher.

The **Drug Free Schools Fund** accounts for federal funds supporting the establishment, operation and improvement of programs for drug abuse prevention, early intervention and education in schools.

The **Miscellaneous Federal Grants Fund** accounts for monies from federal agencies which are not classified elsewhere.

## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

# *Butler Technology and Career Development Schools, Ohio*

## CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings, additions to existing school buildings, or for major renovation projects, including equipment purchases:

### **Major Capital Projects Funds:**

The **Permanent Improvement Fund** accounts for all transactions related to the acquiring, constructing, or improving of the infrastructure of buildings and grounds through permanent improvements.

The **Building Fund** accounts for all transactions related to the construction of new buildings.

## ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector business where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public be financed or recovered primarily through user charges.

### **Major Enterprise Funds:**

The **Vocational Adult Education Fund** accounts for revenue and expenditures involved in upgrading and retraining out-of-school youth and adults for the purpose of improving their skills and knowledge in their current or planned occupation.

The **Online Education Fund** accounts for activities related to the School District's internet education program.

### **Nonmajor Enterprise Funds:**

The **Food Services Fund** accounts for the financial transactions related to the food service operation of the District.

The **Uniform School Supply Fund** accounts for the purchase and sale of school supplies as adopted by the Board of Education for use in the School District.

The **Rotary Fund** accounts for income and expenses made in connection with goods and services provided by the District.

# *Butler Technology and Career Development Schools, Ohio*

## PRIVATE-PURPOSE TRUST FUND

Private-purpose trust funds are used to report trust arrangements under which principal and income benefit individuals, private organizations or other governments.

The **Special Trust Fund** accounts for donations that are received to provide scholarships and awards to students.

## AGENCY FUNDS

Agency funds are used to account for assets held in a custodial capacity.

The **Southwest Ohio Computer Association Fund** accounts for the activity and resources of the Southwest Ohio Computer Association for which the District serves as the fiscal agent.

The **Student Activities Funds** account for the resources that belong to various student groups in the District. The funds account for sales and other revenue generating activities by student groups which have students involved in the management of the program.

The **District Agency Fund** accounts for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds.

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## BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Bond Retirement	Nonmajor Capital Projects Building Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and equity in pooled cash and investments	\$ 194,124	-	78,390	272,514
Receivables:				
Intergovernmental	88,019	-	-	88,019
<b>Total assets</b>	<u>282,143</u>	<u>-</u>	<u>78,390</u>	<u>360,533</u>
<b>Liabilities:</b>				
Accounts payable	9,198	-	2,388	11,586
Accrued wages and benefits	1,340	-	-	1,340
Deferred revenue	88,019	-	-	88,019
Interfund loans payable	126,689	-	-	126,689
<b>Total liabilities</b>	<u>225,246</u>	<u>-</u>	<u>2,388</u>	<u>227,634</u>
<b>Fund Balances:</b>				
Reserved for:				
Encumbrances	93,455	-	31,692	125,147
Unreserved, reported in:				
Special Revenue Funds	(36,558)	-	-	(36,558)
Capital Projects Funds	-	-	44,310	44,310
<b>Total fund balances</b>	<u>56,897</u>	<u>-</u>	<u>76,002</u>	<u>132,899</u>
<b>Total liabilities and fund balances \$</b>	<u>282,143</u>	<u>-</u>	<u>78,390</u>	<u>360,533</u>

## BUTLER COUNTY JOINT VOCATIONAL SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2006

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Bond Retirement</u>	<u>Nonmajor Capital Projects Building Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues:</b>				
Taxes	\$ -	2,127,425	-	2,127,425
Tuition and fees	57,178	-	-	57,178
Interest	2,138	-	3,042	5,180
Intergovernmental	871,022	-	-	871,022
Miscellaneous	39,155	-	-	39,155
<b>Total revenues</b>	<b>969,493</b>	<b>2,127,425</b>	<b>3,042</b>	<b>3,099,960</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Vocational education	104,262	-	-	104,262
Other	119,119	-	-	119,119
Support services:				
Pupil	168,721	-	-	168,721
Instructional staff	253,913	-	-	253,913
School administration	27,531	-	-	27,531
Business	-	-	21,656	21,656
Central	197,822	-	-	197,822
Non-instructional services:				
Extracurricular activities	187,603	-	-	187,603
Capital outlay	-	-	57,579	57,579
Debt service:				
Principal	-	2,100,000	-	2,100,000
Interest	-	27,425	-	27,425
<b>Total expenditures</b>	<b>1,058,971</b>	<b>2,127,425</b>	<b>79,235</b>	<b>3,265,631</b>
Excess of revenues over (under) expenditures	(89,478)	-	(76,193)	(165,671)
<b>Other financing sources (uses)</b>				
Transfers in	27,868	-	-	27,868
<b>Total other financing sources (uses)</b>	<b>27,868</b>	<b>-</b>	<b>-</b>	<b>27,868</b>
Net change in fund balances	(61,610)	-	(76,193)	(137,803)
Fund balance, beginning of year	118,507	-	152,195	270,702
Fund balance, end of year	\$ 56,897	-	76,002	132,899

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2006

	Public School Support	Other Grant	Termination Benefits	Entry Year Teachers	Post Secondary Vocational Education	Management Information Systems
<b>Assets:</b>						
Equity in pooled cash and investments	\$ 78,265	8,275	6,959	-	-	-
Net receivables:						
Accounts	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
<b>Total assets</b>	<u>78,265</u>	<u>8,275</u>	<u>6,959</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Liabilities:</b>						
Accounts payable	-	-	-	-	-	-
Accrued wages and benefits	-	-	-	-	-	-
Compensated absences payable	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Interfund loans payable	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>						
Fund Balances						
Reserved for:						
Encumbrances	-	7,250	-	-	-	-
Unreserved-undesignated	<u>78,265</u>	<u>1,025</u>	<u>6,959</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fund balances</b>	<u>78,265</u>	<u>8,275</u>	<u>6,959</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	\$ <u>78,265</u>	<u>8,275</u>	<u>6,959</u>	<u>-</u>	<u>-</u>	<u>-</u>

<u>One Net</u>	<u>Career Develop- ment</u>	<u>Misc. State Grants</u>	<u>Title V</u>	<u>Vocational Education</u>	<u>Improve Teacher Quality</u>	<u>Drug Free Schools</u>	<u>Misc. Federal Grants</u>	<u><b>TOTAL</b></u>
-	179	-	2,095	86,623	2,516	1,740	7,472	194,124
-	-	-	-	-	-	-	-	-
-	203	-	-	85,398	-	-	2,418	88,019
-	382	-	2,095	172,021	2,516	1,740	9,890	282,143
-	-	-	-	1,490	1,500	-	6,208	9,198
-	-	-	-	1,340	-	-	-	1,340
-	-	-	-	-	-	-	-	-
-	203	-	-	85,398	-	-	2,418	88,019
-	1,706	-	-	122,565	-	-	2,418	126,689
-	1,909	-	-	210,793	1,500	-	11,044	225,246
-	-	-	-	84,129	100	-	1,976	93,455
-	(1,527)	-	2,095	(122,901)	916	1,740	(3,130)	(36,558)
-	(1,527)	-	2,095	(38,772)	1,016	1,740	(1,154)	56,897
-	382	-	2,095	172,021	2,516	1,740	9,890	282,143

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Combining Statement of Revenues, Expenditures

and Changes in Fund Balances

All Nonmajor Special Revenue Funds

Year Ended June 30, 2006

	Public School Support	Other Grant	Termination Benefits	Entry Year Teachers	Post Secondary Vocational Education	Management Information Systems
<b>Revenues:</b>						
Tuition and fees	\$ -	-	-	-	-	-
Interest	-	-	2,138	-	-	-
Intergovernmental	-	-	-	500	18,000	9,282
Miscellaneous	170	18,525	-	-	-	-
<b>Total revenues</b>	<u>170</u>	<u>18,525</u>	<u>2,138</u>	<u>500</u>	<u>18,000</u>	<u>9,282</u>
<b>Expenditures:</b>						
Current:						
Instruction:						
Vocational Education	-	448	95,156	500	-	-
Other	-	-	-	-	-	-
Support services:						
Pupil	-	10,250	-	-	-	-
Instructional staff	-	-	-	-	-	-
School administration	-	-	-	-	-	-
Central	-	-	-	-	18,000	12,710
Non-instructional services:						
Extracurricular activities	3,373	-	-	-	-	-
<b>Total expenditures</b>	<u>3,373</u>	<u>10,698</u>	<u>95,156</u>	<u>500</u>	<u>18,000</u>	<u>12,710</u>
Excess of revenues over (under) expenditures	(3,203)	7,827	(93,018)	-	-	(3,428)
<b>Other financing sources (uses)</b>						
Transfers in	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,203)	7,827	(93,018)	-	-	(3,428)
Fund balance, beginning of year	81,468	448	99,977	-	-	3,428
Fund balance, end of year	\$ <u>78,265</u>	<u>8,275</u>	<u>6,959</u>	<u>-</u>	<u>-</u>	<u>-</u>

<u>One Net</u>	<u>Career Development Fund</u>	<u>Misc. State Grants</u>	<u>Title V</u>	<u>Vocational Education</u>	<u>Improve Teacher Quality</u>	<u>Drug Free Schools</u>	<u>Misc. Federal Grants</u>	<u><b>TOTAL</b></u>
-	-	-	-	57,178	-	-	-	57,178
-	-	-	-	-	-	-	-	2,138
9,000	36,019	5,680	3,729	710,626	5,460	3,794	68,932	871,022
-	-	-	-	-	-	-	20,460	39,155
<u>9,000</u>	<u>36,019</u>	<u>5,680</u>	<u>3,729</u>	<u>767,804</u>	<u>5,460</u>	<u>3,794</u>	<u>89,392</u>	<u>969,493</u>
-	-	-	-	8,158	-	-	-	104,262
-	-	-	-	119,119	-	-	-	119,119
-	11,821	3,785	-	142,865	-	-	-	168,721
-	-	-	4,200	151,252	4,444	3,480	90,537	253,913
-	-	-	-	27,531	-	-	-	27,531
9,000	25,725	-	-	132,387	-	-	-	197,822
-	-	-	-	184,230	-	-	-	187,603
<u>9,000</u>	<u>37,546</u>	<u>3,785</u>	<u>4,200</u>	<u>765,542</u>	<u>4,444</u>	<u>3,480</u>	<u>90,537</u>	<u>1,058,971</u>
-	(1,527)	1,895	(471)	2,262	1,016	314	(1,145)	(89,478)
-	-	-	-	27,868	-	-	-	27,868
-	-	-	-	27,868	-	-	-	27,868
-	(1,527)	1,895	(471)	30,130	1,016	314	(1,145)	(61,610)
-	-	(1,895)	2,566	(68,902)	-	1,426	(9)	118,507
-	(1,527)	-	2,095	(38,772)	1,016	1,740	(1,154)	56,897

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Public School Support Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
From local sources:			
Other local revenues	\$ <u>170</u>	<u>170</u>	<u>-</u>
Total revenues	<u>170</u>	<u>170</u>	<u>-</u>
Expenditures:			
Current:			
Extracurricular activities	<u>4,000</u>	<u>3,373</u>	<u>627</u>
Total expenditures	<u>4,000</u>	<u>3,373</u>	<u>627</u>
Net change in fund balance	<u>(3,830)</u>	<u>(3,203)</u>	<u>627</u>
Fund balance, beginning of year	81,468	81,468	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>77,638</u>	<u>78,265</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

## Schedule of Revenues, Expenditures and Changes in Fund Balance

## Budget and Actual (Budget Basis)

## Other Grant Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
From local sources:			
Tuition	\$ 450	450	-
Other local revenues	<u>18,075</u>	<u>18,075</u>	<u>-</u>
Total revenues	<u>18,525</u>	<u>18,525</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Vocational	762	448	314
Support Services:			
Pupil	<u>17,500</u>	<u>17,500</u>	<u>-</u>
Total expenditures	<u>18,262</u>	<u>17,948</u>	<u>314</u>
Net change in fund balance	<u>263</u>	<u>577</u>	<u>314</u>
Fund balance, beginning of year	448	448	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>711</u>	<u>1,025</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

## Schedule of Revenues, Expenditures and Changes in Fund Balance

## Budget and Actual (Budget Basis)

## Termination Benefits Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Earnings on investments	\$ 2,100	2,138	38
Total revenues	<u>2,100</u>	<u>2,138</u>	<u>38</u>
Expenditures:			
Current:			
Instruction:			
Vocational	250,000	243,356	6,644
Total expenditures	<u>250,000</u>	<u>243,356</u>	<u>6,644</u>
Net change in fund balance	(247,900)	(241,218)	6,682
Fund balance, beginning of year	248,177	248,177	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>277</u>	<u>6,959</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Entry Year Teachers Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ 500	500	-
Total revenues	<u>500</u>	<u>500</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Administration	500	500	-
Total expenditures	<u>500</u>	<u>500</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>-</u>	<u>-</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Post Secondary Vocational Education Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ 18,000	18,000	-
Total revenues	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Expenditures:			
Current:			
Central	18,000	18,000	-
Total expenditures	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u><u>-</u></u>	<u><u>-</u></u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Management Information Systems Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ 9,282	9,282	-
Total revenues	<u>9,282</u>	<u>9,282</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Central	12,711	12,711	-
Total expenditures	<u>12,711</u>	<u>12,711</u>	<u>-</u>
Net change in fund balance	<u>(3,429)</u>	<u>(3,429)</u>	<u>-</u>
Fund balance, beginning of year	3,429	3,429	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>-</u>	<u>-</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

One Net Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Expenditures:			
Current:			
Central	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Total expenditures	<u>9,000</u>	<u>9,000</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>-</u>	<u>-</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Career Development Fund

Year Ended June 30, 2006

	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$ 36,019	36,019	-
Total revenues	<u>36,019</u>	<u>36,019</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Pupils	12,000	11,821	179
Central	<u>25,725</u>	<u>25,725</u>	<u>-</u>
Total expenditures	<u>37,725</u>	<u>37,546</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(1,706)</u>	<u>(1,527)</u>	<u>179</u>
Other financing sources uses:			
Advances in	<u>1,706</u>	<u>1,706</u>	<u>-</u>
Net change in fund balance	-	179	179
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	<u>\$ -</u>	<u>179</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

## Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Miscellaneous State Grants Fund

Year Ended June 30, 2006

	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$ 5,680	5,680	-
Total revenues	<u>5,680</u>	<u>5,680</u>	<u>-</u>
Expenditures:			
Current:			
Supporting services:			
Pupils	3,785	3,785	-
Total expenditures	<u>3,785</u>	<u>3,785</u>	<u>-</u>
Net change in fund balance	1,895	1,895	-
Fund balance, beginning of year	(5,680)	(5,680)	
Prior year encumbrances appropriated	<u>3,785</u>	<u>3,785</u>	
Fund balance, end of year	\$ <u><u>-</u></u>	<u><u>-</u></u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

## Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Title V Fund

Year Ended June 30, 2006

	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$ 6,295	6,295	-
Total revenues	<u>6,295</u>	<u>6,295</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Instructional staff	4,200	4,200	-
Total expenditures	<u>4,200</u>	<u>4,200</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>2,095</u>	<u>2,095</u>	<u>-</u>
Other financing sources uses:			
Other uses	<u>(2,566)</u>	<u>(2,566)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,566)</u>	<u>(2,566)</u>	<u>-</u>
Net change in fund balance	<u>(471)</u>	<u>(471)</u>	<u>-</u>
Fund balance, beginning of year	2,566	2,566	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>2,095</u>	<u>2,095</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

## Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Vocational Education Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
From local sources:			
Tuition	\$ 57,178	57,178	-
Intergovernmental	<u>719,175</u>	<u>719,175</u>	<u>-</u>
Total revenues	<u>776,353</u>	<u>776,353</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Vocational	39,680	39,680	-
Adult/continuing education	122,065	122,296	(231)
Support services:			
Pupil	149,227	148,948	279
Instructional staff	160,453	157,436	3,017
School administration	27,532	27,532	-
Central	161,763	161,975	(212)
Extracurricular activities	<u>222,436</u>	<u>224,284</u>	<u>(1,848)</u>
Total expenditures	<u>883,156</u>	<u>882,151</u>	<u>1,005</u>
Excess of revenues over (under) expenditures	(106,803)	(105,798)	1,005
Other financing sources (uses):			
Transfers in	27,868	27,868	-
Advances in	122,566	122,566	-
Advances out	(60,000)	(60,000)	-
Other financing uses	<u>(658)</u>	<u>(658)</u>	<u>-</u>
Total other financing sources (uses)	<u>89,776</u>	<u>89,776</u>	<u>-</u>
Net change in fund balance	(17,027)	(16,022)	1,005
Fund balance, beginning of year	(27,934)	(27,934)	
Prior year encumbrances appropriated	<u>44,961</u>	<u>44,961</u>	
Fund balance, end of year	\$ <u>-</u>	<u>1,005</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Improve Teacher Quality Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
Intergovernmental	\$ 5,460	5,460	-
Total revenues	<u>5,460</u>	<u>5,460</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Instructional staff	<u>4,545</u>	<u>4,545</u>	<u>-</u>
Total expenditures	<u>4,545</u>	<u>4,545</u>	<u>-</u>
Net change in fund balance	915	915	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>915</u>	<u>915</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

## Schedule of Revenues, Expenditures and Changes in Fund Balance

## Budget and Actual (Budget Basis)

## Drug Free Schools

Year Ended June 30, 2006

	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$ 5,220	5,220	-
Total revenues	<u>5,220</u>	<u>5,220</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Instructional staff	4,906	4,906	-
Total expenditures	<u>4,906</u>	<u>4,906</u>	<u>-</u>
Net change in fund balance	<u>314</u>	<u>314</u>	<u>-</u>
Fund balance, beginning of year	1,426	1,426	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u><u>1,740</u></u>	<u><u>1,740</u></u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Miscellaneous Federal Grant Fund

Year Ended June 30, 2006

	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other local revenues	\$ 20,460	20,460	-
Intergovernmental	<u>68,932</u>	<u>68,932</u>	<u>-</u>
Total revenues	<u>89,392</u>	<u>89,392</u>	<u>-</u>
Expenditures:			
Current:			
Support Services:			
Instructional staff	<u>91,014</u>	<u>91,014</u>	<u>-</u>
Total expenditures	<u>91,014</u>	<u>91,014</u>	<u>-</u>
Excess of revenues over expenditures	(1,622)	(1,622)	-
Other financing sources (uses):			
Advances in	<u>2,418</u>	<u>2,418</u>	<u>-</u>
Net change in fund balance	796	796	-
Fund balance, beginning of year	(9)	(9)	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	<u>\$ 787</u>	<u>787</u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Debt Service Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
From local sources:			
Taxes	\$ 2,127,425	2,127,425	-
Total revenues	<u>2,127,425</u>	<u>2,127,425</u>	<u>-</u>
Expenditures:			
Debt service:			
Repayment of debt	2,127,425	2,127,425	-
Total expenditures	<u>2,127,425</u>	<u>2,127,425</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-
Fund balance, beginning of year	-	-	
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	
Fund balance, end of year	\$ <u>-</u>	<u>-</u>	

## BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Permanent Improvement Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
From local sources:			
Earnings on investments	\$ 70,900	83,884	12,984
Other local revenues	<u>31,470</u>	<u>31,568</u>	<u>98</u>
Total revenues	<u>102,370</u>	<u>115,452</u>	<u>13,082</u>
Expenditures:			
Current:			
Instruction:			
Other	975	-	975
Support Services:			
Operations and maintenance	35,000	14,855	20,145
Central	1,768,218	30,437	1,737,781
Facilities acquisition and construction	<u>1,310,535</u>	<u>488,698</u>	<u>821,837</u>
Total expenditures	<u>3,114,728</u>	<u>533,990</u>	<u>2,580,738</u>
Excess of revenues over expenditures	<u>(3,012,358)</u>	<u>(418,538)</u>	<u>2,593,820</u>
Other financing sources:			
Proceeds from sale of notes	3,000,000	3,000,000	-
Refund of prior year expenditures	<u>19,401</u>	<u>19,401</u>	-
Total other financing sources	<u>3,019,401</u>	<u>3,019,401</u>	-
Net change in fund balance	7,043	2,600,863	2,593,820
Fund balance, beginning of year	3,125,308	3,125,308	
Prior year encumbrances appropriated	<u>39,728</u>	<u>39,728</u>	
Fund balance, end of year	\$ <u><u>3,172,079</u></u>	<u><u>5,765,899</u></u>	

# BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

## Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual (Budget Basis)

Building Fund

Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget</u>
Revenues:			
From local sources:			
Earnings on investments	\$ 2,700	3,042	342
Total revenues	<u>2,700</u>	<u>3,042</u>	<u>342</u>
Expenditures:			
Support services:			
Business	43,446	29,105	14,341
Facilities acquisition and construction	90,134	99,878	(9,744)
Total expenditures	<u>133,580</u>	<u>128,983</u>	<u>4,597</u>
Net change in fund balance	(130,880)	(125,941)	4,939
Fund balance, beginning of year	36,469	36,469	
Prior year encumbrances appropriated	<u>133,781</u>	<u>133,781</u>	
Fund balance, end of year	\$ <u><u>39,370</u></u>	<u><u>44,309</u></u>	

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Combining Statement of Net Assets

Nonmajor Enterprise Funds

June 30, 2006

	Food Service	Uniform School Supply	Rotary	<b><i>TOTAL</i></b>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 7,211	31,508	279,396	318,115
Net receivables:				
Accounts	<u>504</u>	<u>-</u>	<u>-</u>	<u>504</u>
<b>Total assets</b>	<u>7,715</u>	<u>31,508</u>	<u>279,396</u>	<u>318,619</u>
<b>Liabilities:</b>				
Accounts payable	44,709	-	8,201	52,910
Accrued wages and benefits	<u>-</u>	<u>-</u>	<u>18,424</u>	<u>18,424</u>
<b>Total liabilities</b>	<u>44,709</u>	<u>-</u>	<u>26,625</u>	<u>71,334</u>
<b>Net assets:</b>				
Unrestricted	<u>(36,994)</u>	<u>31,508</u>	<u>252,771</u>	<u>247,285</u>
<b>Total net assets</b>	\$ <u>(36,994)</u>	<u>31,508</u>	<u>252,771</u>	<u>247,285</u>

## BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO

Combining Statement of Revenues, Expenses and  
 Changes in Fund Net Assets  
 Nonmajor Enterprise Funds  
 Year Ended June 30, 2006

	Food Service	Uniform School Supply	Rotary	<b><i>TOTAL</i></b>
<b>Operating revenues:</b>				
Charges for services	\$ 300,005	2,096	28,491	330,592
Other operating revenues	<u>-</u>	<u>-</u>	<u>377,806</u>	<u>377,806</u>
Total operating revenues	<u>300,005</u>	<u>2,096</u>	<u>406,297</u>	<u>708,398</u>
<b>Operating expenses:</b>				
Salaries and wages	-	-	71,895	71,895
Fringe benefits	30,722	-	22,418	53,140
Contractual services	393,382	-	96,011	489,393
Materials and supplies	1,349	2,350	51,805	55,504
Other operating expenses	<u>969</u>	<u>-</u>	<u>35,904</u>	<u>36,873</u>
Total operating expenses	<u>426,422</u>	<u>2,350</u>	<u>278,033</u>	<u>706,805</u>
Operating income (loss)	(126,417)	(254)	128,264	1,593
<b>Nonoperating revenues:</b>				
Interest income	<u>550</u>	<u>-</u>	<u>-</u>	<u>550</u>
Net income (loss) before transfers	(125,867)	(254)	128,264	2,143
Transfers in	<u>65,000</u>	<u>-</u>	<u>20,000</u>	<u>85,000</u>
Net income (loss)	(60,867)	(254)	148,264	87,143
Net assets, beginning of year	<u>23,873</u>	<u>31,762</u>	<u>104,507</u>	<u>160,142</u>
Net assets, end of year	\$ <u><u>(36,994)</u></u>	<u><u>31,508</u></u>	<u><u>252,771</u></u>	<u><u>247,285</u></u>

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

Year Ended June 30, 2006

	Food Service	Uniform School Supply	Rotary	<b><i>TOTAL</i></b>
Cash flows from operating activities:				
Cash received from fees	\$ 317,275	2,096	31,019	350,390
Cash received from other operations	-	-	377,806	377,806
Cash payments for personal services	(30,722)	-	(86,755)	(117,477)
Cash payments for contract services	(348,673)	-	(87,810)	(436,483)
Cash payments for supplies and materials	(1,349)	(2,350)	(51,805)	(55,504)
Cash payments for other expenses	(969)	-	(35,904)	(36,873)
Net cash provided (used) by operating activities	<u>(64,438)</u>	<u>(254)</u>	<u>146,551</u>	<u>81,859</u>
Cash flows from noncapital financing activities:				
Transfers	<u>65,000</u>	<u>-</u>	<u>20,000</u>	<u>85,000</u>
Cash flows from investing activities:				
Interest received	<u>550</u>	<u>-</u>	<u>-</u>	<u>550</u>
Net increase (decrease) in cash	1,112	(254)	166,551	167,409
Cash and investments, beginning of year	<u>6,099</u>	<u>31,762</u>	<u>112,845</u>	<u>150,706</u>
Cash and investments, end of year	<u>7,211</u>	<u>31,508</u>	<u>279,396</u>	<u>318,115</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	(126,417)	(254)	128,264	1,593
Adjustments to reconcile operating loss to net cash used by operating activities:				
Changes in assets and liabilities:				
Accounts receivable	17,270	-	2,528	19,798
Accounts payable	44,709	-	8,201	52,910
Accrued wages and benefits	<u>-</u>	<u>-</u>	<u>7,558</u>	<u>7,558</u>
Net cash provided (used) by operating activities	<u>\$ (64,438)</u>	<u>(254)</u>	<u>146,551</u>	<u>81,859</u>

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Combining Statement of Net Assets

Agency Funds

June 30, 2006

	<u>Agency Funds</u>			
	<u>SWOCA</u>	<u>Student Activities</u>	<u>District Agency</u>	<u>Total</u>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 3,361,049	127,507	37,765	3,526,321
Intergovernmental receivable	<u>101,693</u>	<u>-</u>	<u>-</u>	<u>101,693</u>
Total assets	<u><u>3,462,742</u></u>	<u><u>127,507</u></u>	<u><u>37,765</u></u>	<u><u>3,628,014</u></u>
<b>Liabilities:</b>				
Accounts payable	10,438	-	-	10,438
Due to student groups	-	127,507	-	127,507
Due to other governments	<u>3,452,304</u>	<u>-</u>	<u>37,765</u>	<u>3,490,069</u>
Total liabilities	\$ <u><u>3,462,742</u></u>	<u><u>127,507</u></u>	<u><u>37,765</u></u>	<u><u>3,628,014</u></u>

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS, OHIO**

Combining Statement of Changes in Fiduciary Assets

Agency Funds

Year Ended June 30, 2006

	Beginning Balance 7/1/05	Additions	Deductions	Ending Balance 6/30/06
<b>SWOCA FUND</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 2,809,775	3,574,700	3,023,426	3,361,049
Intergovernmental receivable	<u>93,674</u>	<u>101,693</u>	<u>93,674</u>	<u>101,693</u>
	<u>\$ 2,903,449</u>	<u>3,676,393</u>	<u>3,117,100</u>	<u>3,462,742</u>
<b>Liabilities:</b>				
Accounts payable	20,946	10,438	20,946	10,438
Due to other governments	<u>2,882,503</u>	<u>3,665,955</u>	<u>3,096,154</u>	<u>3,452,304</u>
	<u>2,903,449</u>	<u>3,676,393</u>	<u>3,117,100</u>	<u>3,462,742</u>
<b>STUDENT ACTIVITIES FUND</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	<u>113,801</u>	<u>465,927</u>	<u>452,221</u>	<u>127,507</u>
<b>Liabilities:</b>				
Due to student groups	<u>113,801</u>	<u>465,927</u>	<u>452,221</u>	<u>127,507</u>
<b>DISTRICT AGENCY FUND</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	<u>37,515</u>	<u>561,690</u>	<u>561,440</u>	<u>37,765</u>
<b>Liabilities:</b>				
Due to other governments	<u>37,515</u>	<u>561,690</u>	<u>561,440</u>	<u>37,765</u>
<b>TOTAL</b>				
<b>Assets:</b>				
Equity in pooled cash and investments	2,961,091	4,602,317	4,037,087	3,526,321
Intergovernmental receivable	<u>93,674</u>	<u>101,693</u>	<u>93,674</u>	<u>101,693</u>
	<u>3,054,765</u>	<u>4,704,010</u>	<u>4,130,761</u>	<u>3,628,014</u>
<b>Liabilities:</b>				
Accounts payable	20,946	10,438	20,946	10,438
Due to other governments	2,920,018	4,227,645	3,657,594	3,490,069
Due to student groups	<u>113,801</u>	<u>465,927</u>	<u>452,221</u>	<u>127,507</u>
	<u>\$ 3,054,765</u>	<u>4,704,010</u>	<u>4,130,761</u>	<u>3,628,014</u>

*Butler Technology and Career  
Development Schools, Ohio*

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# STATISTICAL SECTION

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# Statistical Section

This part of the School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

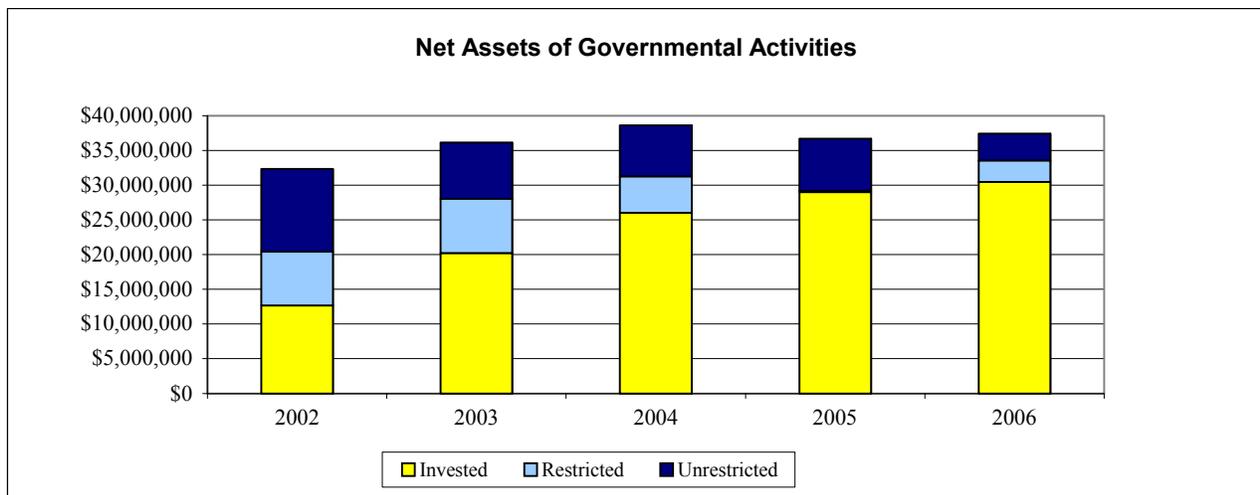
<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	<b>83-87</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax (and the income tax).	<b>88-92</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	<b>93-97</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	<b>98-99</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	<b>100-102</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 in fiscal year 2002; schedules presenting government-wide information include information beginning in that fiscal year.

**Butler Technology and Career Development Schools, Ohio**

*Net Assets by Component  
Last Five Fiscal Years  
(accrual basis of accounting)*

	2002	2003	2004	2005	2006
<b>Governmental Activities:</b>					
Invested in Capital Assets, Net of Related Debt	\$12,647,995	\$20,182,485	\$26,024,000	\$28,996,283	\$30,448,376
Restricted for:					
Capital Projects	7,722,845	7,620,368	4,979,453	152,195	3,078,390
Other Purposes	56,364	197,063	227,044	7,420	4,851
Unrestricted (Deficit)	<u>11,878,007</u>	<u>8,123,058</u>	<u>7,355,337</u>	<u>7,527,220</u>	<u>3,864,716</u>
Total Governmental Activities Net Assets	<u>\$32,305,211</u>	<u>\$36,122,974</u>	<u>\$38,585,834</u>	<u>\$36,683,118</u>	<u>\$37,396,333</u>
<b>Business-type Activities:</b>					
Invested in Capital Assets, Net of Related Debt	\$135,389	\$113,066	\$136,952	\$186,556	\$209,272
Restricted	0	0	0	0	0
Unrestricted (Deficit)	<u>854,560</u>	<u>927,446</u>	<u>198,119</u>	<u>(294,182)</u>	<u>(492,761)</u>
Total Business-type Activities Net Assets	<u>\$989,949</u>	<u>\$1,040,512</u>	<u>\$335,071</u>	<u>(\$107,626)</u>	<u>(\$283,489)</u>
<b>Primary Government:</b>					
Invested in Capital Assets, Net of Related Debt	\$12,783,384	\$20,295,551	\$26,160,952	\$29,182,839	\$30,657,648
Restricted	7,779,209	7,817,431	5,206,497	159,615	3,083,241
Unrestricted (Deficit)	<u>12,732,567</u>	<u>9,050,504</u>	<u>7,553,456</u>	<u>7,233,038</u>	<u>3,371,955</u>
Total Primary Government Net Assets	<u>\$33,295,160</u>	<u>\$37,163,486</u>	<u>\$38,920,905</u>	<u>\$36,575,492</u>	<u>\$37,112,844</u>



**Butler Technology and Career Development Schools, Ohio**

*Changes in Net Assets*

*Last Five Fiscal Years*

*(accrual basis of accounting)*

	2002	2003	2004	2005	2006
<b>Expenses</b>					
Governmental Activities:					
Regular Instruction	\$292,315	\$312,742	\$313,687	\$366,755	\$390,185
Special Instruction	66,754	71,418	120,983	150,835	0
Vocational Instruction	9,629,867	10,302,778	13,376,890	17,604,820	17,572,106
Pupil Support	539,492	804,163	1,021,007	1,210,551	1,341,195
Instructional Staff Support	543,890	943,852	1,163,279	1,574,082	1,498,128
Board of Education	108,017	148,582	222,672	322,216	267,959
Administration	998,374	1,389,565	1,833,730	2,531,604	2,042,132
Fiscal	566,909	565,943	769,203	807,920	896,082
Business	33,186	36,128	453,705	175,600	56,702
Operation and Maintenance of Plant	1,266,864	1,467,596	2,141,094	2,921,765	2,415,442
Pupil Transportation	66,090	10,418	10,313	38,224	14,212
Central Services	639,936	1,474,572	1,814,607	2,469,252	2,327,831
Non-Instructional Activities	87,092	106,694	166,434	200,061	341,995
Interest and Fiscal Charges	238,361	158,228	102,412	53,700	22,325
<i>Total Governmental Activities Expenses</i>	<u>15,077,147</u>	<u>17,792,679</u>	<u>23,510,016</u>	<u>30,427,385</u>	<u>29,186,294</u>
Business-type Activities:					
Adult Education	2,731,344	3,518,449	3,794,593	4,692,112	5,515,694
Online Education	0	0	904,982	2,075,425	1,956,333
Food Service	202,356	175,184	203,394	314,929	426,422
Other Services	476,069	170,671	262,036	178,984	280,383
<i>Total Business-type Activities Expenses</i>	<u>3,409,769</u>	<u>3,864,304</u>	<u>5,165,005</u>	<u>7,261,450</u>	<u>8,178,832</u>
<i>Total Primary Government Expenses</i>	<u>18,486,916</u>	<u>21,656,983</u>	<u>28,675,021</u>	<u>37,688,835</u>	<u>37,365,126</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services					
Vocational Education	58,820	47,272	39,363	65,909	102,263
Operating Grants and Contributions					
Vocational Education	25,115	22,103	35,421	79,124	125,806
Special Instruction	0	0	105,772	138,363	0
Pupil Support	146,439	246,349	161,031	158,120	144,992
Staff Support	326,570	425,389	267,630	191,200	223,460
Administration	0	0	30,211	26,375	25,743
Central Services	246,913	274,018	225,489	324,481	184,890
Extracurricular Activities	0	0	0	0	172,266
<i>Total Governmental Activities Program Revenues</i>	<u>803,857</u>	<u>1,015,131</u>	<u>864,917</u>	<u>983,572</u>	<u>979,420</u>
Business-type Activities:					
Charges for Services					
Adult Education	2,293,550	2,417,930	2,564,368	3,573,093	3,661,425
Online Education	0	0	308,860	223,681	281,880
Food Service	187,625	174,922	181,322	257,672	300,005
Other Services	37,208	206,437	202,235	160,696	408,393
Operating Grants and Contributions	897,072	965,537	1,129,413	1,204,115	1,449,134
Capital Grants and Contributions	0	0	0	0	0
<i>Total Business-type Activities Program Revenues</i>	<u>3,415,455</u>	<u>3,764,826</u>	<u>4,386,198</u>	<u>5,419,257</u>	<u>6,100,837</u>
<i>Total Primary Government Program Revenues</i>	<u>4,219,312</u>	<u>4,779,957</u>	<u>5,251,115</u>	<u>6,402,829</u>	<u>7,080,257</u>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(14,273,290)	(16,777,548)	(22,645,099)	(29,443,813)	(28,206,874)
Business-type Activities	5,686	(99,478)	(778,807)	(1,842,193)	(2,077,995)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$14,267,604)</u>	<u>(\$16,877,026)</u>	<u>(\$23,423,906)</u>	<u>(\$31,286,006)</u>	<u>(\$30,284,869)</u>

(continued)

**Butler Technology and Career Development Schools, Ohio**

*Changes in Net Assets of Governmental Activities (continued)*

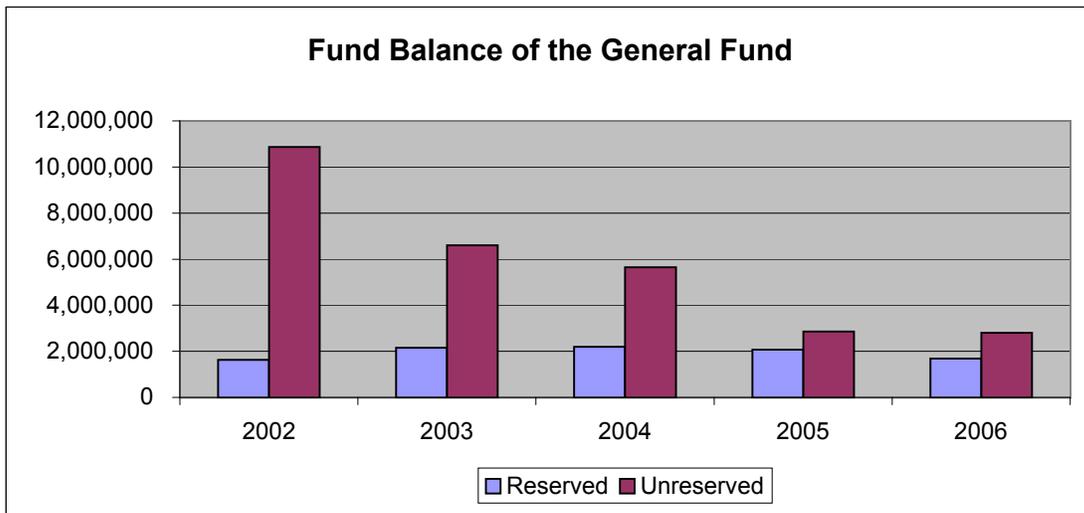
*Last Five Fiscal Years*

*(accrual basis of accounting)*

	2002	2003	2004	2005	2006
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental Activities:					
Property Taxes Levied for:					
General Purposes	\$8,205,078	\$5,825,805	\$8,102,977	\$9,155,160	\$9,771,510
Debt Service	0	4,010,653	2,957,503	2,161,300	2,127,425
Income Taxes Levied for:					
General Purposes	0	0	0	0	0
Grants and Entitlements not					
Restricted to Specific Programs	9,664,383	10,191,754	13,851,100	16,859,349	17,856,790
Investment Earnings	1,127,189	544,303	237,524	292,328	290,398
Miscellaneous	174,207	172,795	42,719	472,456	776,098
Transfers	(282,500)	(150,000)	(83,864)	(1,399,496)	(1,902,132)
<i>Total Governmental Activities</i>	<u>18,888,357</u>	<u>20,595,310</u>	<u>25,107,959</u>	<u>27,541,097</u>	<u>28,920,089</u>
Business-type Activities:					
Investment Earnings	84	41	0	0	0
Transfers	282,500	150,000	73,366	1,399,496	1,902,132
<i>Total Business-type Activities</i>	<u>282,584</u>	<u>150,041</u>	<u>73,366</u>	<u>1,399,496</u>	<u>1,902,132</u>
<i>Total Primary Government</i>	<u>19,170,941</u>	<u>20,745,351</u>	<u>25,181,325</u>	<u>28,940,593</u>	<u>30,822,221</u>
<b>Change in Net Assets</b>					
Governmental Activities	4,615,067	3,817,762	2,462,860	(1,902,716)	713,215
Business-type Activities	288,270	50,563	(705,441)	(442,697)	(175,863)
<i>Total Primary Government Change in Net Assets</i>	<u>\$4,903,337</u>	<u>\$3,868,325</u>	<u>\$1,757,419</u>	<u>(\$2,345,413)</u>	<u>\$537,352</u>

**Butler Technology and Career Development Schools, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Five Fiscal Years*  
*(modified accrual basis of accounting)*

	2002	2003	2004	2005	2006
General Fund					
Reserved	\$1,635,372	\$2,154,582	\$2,198,360	\$2,068,231	\$1,690,291
Unreserved	10,871,579	6,605,896	5,648,248	2,862,688	2,803,550
<i>Total General Fund</i>	<u>12,506,951</u>	<u>8,760,478</u>	<u>7,846,608</u>	<u>4,930,919</u>	<u>4,493,841</u>
All Other Governmental Funds					
Reserved	13,465	111,750	626,023	183,911	149,214
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	137,336	298,110	275,162	69,870	(36,558)
Capital Projects Funds	7,722,845	13,508,618	4,387,103	3,162,347	2,810,209
<i>Total All Other Governmental Funds</i>	<u>7,873,646</u>	<u>13,918,478</u>	<u>5,288,288</u>	<u>3,416,128</u>	<u>2,922,865</u>
<i>Total Governmental Funds</i>	<u><u>\$20,380,597</u></u>	<u><u>\$22,678,956</u></u>	<u><u>\$13,134,896</u></u>	<u><u>\$8,347,047</u></u>	<u><u>\$7,416,706</u></u>



**Butler Technology and Career Development Schools, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Five Fiscal Years*  
*(modified accrual basis of accounting)*

	2002	2003	2004	2005	2006
<b>Revenues</b>					
Property and Other Local Taxes	\$8,205,078	\$9,836,458	\$10,645,480	\$11,211,460	\$11,750,935
Intergovernmental	10,409,420	11,011,007	14,754,790	17,742,935	18,727,812
Interest	1,027,829	580,815	286,362	290,024	246,430
Tuition and Fees	58,820	47,272	39,363	65,909	102,263
Miscellaneous	158,470	303,201	172,127	478,456	780,748
<i>Total Revenues</i>	<u>19,859,617</u>	<u>21,778,753</u>	<u>25,898,122</u>	<u>29,788,784</u>	<u>31,608,188</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	266,920	322,362	305,462	366,755	390,185
Special	62,259	70,956	113,866	150,225	119,119
Vocational	9,875,930	10,414,886	14,249,553	17,142,580	16,663,000
Support Services:					
Pupil	533,183	789,347	1,019,769	1,208,098	1,339,911
Instructional Staff	502,978	933,636	1,116,578	1,560,476	1,475,721
Board of Education	99,638	165,382	204,998	316,059	264,579
Administration	1,094,616	1,258,935	1,647,208	2,466,520	1,949,233
Fiscal	522,429	541,252	702,936	769,940	859,886
Business	33,174	35,968	453,185	175,600	56,702
Operation and Maintenance of Plant	1,266,756	1,511,534	1,750,034	2,661,299	2,413,054
Pupil Transportation	66,081	10,384	10,958	38,224	14,212
Central	747,305	1,319,717	1,509,437	2,384,323	2,108,408
Operation of Non-Instructional Services	11,719	29,809	15,590	30,980	48,386
Extracurricular Activities	75,373	82,949	150,844	169,081	293,609
Capital Outlay	2,797,621	3,811,637	9,150,397	1,575,677	512,967
Debt Service:					
Principal Retirement	2,388,721	3,867,713	2,847,391	2,100,000	2,100,000
Interest and Fiscal Charges	208,961	163,928	110,112	61,300	27,425
<i>Total Expenditures</i>	<u>20,553,664</u>	<u>25,330,395</u>	<u>35,358,318</u>	<u>33,177,137</u>	<u>30,636,397</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(694,047)</u>	<u>(3,551,642)</u>	<u>(9,460,196)</u>	<u>(3,388,353)</u>	<u>971,791</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	15,737	0	0	0	0
General Obligation Bonds Issued	0	6,000,000	0	0	0
Inception of Capital Lease	0	0	0	0	0
Transfers In	4,657,058	800,000	25,000	24,068	27,868
Transfers Out	(4,939,558)	(950,000)	(108,864)	(1,423,564)	(1,930,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(266,763)</u>	<u>5,850,000</u>	<u>(83,864)</u>	<u>(1,399,496)</u>	<u>(1,902,132)</u>
<i>Net Change in Fund Balances</i>	<u>(\$960,810)</u>	<u>\$2,298,358</u>	<u>(\$9,544,060)</u>	<u>(\$4,787,849)</u>	<u>(\$930,341)</u>

**Butler Technology and Career Development Schools, Ohio**

*Assessed and Estimated Actual Value of Taxable Property*

*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
1997	\$2,561,278,490	\$788,158,160	\$9,569,819,000	\$350,233,540	\$397,992,659
1998	2,666,270,800	812,857,680	9,940,367,086	345,421,730	392,524,693
1999	2,731,088,120	800,522,700	10,090,316,629	349,975,010	397,698,875
2000	2,770,306,620	889,507,980	10,456,613,143	354,744,010	403,118,193
2001	3,101,386,920	909,393,350	11,459,372,200	355,947,900	404,486,250
2002	3,401,826,270	1,032,627,170	12,669,866,971	221,296,890	251,473,739
2003	4,011,349,040	1,196,516,010	14,879,614,429	244,829,060	278,214,841
2004	4,134,067,880	1,213,721,520	15,279,398,286	232,622,110	264,343,307
2005	4,303,875,020	1,232,189,750	15,817,327,914	238,119,270	270,590,080
2006	4,722,129,170	1,314,111,870	17,246,402,971	232,462,720	264,162,182

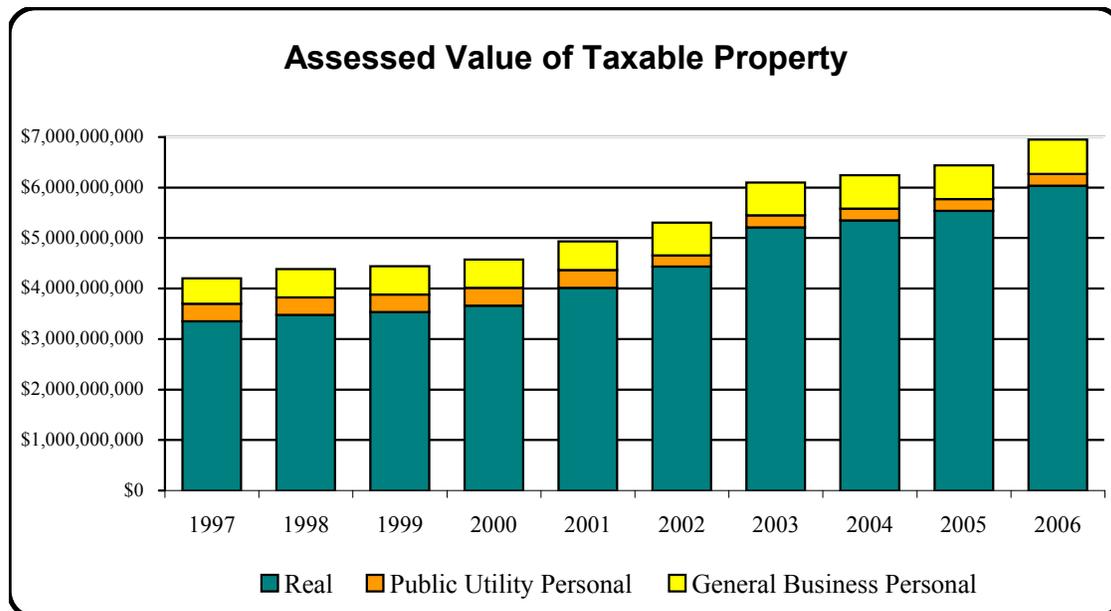
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

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

Tangible Personal Property General Business		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio
\$505,719,158	\$2,022,876,632	\$4,205,389,348	\$11,990,688,291	35.1%
559,517,525	1,381,686,920	4,384,067,735	11,714,578,699	37.4%
559,330,743	1,399,900,040	4,440,916,573	11,887,915,544	37.4%
562,802,599	1,418,976,040	4,577,361,209	12,278,707,376	37.3%
563,581,619	1,423,791,600	4,930,309,789	13,287,650,050	37.1%
647,356,246	885,187,560	5,303,106,576	13,806,528,270	38.4%
646,479,584	979,316,240	6,099,173,694	16,137,145,509	37.8%
662,867,542	930,488,440	6,243,279,052	16,474,230,033	37.9%
666,053,908	952,477,080	6,440,237,948	17,040,395,074	37.8%
681,872,431	929,850,880	6,950,576,191	18,440,416,033	37.7%



**Butler Technology and Career Development Schools, Ohio**

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

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>Voted Millage - by levy</b>										
1972 Operating - continuing										
Residential/Agricultural Real	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43
Commercial/Industrial and Public Utility Real	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43
General Business and Public Utility Personal	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43
1977 Operating - continuing										
Residential/Agricultural Real	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Commercial/Industrial and Public Utility Real	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
General Business and Public Utility Personal	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
<b>Total voted millage by type of property</b>										
Residential/Agricultural Real	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93
Commercial/Industrial and Public Utility Real	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93
General Business and Public Utility Personal	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93
<b>Overlapping Rates by Taxing District (1)</b>										
Townships (21) <i>- Range of voted rates for 21 townships</i>	.24 - 9.59	.24 - 9.59	.24 - 9.59	.24 - 10.59	.24 - 13.09	.24 - 13.09	.24 - 13.09	.24 - 13.09	.24 - 13.09	.24 - 13.09
Cities (12) <i>- Range of voted rates for 12 cities and villages</i>	2.0 - 14.4	2.0 - 14.4	2.0 - 14.4	2.0 - 14.4	2.0 - 14.4	2.0 - 14.4	2.0 - 14.4	2.0 - 14.4	2.0 - 14.4	2.0 - 14.4
School Districts (9) <i>- Range of voted rates for 9 school districts</i>	25.09 - 56.24	25.09 - 56.14	25.09 - 56.14	29.09 - 55.14	29.42 - 61.88	29.42 - 61.88	29.42 - 60.84	29.42 - 60.04	29.42 - 65.64	29.42 - 65.64
Butler County	8.45	8.44	8.45	8.45	8.75	8.75	8.74	8.74	9.44	9.44

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

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

(1) Rates are presented in ranges for each type of political subdivision. Number of subdivisions indicated in title.

**Butler Technology and Career Development Schools, Ohio**

*Principal Taxpayers*

*2005 and 1996 (1)*

Name of Taxpayer	2005	
	Assessed Value	Percent of Real Property Assessed Value
Duke Energy Corporation	\$240,538,550	3.46%
AK Steel Corporation	146,559,730	2.11%
Miller Brewing Company	66,111,767	0.95%
Dugan Financing LLD	32,066,960	0.46%
Cincinnati Financial Corporation	31,442,480	0.45%
Cincinnati Bell Telephone	29,150,950	0.42%
Duke Realty	20,269,530	0.29%
Meijer Stores LTD	19,302,660	0.28%
Security Capital Corporation	19,234,380	0.28%
Bay West Paper Corporation	14,361,700	0.21%
<b>Totals</b>	<b>\$619,038,707</b>	<b>8.91%</b>
<b>Total Assessed Valuation</b>	<b>\$6,950,576,191</b>	

Name of Taxpayer	1996	
	Assessed Value	Percent of Real Property Assessed Value
Cincinnati Gas & Electric Company	\$280,876,950	6.68%
AK Steel Corporation	111,706,350	2.66%
Miller Brewing Company	67,492,792	1.60%
Cincinnati Bell Telephone	49,447,000	1.18%
CFC Investments	16,985,710	0.40%
Ohio Bell Telephone	15,998,470	0.38%
Duke Realty	14,146,990	0.34%
Southwest Ohio Steel	11,411,940	0.27%
Security Capital	10,684,849	0.25%
1994 N1 Ohio Association LP	6,410,778	0.15%
<b>Totals</b>	<b>\$585,161,829</b>	<b>13.91%</b>
<b>Total Assessed Valuation</b>	<b>\$4,205,389,348</b>	

(1) The amounts presented represent the assessed values upon which 2005 and 1996 collections were based.

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

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**Butler Technology and Career Development Schools, Ohio**

*Property Tax Levies and Collections (1)*

*Last Ten Years*

<u>Collection Year (2)</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections (3)</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
1996	\$5,374,193	\$5,208,595	96.92%	\$131,498	5,340,093	99.37%
1997	7,277,902	7,083,440	97.33%	180,013	7,263,453	99.80
1998	7,324,499	7,129,780	97.34%	171,723	7,301,503	99.69
1999	7,233,754	7,032,333	97.22%	164,771	7,197,104	99.49
2000	7,593,136	7,327,219	96.50%	208,671	7,535,890	99.25
2001	8,427,785	8,159,326	96.81%	183,980	8,343,306	99.00
2002	8,722,674	8,493,949	97.38%	256,853	8,750,802	100.32
2003	9,972,120	9,962,622	99.90%	323,724	10,286,346	103.15
2004	10,429,083	10,207,681	97.88%	342,369	10,550,050	101.16
2005	10,780,168	10,526,455	97.65%	259,194	10,785,649	100.05

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

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

(2) The 2006 information cannot be presented because all collections have not been made by June 30, 2006.

(3) The County does not identify delinquent tax collections by tax year.

**Butler Technology and Career Development Schools, Ohio**

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2006*

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Overlapping Debt:			
Payable from Property Taxes			
<u>Counties:</u>			
Butler County	\$72,135,000	86.06%	\$62,079,381
<u>Cities:</u>			
City of Middletown	35,946,420	3.64%	1,308,450
City of Fairfield	28,250,000	99.97%	28,241,525
City of Monroe	25,118,000	98.69%	24,788,954
City of Hamilton	10,160,000	100.00%	10,160,000
City of Oxford	3,135,000	100.00%	3,135,000
City of Trenton	2,730,667	100.00%	2,730,667
<u>Townships:</u>			
West Chester Township	39,225,000	95.66%	37,522,635
Fairfield Township	9,500,000	99.46%	9,448,700
Liberty Township	4,862,565	100.00%	4,862,565
<u>School Districts:</u>			
Lakota Local Schools	168,587,026	100.00%	168,587,026
Middletown City Schools	71,229,916	100.00%	71,229,916
Fairfield City Schools	36,585,655	100.00%	36,585,655
Monroe Local Schools	28,035,228	100.00%	28,035,228
Ross Local Schools	22,865,000	100.00%	22,865,000
Edgewood City Schools	15,913,555	100.00%	15,913,555
Madison Local Schools	12,329,938	100.00%	12,329,938
Talawanda City Schools	8,865,000	100.00%	8,865,000
New Miami Local Schools	1,863,000	100.00%	1,863,000
Total Overlapping Debt	<u>\$597,336,970</u>		<u>\$550,552,195</u>
Direct Debt	<u>3,195,000</u>	100.00%	<u>3,195,000</u>
Total Direct and Overlapping Debt	<u><u>\$600,531,970</u></u>		<u><u>\$553,747,195</u></u>

Source: Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government. The valuations used were for the 2006 collection year.

**Butler Technology and Career Development Schools, Ohio**

*Computation of Legal Debt Margin*

*Last Ten Fiscal Years*

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Tax Valuation	<u>\$4,205,389,348</u>	<u>\$4,384,067,735</u>	<u>\$4,440,916,573</u>	<u>\$4,577,361,209</u>
Debt Limit - 9% of Taxable Valuation (1)	<u>\$378,485,041</u>	<u>\$394,566,096</u>	<u>\$399,682,492</u>	<u>\$411,962,509</u>
Amount of Debt Applicable to Debt Limit General Obligation Bonds Less Amount Available in Debt Service	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Amount of Debt Subject to Limit	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>
Legal Debt Margin	<u>\$378,485,041</u>	<u>\$394,566,096</u>	<u>\$399,682,492</u>	<u>\$411,962,509</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	100.00%	100.00%
Unvoted Debt Limit - .10% of Taxable Valuation (1)	\$4,205,389	\$4,384,068	\$4,440,917	\$4,577,361
Amount of Debt Subject to Limit	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>	<u>                    0</u>
Unvoted Legal Debt Margin	<u>\$4,205,389</u>	<u>\$4,384,068</u>	<u>\$4,440,917</u>	<u>\$4,577,361</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

**Source:** Butler 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.

<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>\$4,930,309,789</u>	<u>\$5,303,106,576</u>	<u>\$6,099,173,694</u>	<u>\$6,243,279,052</u>	<u>\$6,440,237,948</u>	<u>\$6,950,576,191</u>
<u>\$443,727,881</u>	<u>\$477,279,592</u>	<u>\$548,925,632</u>	<u>\$561,895,115</u>	<u>\$579,621,415</u>	<u>\$625,551,857</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$443,727,881</u>	<u>\$477,279,592</u>	<u>\$548,925,632</u>	<u>\$561,895,115</u>	<u>\$579,621,415</u>	<u>\$625,551,857</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$4,930,310	\$5,303,107	\$6,099,174	\$6,243,279	\$6,440,238	\$6,950,576
<u>(4,500,000)</u>	<u>(3,000,000)</u>	<u>(6,000,000)</u>	<u>(4,000,000)</u>	<u>(2,000,000)</u>	<u>(3,000,000)</u>
<u>\$430,310</u>	<u>\$2,303,107</u>	<u>\$99,174</u>	<u>\$2,243,279</u>	<u>\$4,440,238</u>	<u>\$3,950,576</u>
8.73%	43.43%	1.63%	35.93%	68.95%	56.84%

**Butler Technology and Career Development Schools, Ohio**

*Ratio of Debt*

*to Assessed Value and Debt per Capita*

*Last Ten Fiscal Years*

Fiscal Year	Population (1)		Estimated Actual Value of Taxable Property(2)	General Bonded Debt			Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
				General Bonded Debt Outstanding	Resources Available to Pay Principal	Net General Bonded Debt		
1997	326,749	a	\$11,990,688,291	\$0	\$0	\$0	0.00%	\$0.00
1998	326,749	a	\$11,714,578,699	0	0	0	0.00%	\$0.00
1999	326,749	a	\$11,887,915,544	895,000	0	895,000	0.01%	\$2.74
2000	332,807	a	\$12,278,707,376	795,000	0	795,000	0.01%	\$2.39
2001	332,807	b	\$13,287,650,050	5,195,000	0	5,195,000	0.04%	\$15.61
2002	332,807	b	\$13,806,528,270	3,595,000	0	3,595,000	0.03%	\$10.80
2003	342,690	b	\$16,137,145,509	6,495,000	0	6,495,000	0.04%	\$18.95
2004	342,690	b	\$16,474,230,033	2,295,000	0	2,295,000	0.01%	\$6.70
2005	350,412	b	\$17,040,395,074	295,000	0	295,000	0.00%	\$0.84
2006	350,412	b	\$18,440,416,033	195,000	0	195,000	0.00%	\$0.56

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

(2) Butler County Auditor

General Debt				
General Bonded Debt Outstanding	Capital Leases	Total Debt	Ratio of General Debt to Estimated Actual Value	General Debt Per Capita
\$0	0	\$0	0.00%	\$0.00
\$0	0	0	0.00%	\$0.00
\$895,000	\$0	895,000	0.01%	\$2.74
\$795,000	0	795,000	0.01%	\$2.39
\$5,195,000	0	5,195,000	0.04%	\$15.61
\$3,595,000	0	3,595,000	0.03%	\$10.80
\$6,495,000	0	6,495,000	0.04%	\$18.95
\$2,295,000	0	2,295,000	0.01%	\$6.70
\$295,000	0	295,000	0.00%	\$0.84
\$195,000	0	195,000	0.00%	\$0.56

## Butler Technology and Career Development Schools, Ohio

### Demographic and Economic Statistics

Last Ten Years

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Year	Population (1)	Personal Income (2) (in thousands)	Per Capita Personal Income	Unemployment Rate (3)
1997	326,749	\$5,565,620,501	\$17,033	4.20%
1998	326,749	\$6,246,173,731	\$19,116	3.50%
1999	326,749	\$6,575,950,374	\$20,125	3.70%
2000	332,807	\$6,962,960,939	\$20,922	3.30%
2001	332,807	\$6,985,982,628	\$20,991	3.20%
2002	332,807	\$6,939,429,377	\$20,851	5.00%
2003	342,690	\$7,195,991,215	\$20,999	4.10%
2004	342,690	\$7,647,676,460	\$22,317	4.30%
2005	350,412	\$0	\$0	4.90%
2006	350,412	\$0	\$0	5.10%

- Sources:** 1) U.S. Census Bureau for Butler County, Ohio  
2) Ohio Department of Taxation for Butler County, Ohio.  
Information is not available for 2005 and 2006.  
3) Ohio Bureau of Employment Services for Butler County, Ohio

**Butler Technology and Career Development Schools, Ohio**

*Principal Employers*

*Current Year and Nine Years Ago*

Employer	Nature of Business	2006			1997 (1)		
		Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	4,250	1	2.4%	3,600	2	N/A
AK Steel Corporation	Manufacturing	2,850	2	1.6%	4,100	1	N/A
Cincinnati Financial Corp.	Insurance	2,600	3	1.5%	2,500	4	N/A
Butler County Government	Government	2,000	4	1.1%	2,500	3	N/A
Fort Hamilton Hughes Hospital	Health Care	2,000	5	1.1%	1,200	8	N/A
Middletown Regional Hospital	Health Care	1,800	6	1.0%	1,600	5	N/A
Mercy Regional Hospital	Health Care	1,600	7	0.9%	N/A	N/A	N/A
Lakota Local School District	Education	1,600	8	0.9%	1,300	7	N/A
Ohio Casualty Insurance Co.	Insurance	1,340	9	0.8%	1,400	6	N/A
Dell Incorporated	Manufacturing	1,100	10	0.6%	N/A	N/A	N/A
<b>Total</b>		<b>21,140</b>		<b>11.9%</b>	<b>18,200</b>		<b>N/A</b>
Total Employment within the School District		<b>177,900</b>			<b>N/A</b>		

Source: Butler County Department of Economic Development

**Butler Technology and Career Development Schools, Ohio**

*School District Employees by Function/Program*

*Last Five Fiscal Years*

Function/Program	2002	2003	2004	2005	2006
Regular Instruction					
High School Classroom Teachers	21.00	22.00	25.00	46.00	38.00
Special Instruction					
High School Classroom Teachers	0.00	2.00	2.00	3.00	3.00
Vocational Instruction					
High School Classroom Teachers	105.00	111.00	124.00	154.00	146.00
Pupil Support Services					
Guidance Counselors	2.00	2.00	3.00	5.00	6.00
Librarians	1.00	1.00	1.00	1.00	1.00
Nurse	1.00	1.00	1.00	1.00	1.00
Administrators					
High School	1.00	2.00	2.00	4.00	5.00
Operation of Plant					
Custodians	8.00	8.00	9.00	10.00	6.00
Maintenance	1.00	1.00	1.00	1.00	1.00
Pupil Transportation					
Van Drivers	0.00	0.00	1.00	1.00	1.00
Food Service Program					
High School Cooks	0.00	0.00	0.00	0.00	0.00

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee. The count is performed on September 1 of each year.

Information prior to 2002 is not available.

Note: The District contracts for food service operations therefore, no employees are reported for this area.

**Source:** School District Records

**Butler Technology and Career Development Schools, Ohio**

*Operating Statistics*

*Last Five Fiscal Years*

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<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Rank in State (2)</u>	<u>Cost Per Pupil (1)</u>	<u>Percentage Change</u>	<u>Rank in State (2)</u>
2002	1,639	5	\$7,756	21.1%	49
2003	1,656	4	\$8,893	14.7%	48
2004	2,112	2	\$8,615	-3.1%	49
2005	2,502	2	\$9,642	11.9%	49
2006	2,638	2	N/A	-	-

Source: School District Records and Ohio Department of Education.  
Cost per Pupil information is not available prior to 2002.

Notes: (1) As calculated by the Ohio Department of Education  
(2) District rank based on 49 career-technical school districts in Ohio

**Butler Technology and Career Development Schools, Ohio**

*Building Statistics  
Last Ten Fiscal Years*

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>D. Russel Lee Career Center</b>										
Constructed in 1975, Addition in 1999										
Total Building Square Footage	185,422	185,422	185,422	244,933	244,933	244,933	244,933	244,933	244,933	244,933
Enrollment Grades 11-12	500	520	545	575	600	610	620	625	630	635
Student Capacity	600	600	600	750	750	750	750	750	750	750
Regular Instruction Classrooms	15	15	15	19	19	19	19	19	19	19
Regular Instruction Teachers	15	15	15	17	17	17	17	17	19	19
Vocational Education Classrooms	17	17	17	20	20	20	20	20	20	20
Vocational Education Teachers	17	17	17	20	20	20	20	20	20	20

**This Comprehensive Annual Financial Report was prepared by:**

**The Office of the Chief Financial Officer**

Edmund R. Pokora, CFO

**The Butler Technology Financial Services Division:**

Tom Duff	Accountant
Susan Zeiher	Administrative Assistant
Hope Bowling	Accounting Specialist
Charlotte Helton	Accounting Specialist
Kelly Ries	Accounting Specialist
Cheryl Saylor	Accounting Specialist
Carmella Taggart	Accounting Specialist

Additional copies of this report or additional information about the Butler Technology and Career Development Schools may be obtained from:

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***“Education Beyond Expectation”***

**Our mission is to develop lifelong learners with marketable skills and knowledge by providing premier career-technical and academic experiences.**





Mary Taylor, CPA  
Auditor of State

**BUTLER TECHNOLOGY AND CAREER DEVELOPMENT SCHOOLS**  
**BUTLER COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED**  
**FEBRUARY 20, 2007**