



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2007**



**Mary Taylor, CPA**  
Auditor of State



BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY

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# Mary Taylor, CPA

Auditor of State

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

Barberton City School District  
Summit County  
479 Norton Avenue  
Barberton, Ohio 44203

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Barberton City School District, Summit County, Ohio, (the District) as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 14, 2007 wherein we noted fund balances of the general and permanent improvement funds were restated. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### **Internal Control Over Financial Reporting**

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

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

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

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

We noted certain matters that we reported to the District's management in a separate letter dated December 14, 2007.

### **Compliance and Other Matters**

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

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated December 14, 2007.

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



**Mary Taylor, CPA**  
Auditor of State

December 14, 2007



# Mary Taylor, CPA

Auditor of State

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

Barberton City School District  
Summit County  
479 Norton Avenue  
Barberton, Ohio 44203

To the Board of Education:

### Compliance

We have audited the compliance of Barberton City School District, Summit County, Ohio, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2007. The summary of auditor's results section of the accompanying Schedule of Findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2007. In a separate letter to the District's management dated December 14, 2007, we reported other matters related to federal noncompliance not requiring inclusion in this report.

### Internal Control Over Compliance

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

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

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

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

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Barberton City School District, Summit County, Ohio, as of and for the year ended June 30, 2007, and have issued our report thereon dated December 14, 2007 wherein we noted fund balances of the general and permanent improvement funds were restated. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Federal Awards Receipts and Expenditures Schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Mary Taylor, CPA**  
Auditor of State

December 14, 2007



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

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

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>Passed Through the Ohio Department of Education:</i>						
Food Donation	N/A	10.550		\$134,474		\$134,474
Child Nutrition Cluster:						
School Breakfast Program	043539-05PU-2006	10.553	\$58,127		\$58,127	
School Breakfast Program	043539-05PU-2007		173,830		173,830	
National School Lunch Program	043539-LLP4-2006	10.555	238,391		238,391	
National School Lunch Program	043539-LLP4-2007		598,604		598,604	
National School Lunch Program	043539-VGS1-2006	10.555	2,636		2,636	
Total Child Nutrition Cluster			1,071,588		1,071,588	
Child and Adult Care Food Program	04539-CCMO-2006	10.558	3,286		3,286	
Child and Adult Care Food Program	04539-CCMO-2007		11,021		11,021	
Total Child and Adult Care Food Program			14,307		14,307	
Total U.S. Department of Agriculture			<b>1,085,895</b>	<b>134,474</b>	<b>1,085,895</b>	<b>134,474</b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
<i>Passed Through the Ohio Department of Education:</i>						
Special Education Cluster						
Special Education - Grants to States	043539-6BSF-2005	84.027	(13,802)			
	043539-6BSF-2006		94,894		112,797	
	043539-6BSF-2007		1,082,543		1,131,474	
Total Special Education - Grants to States			1,163,635		1,244,271	
Special Education - Preschool Grants	043539-PGS1-2005	84.173	(1,039)			
	043539-PGS1-2006		11,212		11,239	
	043539-PGS1-2007		72,200		64,761	
Total Special Education - Preschool Grants			82,373		76,000	
Total Special Education Cluster			1,246,008		1,320,271	
Title I Grants to Local Educational Agencies	043539-C1S1-2006	84.010	(14,626)		58,105	
	043539-C1S1-2007		1,090,399		941,092	
	043539-C1SK-2006		20,313		35,449	
	043539-C1SK-2007		49,445		46,733	
	N/A				5,881	
Total Title I Grants to Local Educational Agencies			1,145,531		1,087,260	
State Grants for Innovative Programs	043539-C2S1-2006	84.298	(1,939)		215	
	043539-C2S1-2007		6,770		6,088	
Total State Grants for Innovative Programs			4,831		6,303	
Safe and Drug-Free Schools and Communities-State Grants	043539-DRS1-2006	84.186	(21)		2,540	
	043539-DRS1-2007		17,836		15,388	
Total Safe and Drug-Free Schools and Communities-State Grants			17,815		17,928	
Education Technology State Grants	043539-TJS1-2006	84.318	13,471		16,594	
	043539-TJS1-2007		5,655		2,799	
Total Education Technology State Grants			19,126		19,393	
Improving Teacher Quality State Grants	043539-TRS1-2006	84.367	45,170		46,823	
	043539-TRS1-2007		281,534		259,934	
Total Improving Teacher Quality State Grants			326,704		306,757	
Total Passed through the Ohio Department of Education			2,760,015		2,757,912	
Direct Award						
Impact Aid	N/A	84.041	32,681		32,681	
Total U.S. Department of Education			<b>2,792,696</b>		<b>2,790,593</b>	
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>						
<i>Passed Through the Akron Summit County Action Agency:</i>						
Head Start	N/A	93.600	1,497,177		1,542,724	
Latchkey	N/A	93.600	27,917		27,917	
Total Passed through the Akron Summit County Action Agency			1,525,094		1,570,641	
<i>Passed Through the Ohio Department of Mental Retardation and Developmental Disabilities</i>						
Medical Assistance Program	N/A	93.778	41,208			
Total U.S. Department of Health and Human Services			<b>1,566,302</b>		<b>1,570,641</b>	
Totals			<b>\$5,444,893</b>	<b>\$134,474</b>	<b>\$5,447,129</b>	<b>\$134,474</b>

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

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

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

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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

**NOTE D – MEDICAL ASSISTANCE PROGRAM**

Community Alternative Funding System (CAFS) Medicaid revenues received during fiscal year 2007 were \$41,208. This amount related to settlements for CAFS services provided during prior years.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

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

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

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Title II – Improving Teacher Quality, CFDA #84.367 and Special Education Cluster - Special Education Grants to States, CFDA #84.027 and Special Education Preschool Grants, CFDA #84.173
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2007**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
2006-001	<b>Finding For Recovery Repaid Under Audit</b> – There was a shortage in the Change Fund of \$499 which was due to money missing from the Athletic Department safe. Also, the Petty Cash Fund did not return cash of \$121.35 and there were no supporting receipts for the proper use of this petty cash amount.	Yes	Finding No Longer Valid.
2006-002	<b>Ohio Rev. Code Section 9.38</b> – Extracurricular Activities receipts were not deposited the next business day and deposit dates ranged from 2 to 114 days.	No	Partially Corrected, reissued as Management Letter comment.
2006-003	<b>Capital Assets</b> – No estimated life was listed in the policy. Multiple assets fully depreciated were still in use. Allocated expenses to each function based on recorded Furniture & Equipment line item. The Sports Complex assets could not be fully supported. And disposals were not initially shown on the District's report as deletions.	No	Partially Corrected, reissued as Management Letter comment.
2006-004	<b>Questioned Cost: Section 421(b) of GEPA (20 USC 1225(b)); 34 CFR sections 76.704 and 76.707</b> – The District obligated and disbursed \$43,151 after the period of availability of June, 30 for the Special Education Cluster federal program without obtaining approval from the pass through agency (Ohio Department of Education).	Yes	Finding No Longer Valid.

COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

OF THE

BARBERTON CITY  
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2007

PREPARED BY  
TREASURER'S DEPARTMENT  
RYAN PENDLETON, TREASURER/CFO

479 NORTON AVENUE

BARBERTON, OHIO 44203



**BARBERTON CITY SCHOOL DISTRICT**  
**SUMMIT COUNTY, OHIO**  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

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# INTRODUCTORY SECTION





# Barberton City Schools

*... A place where the present touches the future.*

Administration Building  
479 Norton Avenue  
Barberton, Ohio 44203  
Ph: 330.753.1025  
Fax: 330.848.0884

Barberton High School  
555 Barber Road  
Barberton, Ohio 44203  
Ph: 330.753.1084  
Fax: 330.848.5517

Highland Middle School  
1152 Belleview Avenue  
Barberton, Ohio 44203  
Ph: 330.848.4243  
Fax: 330.848.4221

UL Light Middle School  
292 E Robinson Avenue  
Barberton, Ohio 44203  
Ph: 330.848.4236  
Fax: 330.848.1272

Johnson Elementary  
1340 Auburn Avenue  
Barberton, Ohio 44203  
Ph: 330.848.4246  
Fax: 330.825.2351

Memorial Elementary  
291 W Summit Street  
Barberton, Ohio 44203  
Ph: 330.848.4230  
Fax: 330.848.1667

Portage Elementary  
800 Wooster Road N  
Barberton, Ohio 44203  
Ph: 330.848.4241  
Fax: 330.848.5535

Santrock Elementary  
88 19<sup>th</sup> Street NW  
Barberton, Ohio 44203  
Ph: 330.848.4229  
Fax: 330.825.0278

Woodford Elementary  
315 E State Street  
Barberton, Ohio 44203  
Ph: 330.848.4232  
Fax: 330.848.1790

Barberton Head Start  
633 Brady Avenue  
Barberton, Ohio 44203  
Ph: 330.780.3208  
Fax: 330.848.4226

December 14, 2007

Members of the Board of Education and Residents of the  
Barberton City School District

The Comprehensive Annual Financial Report (CAFR) of the Barberton City School District (the "District") for the fiscal year ending June 30, 2007 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of costs and benefits requires estimates and judgments by management.

State statute requires an annual audit by independent accountants. The Ohio Auditor of State's office conducted the audit. The audit has been conducted in accordance with generally accepted auditing standards, generally accepted government auditing standards, and includes a review of internal controls and test of compliance with Federal and State laws and regulations. The Independent Accountant's Report is included in this CAFR.

As a part of the District's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the school District has complied with applicable laws and regulations.

This transmittal letter is designed to provide historical information about the District, as well as compliment the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The District's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Accountants' Report.

## **HISTORY OF BARBERTON AND THE SCHOOL DISTRICT**

The District is located in the City of Barberton, approximately nine miles southwest of the City of Akron, in northeast Ohio. Barberton earned the nickname of the Magic City because of its early rapid growth. Today, Barberton encompasses an area of approximately 9.2 square miles, and with a population about 28,000, is the fourth largest city in Summit County.

The history of Barberton began in 1890 when Ohio Columbus Barber, the city's founder, and his partners developed approximately 600 acres of farmland, which later expanded into approximately eight square miles. Within a year of its founding, Barberton was platted. Streets were designed and lots became available for industry, business and homes. Tuscarawas Avenue and Second Street were deemed main thoroughfares. The Barberton Beltline Railroad was constructed around the Village to accommodate the industry that already had the advantage of the Erie Railroad, the C.A.&C. Railroad, the Ohio Canal and the Tuscarawas River. The new industrial town attracted businessmen and merchants, and provided work for the laboring population. Because Barberton developed so quickly, the town was nicknamed "The Magic City" almost from the time it was founded. The tradition of "magic" continues to be an important part of the City's heritage. Little of the early industry remains today except for Babcock and Wilcox, which was originally the Stirling Boiler Works and PPG, originally the Columbia Chemical Company, Inc.

Parts of Barberton date back to around 1816. The north end of Barberton was originally known as New Portage and developed along the Tuscarawas River. In the 1850's, a second New Portage developed in the area where the Indian statue of Chief Hopocan now stands at the juncture of Wooster Road North and Norton Avenue. To the west was Johnson's Corners, which became part of Barberton in 1928.

The earliest schools were in these Villages. Barberton schools were part of the Norton Township school system until 1893. The original part of Barberton High School was built in 1915. The purple and white colors were selected during the 1930-31 school year and the sports teams have always been known as "The Magics."

The citizens of the District have voted 58.94 mills (full millage) for operating funds. These funds are being collected at an effective millage rate of 20 mills. The citizens have also voted in 8.64 mills (full millage) in 2005 due to the District's financial condition.

Voters approved the sale of the Barberton Citizens Hospital and the creation of the Barberton Community Foundation in the fall of 1996. The proceeds from the sale exceeded \$75 million and are used by the Community Foundation exclusively in the City of Barberton for charitable and educational programs, public health services and recreational activities. It is unusual for a foundation with assets exceeding \$100 million to service such a relatively small area. For this reason, the Foundation is making a significant impact on the standard of living for Barberton residents in the areas they are permitted to spend the dollars.

In May of 1997 the citizens of the District voted for a 7.42 mill bond issue whose debt service is funded fully by the Barberton Community Foundation. The taxpayers of the District will not have to pay for any of the debt service for the construction of the new \$32 million high school.

In November of each year the Treasurer/CFO sends an invoice to the Barberton Community Foundation asking them for debt service payment for the succeeding calendar year based on the amortization schedule set up to pay the debt on the new high school. The Treasurer invests the money received and any interest earnings on the money are used to offset how much money is asked for from the Barberton Community Foundation for the debt service. It is anticipated that over the life of the bond issue the interest earnings should save the Foundation over \$4,000,000, which can be applied to other grants for the Barberton community. No tax is levied to the taxpayers.

## **PROFILE OF BARBERTON CITY SCHOOL DISTRICT**

The District ranks as the 93rd largest by total enrollment among the 615 public school districts in the State of Ohio. As of the current school year (2006-07), the average daily membership (ADM) was 4,302 students attending eight schools.

The District has 598 full and part time employees. The District employs 365 certified staff members and 28 administrators. Additionally, the District employs 205 full-time and part-time non-teaching staff members.

Students in the District also have a wide range of extra-curricular activities to choose from. The District is a member of the Four Cities Vocational Compact, which provides students the following technical-vocational programs at the high school level:

### Business and Office Education:

Cooperative Business Education (CBE)  
Computer Business Careers (CBE)  
Business Co-op  
Business Technologies  
Business Internship (Tech Prep)  
Cisco/A + (Tech Prep)  
Cisco Network Academy and Support Services (Tech Prep)  
Computer Aided Design – CAD (Drafting) (Tech Prep)  
Administrative Assistant  
Media Communications

### Family and Consumer Science:

Teachers' Aide  
Chef Preparation and Hospitality Management  
Distance Learning Lab

### Marketing:

General Marketing  
Marketing Education

### Trade and Industrial:

Diversified and Cooperative Training (DCT)  
Automotive Technologies  
Carpentry  
Environmental Engineering (Tech Prep)  
Cosmetology  
Machine Technologies  
Masonry/Building Trades  
Criminal Justice

### Special Needs:

Occupational Work Experience (OWE)

A full range of extracurricular programs and activities is available to students beginning with the elementary grades. Our high school and middle schools have libraries, special purpose rooms, including computer labs and unique curricular offerings designed by the individual building staff and administration. Our elementary schools feature complete libraries in each classroom as well as computers.

An active council of local neighborhood Parent Teacher Associations provides for articulation, cooperation, and communication and partnership between parents, community members, and school officials.

The District cooperates with the City of Barberton Recreation and Parks Department, churches and a number of community and civic organizations in making school facilities available for athletic, recreational and enrichment activities.

Classroom teachers at all levels are supported by specialists in media, guidance, art, vocal music, physical education and curriculum development. The middle schools and high school have instrumental music programs. All elementary schools are staffed by certified media specialists. Two school nurses, four psychologists, one technology coach, seven counselors, specific coordinators for Title I (a federally funded reading and mathematics program), and gifted programs offer direction, support and coordination of services for all students.

### ***Employees***

A statewide public employee bargaining law applies generally to public employee relations and collective bargaining. The starting salary (2006-07 school year) for a teacher with a bachelor's degree is \$31,487 and the maximum salary for a teacher with a master's degree plus 30 graduate hours and 27 years of experience is \$68,327.

The District's certificated staff members, excluding administration, belong to the Barberton Education Association (B.E.A.), a labor organization affiliated with the Ohio Education Association. The current contract between the Board of Education and the B.E.A. expires August 31, 2009.

The District's support staff employees, including secretarial, custodial, maintenance, and teacher aides, are represented for bargaining purposes by the American Federation of State, County and Municipal Employees Association (A.F.S.C.M.E.), a labor organization affiliated with the city AFSCME Local 265. The current A.F.S.C.M.E. contract expires December 31, 2008.

The District's transportation staff is represented for bargaining purposes by the Ohio Association of Public School Employees Union (O.A.P.S.E.). The current OAPSE contract expires December 31, 2008.

In the judgment of the Board of Education and administration, labor relations between the District and its employees remain excellent.

### ***Budgetary Controls***

The annual appropriation measure shall be designed to carry out District operations in a thorough and efficient manner, maintain District facilities properly, and honor continuing obligations of the Board of Education.

An annual appropriations resolution shall be developed, approved, and filed according to statute.

The Board shall adopt as part of its annual appropriation measure a Five (5) Year Forecast, or in the case of an amendment or supplement to an appropriation measure, an amended five (5) year projection of revenue and expenditures of the General, Emergency, Poverty Based Assistance and any Debt Service related to the General Fund. A copy of the annual appropriation measure and any amendment or supplement to it and the forecast or amended forecast shall be submitted to the Superintendent of Public Instruction and shall set forth all revenues available for appropriation by the District during such year and its sources; the nature and amount of expenses to be incurred during the year; the outstanding and unpaid expenses on the date the measure, amendment, or supplement is adopted; the dates by which such expenses must be paid; and any other information the Superintendent requires.

In addition to the internal control structure mentioned above, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund/object level for the general fund and the fund level for all other funds. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.



Unencumbered amounts lapse at year-end. A complete description of the District's budgetary process can be found in the notes to the basic financial statements.

## **ECONOMIC CONDITION**

### ***Local Economy***

Barberton's economy has historically been associated with industry. Major industries with headquarters or divisions within Barberton's boundaries include manufacturers of fossil fuel and nuclear power generating equipment, automobile components, energy products, management systems and producers of chemical and dairy products. The corporate headquarters for the largest producer of cut flowers in the world is also located in Barberton.

During the 1970's and early 1980's employment by manufacturing companies decreased, primarily due to plant closings and down-sizing. However, Barberton's economy has stabilized and local indicators point to continued improvement. Barberton's economy is stronger today because it is no longer dependent on several large industrial employers. Smaller manufacturing and service businesses have replaced many of the jobs lost in past years.

To encourage industrial development, Barberton has created two industrial parks, Stuver Place and Foundation Parkway. To date, five businesses have constructed new facilities in these areas. Barberton City School District's real estate tax revenues have also grown to the extent they have due to House Bill 920 and the improved economic conditions in the city.

The City of Barberton is almost fully developed, and virtually landlocked. The City of Barberton continues to enjoy a moderate growth in new home construction. Currently a new development is opening that features old neighborhood style that includes detached garages, alleys, and large front porches. In addition it will have commons areas.

The new Barberton High School opened in August 2000. This state-of-the-art facility is a focal point of pride for the community. The District also purchased 100 acres of land to develop an athletic complex to enhance the building of the new high school. With the assistance of donations and grants of over \$3.6 million from the Barberton Community Foundation, this sports complex is a vital asset for the District and the community.

The District is working with the Ohio School Facilities Commission (OSFC). The District has been approved for the Expedited Local Share program. As part of this process a facilities master plan has been completed that will guide the facilities improvement for the District for the next ten years.

### ***Long-Term Financial Planning***

The Five-year Forecast is used as a planning tool for the Barberton City School District. It reflects three years of general operations, General Fund and Poverty Based Assistance Fund, historical revenues and expenditures, as well as a forecast of five additional fiscal years.

The District uses the five-year forecast to provide a basis for making financial decisions, including the construction of the annual budget, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot. Specific examples of recent decisions that have resulted in improvements to the District's financial condition include the approval by voters of an 8.64 emergency levy in the February 8, 2005 election combined with continued reductions in spending, and the closing and demolition of two school buildings.

### ***Major Initiatives for the Year***

The Barberton City School District continues to improve!! The District mission statement, "The mission of the Barberton City School District is to serve every child by challenging him/her to continuously learn, achieve, and act with purpose and compassion." exemplifies what we try to do everyday. The District strategic goals have also been refined. These goals guide us through each school year. The goals are evaluated and revisited annually.

Within the next three years, Barberton City School District will continue to improve student achievement by at least 5-10% per year as measured on the state mandated testing instruments, through use of best practices, data analysis, and monitoring and responding to test results.

The Barberton City School District will reinforce its mission and strengthen its relationship with the community by improving the communication between all staff, students, parents and community members by using the strategies stated in the individual school work plans and by post year questionnaires.

The Barberton City School District will continue to operate in a fiscally responsible, responsive manner. The Barberton City School District will continue to improve technology by updating obsolete technology, increasing professional development and increasing the use of technology in the work environment and in classroom instruction.

Every building uses the above listed goals to develop individual building action steps. At the end of the year, the action steps from each building are evaluated and the overall achievement of the goals assessed. With this continuous improvement planning completed on a regular basis, the District will see improved results for students.

### ***Major Initiatives for the Future***

The District will continue its cycle of replacement of fleet vehicles. Three additional buses or trucks will be purchased this year to replace an obsolete fleet.

The District will refine the facilities plan that is not covered by the OSFC plan including a comprehensive review of the outside facilities.

The District will implement the thin client project as well as the new software.

## **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 Barberton City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2006. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals 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.

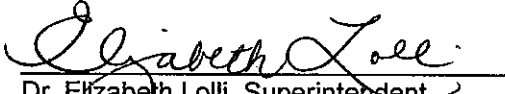
The District has also received a Certificate of Excellence in Financial Reporting in School Districts from the Association of School Business Officials (ASBO) for the District's comprehensive annual financial report for the fiscal year ended June 30, 2006. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated services of the Treasurer's office staff. In addition, we acknowledge the outstanding services of our data processing department in meeting the vast informational requirements. Our consultant, Julian & Grube, Inc., provided us with expert technical assistance in all phases of preparing the report. The assistance of the Summit County Fiscal Officer's office in providing information is also appreciated. Finally, we wish to acknowledge the cooperation of the team from the Ohio Auditor of State's office, who conducted an audit of our finances.

Without the leadership and support of the Board of Education, preparation of this report would not have been possible.

Very Truly Yours,

  
Ryan Pendleton, Treasurer/CFO

  
Dr. Elizabeth Lolli, Superintendent

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO  
LIST OF PRINCIPAL OFFICERS  
JUNE 30, 2007**

**Board of Education**

<b><u>Name</u></b>	<b>Began Service as a Board Member <u>January 1</u></b>	<b>Present Term Expires <u>December 31</u></b>	<b>Vocation in Private <u>Life</u></b>
Mr. Dan Miller**	2004	2007	Food Sales
Mrs. Deanne McQuaide*	2004	2007	Homemaker
Mr. Dennis Liddle	2006	2009	Investment Advisor
Mr. David Polacek	2006	2009	Firefighter
Mr. Russ Shreiner	1996	2007	Fleet Insurance

\*\* President  
\* Vice President

**Superintendent**

Dr. Elizabeth Lolli

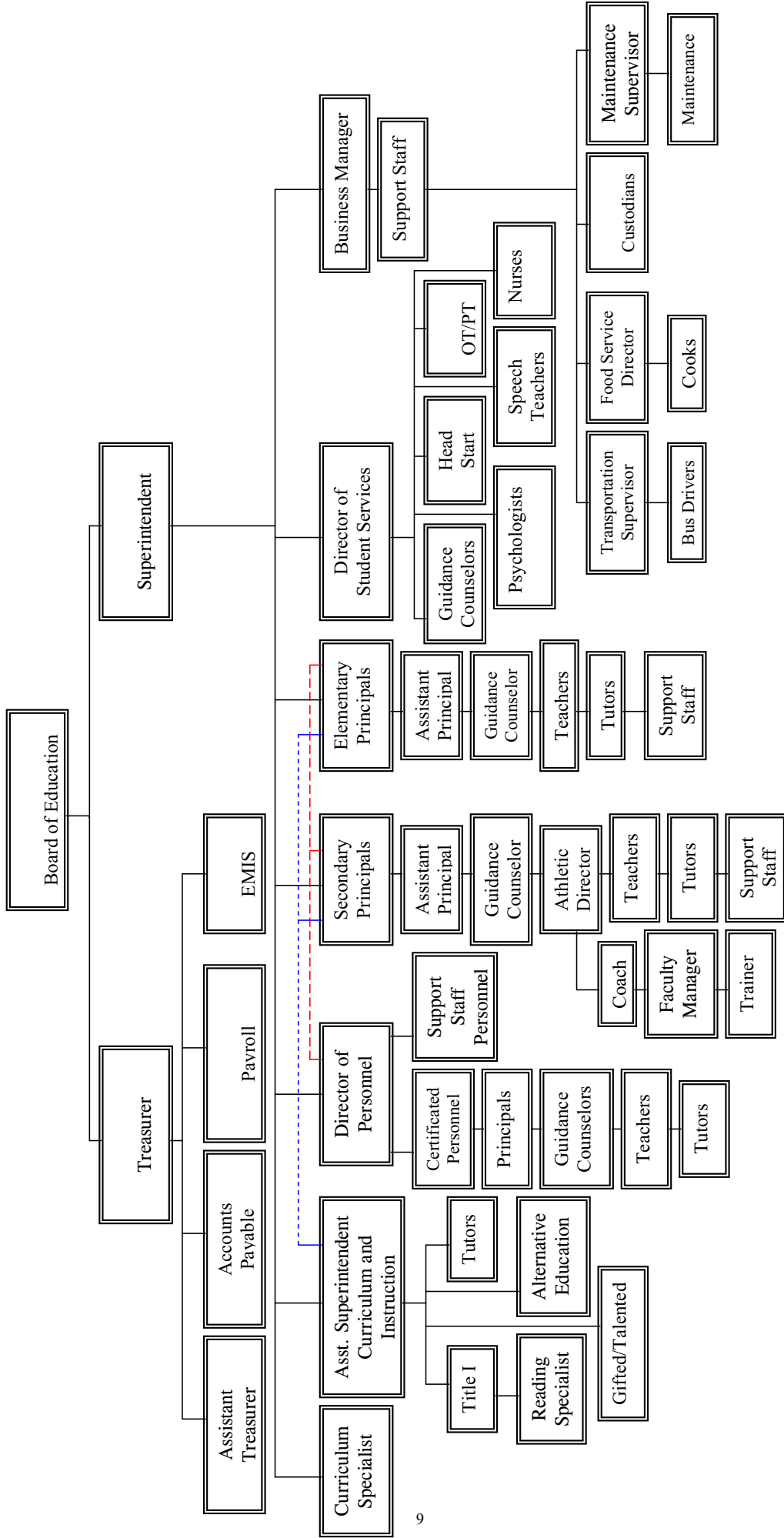
**Treasurer/CFO**

Ryan Pendleton

**Central Office Administrative Staff**

Mr. Mark Brown	Maintenance Supervisor
Mrs. MaryBeth Bell	Director of Food Service
Mrs. Patricia Cleary	Curriculum Coordinator
Mrs. Marilyn Flaker	Transportation Supervisor
Mrs. Lorie Marozzi	Director of Personnel
Mrs. Stephanie Morgan	Special Education Coordinator
Ms. Anne Vainer	Director of Pupil Services

# BARBERTON CITY SCHOOLS ORGANIZATIONAL CHART



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**BARBERTON CITY SCHOOL DISTRICT**

**For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2006**

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Barberton City School  
District, Ohio

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

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



*Clive S. Cox*

President

*Jeffrey R. Emer*

Executive Director

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# FINANCIAL SECTION

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Barberton City School District  
Summit County  
479 Norton Avenue  
Barberton, Ohio 44203

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Barberton City School District, Summit County, Ohio, (the District) as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Barberton City School District, Summit County, Ohio, as of June 30, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As further described in Note 3 to the basic financial statements, the District restated the fund balances of the general and permanent improvement funds to correct the amount of property taxes available for advance.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2007, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

101 Central Plaza South / 700 Chase Tower / Canton, OH 44702-1509  
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

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

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

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

December 14, 2007

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
UNAUDITED

The Management's Discussion and Analysis of the Barberton City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2007. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2007 are as follows:

- In total, net assets of governmental activities increased \$3,911,684 which represents a 15.01% increase from 2006.
- General revenues accounted for \$34,776,410 in revenue or 69.94% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$14,946,558 or 30.06% of total revenues of \$49,722,968.
- The District had \$45,811,284 in expenses related to governmental activities; only \$14,946,558 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$34,776,410 were adequate to provide for these programs.
- The District's major governmental funds are the general fund and permanent improvement fund. The general fund had \$36,200,277 in revenues and other financing sources and \$32,609,004 in expenditures. During fiscal 2007, the general fund's fund balance increased \$3,591,273 from a restated balance of \$1,438,423 to a balance of \$5,029,696.
- The District's permanent improvement fund had \$147,365 in revenues and \$622,356 in expenditures. During fiscal 2007, the permanent improvement fund's fund balance decreased \$474,991 from a restated balance of \$901,913 to \$426,922.

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

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

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

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
UNAUDITED

**Reporting the District as a Whole**

***Statement of Net Assets and the Statement of Activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2007?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, the Governmental Activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, and food service operations.

The District's statement of net assets and statement of activities can be found on pages 26-27 of this report.

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

***Fund Financial Statements***

The analysis of the District's major governmental funds begins on page 21. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund and permanent improvement fund.

***Governmental Funds***

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* than can readily be converted to cash. The governmental fund financial statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages 28-32 of this report.

***Proprietary Funds***

The District maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for insurance benefits. The basic proprietary fund financial statements can be found on pages 33-35 of this report.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
UNAUDITED

***Reporting the District's Fiduciary Responsibilities***

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals. These activities are reported in an agency fund. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 36 and 37. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***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. These notes to the basic financial statements can be found on pages 39-66 of this report.

**The District as a Whole**

The Statement of Net Assets provides the perspective of the District as a whole.

The table below provides a summary of the District's net assets for 2007 and for 2006.

	<b>Net Assets</b>	
	Governmental Activities <u>2007</u>	Governmental Activities <u>2006</u>
<b><u>Assets</u></b>		
Current and other assets	\$ 31,780,723	\$ 29,926,203
Capital assets, net of depreciation	<u>46,535,604</u>	<u>47,931,647</u>
Total assets	<u>78,316,327</u>	<u>77,857,850</u>
<b><u>Liabilities</u></b>		
Current liabilities	17,423,173	17,862,992
Long-term liabilities	<u>30,917,935</u>	<u>33,931,323</u>
Total liabilities	<u>48,341,108</u>	<u>51,794,315</u>
<b><u>Net Assets</u></b>		
Invested in capital assets, net of related debt	24,210,846	22,149,686
Restricted	3,203,865	3,873,738
Unrestricted	<u>2,560,508</u>	<u>40,111</u>
Total net assets	<u>\$ 29,975,219</u>	<u>\$ 26,063,535</u>

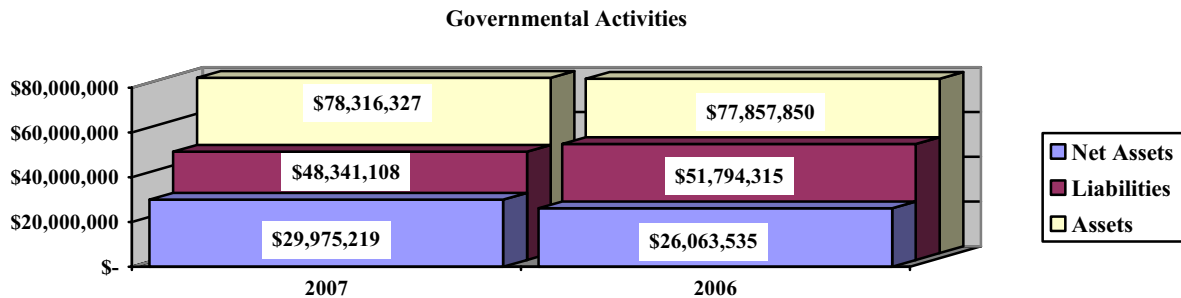
Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2007, the District's assets exceeded liabilities by \$29,975,219.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
UNAUDITED

At year-end, capital assets represented 59.42% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture and equipment and vehicles. Capital assets, net of related debt to acquire the assets at June 30, 2007, were \$24,210,846. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net assets, \$3,203,865, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets is \$2,560,508.



The table below shows the change in net assets for fiscal year 2007 and 2006.

**Change in Net Assets**

	Governmental Activities 2007	Governmental Activities 2006
<b>Revenues</b>		
Program revenues:		
Charges for services and sales	\$ 1,734,649	\$ 2,319,373
Operating grants and contributions	13,149,174	10,860,794
Capital grants and contributions	62,735	-
General revenues:		
Property taxes	14,379,684	15,070,073
Grants and entitlements	18,876,660	19,488,570
Investment earnings	893,366	525,420
Miscellaneous	626,700	434,690
Total revenues	<u>49,722,968</u>	<u>48,698,920</u>



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
UNAUDITED

**Change in Net Assets**

	Governmental Activities <u>2007</u>	Governmental Activities <u>2006</u>
<b><u>Expenses</u></b>		
Program expenses:		
Instruction:		
Regular	\$ 15,895,950	\$ 15,430,709
Special	6,311,023	6,622,386
Vocational	963,587	1,074,494
Other	3,677,478	3,775,211
Support services:		
Pupil	1,788,319	1,787,508
Instructional staff	1,953,541	2,035,079
Board of education	42,388	26,855
Administration	3,102,876	3,031,451
Fiscal	743,396	569,207
Business	296,452	353,444
Operations and maintenance	4,311,970	4,376,686
Pupil transportation	916,142	846,172
Central	94,582	121,285
Operations of non-instructional services	325,529	214,054
Food service operations	1,964,078	2,045,151
Extracurricular activities	1,766,925	1,636,942
Intergovernmental pass through	148,167	158,627
Interest and fiscal charges	<u>1,508,881</u>	<u>1,441,244</u>
Total expenses	<u>45,811,284</u>	<u>45,546,505</u>
Change in net assets	3,911,684	3,152,415
Net assets at beginning of year	<u>26,063,535</u>	<u>22,911,120</u>
Net assets at end of year	<u>\$ 29,975,219</u>	<u>\$ 26,063,535</u>

**Governmental Activities**

Net assets of the District's governmental activities increased \$3,911,684. Total governmental expenses of \$45,811,284 were offset by program revenues of \$14,946,558 and general revenues of \$34,776,410. Program revenues supported 32.63% of the total governmental expenses. At year-end, unrestricted net assets were \$3,148,917. The collection of property tax revenues that began during fiscal year 2006 from the 8.64 mill additional emergency levy that was passed in the February 8, 2005 special election contributed to the 15.01% increase in net assets. In addition, interest earnings increased \$367,946 from fiscal year 2006 due to rising interest rates.

The largest source of revenue comes from unrestricted grants and entitlements, which account for 37.96% of total governmental revenues. Unrestricted grants and entitlements include monies received from the Ohio Department of Education, state foundation, and property tax relief such as homestead rollbacks and exemptions.

**BARBERTON CITY SCHOOL DISTRICT  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
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Property taxes are the second largest source of revenues, providing 28.92% of all governmental revenues. Real estate property is reappraised every six years.

Program revenues include charges for services, grants, and contributions that are program specific. These include grants from the Barberton Community Foundation, grants for specific purposes, reimbursements for services by third-parties, open enrollment, tuition, food service receipts, and extracurricular receipts.

Total expenses increased only 0.58% or \$264,779 due to the tightening of expenses to ensure financial stability of the District. The largest expense of the District is for instructional programs. Instruction expenses totaled \$26,848,038 or 58.61% of total governmental expenses for fiscal 2007.

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

	<b>Governmental Activities</b>			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2007</u>	<u>2007</u>	<u>2006</u>	<u>2006</u>
<b>Program expenses</b>				
Instruction:				
Regular	\$ 15,895,950	\$ 13,310,492	\$ 15,430,709	\$ 12,732,094
Special	6,311,023	779,196	6,622,386	2,580,787
Vocational	963,587	625,233	1,074,494	1,063,599
Other	3,677,478	2,989,964	3,775,211	3,196,921
Support services:				
Pupil	1,788,319	1,548,604	1,787,508	1,452,831
Instructional staff	1,953,541	1,260,260	2,035,079	1,204,606
Board of education	42,388	42,388	26,855	26,855
Administration	3,102,876	2,995,438	3,031,451	2,932,498
Fiscal	743,396	743,396	569,207	569,207
Business	296,452	296,452	353,444	353,444
Operations and maintenance	4,311,970	4,221,638	4,376,686	4,285,758
Pupil transportation	916,142	776,438	846,172	749,739
Central	94,582	70,273	121,285	101,881
Operations of non-instructional services	325,529	115,194	214,054	(35,105)
Food service operations	1,964,078	161,068	2,045,151	129,212
Extracurricular activities	1,766,925	1,672,690	1,636,942	1,297,312
Intergovernmental pass through	148,167	3,036	158,627	(13,963)
Interest and fiscal charges	<u>1,508,881</u>	<u>(747,034)</u>	<u>1,441,244</u>	<u>(261,338)</u>
<b>Total</b>	<u><u>\$ 45,811,284</u></u>	<u><u>\$ 30,864,726</u></u>	<u><u>\$ 45,546,505</u></u>	<u><u>\$ 32,366,338</u></u>

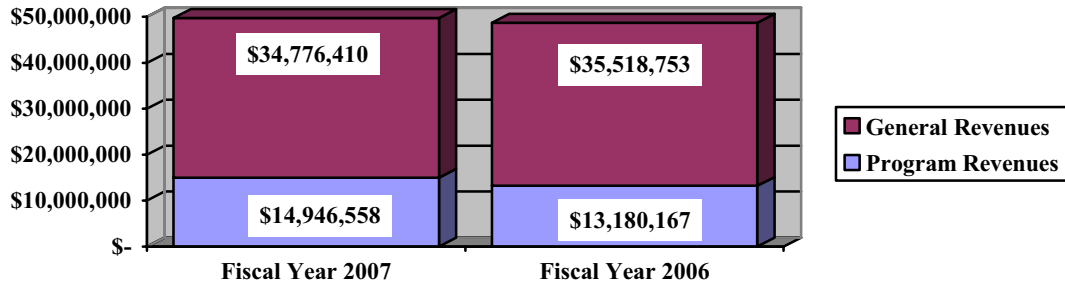
The dependence upon tax and other general revenues for governmental activities is apparent, 65.94% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 67.37%. Grants and entitlements, as a whole, are by far the primary support for District's students.

**BARBERTON CITY SCHOOL DISTRICT  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The graph below presents the District's governmental activities revenue for fiscal year 2007 and 2006.

**Governmental Activities - General and Program Revenues**



**The District's Funds**

The District's governmental funds (as presented on the balance sheet on page 28) reported a combined fund balance of \$8,109,989, which is higher than last year's total of \$4,683,082. Also see Note 3.A for a prior period adjustment affecting the beginning fund balance of the general and permanent improvement fund. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2007 and 2006.

	Fund Balance <u>June 30, 2007</u>	Restated Fund Balance <u>June 30, 2006</u>	Increase <u>(Decrease)</u>
General	\$ 5,029,696	\$ 1,438,423	\$ 3,591,273
Permanent Improvement	426,922	901,913	(474,991)
Other Governmental	<u>2,653,371</u>	<u>2,342,746</u>	<u>310,625</u>
Total	<u>\$ 8,109,989</u>	<u>\$ 4,683,082</u>	<u>\$ 3,426,907</u>

**General Fund**

The District's general fund's fund balance increased by \$3,591,273. The primary reason for this increase is due to the continued collection of taxes that began in fiscal year 2006 from the emergency levy passed on February 8, 2005. The table that follows assists in illustrating the financial activities and fund balance of the general fund.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007  
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	2007	Restated 2006	Percentage Change
	<u>Amount</u>	<u>Amount</u>	
<b><u>Revenues</u></b>			
Taxes	\$ 13,723,490	\$ 13,592,463	0.96 %
Tuition	761,163	1,228,920	(38.06) %
Earnings on investments	880,076	400,476	119.76 %
Intergovernmental	20,647,377	19,321,006	6.86 %
Other revenues	<u>169,784</u>	<u>116,969</u>	45.15 %
 Total	 <u>\$ 36,181,890</u>	 <u>\$ 34,659,834</u>	 4.39 %
<b><u>Expenditures</u></b>			
Instruction	\$ 20,035,345	\$ 19,473,042	2.89 %
Support services	11,325,308	10,492,912	7.93 %
Extracurricular activities	945,575	924,887	2.24 %
Facilities acquisition and construction	14,859	3,065	384.80 %
Debt service	<u>287,917</u>	<u>206,842</u>	39.20 %
 Total	 <u>\$ 32,609,004</u>	 <u>\$ 31,100,748</u>	 4.85 %

***Permanent Improvement Fund***

The District's permanent improvement fund had \$147,365 in revenues and \$622,356 in expenditures. During fiscal 2007, the permanent improvement fund's fund balance decreased \$474,991 from a restated balance of \$901,913 to \$426,922. This decrease is due to less property tax revenue received in fiscal year 2007 compared to fiscal year 2006 along with decreased facilities acquisitions and construction expenditures for maintenance and repair projects. This levy has now expired.

***General Fund Budgeting Highlights***

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

During the course of fiscal 2007, the District amended its general fund budget numerous times. For the general fund, final budgeted revenues and other financing sources were \$36,589,135, which is less than the original budgeted revenues estimate of \$36,943,470. Actual revenues and other financing sources for fiscal 2007 was \$35,989,075. This represents a \$600,060 decrease from final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$34,138,838 were increased to \$37,460,128 in the final appropriations. The actual budget basis expenditures for fiscal year 2007 totaled \$32,753,023, which was \$4,707,105 less than the final budget appropriations.

**BARBERTON CITY SCHOOL DISTRICT  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal 2007, the District had \$46,535,604 invested in land, land improvements, buildings and improvements, furniture and equipment and vehicles. This entire amount is reported in governmental activities. The following table shows fiscal 2007 balances compared to 2006:

<b>Capital Assets at June 30 (Net of Depreciation)</b>		
<u>Governmental Activities</u>		
	<u>2007</u>	<u>2006</u>
Land	\$ 5,239,550	\$ 5,239,550
Land improvements	3,160,092	3,420,614
Building and improvements	36,507,818	37,717,973
Furniture and equipment	1,069,458	1,181,145
Vehicles	<u>558,686</u>	<u>372,365</u>
<b>Total</b>	<b><u>\$ 46,535,604</u></b>	<b><u>\$ 47,931,647</u></b>

Total additions to capital assets for 2007 were \$305,213. The overall decrease in capital assets of \$1,396,043 is primarily due to the recording of \$1,603,795 in depreciation expense and the demolition of the Arnold and Oakdale school buildings during fiscal year 2007.

See Note 8 to the basic financial statements for additional information on the District's capital assets.

***Debt Administration***

At June 30, 2007, the District had \$25,409,019 in general obligation bonds and loans outstanding. Of this total, \$1,497,449 is due within one year and \$23,911,570 is due within greater than one year. The following table summarizes the bonds and loans outstanding.

<b>Outstanding Debt, at June 30</b>		
	<u>Governmental Activities 2007</u>	<u>Governmental Activities 2006</u>
Bonds	\$ 25,220,019	\$ 25,956,932
Notes	-	755,000
Loans	<u>189,000</u>	<u>372,000</u>
<b>Total</b>	<b><u>\$ 25,409,019</u></b>	<b><u>\$ 27,083,932</u></b>

At June 30, 2007, the District's overall legal debt margin was \$38,214,863 with an unvoted debt margin of \$404,296. The District maintains an A bond rating.

**BARBERTON CITY SCHOOL DISTRICT  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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See Note 9 to the basic financial statements for additional information on the District's debt administration.

**Current Financial Related Activities**

The District's electors passed an 8.64 mill additional emergency levy for five years in the February 8, 2005 election. Collection of this levy began in 2006. The passage of this levy with continued reductions in spending will improve the stability of the District's finances.

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding plan is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...". The District is currently unable to determine what effect, if any, this decision will have on its future State funding and financial operations.

The local economy is stronger today than it was in the past with increased industrial development and more small manufacturing companies and service businesses moving into the City.

Due to the unsettled issues in school funding, management is required to plan carefully and prudently to provide the resources to meet student needs over the next several years.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ryan Pendleton, Treasurer/CFO, Barberton City School District, 479 Norton Avenue, Barberton, Ohio, 44203. Or if you prefer, you may email inquiries to: [rpendleton@barberton.summit.k12.oh.us](mailto:rpendleton@barberton.summit.k12.oh.us).

BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF NET ASSETS  
JUNE 30, 2007

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . .	\$ 16,151,832
Receivables:	
Property taxes . . . . .	14,452,809
Accounts . . . . .	22,317
Intergovernmental . . . . .	768,707
Accrued interest . . . . .	44,624
Prepayments . . . . .	20,022
Materials and supplies inventory . . . . .	41,406
Unamortized bond issue costs . . . . .	279,006
Capital assets:	
Land . . . . .	5,239,550
Depreciable capital assets, net . . . . .	41,296,054
Total capital assets . . . . .	46,535,604
 Total assets . . . . .	 78,316,327
 <b>Liabilities:</b>	
Accounts payable. . . . .	822,487
Accrued wages and benefits . . . . .	2,946,819
Intergovernmental payable . . . . .	1,272,997
Unearned revenue. . . . .	11,787,024
Accrued interest payable . . . . .	360,880
Claims payable . . . . .	232,966
Long-term liabilities:	
Due within one year. . . . .	3,238,014
Due in more than one year . . . . .	27,679,921
Total liabilities . . . . .	48,341,108
 <b>Net Assets:</b>	
Invested in capital assets, net of related debt. . . . .	24,210,846
Restricted for:	
Capital projects . . . . .	426,922
Debt service. . . . .	1,480,784
Locally funded programs . . . . .	114,421
State funded programs . . . . .	24,168
Federally funded programs . . . . .	124,731
Student activities . . . . .	170,739
Public school support. . . . .	132,257
Latchkey/head start programs. . . . .	141,434
Capital maintenance . . . . .	588,409
Unrestricted . . . . .	2,560,508
 Total net assets. . . . .	 \$ 29,975,219

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Program Revenues</u>				<b>Net (Expense) Revenue and Changes in Net Assets</b>
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
<b>Governmental activities:</b>					
Instruction:					
Regular . . . . .	\$ 15,895,950	\$ 997,194	\$ 1,544,232	\$ 44,032	\$ (13,310,492)
Special . . . . .	6,311,023	17,648	5,514,179	-	(779,196)
Vocational . . . . .	963,587	11,422	326,932	-	(625,233)
Other. . . . .	3,677,478	-	687,514	-	(2,989,964)
Support services:					
Pupil. . . . .	1,788,319	4,063	235,652	-	(1,548,604)
Instructional staff . . . . .	1,953,541	15,090	678,191	-	(1,260,260)
Board of education. . . . .	42,388	-	-	-	(42,388)
Administration. . . . .	3,102,876	-	107,438	-	(2,995,438)
Fiscal. . . . .	743,396	-	-	-	(743,396)
Business . . . . .	296,452	-	-	-	(296,452)
Operations and maintenance. . . . .	4,311,970	11,567	78,765	-	(4,221,638)
Pupil transportation . . . . .	916,142	-	121,001	18,703	(776,438)
Central. . . . .	94,582	16,964	7,345	-	(70,273)
Operation of non-instructional services . . . . .	325,529	-	210,335	-	(115,194)
Food service operations. . . . .	1,964,078	604,328	1,198,682	-	(161,068)
Extracurricular activities . . . . .	1,766,925	56,373	37,862	-	(1,672,690)
Intergovernmental pass through. . . . .	148,167	-	145,131	-	(3,036)
Interest and fiscal charges. . . . .	1,508,881	-	2,255,915	-	747,034
<b>Totals. . . . .</b>	<u>\$ 45,811,284</u>	<u>\$ 1,734,649</u>	<u>\$ 13,149,174</u>	<u>\$ 62,735</u>	<u>(30,864,726)</u>
<b>General Revenues:</b>					
Property taxes levied for:					
General purposes . . . . .					13,686,816
Debt service. . . . .					642,729
Capital outlay. . . . .					50,139
Grants and entitlements not restricted to specific programs . . . . .					18,876,660
Investment earnings . . . . .					893,366
Miscellaneous . . . . .					626,700
<b>Total general revenues. . . . .</b>					<u>34,776,410</u>
Change in net assets . . . . .					3,911,684
<b>Net assets at beginning of year . . . . .</b>					<u>26,063,535</u>
<b>Net assets at end of year. . . . .</b>					<u>\$ 29,975,219</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2007

	<u>General</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 9,804,913	\$ 444,422	\$ 2,942,731	\$ 13,192,066
Receivables:				
Property taxes . . . . .	13,624,170	-	828,639	14,452,809
Accounts . . . . .	13,920	-	8,397	22,317
Intergovernmental . . . . .	-	-	768,707	768,707
Accrued interest . . . . .	44,624	-	-	44,624
Due from other funds . . . . .	111,816	-	-	111,816
Materials and supplies inventory . . . . .	-	-	41,406	41,406
Prepayments . . . . .	20,022	-	-	20,022
Restricted assets:				
Equity in pooled cash and cash equivalents . . . . .	588,409	-	-	588,409
Total assets . . . . .	<u>\$ 24,207,874</u>	<u>\$ 444,422</u>	<u>\$ 4,589,880</u>	<u>\$ 29,242,176</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 637,965	\$ 17,500	\$ 166,683	\$ 822,148
Accrued wages and benefits . . . . .	2,308,892	-	637,927	2,946,819
Matured compensated absences payable . . . . .	6,774	-	1,466	8,240
Intergovernmental payable . . . . .	1,110,912	-	162,085	1,272,997
Due to other funds . . . . .	-	-	111,816	111,816
Deferred revenue . . . . .	1,206,332	-	27,893	1,234,225
Unearned revenue . . . . .	10,958,385	-	828,639	11,787,024
Accrued interest payable . . . . .	8,918	-	-	8,918
Notes payable . . . . .	2,940,000	-	-	2,940,000
Total liabilities . . . . .	<u>19,178,178</u>	<u>17,500</u>	<u>1,936,509</u>	<u>21,132,187</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	451,373	74,669	107,916	633,958
Reserved for materials and supplies inventory . . . . .	-	-	41,406	41,406
Reserved for prepayments . . . . .	20,022	-	-	20,022
Reserved for property tax unavailable for appropriation . . . . .	1,473,373	-	-	1,473,373
Reserved for capital maintenance . . . . .	588,409	-	-	588,409
Unreserved, undesignated, reported in:				
General fund . . . . .	2,496,519	-	-	2,496,519
Special revenue funds . . . . .	-	-	671,303	671,303
Debt service fund . . . . .	-	-	1,832,746	1,832,746
Capital projects funds . . . . .	-	352,253	-	352,253
Total fund balances . . . . .	<u>5,029,696</u>	<u>426,922</u>	<u>2,653,371</u>	<u>8,109,989</u>
Total liabilities and fund balances . . . . .	<u>\$ 24,207,874</u>	<u>\$ 444,422</u>	<u>\$ 4,589,880</u>	<u>\$ 29,242,176</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2007

<b>Total governmental fund balances</b>		<b>\$ 8,109,989</b>
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		46,535,604
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes	\$ 1,192,412	
Accounts	13,920	
Intergovernmental	27,893	
Total	1,234,225	1,234,225
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		2,138,052
In the statement of activities, interest is accrued on outstanding bonds, loans and notes, whereas in governmental funds, interest is expensed when due.		(351,962)
Unamortized premiums on bond issuance is not recognized in the funds.		(1,369,203)
Unamortized bond issuance costs are not recognized in the funds.		279,006
Unamortized deferred charges on refundings are not recognized in the funds.		1,090,188
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(25,220,019)	
Loans payable	(189,000)	
Early retirement incentive	(588,243)	
Compensated absences	(1,693,418)	
Total	(27,690,680)	(27,690,680)
<b>Net assets of governmental activities</b>		<b><u><u>\$ 29,975,219</u></u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<b>General</b>	<b>Permanent Improvement</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 13,723,490	\$ 50,139	\$ 642,729	\$ 14,416,358
Tuition . . . . .	761,163	-	-	761,163
Charges for services . . . . .	-	-	604,328	604,328
Earnings on investments . . . . .	880,076	-	17,800	897,876
Extracurricular . . . . .	3,303	-	325,126	328,429
Classroom materials and fees . . . . .	9,303	-	104,920	114,223
Other local revenues . . . . .	157,178	-	2,737,004	2,894,182
Other revenue . . . . .	-	-	318,242	318,242
Intergovernmental - state . . . . .	20,573,488	97,226	3,228,544	23,899,258
Intergovernmental - federal . . . . .	73,889	-	5,801,404	5,875,293
Total revenues . . . . .	<u>36,181,890</u>	<u>147,365</u>	<u>13,780,097</u>	<u>50,109,352</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	13,506,984	931	1,638,304	15,146,219
Special . . . . .	2,541,182	-	3,939,123	6,480,305
Vocational . . . . .	1,003,913	-	11,480	1,015,393
Other . . . . .	2,983,266	-	693,128	3,676,394
Support Services:				
Pupil . . . . .	1,530,472	-	259,286	1,789,758
Instructional staff . . . . .	1,178,577	3,094	748,521	1,930,192
Board of education . . . . .	42,388	-	-	42,388
Administration . . . . .	3,033,678	321	103,434	3,137,433
Fiscal . . . . .	717,341	20,111	-	737,452
Business . . . . .	313,458	-	-	313,458
Operations and maintenance . . . . .	3,659,244	11,547	89,959	3,760,750
Pupil transportation . . . . .	789,504	60,988	189,758	1,040,250
Central . . . . .	60,646	-	33,936	94,582
Operation of non-instructional services . . . . .	-	-	327,922	327,922
Food service operations . . . . .	-	-	1,789,393	1,789,393
Extracurricular activities . . . . .	945,575	-	589,339	1,534,914
Facilities acquisition and construction . . . . .	14,859	525,364	-	540,223
Intergovernmental pass through . . . . .	-	-	148,167	148,167
Debt service:				
Principal retirement . . . . .	183,000	-	1,905,000	2,088,000
Interest and fiscal charges . . . . .	104,917	-	1,002,927	1,107,844
Total expenditures . . . . .	<u>32,609,004</u>	<u>622,356</u>	<u>13,469,677</u>	<u>46,701,037</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>3,572,886</u>	<u>(474,991)</u>	<u>310,420</u>	<u>3,408,315</u>
<b>Other financing sources:</b>				
Sale of assets . . . . .	18,387	-	205	18,592
Total other financing sources . . . . .	<u>18,387</u>	<u>-</u>	<u>205</u>	<u>18,592</u>
Net change in fund balances . . . . .	3,591,273	(474,991)	310,625	3,426,907
<b>Fund balances at beginning of year (restated - see Note 3) . . . . .</b>	<u>1,438,423</u>	<u>901,913</u>	<u>2,342,746</u>	<u>4,683,082</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 5,029,696</u>	<u>\$ 426,922</u>	<u>\$ 2,653,371</u>	<u>\$ 8,109,989</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

<b>Net change in fund balances - total governmental funds</b>		\$ 3,426,907
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the current period.		
Capital asset additions	\$ 305,213	
Current year depreciation	<u>(1,603,795)</u>	
Total		(1,298,582)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities a loss is reported for each disposal.		
		(97,461)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(36,674)	
Accrued interest	(37,582)	
Tuition	(85,061)	
Intergovernmental	<u>(260,139)</u>	
Total		(419,456)
Repayment of bond, note and loan principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities on the statement of net assets.		
		2,088,000
Premiums on refunding bonds are recognized as an other financing source in the governmental funds; however, they are amortized over the life of the issuance in the statement of activities.		
		89,296
Bond issuance costs are recognized as expenditures in the governmental funds; however, they are amortized over the life of the issuance in the statement of activities		
		(18,196)
Deferred charges on refundings are recognized as expenditures in the governmental funds; however, they are amortized over the life of the issuance in the statement of activities.		
		(71,100)
In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. The additional interest reported in the statement of activities is due to the accrued interest on bonds and additional accumulated accreted interest on the capital appreciation bonds.		
Decrease in accrued interest payable	12,050	
Accreted interest on capital appreciation bonds	<u>(413,087)</u>	
Total		(401,037)
Some expenses reported in the statement of activities, such as compensated absences and early retirement incentives, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		
		551,218
The internal service fund used by management to charge the costs of medical, prescription drug, dental and vision claims to individual funds is not reported in the statement of activities. The net revenue of the internal service fund is reported within the governmental activities on the entity-wide statements.		
		<u>62,095</u>
<b>Change in net assets of governmental activities</b>		<u><u>\$ 3,911,684</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 13,740,850	\$ 13,609,058	\$ 13,385,870	\$ (223,188)
Tuition . . . . .	781,348	773,854	761,163	(12,691)
Earnings on investments . . . . .	927,275	918,381	903,320	(15,061)
Extracurricular activities . . . . .	3,390	3,358	3,303	(55)
Classroom materials and fees . . . . .	9,550	9,458	9,303	(155)
Other local revenues . . . . .	161,347	159,799	157,178	(2,621)
Intergovernmental - state . . . . .	21,119,077	20,916,518	20,573,488	(343,030)
Intergovernmental - federal . . . . .	75,848	75,121	73,889	(1,232)
Total revenues . . . . .	<u>36,818,685</u>	<u>36,465,547</u>	<u>35,867,514</u>	<u>(598,033)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	14,070,438	15,439,319	13,499,270	1,940,049
Special . . . . .	2,599,826	2,852,757	2,494,290	358,467
Vocational . . . . .	1,026,937	1,126,845	985,250	141,595
Other . . . . .	3,119,861	3,423,385	2,993,215	430,170
Support services:				
Pupils . . . . .	1,603,462	1,759,459	1,538,372	221,087
Instructional staff . . . . .	1,217,298	1,335,727	1,167,884	167,843
Board of education . . . . .	30,734	33,724	29,486	4,238
Administration . . . . .	3,291,584	3,611,815	3,157,967	453,848
Fiscal . . . . .	776,064	851,566	744,561	107,005
Business . . . . .	353,223	387,587	338,884	48,703
Operations and maintenance . . . . .	3,921,639	4,303,166	3,762,446	540,720
Pupil transportation . . . . .	886,499	972,745	850,513	122,232
Central . . . . .	63,627	69,817	61,044	8,773
Extracurricular activities . . . . .	969,319	1,063,622	929,971	133,651
Facilities acquisition and construction . . . . .	15,488	16,994	14,859	2,135
Debt service:				
Principal retirement . . . . .	190,743	209,300	183,000	26,300
Interest and fiscal charges . . . . .	2,096	2,300	2,011	289
Total expenditures . . . . .	<u>34,138,838</u>	<u>37,460,128</u>	<u>32,753,023</u>	<u>4,707,105</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>2,679,847</u>	<u>(994,581)</u>	<u>3,114,491</u>	<u>4,109,072</u>
<b>Other financing sources:</b>				
Refund of prior year's expenditures . . . . .	105,910	104,894	103,174	(1,720)
Sale of capital assets . . . . .	18,875	18,694	18,387	(307)
Total other financing sources . . . . .	<u>124,785</u>	<u>123,588</u>	<u>121,561</u>	<u>(2,027)</u>
Net change in fund balance . . . . .	2,804,632	(870,993)	3,236,052	4,107,045
<b>Fund balance at beginning of year . . . . .</b>	5,827,164	5,827,164	5,827,164	-
<b>Prior year encumbrances appropriated . . . . .</b>	315,638	315,638	315,638	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,947,434</u>	<u>\$ 5,271,809</u>	<u>\$ 9,378,854</u>	<u>\$ 4,107,045</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF NET ASSETS  
PROPRIETARY FUND  
JUNE 30, 2007

	<u><b>Governmental Activities - Internal Service Fund</b></u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	<u>\$ 2,371,357</u>
Total assets . . . . .	<u>2,371,357</u>
<b>Liabilities:</b>	
Accounts payable . . . . .	339
Claims payable. . . . .	<u>232,966</u>
Total liabilities. . . . .	<u>233,305</u>
<b>Net assets:</b>	
Unrestricted . . . . .	<u>2,138,052</u>
Total net assets. . . . .	<u><u>\$ 2,138,052</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u><b>Governmental Activities - Internal Service Fund</b></u>
<b>Operating revenues:</b>	
Charges for services . . . . .	\$ 2,981,026
Other . . . . .	<u>209,969</u>
Total operating revenues . . . . .	<u>3,190,995</u>
<b>Operating expenses:</b>	
Purchased services . . . . .	426,896
Claims. . . . .	<u>2,735,076</u>
Total operating expenses . . . . .	<u>3,161,972</u>
Operating income . . . . .	29,023
<b>Nonoperating revenues:</b>	
Interest revenue. . . . .	<u>33,072</u>
Total nonoperating revenues. . . . .	<u>33,072</u>
Change in net assets . . . . .	62,095
<b>Net assets at beginning of year. . . . .</b>	<u>2,075,957</u>
<b>Net assets at end of year . . . . .</b>	<u><u>\$ 2,138,052</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<b>Governmental Activities - Internal Service Fund</b>
<b>Cash flows from operating activities:</b>	
Cash received from charges for services . . . . .	\$ 2,981,026
Cash received from other operating revenues . . . . .	209,969
Cash payments for purchased services . . . . .	(455,694)
Cash payments for claims . . . . .	<u>(2,690,453)</u>
 Net cash provided by operating activities . . . . .	 <u>44,848</u>
<b>Cash flows from investing activities:</b>	
Interest received . . . . .	<u>33,072</u>
 Net cash provided by investing activities. . . . .	 <u>33,072</u>
 Net increase in cash and cash equivalents. . . . .	 77,920
 <b>Cash and cash equivalents at beginning of year. . . . .</b>	 <u>2,293,437</u>
 <b>Cash and cash equivalents at end of year . . . . .</b>	 <u><u>\$ 2,371,357</u></u>
 <b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income . . . . .	\$ 29,023
Changes in assets and liabilities:	
Decrease in accounts payable . . . . .	(28,798)
Increase in claims payable. . . . .	<u>44,623</u>
 Net cash provided by operating activities . . . . .	 <u><u>\$ 44,848</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2007

	<u>Private-Purpose Trust</u>	
	<u>Scholarship Trust</u>	<u>Agency</u>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 89,562	\$ 82,201
Total assets . . . . .	<u>89,562</u>	<u>\$ 82,201</u>
<b>Liabilities:</b>		
Accounts payable . . . . .	-	\$ 4,912
Intergovernmental payable . . . . .	-	16,092
Due to students . . . . .	<u>-</u>	<u>61,197</u>
Total liabilities . . . . .	<u>-</u>	<u>\$ 82,201</u>
<b>Net Assets:</b>		
Held in trust for scholarships . . . . .	<u>89,562</u>	
Total net assets . . . . .	<u>\$ 89,562</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<b>Private-Purpose Trust</b>	<b>Scholarship Trust</b>
<b>Additions:</b>		
Interest . . . . .	\$ 2,516	
Gifts and contributions. . . . .		11,531
Total additions. . . . .		14,047
<b>Deductions:</b>		
Scholarships awarded . . . . .		24,691
Change in net assets . . . . .	(10,644)	
<b>Net assets at beginning of year . . . . .</b>		<b>100,206</b>
<b>Net assets at end of year . . . . .</b>	<b>\$ 89,562</b>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

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

The District operates under a locally-elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. The Board controls the District's 9 instructional/support facilities staffed by 205 non-certified employees, 365 certificated teaching personnel and 28 administrators, who provide services to 4,487 students and other community members.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental type activity and to its proprietary fund provided they do not conflict with or contradict GASB pronouncements. The District's significant accounting policies are described below.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units". The reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the basic financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, foods service, community services and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organizations' government board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise have access to the organizations' resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes.

Within the boundaries of the District, Saint Augustine School is operated as a private school. State legislation provides funding to this private school. The District receives the money and then disburses the money as directed by the private school. The accounting for the monies is reflected in a special revenue fund of the District. The District does not have any component units.

The following organizations are described due to their relationship to the District:

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*RELATED ORGANIZATION*

The Barberton Public Library is a distinct subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The District is not involved in the budgeting process or operational management of the Library, nor does it subsidize or finance its operations. The selection of directors and approval of the annual budget by the District is conducted only to comply with statutory requirements. There were no related party transactions during fiscal year 2007.

*JOINTLY GOVERNED ORGANIZATIONS*

*Northeast Ohio Network for Educational Technology*

The Northeast Ohio Network for Educational Technology (NEOnet) is the computer service Organization or Data Acquisition Site (DAS) used by the District. NEOnet is an association of public school districts in a geographic area determined by the Ohio Department of Education. The Summit County Educational Service Center acts as the fiscal agent for the consortium. The purpose of the consortium is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All Districts in the consortium are required to pay fees, charges and assessments as charged. NEOnet is governed by a board made up of superintendents (or designee) from all of the participating districts. An elected Executive Board consisting of seven members of the governing board is the managerial body of the consortium and meets six times a year. The District does not maintain an ongoing financial interest or an ongoing financial responsibility. Payments to NEOnet are made from the general fund, which amounted to \$83,692 during fiscal year 2007. Financial information can be obtained by contracting the fiscal agent at 420 Washington Avenue, Suite 200, Cuyahoga Falls, Ohio 44221.

*Four Cities Vocational Compact*

The Four Cities Vocational Compact (Compact) is a jointly governed organization to provide for the vocational and special education needs of the students of four participating school districts. The four-member board consists of the superintendent from each of the participating school districts. Students may attend any vocational or special education class offered by any of the four districts. If a student elects to attend a class offered by a school district other than the school district in which the student resides, the school district of residence pays an instructional fee to the school district that offered the class. Wadsworth City School District serves as the fiscal agent for this Compact, collecting and distributing payments. The committee exercises total control over the operation of the compact, including budgeting, appropriating, contracting and designating management. All revenues are generated from charges for services.

**B. Fund Accounting**

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*GOVERNMENTAL FUNDS*

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

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

*Permanent Improvement Fund* - The permanent improvement capital projects 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 the proprietary fund).

Other governmental funds of the District are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds; and (c) for grants and other resources whose use is restricted to a particular purpose.

*PROPRIETARY FUND*

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District has no enterprise funds. The following is a description of the District's internal service fund:

*Internal Service Fund* - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the district, or to other governments, on a cost-reimbursement basis. The District's only internal service fund accounts for revenue for medical, surgical, prescription drug, dental, and vision claims of the District's employees.

*FIDUCIARY FUNDS*

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into two classifications: private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private-purpose trust which accounts for several scholarship programs for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District reports two agency funds with one used to account for student activities managed by the student body and the other for monies held in fiscal agency capacity for another entity's Head Start program.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**C. Basis of Presentation and Measurement Focus**

*Government-wide Financial Statements* - The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund operating activity is eliminated to avoid overstatement of revenues and expenses.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of 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 not classified as program revenues are presented as general revenues of the District.

The government-wide financial statements are prepared using the full accrual economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included on the statement of net assets.

*Fund Financial Statements* - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's internal service fund is charges for services. Operating expenses for the internal service fund includes the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The private-purpose trust fund is reported using the economic resources measurement focus. The agency funds do not report a measurement focus as they do not report operations.

**D. Basis of Accounting**

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

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

*Unearned Revenue and Deferred Revenue* – Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2007, but which were levied to finance fiscal year 2008 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2007 are recorded as deferred revenue.

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

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*Expenses/Expenditures* - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the Statement of Revenues, Expenditures and Changes in Fund Balances as an expenditure with a like amount reported as intergovernmental revenue.

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

**E. Budgetary Accounting**

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

*Estimated Resources* - Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original and final budgeted amount in the budgetary statement reflect the amounts set forth in the original and final Amended Certificate issued for fiscal year 2007.

*Appropriations* - Upon receipt from the County Fiscal Officer of an amended Certificate of Resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund/object level for the general fund and the fund level for all other funds for expenditures, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The Appropriation Resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at the legal level of control. Any revisions that alter the fund/object for the general fund and total of any fund appropriation for all other funds must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The amounts reported as the original budget expenditure amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The final budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions. Under Ohio law advances are not required to be budgeted.

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Expenditures plus appropriations may not legally exceed appropriations. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent year expenditures for governmental funds.

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

**F. Cash and Investments**

To improve cash management, all cash received by the District is pooled in several bank accounts. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the basic financial statements.

During fiscal year 2007, investments were limited to certificates of deposits and overnight repurchase agreements. All investments of the District had a maturity of one year or less. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest is legally required to be placed in the general fund; the food service, public school support, district managed student activities and auxiliary special revenue funds; the scholarships private purpose fund; the self-insurance internal service fund; and the student activities and district agency funds. Interest revenue credited to the general fund during fiscal year 2007 amounted to \$880,076 which includes \$361,839 assigned from other District funds.

For presentation on the financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investments at year-end is provided in Note 4.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**G. Prepayments**

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

**H. Inventory**

Inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. Inventories of the food service fund consist of donated food, purchased food, and supplies held for resale. Inventories reported on the fund financial statements are expended when used. On the government-wide financial statements, inventories are also presented at cost on a first-in, first-out basis and are expensed when used.

**I. Capital Assets and Depreciation**

General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000. The 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 life are not. It is the policy of the District to not capitalize interest costs incurred as part of construction.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	15 - 20 years
Buildings and improvements	25 - 40 years
Furniture and equipment	5 - 20 years
Vehicles	8 years

**J. Interfund Balances**

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

**K. Restricted Assets**

Restricted assets in the general fund represent cash and cash equivalents set-aside to establish a capital maintenance reserve. This reserve is required by State statute. A schedule of statutory reserves is presented in Note 17.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**L. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefit through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to extent that it is probable that the benefits will result in termination payments. The liability is based on the District's past experience of making termination payments. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the internal service fund are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Long term loans, notes and bonds are recognized as a liability on the fund financial statements when due.

**N. Unamortized Bond Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss**

On government-wide financial statements, bond issuance costs are deferred and amortized over the term of the bonds using the straight line method, which approximates the effective interest method. Unamortized bond issuance costs are recorded as an asset on the financial statements.

Bond premiums are deferred and accreted over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds. Capital appreciation bond discounts are accreted over the term of the bonds.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction of the face amount of the new debt.

**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

On the governmental fund financial statements, deferred charges, issuance costs and bond premiums are recognized in the current period.

**O. Fund Balance Reserves**

The District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, materials and supplies inventory, prepayments, property tax unavailable for appropriation, and capital maintenance. The reserve for property taxes unavailable for appropriation represents taxes recognized as revenue under GAAP but not available for appropriation under State statute.

**P. Estimates**

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

**Q. 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 District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. As of June 30, 2007, no net assets were restricted by enabling legislation.

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

**R. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are charges for services for the self-insurance program. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund.

**S. Interfund Transactions**

Interfund transfers are reported as other financing sources/uses for governmental funds in the fund financial statements. All transfers between governmental funds have been eliminated within the governmental activities column of the statement of net assets.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Restatement of Fund Balances**

Fund balances of the general fund and permanent improvement fund have been restated to correct the amount of property taxes available for advance at June 30, 2006. The adjustment for property tax revenue had the following effect on fund balances as previously reported at June 30, 2006:

	<u>General</u>	<u>Permanent Improvement</u>
Fund balance, June 30, 2006	\$ 1,313,275	\$ 1,027,061
Adjustment for property tax revenue	125,148	(125,148)
Restated fund balance, June 30, 2006	\$ 1,438,423	\$ 901,913

**B. Deficit Fund Balance**

Fund balances at June 30, 2007 included the following individual fund deficits:

	<u>Deficit</u>
<u>Nonmajor Funds</u>	
Alternative Education	\$ 810
Poverty Aid	213,412
Head Start	79,904
Title V	642
Drug-Free Schools	362
EHA Preschool	3,997

The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances result from adjustments for accrued liabilities.

**C. Legal Compliance**

Contrary to Section 5705.41(B), Ohio Revised Code, the following funds had expenditures plus encumbrances in excess of final appropriations:

	<u>Final Appropriations</u>	<u>Expenditures Plus Encumbrances</u>	<u>Excess</u>
<u>Nonmajor Special Revenue Funds</u>			
Management Information Systems	\$ 14,000	\$ 14,701	\$ 701
Alternative Education	52,758	56,391	3,633
Refugee Children School Impact	-	6,100	6,100

Although these budgetary violations were not corrected by fiscal year-end, management has indicated that appropriations will be closely monitored to ensure no future violations.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

Contrary to Section 5705.39, Ohio Revised Code, the Scholarship Trust fund had original appropriations of \$140,082 in excess of original certifications of estimated resources plus beginning balances of \$116,609 by \$23,473.

Also, contrary to Section 5705.39, Ohio Revised Code, the following funds had final appropriations in excess of final certifications of estimated resources plus beginning balances:

	Final Estimated Resources Plus Beginning Balances	Final Appropriations	Excess
<u>Nonmajor Special Revenue Funds</u>			
Public School Preschool	\$ 264,529	\$ 266,486	\$ 1,957
Ohio Reads	79,806	81,908	2,102
Poverty Aid	2,520,457	2,525,683	5,226
Uniform School Supplies	147,518	147,781	263
<u>Nonmajor Capital Projects Fund</u>			
SchoolNet	-	44,032	44,032

Although these budgetary violations were not corrected by fiscal year-end, management has indicated that appropriations will be closely monitored to ensure no future violations.

Contrary to Sections 5705.10(H) and 3315.20, Ohio Revised Code, the District had negative cash fund balances in the following funds indicating that revenue from other sources were used to pay obligations of these funds. There were no requests for payment pending at fiscal year-end sufficient to cover the amount of the deficits:

<u>Nonmajor Special Revenue Funds</u>	
Miscellaneous State Grants	\$ 8,649
Head Start	116,151

In order to eliminate future negative cash, the District will make cash advances during the year and/or request payment of grant monies prior to fiscal year-end.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the 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 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 of Education has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Interim deposits are deposits of interim monies. Interim moneys are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

Interim monies 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 and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time: and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the 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.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**A. Deposits with Financial Institutions**

At June 30, 2007, the carrying amount of all District deposits was \$11,573,595, exclusive of the \$4,750,000 repurchase agreement included in investments below. Based on the criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of June 30, 2007, \$11,234,440 of the District’s bank balance of \$11,634,440 was exposed to custodial risk as discussed below, while \$400,000 was covered by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the District’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District’s policy is to deposit money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

**B. Investments**

As of June 30, 2007, the District had the following investments and maturities:

<u>Investment type</u>	<u>Investment Maturities</u>	
	<u>Balance at</u>	<u>6 months or</u>
	<u>Fair Value</u>	<u>less</u>
Repurchase Agreement	\$ 4,750,000	\$ 4,750,000

*Interest Rate Risk:* Interest rate risk is the possibility that changes in interest rates will adversely affect the fair value of an investment. The District’s investment policy places a five year limit on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District’s \$4,750,000 investment in repurchase agreements is to be secured by the specific government securities upon which the repurchase agreements are based. These securities, held by the counterparty and not in the District’s name, must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Reconciliation of Cash and Investments to the Statement of Net Assets**

The following is a reconciliation of cash and investments as reported in the footnote above to cash and investments as reported on the statement of net assets as of June 30, 2007:

<u>Cash and Investments per footnote</u>	
Carrying amount of deposits	\$ 11,573,595
Investments	<u>4,750,000</u>
Total	<u>\$ 16,323,595</u>
 <u>Cash and investments per Statement of Net Assets</u>	
Governmental activities	\$ 16,151,832
Private-purpose trust funds	89,562
Agency funds	<u>82,201</u>
Total	<u>\$ 16,323,595</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund balances at June 30, 2007 as reported on the fund financial statements, consist of the following amounts due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 111,816

The primary purpose of the due to/from other funds is to cover negative cash in the Head Start nonmajor special revenue fund. The interfund balance will be repaid once the anticipated revenues are received.

Interfund balances between governmental funds are eliminated on the government-wide financial statements; therefore, no internal balances at June 30, 2007 are reported on the statement of net assets.

**NOTE 6 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar 2007 represents collections of calendar year 2006 taxes. Real property taxes received in calendar year 2007 were levied after April 1, 2006, on the assessed value listed as of January 1, 2006, the lien date. Assessed values for real property taxes are established by state law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 6 - PROPERTY TAXES - (Continued)**

Public utility property tax revenue received in calendar 2007 represents collections of calendar year 2006 taxes. Public utility real and tangible personal property taxes received in calendar year 2007 became a lien December 31, 2005, were levied after April 1, 2006 and are collected in 2007 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2007 (other than public utility property) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2007 were levied after April 1, 2007, on the value as of December 31, 2006. For 2006, tangible personal property is assessed at 18.75% for property including inventory. This percentage will be reduced to 12.5% for 2007, 6.25% for 2008 and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the District due to the phasing out of the tax. In calendar years 2006-2010, the District will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The District receives property taxes from Summit County. The County Fiscal Officer periodically advances to the District their portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2007, are available to finance fiscal year 2007 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2007 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to unearned revenue.

The amount available as an advance at June 30, 2007 was \$1,473,373 in the general fund. This amount has been recorded as revenue.

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

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 6 - PROPERTY TAXES - (Continued)**

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

	2006 Second Half Collections		2007 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 395,052,390	87.97	\$ 396,317,800	87.49
Public Utility Personal	12,066,640	2.68	11,731,530	2.59
Tangible Personal Property	<u>41,975,595</u>	<u>9.35</u>	<u>29,057,901</u>	<u>9.92</u>
Total	<u>\$ 449,094,625</u>	<u>100.00</u>	<u>\$ 437,107,231</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 64.06		\$ 60.23	

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2007 consisted of taxes, accounts (billings for user charged services and student fees), intergovernmental grants and entitlements, and accrued interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the statement of net assets follows:

**Governmental Activities:**

Property taxes	\$ 14,452,809
Accounts	22,317
Intergovernmental	768,707
Accrued interest	<u>44,624</u>
Total	<u>\$ 15,288,457</u>

Receivables have been disaggregated on the face of the financial statements. All receivables are expected to be collected within one year.

**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 8 - CAPITAL ASSETS**

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

	<u>Balance at June 30, 2006</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at June 30, 2007</u>
<b>Governmental Activities:</b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,239,550	\$ -	\$ -	\$ 5,239,550
Total capital assets, not being depreciated	<u>5,239,550</u>	<u>-</u>	<u>-</u>	<u>5,239,550</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	5,550,893	-	-	5,550,893
Buildings and improvements	51,326,736	-	(1,252,462)	50,074,274
Furniture and equipment	3,423,578	49,187	(18,075)	3,454,690
Vehicles	1,198,917	256,026	(85,291)	1,369,652
Total capital assets, being depreciated	<u>61,500,124</u>	<u>305,213</u>	<u>(1,355,828)</u>	<u>60,449,509</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(2,130,279)	(260,522)		(2,390,801)
Buildings and improvements	(13,608,763)	(1,123,385)	1,165,692	(13,566,456)
Furniture and equipment	(2,242,433)	(158,713)	15,914	(2,385,232)
Vehicles	(826,552)	(61,175)	76,761	(810,966)
Total accumulated depreciation	<u>(18,808,027)</u>	<u>(1,603,795)</u>	<u>1,258,367</u>	<u>(19,153,455)</u>
Governmental activities capital assets, net	<u>\$ 47,931,647</u>	<u>\$ (1,298,582)</u>	<u>\$ (97,461)</u>	<u>\$ 46,535,604</u>

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 989,113
Special	1,446
<u>Support Services:</u>	
Instructional staff	45,711
Administration	35,507
Fiscal	1,447
Operations and maintenance	31,646
Pupil transportation	81,812
Extracurricular activities	238,642
Food service operations	<u>178,471</u>
Total depreciation expense	<u>\$ 1,603,795</u>

**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 9 - LONG-TERM OBLIGATIONS**

A. Changes in the District's long-term obligations during fiscal year 2007 were as follows:

<u>Governmental activities</u>	<u>Balance at June 30, 2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2007</u>	<u>Due within One Year</u>
<u>Bonds</u>					
School Improvements, 3.65-13.00% maturing on November 1, 2022					
Serial	\$ 1,115,000	\$ -	\$ (1,115,000)	\$ -	\$ -
Capital appreciation	659,962	-	-	659,962	349,586
Accreted interest	1,171,810	245,212	-	1,417,022	753,863
School Improvements Refunding, 3.00-5.00% maturing on November 1, 2022					
Serial	21,470,000	-	(35,000)	21,435,000	205,000
Capital appreciation	1,409,990	-	-	1,409,990	-
Accreted interest	130,170	167,875	-	298,045	-
<b>Total Bonds</b>	<u>25,956,932</u>	<u>413,087</u>	<u>(1,150,000)</u>	<u>25,220,019</u>	<u>1,308,449</u>
<u>Notes</u>					
Permanent Improvement, 3.80% maturing on December 1, 2006	755,000	-	(755,000)	-	-
<u>Loans</u>					
Building and Improvements, 3.90% maturing on June 26, 2008	372,000	-	(183,000)	189,000	189,000
<b>Total Loans</b>	<u>372,000</u>	<u>-</u>	<u>(183,000)</u>	<u>189,000</u>	<u>189,000</u>
<u>Other Obligations</u>					
Early retirement incentive	1,176,486	-	(588,243)	588,243	588,243
Compensated absences	1,698,694	504,324	(501,360)	1,701,658	417,322
<b>Total Other Obligations</b>	<u>2,875,180</u>	<u>504,324</u>	<u>(1,089,603)</u>	<u>2,289,901</u>	<u>1,005,565</u>
<b>Total Long-term Liabilities</b>	<u>\$ 29,959,112</u>	<u>\$ 917,411</u>	<u>\$ (3,177,603)</u>	<u>27,698,920</u>	<u>2,503,014</u>
Add: Unamortized premium on bond issue				1,369,203	-
Less: Unamortized deferred charges on refunding				(1,090,188)	-
Add: Tax anticipation notes (see Note 10)				2,940,000	735,000
<b>Total on statement of net assets</b>				<u>\$ 30,917,935</u>	<u>\$ 3,238,014</u>

**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

- B. *School Improvement Bonds (Series 1998)*** - In fiscal year 1998 the District issued School Improvement Bonds for \$31,999,962, which are to be paid from money received from the Barberton Community Foundation. The District receives in November of each year the amount necessary to make debt service payments for the following calendar year. Interest earned on these monies will be used for the repayment of the bonds. The requests from the Foundation will be for the required payments reduced by the amount of interest earned. The bonds were issued to cover the costs of the new high school. The Barberton Community Foundation was established to improve the lives of the citizens of Barberton by offering scholarships to Barberton High School graduates and by awarding grants to not-for-profit organizations to serve the citizens of Barberton.

A portion of the 1998 School Improvement bonds were refunded during fiscal year 2006 in the amount of \$22,880,000. At June 30, 2007, the balance of the bonds was \$2,076,984. The non-refunded portion of the issue is comprised of both current interest bonds, par value \$1,115,000, which matured November 1, 2006, and capital appreciation bonds, par value \$659,962. The interest rate on the current interest bonds is 5.00%. The capital appreciation bonds mature on November 1, 2007 (effective interest 13.00%) and November 1, 2008 (effective interest 12.93%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The present value (as of issue date) reported in the statement of net assets at June 30, 2007 was \$659,962. A total of \$1,417,022 in accreted interest on the capital appreciation bonds has been included in the statement of net assets at June 30, 2007.

The following is a summary of the future debt service requirements to maturity for the series 1998 general obligation bonds:

Fiscal Year Ended	Capital Appreciation Bonds		
	Principal	Interest	Total
2008	\$ 349,586	\$ 825,414	\$ 1,175,000
2009	310,376	864,624	1,175,000
Total	<u>\$ 659,962</u>	<u>\$ 1,690,038</u>	<u>\$ 2,350,000</u>

*School Improvement Refunding Bonds (Series 2005)* - On August 24, 2005, the District issued general obligation School Improvement Bonds to advance refund \$22,880,000 of the current interest Series 1998 School Improvement Bonds. The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net assets.

The refunding issue is comprised of both current interest bonds, par value \$21,470,000, and capital appreciation bonds, par value \$1,409,990. The interest rate on the current interest bonds ranges from 3.00-5.00%. The capital appreciation bonds mature November 1, 2012 (effective interest 10.624%) and November 1, 2013 (effective interest 10.624%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The present value (as of issue date) reported in the statement of net assets at June 30, 2007 was \$1,409,990. Total accreted interest of \$298,045 has been included in the statement of net assets.

Interest payments on the current interest bonds are due on May 1 and November 1 each year. The final maturity stated in the issue is November 1, 2022.



**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The reacquisition price exceeded the net carrying amount of the old debt by \$1,220,537. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

The following is a summary of the future debt service requirements to maturity for the series 2005 general obligation refunding bonds:

Fiscal Year Ended	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 205,000	\$ 948,939	\$ 1,153,939	\$ -	\$ -	\$ -
2009	215,000	941,845	1,156,845	-	-	-
2010	1,395,000	911,926	2,306,926	-	-	-
2011	1,445,000	858,676	2,303,676	-	-	-
2012	1,500,000	801,582	2,301,582	-	-	-
2013-2017	4,865,000	3,560,530	8,425,530	1,409,990	1,710,010	3,120,000
2018-2022	9,740,000	1,689,831	11,429,831	-	-	-
2023	2,070,000	51,750	2,121,750	-	-	-
Total	<u>\$ 21,435,000</u>	<u>\$ 9,765,079</u>	<u>\$ 31,200,079</u>	<u>\$ 1,409,990</u>	<u>\$ 1,710,010</u>	<u>\$ 3,120,000</u>

*Tax Anticipation Notes* - In fiscal year 2002 the District issued \$3,450,000 in tax anticipation notes at an interest rate of 3.80% to pay the costs of remodeling various District buildings. The note is to be repaid by the Permanent Improvement levy passed in May of 2001 and will be repaid from the bond retirement debt service fund. The final principal and interest payments were made during fiscal year 2007.

*Buildings and Improvements Loan* - On December 26, 2002 the District entered into a loan agreement in the amount of \$892,000 for various improvements and acquisitions through an asset pool program. Payments for this loan will be paid out of the general fund.

The following is a summary of the future debt service requirements to maturity for the loan:

Fiscal Year Ended	Buildings and Improvements Loan		
	Principal	Interest	Total
2008	<u>\$ 189,000</u>	<u>\$ 3,440</u>	<u>\$ 192,440</u>

*Compensated Absences* - compensated absences will be paid from the fund from which the employee is paid, which for the District is the general fund and food service nonmajor special revenue fund.

*Early Retirement Incentive* - early retirement incentives will be paid from the fund from which the employee is paid, which is primarily the general fund.

**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

**C. Legal Debt Margin**

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation use in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2007, are a voted debt margin of \$38,214,863 (including available funds of \$1,832,746) and an unvoted debt margin of \$404,296.

**NOTE 10 - NOTES PAYABLE**

During fiscal year 2005, the District issued \$3,675,000 in tax anticipation notes in advance of property tax collection, depositing the proceeds in the general fund. These notes carry an interest rate of 3.64% and mature on December 1, 2010. Activity during the fiscal year was as follows:

	<u>Balance at June 30, 2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2007</u>	<u>Due Within One Year</u>
Tax Anticipation notes	\$ 3,675,000	\$ -	\$ (735,000)	\$ 2,940,000	\$ 735,000

Principal and interest requirements to amortize tax anticipation notes outstanding at June 30, 2007 are as follows:

<u>Fiscal Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 735,000	\$ 93,639	\$ 828,639
2009	735,000	66,885	801,885
2010	735,000	40,131	775,131
2011	<u>735,000</u>	<u>13,777</u>	<u>748,777</u>
Total	<u>\$ 2,940,000</u>	<u>\$ 214,432</u>	<u>\$ 3,154,432</u>

**NOTE 11 - EMPLOYEE BENEFITS**

**A. Compensated Absences**

The criteria for determining vacation and sick leave components is derived from negotiated agreements and state laws. Classified employees earn ten to thirty days of vacation per year, depending upon length of service. Administrator employees earn twenty vacation days per year and teachers do not earn vacation time.

**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - EMPLOYEE BENEFITS - (Continued)**

Teachers, administrators, and classified employees can earn sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of two hundred fifty days for certified employees, two hundred thirty days for year round classified employees and two hundred fifteen days for nine month classified employees. Upon retirement, payment is made for one-fourth of their accrued, but unused sick leave credit to a maximum established by negotiated agreements.

**B. Early Retirement Incentive**

The District has offered an early retirement incentive (“ERI”) to provide certified employees with an incentive to voluntarily separate from employment with the District effective June 30, 2006. Severance payments for teachers electing to retire under the ERI shall be paid in two equal installments with each installment paid on or about September 19, 2006 and September 19, 2007. A liability for severance payments due under the ERI have been recorded on the government-wide statement of net assets as a component of “Long-term liabilities”. Twenty one certified employees elected to retire under the ERI effective June 30, 2006.

**C. Health Care Benefits**

The District provides medical, dental, vision and life insurance benefits to most employees. The premium and coverage varies with employee depending on the terms of the union contract.

**NOTE 12 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no settlements paid in excess of insurance nor has insurance coverage been significantly reduced in any of the past three years.

The District uses an internal service fund to record and report its self funded health care insurance program. The claim liability of \$232,966 reported in the fund at fiscal year end was estimated by third party administrators and is based on the requirements of GASB Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported.

The District purchases stop-loss coverage of \$1,000,000 per employee. Changes in the fund’s claims liability during the current and prior fiscal years were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2006	\$ 216,118	\$ 3,186,027	\$ (3,213,802)	\$ 188,343
2007	188,343	2,735,076	(2,690,453)	232,966

The District pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 13 - PENSION PLANS**

**A. School Employees Retirement System**

The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (800) 878-5853. It is also posted on SERS' website, [www.ohsers.org](http://www.ohsers.org), under Forms and Publications.

Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2007, 10.68 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2006, 10.58 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2005, 10.57 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The District's required contribution for pension obligations to SERS for fiscal years ended June 30, 2007, 2006, and 2005 were \$502,900, \$478,484, and \$469,233; 46.15 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005. \$270,811 represents the unpaid pension contribution for fiscal year 2007 and is recorded as a liability.

**B. State Teachers Retirement System of Ohio**

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371 or by calling (614) 227-4090 or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org).

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 13 - PENSION PLANS - (Continued)**

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

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

For the fiscal year ended June 30, 2007, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal years 2006 and 2005, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for fund pension obligations to STRS Ohio for the fiscal years ended June 30, 2007, 2006, and 2005 were \$2,388,409, \$2,403,583 and \$2,453,412; 82.33 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005. \$421,939 represents the unpaid pension contribution for fiscal year 2007 and is recorded as a liability. Contributions to the DC and Combined Plans for fiscal year 2007 were \$7,452 made by the District and \$31,268 made by plan members.

**C. Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the SERS or the STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2007, certain members of the Board of Education have elected Social Security. The District's liability is 6.2% of wages paid.

**NOTE 14 - POSTEMPLOYMENT BENEFITS**

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

All STRS Ohio retirees who participated in the DB or combined plans and their dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2007, the STRS Ohio Board allocated employer contributions equal to 1 percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$183,724 for fiscal year 2007.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - POSTEMPLOYMENT BENEFITS – (Continued)**

STRS Ohio pays health care benefits from the Health Care Stabilization Fund. At June 30, 2006 (the latest information available), the balance in the Health Care Stabilization Fund was \$3.5 billion. For the fiscal year ended June 30, 2006 (the latest information available), net health care costs paid by STRS Ohio were \$282.743 million and STRS Ohio had 119,184 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. All retirees and beneficiaries are required to pay a portion of their premium for health care. The portion is based on years of service, Medicare eligibility, and retirement status.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2007, employer contributions to fund health care benefits were 3.32 percent of covered payroll, a decrease of .10 percent from fiscal year 2006. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2007, the minimum pay was established at \$35,800. Total surcharge is capped at 2 percent of each employer's SERS salaries. For the 2007 fiscal year, the District paid \$229,496 to fund health care benefits, including the surcharge.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the projected claims less premium contributions for the next year. Expenses for health care for the fiscal year ended June 30, 2006 (the latest information available) were \$158.751 million. At June 30, 2006 (the latest information available), SERS had net assets available for payment of health care benefits of \$295.6 million. At June 30, 2006 (the latest information available), SERS had 59,492 participants currently receiving health care benefits.

**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis); and
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to a reservation of fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis).

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

<b>Net Change in Fund Balance</b>	<u>General Fund</u>
Budget basis	\$ 3,236,052
Net adjustment for revenue accruals	314,376
Net adjustment for expenditure accruals	(982,265)
Net adjustment for other sources/uses	(103,174)
Adjustment for encumbrances	<u>1,126,284</u>
GAAP basis	<u>\$ 3,591,273</u>

**NOTE 16 - CONTINGENCIES**

**A. Grants**

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District at June 30, 2007.

**B. Litigation**

The District is a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and spending projects. The District management is of the opinion that disposition of the claim and legal proceedings will not have a material effect, if any, on the financial condition of the District.

**NOTE 17 - STATUTORY RESERVES**

The District is required by state statute to annually set aside monies for the purchase of textbooks and other instructional materials and for capital improvements purchases. The amounts set-aside may be reduced by offset credits, which are monies received and restricted for the same specific purpose. The District had qualifying disbursements during the year that reduced the set-aside amount below zero in the textbooks reserve. This extra amount may only be used to reduce the set-aside requirement of future years.

Amounts not spent by year-end or reduced by offset credits must be held in cash at year-end and carried forward to be used for the same purposes in future years.

**BARBERTON CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

**NOTE 17 - STATUTORY RESERVES - (Continued)**

During the fiscal year ended June 30, 2007, the reserve activity was as follows:

	Textbooks <u>Reserve</u>	Capital Maintenance <u>Reserve</u>
Set-aside balance as of June 30, 2006	\$ 349,117	\$ -
Current year set-aside requirement	638,548	638,548
Qualifying disbursements	<u>(1,038,777)</u>	<u>(50,139)</u>
Total	<u>\$ (51,112)</u>	<u>\$ 588,409</u>
Balance carried forward to FY 2008	<u>\$ (51,112)</u>	<u>\$ 588,409</u>

Restricted assets for the capital maintenance reserve at June 30, 2007 in the amount of \$588,409 has been reported on the balance sheet of the governmental funds.



COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

**BARBERTON CITY SCHOOL DISTRICT**  
**SUMMIT COUNTY, OHIO**  
GOVERNMENTAL FUND DESCRIPTIONS

**General Fund**

The general fund is used to account for resources traditionally associated with a school district which are not legally or by sound financial management to be accounted for in another fund. These activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration.

**Nonmajor Special Revenue Funds**

Special revenue funds are established to account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's special revenue funds follows:

***Food Service*** Section 3313.81, Revised Code  
A fund which is used to account for food service operations.

***Uniform School Supplies*** Section 3313.811 Revised Code  
A fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District. Profit derived from such sale is to be used for school purposes or activities in connection with the school.

***Public School Support*** Section 5705.12, Revised Code  
A fund provided to account for specific local revenue sources that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

***Other Grant*** Section 5705.09, Revised Code  
A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

***Special Enterprise*** Section 5705.12, Revised Code  
A fund used to account for latchkey and head start programs.

***District Managed Student Activity*** Section 3313.062, Revised Code  
A fund provided to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

***Auxiliary Services*** Current Budget Bill appropriation line item 200-511 and 200-532  
A fund used to account for monies which provide services and materials to pupils attending non-public schools within the school district.

***Management Information Systems*** Current Budget Bill appropriation line item 200-446  
A fund used to account for funds associated with the state-wide requirements of the Education Management System (EMIS).

***Public School Preschool*** Current Budget Bill appropriation line item 200-408  
A fund used to assist school districts in paying the cost of preschool programs for three and four year olds.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO  
GOVERNMENTAL FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds - (Continued)**

***Data Communications*** Current Budget Bill appropriation line item 200-426  
A fund provided to account for money appropriated for Ohio Educational Computer Network Connections.

***SchoolNet Professional Development*** Current Budget Bill appropriation line item 200-406  
A fund provided to account for a limited number of professional development subsidy grants.

***Ohio Reads*** Current Budget Bill appropriation line item 200-566  
A fund intended to improve reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public school buildings, for educational service centers for costs associated with volunteer coordination, for background checks of volunteers, to evaluate the Ohio Reads Program, and for operating expenditures associated with administering the program.

***Alternative Education*** Current Budget Bill appropriation line item 200-520 and 200-421  
A fund used to account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services facility.

***Poverty Aid*** Section 3317.029, Revised Code  
A fund used to account for monies appropriated for poverty based assistance as part of the state foundation system. Programs included are academic intervention, all-day kindergarten, class-size reduction, Limited English Proficient students, professional development, dropout prevention, and community outreach.

***Miscellaneous State Grants*** Section 5705.12, Ohio Revised Code  
A fund used to account for various monies received from state agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

***Adult Basic Education*** Catalog of Federal Domestic Assistance #84.002  
A fund used to account for the Federal monies used to provide programs in reading, writing and math competency for adults who have not earned a high school diploma.

***IDEA - Part B*** Catalog of Federal Domestic Assistance #84.027  
A fund used to account for grants to assist states in providing an appropriate public education to all children with disabilities.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO  
GOVERNMENTAL FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds - (Continued)**

***Head Start***

Catalog of Federal Domestic Assistance #93.600

A fund used to promote school readiness by enhancing the social and cognitive development of low income children, including children on federally recognized reservations and children of migratory farm workers, through the provision of comprehensive health, educational, nutritional, social and other services; and to involve parents in their children's learning and to help parents make progress toward their educational, literacy and employment goals.

***Title III***

Catalog of Federal Domestic Assistance #93.600

This fund is used to develop and carry out elementary and secondary school programs, including activities at the preschool level, to meet the educational needs of children of limited English proficiency.

***Refugee Children School Impact***

Catalog of Federal Domestic Assistance #93.576

A fund used to provide educational services to meet educational needs of refugee children who are enrolled in public and non-profit private elementary and secondary schools.

***Title I***

Catalog of Federal Domestic Assistance  
#84.010, 84.013, 84.213, 84.332

A fund used to account for funds which are to: 1) establish or improve programs designed to meet the special educational need of migratory children of migratory agricultural workers or migratory fishers' and 2) enable State education agencies to coordinate their state migrant education programs and local projects with similar programs and projects in other states, including the transfer of school records of other information about migratory children.

***Title V***

P L 97-35; ESEA 1965

A fund used to account for Federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, and inservice and staff development.

***Drug-Free Schools***

Catalog of Federal Domestic Assistance #84.186

To provide funds to local educational agencies and consortia of these agencies to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

***EHA Preschool***

Catalog of Federal Domestic Assistance #84.173

The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for the handicapped children ages three (3) through five (5) years.

***Improving Teacher Quality***

Catalog of Federal Domestic Assistance #84.367

A fund used to account for monies to hire additional classroom teachers in grades one through three so that the number of students per teacher will be reduced.

***Miscellaneous Federal Grants***

Catalog of Federal Domestic Assistance #84 and #94

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant and be approved by the Auditor of State.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO  
GOVERNMENTAL FUND DESCRIPTIONS**

**Nonmajor Debt Service Fund**

***Bond Retirement Fund***

A fund provided for the retirement of bonds, notes and loans. All revenue derived from general or special levies, either within or exceeding the statutory unvoted ten-mill limitation, which is levied for debt charges on bonds or loans, are paid into this fund. The District maintains only one debt service fund, therefore, combining statements are not required.

**Capital Projects Funds**

Capital projects funds account for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds and trust funds). During fiscal year 2007, the District had three capital projects funds. Since the Permanent Improvement fund was major and the only activity of the Vocational Equipment fund was original budgeted revenues and appropriations, combining statements are not required for capital projects funds. A description of the District's capital projects funds follows:

**Major Capital Projects Fund**

***Permanent Improvement***

Section 5705.12, Revised Code

A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by chapter 5705, Revised Code.

**Nonmajor Capital Projects Funds**

***SchoolNet***

Section 5705.09, Revised Code

A fund provided to account for wiring to all classrooms in the State and to provide a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.

***Vocational Equipment***

Current Budget Bill appropriation line item 200-526

A fund provided to account for receipts and expenditures involved in the replacement or updating of equipment essential for the instruction of students in job skills.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 13,740,850	\$ 13,609,058	\$ 13,385,870	\$ (223,188)
Tuition . . . . .	781,348	773,854	761,163	(12,691)
Earnings on investments . . . . .	927,275	918,381	903,320	(15,061)
Extracurricular activities . . . . .	3,390	3,358	3,303	(55)
Classroom materials and fees. . . . .	9,550	9,458	9,303	(155)
Other local revenues . . . . .	161,347	159,799	157,178	(2,621)
Intergovernmental-state . . . . .	21,119,077	20,916,518	20,573,488	(343,030)
Intergovernmental-federal . . . . .	75,848	75,121	73,889	(1,232)
Total revenues. . . . .	<u>36,818,685</u>	<u>36,465,547</u>	<u>35,867,514</u>	<u>(598,033)</u>
<b>Expenditures:</b>				
Salaries and wages. . . . .	18,342,502	18,025,251	17,825,256	199,995
Fringe benefits. . . . .	7,082,666	7,581,919	5,476,611	2,105,308
Purchased services. . . . .	6,493,604	7,549,784	6,419,521	1,130,263
Supplies . . . . .	1,202,733	2,163,571	1,433,893	729,678
Capital outlay . . . . .	447,607	1,194,183	994,742	199,441
Miscellaneous . . . . .	569,726	945,420	603,000	342,420
Total expenditures . . . . .	<u>34,138,838</u>	<u>37,460,128</u>	<u>32,753,023</u>	<u>4,707,105</u>
Excess of revenues over (under) expenditures . . . . .	<u>2,679,847</u>	<u>(994,581)</u>	<u>3,114,491</u>	<u>4,109,072</u>
<b>Other financing sources:</b>				
Refund of prior year's expenditures . . . . .	105,910	104,894	103,174	(1,720)
Sale of capital assets . . . . .	18,875	18,694	18,387	(307)
Total other financing sources . . . . .	<u>124,785</u>	<u>123,588</u>	<u>121,561</u>	<u>(2,027)</u>
Net change in fund balance . . . . .	2,804,632	(870,993)	3,236,052	4,107,045
<b>Fund balance at beginning of year . . . . .</b>	5,827,164	5,827,164	5,827,164	-
<b>Prior year encumbrances appropriated . . . . .</b>	315,638	315,638	315,638	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 8,947,434</u>	<u>\$ 5,271,809</u>	<u>\$ 9,378,854</u>	<u>\$ 4,107,045</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PERMANENT IMPROVEMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Total Revenues and Other Financing Sources . . . .	\$ 199,845	\$ 207,382	\$ 147,365	\$ (60,017)
Total Expenditures and Other Financing Uses . . . .	<u>1,275,814</u>	<u>1,225,199</u>	<u>871,081</u>	<u>354,118</u>
Net Change in Fund Balance . . . . .	(1,075,969)	(1,017,817)	(723,716)	294,101
Fund Balance at Beginning of Year . . . . .	721,850	721,850	721,850	-
Prior Year Encumbrances Appropriated . . . . .	<u>354,119</u>	<u>354,119</u>	<u>354,119</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 58,152</u>	<u>\$ 352,253</u>	<u>\$ 294,101</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2007

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 1,109,985	\$ 1,832,746	\$ 2,942,731
Receivables:			
Property taxes. . . . .	-	828,639	828,639
Accounts . . . . .	8,397	-	8,397
Intergovernmental . . . . .	768,707	-	768,707
Materials and supplies inventory. . . . .	41,406	-	41,406
Total assets. . . . .	\$ 1,928,495	\$ 2,661,385	\$ 4,589,880
 <b>Liabilities:</b>			
Accounts payable. . . . .	\$ 166,683	\$ -	\$ 166,683
Accrued wages and benefits . . . . .	637,927	-	637,927
Matured compensated absences payable . . . . .	1,466	-	1,466
Intergovernmental payable . . . . .	162,085	-	162,085
Due to other funds . . . . .	111,816	-	111,816
Deferred revenue. . . . .	27,893	-	27,893
Unearned revenue . . . . .	-	828,639	828,639
Total liabilities. . . . .	1,107,870	828,639	1,936,509
 <b>Fund Balances:</b>			
Reserved for encumbrances. . . . .	107,916	-	107,916
Reserved for materials and supplies inventory . . . . .	41,406	-	41,406
Unreserved, undesignated, reported in:			
Special revenue funds . . . . .	671,303	-	671,303
Debt service fund . . . . .	-	1,832,746	1,832,746
Total fund balances. . . . .	820,625	1,832,746	2,653,371
Total liabilities and fund balances . . . . .	\$ 1,928,495	\$ 2,661,385	\$ 4,589,880



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Fund</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ -	\$ 642,729	\$ -	\$ 642,729
Charges for services . . . . .	604,328	-	-	604,328
Earnings on investments . . . . .	17,800	-	-	17,800
Extracurricular . . . . .	325,126	-	-	325,126
Classroom materials and fees. . . . .	104,920	-	-	104,920
Other local revenues . . . . .	481,089	2,255,915	-	2,737,004
Other revenue. . . . .	318,242	-	-	318,242
Intergovernmental - state . . . . .	3,180,829	3,683	44,032	3,228,544
Intergovernmental - federal . . . . .	5,801,404	-	-	5,801,404
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues. . . . .	10,833,738	2,902,327	44,032	13,780,097
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular. . . . .	1,594,272	-	44,032	1,638,304
Special . . . . .	3,939,123	-	-	3,939,123
Vocational . . . . .	11,480	-	-	11,480
Other . . . . .	693,128	-	-	693,128
Support services:				
Pupil . . . . .	259,286	-	-	259,286
Instructional staff. . . . .	748,521	-	-	748,521
Administration . . . . .	103,434	-	-	103,434
Operations and maintenance. . . . .	89,959	-	-	89,959
Pupil transportation . . . . .	189,758	-	-	189,758
Central . . . . .	33,936	-	-	33,936
Operation of non-instructional services . . . . .	327,922	-	-	327,922
Food service operations. . . . .	1,789,393	-	-	1,789,393
Extracurricular activities . . . . .	589,339	-	-	589,339
Intergovernmental pass through . . . . .	148,167	-	-	148,167
Debt service:				
Principal retirement. . . . .	-	1,905,000	-	1,905,000
Interest and fiscal charges . . . . .	7,912	995,015	-	1,002,927
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	10,525,630	2,900,015	44,032	13,469,677
	<hr/>	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures. . . . .	308,108	2,312	-	310,420
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Other financing sources:</b>				
Sale of assets . . . . .	205	-	-	205
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources . . . . .	205	-	-	205
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances. . . . .	308,313	2,312	-	310,625
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances at beginning of year. . . . .</b>	512,312	1,830,434	-	2,342,746
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 820,625</u>	<u>\$ 1,832,746</u>	<u>\$ -</u>	<u>\$ 2,653,371</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2007

	<b>Food Service</b>	<b>Uniform School Supplies</b>	<b>Public School Support</b>	<b>Other Grant</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . .	\$ 161,325	\$ 16,561	\$ 136,885	\$ 100,341
Receivables:				
Accounts. . . . .	-	-	-	-
Intergovernmental . . . . .	155,484	-	-	47,278
Materials and supplies inventory . . . . .	41,406	-	-	-
Total assets. . . . .	<u>\$ 358,215</u>	<u>\$ 16,561</u>	<u>\$ 136,885</u>	<u>\$ 147,619</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 1,838	\$ 570	\$ 4,628	\$ 3,590
Accrued wages and benefits . . . . .	25,476	-	-	15,312
Matured compensated absences payable . . . . .	1,466	-	-	-
Intergovernmental payable . . . . .	32,407	-	-	3,245
Due to other funds . . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	-
Total liabilities. . . . .	61,187	570	4,628	22,147
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	3,117	4,368	4,069	15,461
Reserved for materials and supplies inventory	41,406	-	-	-
Unreserved, undesignated (deficits), reported in:				
Special revenue funds . . . . .	252,505	11,623	128,188	110,011
Total fund balances (deficits). . . . .	297,028	15,991	132,257	125,472
Total liabilities and fund balances . . . . .	<u>\$ 358,215</u>	<u>\$ 16,561</u>	<u>\$ 136,885</u>	<u>\$ 147,619</u>

<u>Special Enterprise</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Public School Preschool</u>	<u>Ohio Reads</u>
\$ 152,231	\$ 178,424	\$ 55,162	\$ -	\$ 16,720
4,725	3,672	-	-	-
-	-	-	27,812	7,223
-	-	-	-	-
<u>\$ 156,956</u>	<u>\$ 182,096</u>	<u>\$ 55,162</u>	<u>\$ 27,812</u>	<u>\$ 23,943</u>
\$ -	\$ 10,592	\$ 30,099	\$ 162	\$ 22,999
5,339	-	2,344	8,270	-
-	-	-	-	-
4,332	765	1,167	3,811	238
-	-	-	561	-
-	-	-	-	106
<u>9,671</u>	<u>11,357</u>	<u>33,610</u>	<u>12,804</u>	<u>23,343</u>
-	6,627	23,461	2,615	868
-	-	-	-	-
<u>147,285</u>	<u>164,112</u>	<u>(1,909)</u>	<u>12,393</u>	<u>(268)</u>
<u>147,285</u>	<u>170,739</u>	<u>21,552</u>	<u>15,008</u>	<u>600</u>
<u>\$ 156,956</u>	<u>\$ 182,096</u>	<u>\$ 55,162</u>	<u>\$ 27,812</u>	<u>\$ 23,943</u>

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**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2007

	<b>Alternative Education</b>	<b>Poverty Aid</b>	<b>Miscellaneous State Grants</b>	<b>IDEA - Part B</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . .	\$ 1,035	\$ 87,620	\$ 24,625	\$ -
Receivables:				
Accounts. . . . .	-	-	-	-
Intergovernmental . . . . .	6,598	-	59,526	226,327
Materials and supplies inventory . . . . .	-	-	-	-
Total assets. . . . .	\$ 7,633	\$ 87,620	\$ 84,151	\$ 226,327
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 265	\$ -	\$ 33,330	\$ 2,028
Accrued wages and benefits . . . . .	5,898	256,551	12,598	78,104
Matured compensated absences payable . . . .	-	-	-	-
Intergovernmental payable . . . . .	966	44,481	3,653	21,960
Due to other funds . . . . .	-	-	-	3,918
Deferred revenue. . . . .	1,314	-	4,349	11,477
Total liabilities. . . . .	8,443	301,032	53,930	117,487
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	3,189	-	-	27,629
Reserved for materials and supplies inventory	-	-	-	-
Unreserved, undesignated (deficits), reported in:				
Special revenue funds . . . . .	(3,999)	(213,412)	30,221	81,211
Total fund balances (deficits). . . . .	(810)	(213,412)	30,221	108,840
Total liabilities and fund balances . . . . .	\$ 7,633	\$ 87,620	\$ 84,151	\$ 226,327

<u>Head Start</u>	<u>Title III</u>	<u>Refugee Children School Impact</u>	<u>Title I</u>	<u>Title V</u>	<u>Drug-Free Schools</u>
\$ -	\$ 1,622	\$ 549	\$ 141,860	\$ 682	\$ 2,448
-	-	-	-	-	-
112,062	-	-	63,516	1,977	4,438
-	-	-	-	-	-
<u>\$ 112,062</u>	<u>\$ 1,622</u>	<u>\$ 549</u>	<u>\$ 205,376</u>	<u>\$ 2,659</u>	<u>\$ 6,886</u>
\$ 479	\$ -	\$ -	\$ 43,275	\$ 2,241	\$ 41
67,870	-	-	107,403	898	2,342
-	-	-	-	-	-
16,280	-	-	19,951	162	427
107,337	-	-	-	-	-
-	-	-	-	-	4,438
<u>191,966</u>	<u>-</u>	<u>-</u>	<u>170,629</u>	<u>3,301</u>	<u>7,248</u>
8,335	-	-	6,490	-	-
-	-	-	-	-	-
<u>(88,239)</u>	<u>1,622</u>	<u>549</u>	<u>28,257</u>	<u>(642)</u>	<u>(362)</u>
<u>(79,904)</u>	<u>1,622</u>	<u>549</u>	<u>34,747</u>	<u>(642)</u>	<u>(362)</u>
<u>\$ 112,062</u>	<u>\$ 1,622</u>	<u>\$ 549</u>	<u>\$ 205,376</u>	<u>\$ 2,659</u>	<u>\$ 6,886</u>

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**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2007

	<u>EHA Preschool</u>	<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 7,438	\$ 21,601	\$ 2,856	\$ 1,109,985
Receivables:				
Accounts. . . . .	-	-	-	8,397
Intergovernmental . . . . .	6,209	41,067	9,190	768,707
Materials and supplies inventory . . . . .	-	-	-	41,406
Total assets. . . . .	<u>\$ 13,647</u>	<u>\$ 62,668</u>	<u>\$ 12,046</u>	<u>\$ 1,928,495</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ -	\$ 10,546	\$ 166,683
Accrued wages and benefits . . . . .	9,665	39,857	-	637,927
Matured compensated absences payable . . . . .	-	-	-	1,466
Intergovernmental payable . . . . .	1,770	6,470	-	162,085
Due to other funds . . . . .	-	-	-	111,816
Deferred revenue. . . . .	6,209	-	-	27,893
Total liabilities. . . . .	<u>17,644</u>	<u>46,327</u>	<u>10,546</u>	<u>1,107,870</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	187	-	1,500	107,916
Reserved for materials and supplies inventory	-	-	-	41,406
Unreserved, undesignated (deficits), reported in:				
Special revenue funds . . . . .	(4,184)	16,341	-	671,303
Total fund balances (deficits). . . . .	<u>(3,997)</u>	<u>16,341</u>	<u>1,500</u>	<u>820,625</u>
Total liabilities and fund balances . . . . .	<u>\$ 13,647</u>	<u>\$ 62,668</u>	<u>\$ 12,046</u>	<u>\$ 1,928,495</u>

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**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Public School Support</u>	<u>Other Grant</u>
<b>Revenues:</b>				
From local sources:				
Charges for services . . . . .	\$ 604,328	\$ -	\$ -	\$ -
Earnings on investments . . . . .	5,277	-	4,246	-
Extracurricular . . . . .	-	-	78,369	-
Classroom materials and fees . . . . .	-	104,920	-	-
Other local revenues . . . . .	47,333	-	44,167	47,778
Other revenue . . . . .	-	-	-	318,242
Intergovernmental - state . . . . .	48,466	-	-	-
Intergovernmental - federal . . . . .	1,150,216	-	-	83,872
	<u>1,855,620</u>	<u>104,920</u>	<u>126,782</u>	<u>449,892</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	92,450	-	35,364
Special . . . . .	-	-	-	11,520
Vocational . . . . .	-	11,480	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	6,327	-
Instructional staff . . . . .	-	-	9,012	212,867
Administration . . . . .	-	-	-	-
Operations and maintenance . . . . .	-	-	-	-
Pupil transportation . . . . .	-	-	-	-
Central . . . . .	-	-	26,421	-
Operation of non-instructional services . . . . .	-	-	-	167,678
Food service operations . . . . .	1,789,393	-	-	-
Extracurricular activities . . . . .	-	1,523	80,293	44,428
Intergovernmental pass through . . . . .	-	-	-	-
Debt service:				
Interest and fiscal charges . . . . .	-	-	-	-
	<u>1,789,393</u>	<u>105,453</u>	<u>122,053</u>	<u>471,857</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	66,227	(533)	4,729	(21,965)
<b>Other financing sources:</b>				
Sale of assets . . . . .	-	-	-	-
Total other financing sources . . . . .	-	-	-	-
Net change in fund balances . . . . .	66,227	(533)	4,729	(21,965)
<b>Fund balances (deficits) at beginning of year . . . . .</b>	<u>230,801</u>	<u>16,524</u>	<u>127,528</u>	<u>147,437</u>
<b>Fund balances (deficits) at end of year . . . . .</b>	<u>\$ 297,028</u>	<u>\$ 15,991</u>	<u>\$ 132,257</u>	<u>\$ 125,472</u>



<u>Special Enterprise</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Management Information Systems</u>	<u>Public School Preschool</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	6,675	1,602	-	-
-	246,757	-	-	-
-	-	-	-	-
221,466	120,345	-	-	-
-	-	-	-	-
-	-	145,131	14,701	285,126
27,917	-	-	-	-
<u>249,383</u>	<u>373,777</u>	<u>146,733</u>	<u>14,701</u>	<u>285,126</u>
-	-	-	-	-
-	-	-	-	181,657
-	-	-	-	-
-	-	-	-	-
-	-	-	14,701	-
294	-	-	-	18,412
-	-	-	-	-
7,493	-	-	-	64,267
84,856	-	-	-	-
-	-	-	-	-
107,879	-	-	-	-
-	-	-	-	-
-	463,095	-	-	-
-	-	148,167	-	-
-	7,912	-	-	-
<u>200,522</u>	<u>471,007</u>	<u>148,167</u>	<u>14,701</u>	<u>264,336</u>
48,861	(97,230)	(1,434)	-	20,790
-	205	-	-	-
-	205	-	-	-
48,861	(97,025)	(1,434)	-	20,790
98,424	267,764	22,986	-	(5,782)
<u>\$ 147,285</u>	<u>\$ 170,739</u>	<u>\$ 21,552</u>	<u>\$ -</u>	<u>\$ 15,008</u>

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**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Data Communications</u>	<u>SchoolNet Professional Development</u>	<u>Ohio Reads</u>	<u>Alternative Education</u>
<b>Revenues:</b>				
From local sources:				
Charges for services . . . . .	\$ -	\$ -	\$ -	\$ -
Earnings on investments . . . . .	-	-	-	-
Extracurricular . . . . .	-	-	-	-
Classroom materials and fees . . . . .	-	-	-	-
Other local revenues . . . . .	-	-	-	-
Other revenue . . . . .	-	-	-	-
Intergovernmental - state . . . . .	27,000	3,300	68,530	51,527
Intergovernmental - federal . . . . .	-	-	-	-
Total revenues . . . . .	<u>27,000</u>	<u>3,300</u>	<u>68,530</u>	<u>51,527</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	-	41,545	3,708
Special . . . . .	-	-	-	-
Vocational . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	-	47,469
Instructional staff . . . . .	27,000	4,440	33,360	518
Administration . . . . .	-	-	-	570
Operations and maintenance . . . . .	-	-	-	-
Pupil transportation . . . . .	-	-	-	-
Central . . . . .	-	-	2,912	350
Operation of non-instructional services . . . . .	-	-	-	-
Food service operations . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	-	-	-
Intergovernmental pass through . . . . .	-	-	-	-
Debt service:				
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>27,000</u>	<u>4,440</u>	<u>77,817</u>	<u>52,615</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	(1,140)	(9,287)	(1,088)
<b>Other financing sources:</b>				
Sale of assets . . . . .	-	-	-	-
Total other financing sources . . . . .	-	-	-	-
Net change in fund balances . . . . .	-	(1,140)	(9,287)	(1,088)
<b>Fund balances (deficits) at beginning of year . . . . .</b>	<u>-</u>	<u>1,140</u>	<u>9,887</u>	<u>278</u>
<b>Fund balances (deficits) at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ (810)</u>

<u>Poverty Aid</u>	<u>Miscellaneous State Grants</u>	<u>Adult Basic Education</u>	<u>IDEA - Part B</u>	<u>Head Start</u>	<u>Title III</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,464,061	72,987	-	-	-	-
-	-	676	1,267,021	1,609,239	-
<u>2,464,061</u>	<u>72,987</u>	<u>676</u>	<u>1,267,021</u>	<u>1,609,239</u>	<u>-</u>
946,990	56,030	-	1,343	-	-
983,385	-	-	499,127	1,275,064	-
-	-	-	-	-	-
432,081	-	-	261,047	-	-
-	-	-	190,789	-	-
-	11,066	-	272,917	31,972	-
-	1,835	-	-	100,529	-
-	-	-	-	18,199	-
-	-	-	-	104,902	-
-	-	-	-	-	-
-	-	-	16,019	22,280	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,362,456</u>	<u>68,931</u>	<u>-</u>	<u>1,241,242</u>	<u>1,552,946</u>	<u>-</u>
101,605	4,056	676	25,779	56,293	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>101,605</u>	<u>4,056</u>	<u>676</u>	<u>25,779</u>	<u>56,293</u>	<u>-</u>
(315,017)	26,165	(676)	83,061	(136,197)	1,622
<u>\$ (213,412)</u>	<u>\$ 30,221</u>	<u>\$ -</u>	<u>\$ 108,840</u>	<u>\$ (79,904)</u>	<u>\$ 1,622</u>

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**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Refugee Children School Impact</u>	<u>Title I</u>	<u>Title V</u>	<u>Drug-Free Schools</u>
<b>Revenues:</b>				
From local sources:				
Charges for services . . . . .	\$ -	\$ -	\$ -	\$ -
Earnings on investments . . . . .	-	-	-	-
Extracurricular . . . . .	-	-	-	-
Classroom materials and fees . . . . .	-	-	-	-
Other local revenues . . . . .	-	-	-	-
Other revenue . . . . .	-	-	-	-
Intergovernmental - state . . . . .	-	-	-	-
Intergovernmental - federal . . . . .	-	1,209,047	6,808	17,815
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	-	1,209,047	6,808	17,815
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	6,100	79,083	-	17,793
Special . . . . .	-	896,742	5,816	-
Vocational . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff . . . . .	-	118,971	-	239
Administration . . . . .	-	-	-	-
Operations and maintenance . . . . .	-	-	-	-
Pupil transportation . . . . .	-	-	-	-
Central . . . . .	-	4,253	-	-
Operation of non-instructional services . . . . .	-	12,335	365	-
Food service operations . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	-	-	-
Intergovernmental pass through . . . . .	-	-	-	-
Debt service:				
Interest and fiscal charges . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	6,100	1,111,384	6,181	18,032
Excess (deficiency) of revenues over (under) expenditures . . . . .	(6,100)	97,663	627	(217)
<b>Other financing sources:</b>				
Sale of assets . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources . . . . .	-	-	-	-
Net change in fund balances . . . . .	(6,100)	97,663	627	(217)
<b>Fund balances (deficits) at beginning of year . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	6,649	(62,916)	(1,269)	(145)
<b>Fund balances (deficits) at end of year . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 549	\$ 34,747	\$ (642)	\$ (362)

<u>EHA Preschool</u>	<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ 604,328
-	-	-	17,800
-	-	-	325,126
-	-	-	104,920
-	-	-	481,089
-	-	-	318,242
-	-	-	3,180,829
<u>64,202</u>	<u>336,276</u>	<u>28,315</u>	<u>5,801,404</u>
<u>64,202</u>	<u>336,276</u>	<u>28,315</u>	<u>10,833,738</u>
-	299,836	14,030	1,594,272
75,266	-	10,546	3,939,123
-	-	-	11,480
-	-	-	693,128
-	-	-	259,286
215	2,375	4,863	748,521
-	-	500	103,434
-	-	-	89,959
-	-	-	189,758
-	-	-	33,936
-	1,366	-	327,922
-	-	-	1,789,393
-	-	-	589,339
-	-	-	148,167
<u>-</u>	<u>-</u>	<u>-</u>	<u>7,912</u>
<u>75,481</u>	<u>303,577</u>	<u>29,939</u>	<u>10,525,630</u>
(11,279)	32,699	(1,624)	308,108
<u>-</u>	<u>-</u>	<u>-</u>	<u>205</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>205</u>
(11,279)	32,699	(1,624)	308,313
<u>7,282</u>	<u>(16,358)</u>	<u>3,124</u>	<u>512,312</u>
<u>\$ (3,997)</u>	<u>\$ 16,341</u>	<u>\$ 1,500</u>	<u>\$ 820,625</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Food Service Fund</u></b>				
Total Revenues and Other Financing Sources . . . . .	\$ 1,800,000	\$ 1,800,000	\$ 1,788,663	\$ (11,337)
Total Expenditures and Other Financing Uses . . . . .	<u>1,895,242</u>	<u>1,861,960</u>	<u>1,727,535</u>	<u>134,425</u>
Net Change in Fund Balance . . . . .	(95,242)	(61,960)	61,128	123,088
Fund Balance at Beginning of Year . . . . .	93,562	93,562	93,562	-
Prior Year Encumbrances Appropriated . . . . .	<u>1,680</u>	<u>1,680</u>	<u>1,680</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 33,282</u>	<u>\$ 156,370</u>	<u>\$ 123,088</u>
 <b><u>Uniform School Supplies Fund</u></b>				
Total Revenues and Other Financing Sources . . . . .	\$ 110,000	\$ 130,747	\$ 104,920	\$ (25,827)
Total Expenditures and Other Financing Uses . . . . .	<u>126,771</u>	<u>147,781</u>	<u>110,068</u>	<u>37,713</u>
Net Change in Fund Balance . . . . .	(16,771)	(17,034)	(5,148)	11,886
Fund Balance at Beginning of Year . . . . .	16,508	16,508	16,508	-
Prior Year Encumbrances Appropriated . . . . .	<u>263</u>	<u>263</u>	<u>263</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ (263)</u>	<u>\$ 11,623</u>	<u>\$ 11,886</u>
 <b><u>Public School Support Fund</u></b>				
Total Revenues and Other Financing Sources . . . . .	\$ 80,000	\$ 88,749	\$ 126,782	\$ 38,033
Total Expenditures and Other Financing Uses . . . . .	<u>208,671</u>	<u>217,420</u>	<u>126,609</u>	<u>90,811</u>
Net Change in Fund Balance . . . . .	(128,671)	(128,671)	173	128,844
Fund Balance at Beginning of Year . . . . .	119,493	119,493	119,493	-
Prior Year Encumbrances Appropriated . . . . .	<u>9,178</u>	<u>9,178</u>	<u>9,178</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,844</u>	<u>\$ 128,844</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b><u>Other Grant Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 150,000	\$ 541,012	\$ 402,614	\$ (138,398)
Total Expenditures and Other Financing Uses . . . .	<u>321,073</u>	<u>712,085</u>	<u>492,397</u>	<u>219,688</u>
Net Change in Fund Balance . . . . .	(171,073)	(171,073)	(89,783)	81,290
Fund Balance at Beginning of Year . . . . .	158,826	158,826	158,826	-
Prior Year Encumbrances Appropriated . . . . .	<u>12,247</u>	<u>12,247</u>	<u>12,247</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,290</u>	<u>\$ 81,290</u>
<b><u>Special Enterprise Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 350,000	\$ 350,000	\$ 244,658	\$ (105,342)
Total Expenditures and Other Financing Uses . . . .	<u>470,097</u>	<u>240,704</u>	<u>212,524</u>	<u>28,180</u>
Net Change in Fund Balance . . . . .	(120,097)	109,296	32,134	(77,162)
Fund Balance at Beginning of Year . . . . .	120,007	120,007	120,007	-
Prior Year Encumbrances Appropriated . . . . .	<u>90</u>	<u>90</u>	<u>90</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 229,393</u>	<u>\$ 152,231</u>	<u>\$ (77,162)</u>
<b><u>District Managed Student Activity Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 90,000	\$ 343,034	\$ 487,298	\$ 144,264
Total Expenditures and Other Financing Uses . . . .	<u>369,871</u>	<u>616,753</u>	<u>603,591</u>	<u>13,162</u>
Net Change in Fund Balance . . . . .	(279,871)	(273,719)	(116,293)	157,426
Fund Balance at Beginning of Year . . . . .	256,264	256,264	256,264	-
Prior Year Encumbrances Appropriated . . . . .	<u>23,607</u>	<u>23,607</u>	<u>23,607</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 6,152</u>	<u>\$ 163,578</u>	<u>\$ 157,426</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Auxiliary Services Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 188,000	\$ 188,000	\$ 146,733	\$ (41,267)
Total Expenditures and Other Financing Uses . . . .	<u>222,223</u>	<u>206,421</u>	<u>179,354</u>	<u>27,067</u>
Net Change in Fund Balance . . . . .	(34,223)	(18,421)	(32,621)	(14,200)
Fund Balance at Beginning of Year . . . . .	23,891	23,891	23,891	-
Prior Year Encumbrances Appropriated . . . . .	<u>10,332</u>	<u>10,332</u>	<u>10,332</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 15,802</u>	<u>\$ 1,602</u>	<u>\$ (14,200)</u>
<b><u>Management Information Systems Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 14,000	\$ 14,000	\$ 14,701	\$ 701
Total Expenditures and Other Financing Uses . . . .	<u>14,000</u>	<u>14,000</u>	<u>14,701</u>	<u>(701)</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund Balance at Beginning of Year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Public School Preschool Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 243,000	\$ 260,651	\$ 257,314	\$ (3,337)
Total Expenditures and Other Financing Uses . . . .	<u>246,878</u>	<u>266,486</u>	<u>264,530</u>	<u>1,956</u>
Net Change in Fund Balance . . . . .	(3,878)	(5,835)	(7,216)	(1,381)
Fund Balance at Beginning of Year . . . . .	1,920	1,920	1,920	-
Prior Year Encumbrances Appropriated . . . . .	<u>1,958</u>	<u>1,958</u>	<u>1,958</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ (1,957)</u>	<u>\$ (3,338)</u>	<u>\$ (1,381)</u>



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Data Communications Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 27,000	\$ 27,000	\$ 27,000	\$ -
Total Expenditures and Other Financing Uses . . . .	<u>27,000</u>	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund Balance at Beginning of Year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>SchoolNet Professional Development Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 3,000	\$ 3,300	\$ 3,300	\$ -
Total Expenditures and Other Financing Uses . . . .	<u>4,140</u>	<u>4,440</u>	<u>4,440</u>	<u>-</u>
Net Change in Fund Balance . . . . .	(1,140)	(1,140)	(1,140)	-
Fund Balance at Beginning of Year . . . . .	<u>1,140</u>	<u>1,140</u>	<u>1,140</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Ohio Reads Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 60,000	\$ 78,801	\$ 72,513	\$ (6,288)
Total Expenditures and Other Financing Uses . . . .	<u>61,005</u>	<u>81,908</u>	<u>80,665</u>	<u>1,243</u>
Net Change in Fund Balance . . . . .	(1,005)	(3,107)	(8,152)	(5,045)
Fund Balance (Deficit) at Beginning of Year. . . . .	(10,801)	(10,801)	(10,801)	-
Prior Year Encumbrances Appropriated . . . . .	<u>11,806</u>	<u>11,806</u>	<u>11,806</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ (2,102)</u>	<u>\$ (7,147)</u>	<u>\$ (5,045)</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Alternative Education Fund</u></b>				
Total Revenues and Other Financing Sources . . . . .	\$ 58,000	\$ 49,048	\$ 50,383	\$ 1,335
Total Expenditures and Other Financing Uses . . . . .	<u>61,710</u>	<u>52,758</u>	<u>56,391</u>	<u>(3,633)</u>
Net Change in Fund Balance . . . . .	(3,710)	(3,710)	(6,008)	(2,298)
Fund Balance at Beginning of Year . . . . .	3,364	3,364	3,364	-
Prior Year Encumbrances Appropriated . . . . .	<u>346</u>	<u>346</u>	<u>346</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,298)</u>	<u>\$ (2,298)</u>
<b><u>Poverty Aid Fund</u></b>				
Total Revenues and Other Financing Sources . . . . .	\$ 2,500,000	\$ 2,500,000	\$ 2,464,061	\$ (35,939)
Total Expenditures and Other Financing Uses . . . . .	<u>2,520,457</u>	<u>2,525,683</u>	<u>2,396,898</u>	<u>128,785</u>
Net Change in Fund Balance . . . . .	(20,457)	(25,683)	67,163	92,846
Fund Balance at Beginning of Year . . . . .	<u>20,457</u>	<u>20,457</u>	<u>20,457</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ (5,226)</u>	<u>\$ 87,620</u>	<u>\$ 92,846</u>
<b><u>Miscellaneous State Grants Fund</u></b>				
Total Revenues and Other Financing Sources . . . . .	\$ 40,000	\$ 40,000	\$ 17,810	\$ (22,190)
Total Expenditures and Other Financing Uses . . . . .	<u>11,900</u>	<u>59,290</u>	<u>52,624</u>	<u>6,666</u>
Net Change in Fund Balance . . . . .	28,100	(19,290)	(34,814)	(15,524)
Fund Balance at Beginning of Year . . . . .	<u>26,165</u>	<u>26,165</u>	<u>26,165</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ 54,265</u>	<u>\$ 6,875</u>	<u>\$ (8,649)</u>	<u>\$ (15,524)</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>IDEA - Part B Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 1,000,000	\$ 1,456,833	\$ 1,177,437	\$ (279,396)
Total Expenditures and Other Financing Uses . . . .	<u>1,062,915</u>	<u>1,512,455</u>	<u>1,279,302</u>	<u>233,153</u>
Net Change in Fund Balance . . . . .	(62,915)	(55,622)	(101,865)	(46,243)
Fund Balance (Deficit) at Beginning of Year. . . . .	(102,950)	(102,950)	(102,950)	-
Prior Year Encumbrances Appropriated . . . . .	<u>165,865</u>	<u>165,865</u>	<u>165,865</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ 7,293</u>	<u>\$ (38,950)</u>	<u>\$ (46,243)</u>
 <b><u>Head Start Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 1,600,000	\$ 2,071,057	\$ 1,497,177	\$ (573,880)
Total Expenditures and Other Financing Uses . . . .	<u>1,538,210</u>	<u>2,009,267</u>	<u>1,551,538</u>	<u>457,729</u>
Net Change in Fund Balance . . . . .	61,790	61,790	(54,361)	(116,151)
Fund Balance (Deficit) at Beginning of Year. . . . .	(64,945)	(64,945)	(64,945)	-
Prior Year Encumbrances Appropriated . . . . .	<u>3,155</u>	<u>3,155</u>	<u>3,155</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (116,151)</u>	<u>\$ (116,151)</u>
 <b><u>Title III Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Financing Uses . . . .	<u>1,622</u>	<u>1,622</u>	<u>-</u>	<u>1,622</u>
Net Change in Fund Balance . . . . .	(1,622)	(1,622)	-	1,622
Fund Balance at Beginning of Year . . . . .	<u>1,622</u>	<u>1,622</u>	<u>1,622</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,622</u>	<u>\$ 1,622</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Refugee Children School Impact Fund</u></b>				
Total Expenditures and Other Financing Uses . . . .	\$ -	\$ -	\$ 6,100	\$ (6,100)
Net Change in Fund Balance . . . . .	-	-	(6,100)	(6,100)
Fund Balance at Beginning of Year . . . . .	-	-	6,649	6,649
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 549</u>	<u>\$ 549</u>
<b><u>Title I Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 1,050,000	\$ 1,245,459	\$ 1,145,531	\$ (99,928)
Total Expenditures and Other Financing Uses . . . .	<u>1,133,588</u>	<u>1,281,964</u>	<u>1,136,295</u>	<u>145,669</u>
Net Change in Fund Balance . . . . .	(83,588)	(36,505)	9,236	45,741
Fund Balance at Beginning of Year . . . . .	41,396	41,396	41,396	-
Prior Year Encumbrances Appropriated . . . . .	<u>42,192</u>	<u>42,192</u>	<u>42,192</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 47,083</u>	<u>\$ 92,824</u>	<u>\$ 45,741</u>
<b><u>Title V Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 16,000	\$ 16,000	\$ 4,831	\$ (11,169)
Total Expenditures and Other Financing Uses . . . .	<u>18,155</u>	<u>8,747</u>	<u>8,545</u>	<u>202</u>
Net Change in Fund Balance . . . . .	(2,155)	7,253	(3,714)	(10,967)
Fund Balance at Beginning of Year . . . . .	<u>2,155</u>	<u>2,155</u>	<u>2,155</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ 9,408</u>	<u>\$ (1,559)</u>	<u>\$ (10,967)</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Drug-Free Schools Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 27,000	\$ 27,000	\$ 17,815	\$ (9,185)
Total Expenditures and Other Financing Uses . . . .	<u>29,561</u>	<u>24,814</u>	<u>17,969</u>	<u>6,845</u>
Net Change in Fund Balance . . . . .	(2,561)	2,186	(154)	(2,340)
Fund Balance at Beginning of Year . . . . .	<u>2,561</u>	<u>2,561</u>	<u>2,561</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 4,747</u>	<u>\$ 2,407</u>	<u>\$ (2,340)</u>
<b><u>EHA Preschool Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 75,000	\$ 88,121	\$ 83,412	\$ (4,709)
Total Expenditures and Other Financing Uses . . . .	<u>75,027</u>	<u>88,148</u>	<u>76,188</u>	<u>11,960</u>
Net Change in Fund Balance . . . . .	(27)	(27)	7,224	7,251
Fund Balance (Deficit) at Beginning of Year. . . . .	(351)	(351)	(351)	-
Prior Year Encumbrances Appropriated . . . . .	<u>378</u>	<u>378</u>	<u>378</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,251</u>	<u>\$ 7,251</u>
<b><u>Improving Teacher Quality Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 300,000	\$ 368,625	\$ 326,704	\$ (41,921)
Total Expenditures and Other Financing Uses . . . .	<u>301,653</u>	<u>370,278</u>	<u>306,756</u>	<u>63,522</u>
Net Change in Fund Balance . . . . .	(1,653)	(1,653)	19,948	21,601
Fund Balance at Beginning of Year . . . . .	<u>1,653</u>	<u>1,653</u>	<u>1,653</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,601</u>	<u>\$ 21,601</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Miscellaneous Federal Grants Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 25,000	\$ 28,500	\$ 19,125	\$ (9,375)
Total Expenditures and Other Financing Uses . . . .	<u>28,124</u>	<u>31,624</u>	<u>31,439</u>	<u>185</u>
Net Change in Fund Balance . . . . .	(3,124)	(3,124)	(12,314)	(9,190)
Fund Balance (Deficit) at Beginning of Year. . . . .	(13,495)	(13,495)	(13,495)	-
Prior Year Encumbrances Appropriated . . . . .	<u>16,619</u>	<u>16,619</u>	<u>16,619</u>	<u>-</u>
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,190)</u>	<u>\$ (9,190)</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Bond Retirement Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 3,837,484	\$ 3,837,484	\$ 3,757,720	\$ (79,764)
Total Expenditures and Other Financing Uses . . . .	<u>5,667,918</u>	<u>3,755,408</u>	<u>3,755,408</u>	<u>-</u>
Net Change in Fund Balance . . . . .	(1,830,434)	82,076	2,312	(79,764)
Fund Balance at Beginning of Year . . . . .	<u>1,830,434</u>	<u>1,830,434</u>	<u>1,830,434</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 1,912,510</u>	<u>\$ 1,832,746</u>	<u>\$ (79,764)</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>SchoolNet Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ -	\$ -	\$ 44,032	\$ 44,032
Total Expenditures and Other Financing Uses . . . .	-	44,032	44,032	-
Net Change in Fund Balance . . . . .	-	(44,032)	-	44,032
Fund Balance at Beginning of Year . . . . .	-	-	-	-
Fund Balance (Deficit) at End of Year. . . . .	<u>\$ -</u>	<u>\$ (44,032)</u>	<u>\$ -</u>	<u>\$ 44,032</u>
<b><u>Vocational Equipment Fund</u></b>				
Total Revenues and Other Financing Sources . . . .	\$ 6,000	\$ 6,000	\$ -	\$ (6,000)
Total Expenditures and Other Financing Uses . . . .	6,000	-	-	-
Net Change in Fund Balance . . . . .	-	6,000	-	(6,000)
Fund Balance at Beginning of Year . . . . .	-	-	-	-
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 6,000</u>	<u>\$ -</u>	<u>\$ (6,000)</u>



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO  
PROPRIETARY FUND DESCRIPTION**

**Nonmajor Internal Service Fund**

Internal service funds account for the financing of goods or services provided by one department or agency of the District to other departments or agencies on a cost-reimbursement basis. Charges are intended to recoup the total cost of such services.

***Employee Benefits Self Insurance***

Section 5705.09, Revised Code

A fund used to account for a self-insurance program which provides medical, surgical, prescription drug, dental and vision benefits to employees.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Employee Benefits Self-Insurance</u></b>				
Total Revenues . . . . .	\$ 5,000,000	\$ 5,000,000	\$ 3,224,067	\$ (1,775,933)
Total Expenses . . . . .	<u>7,293,437</u>	<u>4,669,381</u>	<u>3,150,059</u>	<u>1,519,322</u>
Net Change in Fund Balance . . . . .	(2,293,437)	330,619	74,008	(256,611)
Fund Balance at Beginning of Year . . . . .	2,172,356	2,172,356	2,172,356	-
Prior Year Encumbrances Appropriated . . . . .	<u>121,081</u>	<u>121,081</u>	<u>121,081</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ -</u>	<u>\$ 2,624,056</u>	<u>\$ 2,367,445</u>	<u>\$ (256,611)</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO  
FIDUCIARY FUND DESCRIPTIONS**

**Fiduciary Funds**

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into two classifications: private purpose trust and agency funds. Private purpose trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results

**Private-Purpose Trust Fund**

***Scholarship Trust Fund***

A fund provided to account for monies set aside from endowments for scholarships for students enrolled in the District. The principal and income from such a fund may be expended.

**Agency Funds**

***Student Managed Activity***

Section 3315.062, Revised Code

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor.

***Head Start***

A fund used to account for those assets held by the District for another entity's Head Start program.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2007

	<u>Scholarship Trust</u>	<u>Agency</u>	<u>Totals</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 89,562	\$ 82,201	\$ 171,763
Total assets . . . . .	<u>89,562</u>	<u>82,201</u>	<u>171,763</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	-	4,912	4,912
Intergovernmental payable . . . . .	-	16,092	16,092
Due to students . . . . .	-	61,197	61,197
Total liabilities. . . . .	<u>-</u>	<u>\$ 82,201</u>	<u>82,201</u>
<b>Net Assets:</b>			
Held in trust for scholarships . . . . .	<u>89,562</u>		<u>89,562</u>
Total net assets . . . . .	<u>\$ 89,562</u>		<u>\$ 89,562</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Scholarship Trust Fund</u></b>				
Total Revenues . . . . .	\$ 16,403	\$ 16,403	\$ 14,047	\$ (2,356)
Total Expenses . . . . .	<u>140,082</u>	<u>58,854</u>	<u>24,691</u>	<u>34,163</u>
Net Change in Fund Balance . . . . .	(123,679)	(42,451)	(10,644)	31,807
Fund Balance at Beginning of Year . . . . .	<u>100,206</u>	<u>100,206</u>	<u>100,206</u>	<u>-</u>
Fund Balance at End of Year. . . . .	<u>\$ (23,473)</u>	<u>\$ 57,755</u>	<u>\$ 89,562</u>	<u>\$ 31,807</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Beginning Balance July 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2007</u>
<b>Student Managed Activity</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 63,867	\$ 50,002	\$ 47,760	\$ 66,109
Total assets . . . . .	<u>\$ 63,867</u>	<u>\$ 50,002</u>	<u>\$ 47,760</u>	<u>\$ 66,109</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 2,917	\$ 4,912	\$ 2,917	\$ 4,912
Due to students . . . . .	60,950	45,090	44,843	61,197
Total liabilities . . . . .	<u>\$ 63,867</u>	<u>\$ 50,002</u>	<u>\$ 47,760</u>	<u>\$ 66,109</u>
<b>Head Start</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 8,386	\$ 7,994	\$ 288	\$ 16,092
Total assets . . . . .	<u>\$ 8,386</u>	<u>\$ 7,994</u>	<u>\$ 288</u>	<u>\$ 16,092</u>
<b>Liabilities:</b>				
Intergovernmental payable. . . . .	\$ 8,386	\$ 7,994	\$ 288	\$ 16,092
Total liabilities . . . . .	<u>\$ 8,386</u>	<u>\$ 7,994</u>	<u>\$ 288</u>	<u>\$ 16,092</u>
<b>Total</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 72,253	\$ 57,996	\$ 48,048	\$ 82,201
Total assets . . . . .	<u>\$ 72,253</u>	<u>\$ 57,996</u>	<u>\$ 48,048</u>	<u>\$ 82,201</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 2,917	\$ 4,912	\$ 2,917	\$ 4,912
Intergovernmental payable . . . . .	8,386	7,994	288	16,092
Due to students . . . . .	60,950	45,090	44,843	61,197
Total liabilities . . . . .	<u>\$ 72,253</u>	<u>\$ 57,996</u>	<u>\$ 48,048</u>	<u>\$ 82,201</u>

# STATISTICAL SECTION





**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>106-117</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	<b>118-125</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	<b>126-129</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>130-131</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	<b>132-138</b>

**Sources:** Sources are noted on the individual schedules. The District implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

NET ASSETS BY COMPONENT  
LAST FIVE FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Governmental Activities:</b>				
Invested in capital assets, net of related debt	\$ 24,210,846	\$ 22,149,686	\$ 20,437,554	\$ 18,931,046
Restricted	3,203,865	3,873,738	3,395,492	3,927,841
Unrestricted (deficit)	2,560,508	40,111	(1,221,926)	(3,228,281)
Total governmental activities net assets	<u>\$ 29,975,219</u>	<u>\$ 26,063,535</u>	<u>\$ 22,611,120</u>	<u>\$ 19,630,606</u>

**Source:** District financial records.

**2003**

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\$	16,400,957
	5,926,100
	<u>(2,570,378)</u>
\$	<u>19,756,679</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

CHANGES IN NET ASSETS  
LAST FIVE FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Expenses</b>				
Governmental activities:				
Instruction:				
Regular	\$ 15,895,950	\$ 15,430,709	\$ 16,281,764	\$ 16,371,431
Special	6,311,023	6,622,386	6,072,773	6,859,053
Vocational	963,587	1,074,494	1,031,720	1,144,522
Adult/continuing	-	-	79,303	89,714
Other	3,677,478	3,775,211	3,028,217	1,506,087
Support services:				
Pupil	1,788,319	1,787,508	2,316,242	2,377,039
Instructional staff	1,953,541	2,035,079	1,756,160	3,506,584
Board of education	42,388	26,855	21,130	21,494
Administration	3,102,876	3,031,451	2,516,448	2,822,028
Fiscal	743,396	569,207	466,648	675,238
Business	296,452	353,444	416,840	434,051
Operations and maintenance	4,311,970	4,376,686	4,024,757	4,429,365
Pupil transportation	916,142	846,172	777,157	888,867
Central	94,582	121,285	142,351	7,438
Operation of non-instructional services	325,529	214,054	490,851	646,293
Food service operations	1,964,078	2,045,151	1,799,039	1,974,296
Extracurricular activities	1,766,925	1,636,942	1,979,204	1,635,519
Intergovernmental pass-through	148,167	158,627	43,345	497,737
Interest and fiscal charges	1,508,881	1,441,244	1,591,330	1,468,596
Total governmental activities expenses	<u>45,811,284</u>	<u>45,546,505</u>	<u>44,835,279</u>	<u>47,355,352</u>

2003

\$ 16,088,004  
6,362,650  
1,280,947  
208,486  
1,260,395  
  
2,001,451  
3,192,957  
25,407  
2,796,169  
484,691  
402,392  
4,342,010  
880,106  
64,528  
745,084  
1,938,697  
1,413,066  
-  
1,541,084  
45,028,124

--Continued

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

CHANGES IN NET ASSETS - (CONTINUED)  
LAST FIVE FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 997,194	\$ 1,177,214	\$ 132,414	\$ 100,490
Special	17,648	123,641	105,643	449,667
Vocational	11,422	9,020	15,330	11,791
Adult/continuing	-	-	-	28,712
Other	-	-	1,422,501	-
Support services:				
Pupil	4,063	2,760	11,206	7,910
Instructional staff	15,090	3,681	11,115	17,116
Fiscal	-	-	234	325
Operations and maintenance	11,567	-	14,702	26,796
Pupil transportation	-	-	-	-
Central	16,964	2,434	7,478	3,888
Operation of non-instructional services	-	20,396	315,768	311,199
Food service operations	604,328	658,849	691,429	873,655
Extracurricular activities	56,373	321,378	294,405	381,176
Operating grants and contributions:				
Instruction:				
Regular	1,544,232	1,521,401	1,440,430	2,594,869
Special	5,514,179	3,917,958	3,789,811	3,080,771
Vocational	326,932	1,875	3,513	4,204
Adult/continuing	-	-	78,025	44,429
Other	687,514	578,290	-	-
Support services:				
Pupil	235,652	331,917	455,810	187,416
Instructional staff	678,191	826,792	611,110	1,306,878
Administration	107,438	98,953	162,709	4,383
Operations and maintenance	78,765	90,928	195,037	712,664
Pupil transportation	121,001	96,433	524,104	-
Central	7,345	16,970	25,076	695
Operation of non-instructional services	210,335	228,763	163,429	1,049,681
Food service operations	1,198,682	1,257,090	1,116,469	1,068,960
Extracurricular activities	37,862	18,252	119,451	57,088
Intergovernmental pass-through	145,131	172,590	-	-
Interest and fiscal charges	2,255,915	1,702,582	1,291,848	1,334,858
Capital grants and contributions:				
Instruction:				
Regular	44,032	-	-	-
Vocational	-	-	-	-
Support services:				
Pupil transportation	18,703	-	10,751	12,365
Total governmental program revenues	<u>14,946,558</u>	<u>13,180,167</u>	<u>13,009,798</u>	<u>13,671,986</u>
<b>Net Expense</b>				
Governmental Activities	<u>(30,864,726)</u>	<u>(32,366,338)</u>	<u>(31,825,481)</u>	<u>(33,683,366)</u>

2003

\$ 127,991  
79,163  
-  
19,143  
-  
-  
166,961  
-  
36,299  
40  
-  
182,564  
653,678  
416,376

1,857,833  
3,482,832  
-  
142,650  
-

270,694  
649,977  
211,481  
170,824  
77,030  
15,439  
367,916  
803,839  
67,921  
-  
1,364,552

-  
6,987

23,833

11,196,023

(33,832,101)

--Continued

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

CHANGES IN NET ASSETS - (CONTINUED)  
LAST FIVE FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>General Revenues and Other</b>				
<b>Changes in Net Assets</b>				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 13,686,816	\$ 13,539,008	\$ 11,580,164	\$ 11,500,258
Debt service	642,729	1,050,749	892,400	852,909
Capital projects	50,139	480,316	749,239	687,031
Grants and entitlements not restricted to specific programs	18,876,660	19,488,570	19,130,562	19,216,963
Investment earnings	893,366	525,420	130,010	66,701
Miscellaneous	626,700	434,690	1,198,301	1,233,431
Total governmental activities	<u>34,776,410</u>	<u>35,518,753</u>	<u>33,680,676</u>	<u>33,557,293</u>
 <b>Change in Net Assets</b>				
Governmental activities	<u>\$ 3,911,684</u>	<u>\$ 3,152,415</u>	<u>\$ 1,855,195</u>	<u>\$ (126,073)</u>

**Source:** District financial records.



2003

\$ 10,900,342  
789,581  
740,481

19,547,133  
113,276  
237,562

32,328,375

\$ (1,503,726)

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund:				
Reserved	\$ 2,533,177	\$ 2,340,775	\$ 532,559	\$ 349,729
Unreserved (deficit)	<u>2,496,519</u>	<u>(1,027,500)</u>	<u>(2,656,865)</u>	<u>(3,185,262)</u>
Total general fund	<u>\$ 5,029,696</u>	<u>\$ 1,313,275</u>	<u>\$ (2,124,306)</u>	<u>\$ (2,835,533)</u>
All Other Governmental Funds:				
Reserved	\$ 223,991	\$ 529,588	\$ 722,677	\$ 1,509,144
Unreserved (deficit), reported in:				
Special revenue funds	671,303	309,201	534,432	627,113
Capital projects funds	352,253	700,584	862,246	797,672
Debt service funds	<u>1,832,746</u>	<u>1,830,434</u>	<u>1,815,753</u>	<u>1,759,933</u>
Total all other governmental funds	<u>\$ 3,080,293</u>	<u>\$ 3,369,807</u>	<u>\$ 3,935,108</u>	<u>\$ 4,693,862</u>

**Source:** District financial records.

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
\$ 503,839 <u>(2,018,809)</u>	\$ 1,205,943 <u>(1,347,885)</u>	\$ 809,432 <u>(287,124)</u>	\$ 1,636,319 <u>(113,678)</u>	\$ 2,014,402 <u>1,357,056</u>	\$ 457,329 <u>1,888,689</u>
<u>\$ (1,514,970)</u>	<u>\$ (141,942)</u>	<u>\$ 522,308</u>	<u>\$ 1,522,641</u>	<u>\$ 3,371,458</u>	<u>\$ 2,346,018</u>
\$ 1,373,493	\$ 404,897	\$ 697,130	\$ 1,864,294	\$ 17,205,930	\$ 9,458,155
322,172	617,202	806,217	1,186,953	1,111,144	1,624,322
2,576,106	(641,904)	(614,103)	(659,404)	347,576	17,640,310
<u>1,785,277</u>	<u>1,850,193</u>	<u>1,904,369</u>	<u>1,806,981</u>	<u>1,754,564</u>	<u>2,020,083</u>
<u>\$ 6,057,048</u>	<u>\$ 2,230,388</u>	<u>\$ 2,793,613</u>	<u>\$ 4,198,824</u>	<u>\$ 20,419,214</u>	<u>\$ 30,742,870</u>

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Revenues</b>					
From local sources:					
Taxes	\$ 14,416,358	\$ 15,038,616	\$ 13,192,493	\$ 12,369,462	\$ 12,916,694
Tuition and fees	875,386	1,338,604	1,655,773	214,394	204,940
Charges for services	604,328	658,849	765,269	1,078,289	1,032,453
Earnings on investments	897,876	487,838	139,573	71,172	115,053
Extracurricular	328,429	330,961	299,555	386,222	416,368
Other local revenues	2,894,182	2,157,668	2,410,109	2,403,283	4,175,225
Other revenue	318,242	460,358	436,446	754,298	505,823
Intergovernmental	29,774,551	27,899,029	27,803,761	29,659,620	26,330,431
Total revenues	<u>50,109,352</u>	<u>48,371,923</u>	<u>46,702,979</u>	<u>46,936,740</u>	<u>45,696,987</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	15,146,219	14,363,572	14,623,345	14,830,373	14,427,037
Special	6,480,305	6,489,113	6,320,091	6,732,147	6,354,127
Vocational	1,015,393	995,145	1,073,213	1,153,514	1,283,385
Adult/continuing	-	-	80,078	95,662	206,232
Other	3,676,394	3,768,582	3,028,217	1,506,087	1,260,395
Support services:					
Pupil	1,789,758	1,858,066	2,356,225	2,368,903	1,987,299
Instructional staff	1,930,192	1,975,566	1,798,407	3,449,021	3,122,055
Board of education	42,388	26,855	21,130	21,606	25,361
Administration	3,137,433	2,944,603	2,581,975	2,819,335	2,761,937
Fiscal	737,452	576,895	475,129	687,968	473,364
Business	313,458	365,166	428,514	433,685	437,519
Operations and maintenance	3,760,750	3,578,201	4,079,223	4,492,793	4,404,620
Pupil transportation	1,040,250	795,347	718,853	793,844	845,888
Central	94,582	121,285	142,351	7,438	65,110
Operation of non-instructional services	327,922	292,418	500,139	642,113	738,995
Food service operations	1,789,393	1,907,054	1,838,386	1,920,750	1,798,695
Extracurricular activities	1,534,914	1,405,363	1,213,897	1,339,496	1,294,865
Intergovernmental pass-through	148,167	158,627	43,345	497,737	-
Facilities acquisitions and construction	540,223	841,518	1,683,689	2,623,929	2,615,434
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	2,088,000	2,092,000	2,033,000	1,995,000	2,038,746
Interest and fiscal charges	1,107,844	947,925	1,411,042	1,478,484	1,550,389
Bond issuance costs	-	312,365	-	-	-
Total expenditures	<u>46,701,037</u>	<u>45,815,666</u>	<u>46,450,249</u>	<u>49,889,885</u>	<u>47,691,453</u>
Excess of revenues over (under) expenditures	<u>3,408,315</u>	<u>2,556,257</u>	<u>252,730</u>	<u>(2,953,145)</u>	<u>(1,994,466)</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	5,055	137,507	1,258,697
Transfers (out)	-	-	(5,055)	(137,507)	(1,258,697)
Loan issuance	-	-	-	269,396	622,604
Sale of notes	-	-	-	-	-
Sale of assets	18,592	3,658	21,942	-	-
Capital lease transaction	-	-	-	-	-
Premium on bonds sold	-	1,532,912	-	-	-
Sale of bonds	-	22,879,990	-	-	-
Payment to refunding bond escrow agent	-	(24,100,537)	-	-	-
Total other financing sources (uses)	<u>18,592</u>	<u>316,023</u>	<u>21,942</u>	<u>269,396</u>	<u>622,604</u>
Net change in fund balances	<u>\$ 3,426,907</u>	<u>\$ 2,872,280</u>	<u>\$ 274,672</u>	<u>\$ (2,683,749)</u>	<u>\$ (1,371,862)</u>
Debt service as a percentage of noncapital expenditures	4.50%	5.26%	4.38%	4.00%	4.27%

Source: District financial records.

	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>
\$	11,880,551	\$ 11,449,730	\$ 11,348,628	\$ 10,900,004	\$ 10,718,766
	393,513	16,168	170,638	267,632	12,171
	-	-	-	-	-
	174,119	453,167	1,061,282	1,750,708	1,891,140
	367,362	398,696	416,617	346,462	314,804
	4,828,747	3,991,056	3,434,120	2,945,550	3,220,457
	-	-	-	-	-
	<u>25,675,447</u>	<u>23,421,410</u>	<u>22,112,784</u>	<u>20,656,824</u>	<u>22,330,308</u>
	<u>43,319,739</u>	<u>39,730,227</u>	<u>38,544,069</u>	<u>36,867,180</u>	<u>38,487,646</u>
	14,194,422	13,473,805	12,335,821	12,185,230	11,639,942
	5,893,983	5,269,140	4,755,309	4,519,778	4,002,749
	1,204,478	1,199,022	1,211,890	968,947	865,734
	193,168	308,547	183,665	267,319	2,134,497
	902,967	1,038,162	1,169,074	1,109,810	1,228,325
	1,709,882	1,567,299	1,536,500	1,688,966	1,771,143
	4,144,100	3,982,050	2,887,456	2,954,235	1,852,468
	16,716	16,890	42,769	25,558	13,228
	2,623,206	2,405,927	2,288,536	2,521,429	2,342,450
	523,858	365,494	629,398	622,787	453,236
	404,399	351,952	486,598	346,987	315,389
	3,905,411	4,158,922	3,536,787	3,150,673	2,997,864
	815,666	771,756	625,702	507,846	768,623
	36,694	54,183	39,986	43,532	44,647
	383,259	512,312	409,098	401,658	459,734
	-	-	-	-	-
	1,149,451	1,337,996	1,003,566	864,477	790,612
	-	-	-	-	-
	2,941,512	2,603,443	20,784,699	11,234,380	7,111,882
	164,016	453,106	-	-	-
	1,303,388	1,192,188	1,046,100	931,100	32,191,100
	1,594,814	1,535,172	1,559,225	1,857,246	871,071
	-	-	-	-	-
	<u>44,105,390</u>	<u>42,597,366</u>	<u>56,532,179</u>	<u>46,201,958</u>	<u>71,854,694</u>
	<u>(785,651)</u>	<u>(2,867,139)</u>	<u>(17,988,110)</u>	<u>(9,334,778)</u>	<u>(33,367,048)</u>
	3,087	32,494	21,266	26,318	-
	(520,637)	(182,494)	(108,210)	(96,332)	-
	-	-	-	100,000	-
	-	150,000	-	-	32,000,000
	3,912	8,489	5,847	7,376	7,306
	164,016	453,106	-	-	-
	-	-	-	-	-
	-	-	-	-	32,063,630
	-	-	-	-	-
	<u>(349,622)</u>	<u>461,595</u>	<u>(81,097)</u>	<u>37,362</u>	<u>64,070,936</u>
\$	<u>(1,135,273)</u>	<u>(2,405,544)</u>	<u>(18,069,207)</u>	<u>(9,297,416)</u>	<u>\$ 30,703,888</u>
	2.97%	2.83%	1.85%	2.02%	44.80%

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2007	\$ 396,317,800	\$ 1,132,336,571	\$ 29,057,901	\$ 116,231,604	\$ 11,731,530	\$ 33,518,657
2006	395,052,390	1,128,721,114	41,975,595	167,902,380	12,066,640	34,476,114
2005	356,207,460	1,017,735,600	55,878,843	223,515,372	13,362,170	38,177,629
2004	350,223,130	1,000,637,514	58,777,845	235,111,380	13,469,020	38,482,914
2003	347,102,360	991,721,029	65,201,931	260,807,724	13,690,500	39,115,714
2002	294,410,990	841,174,257	64,631,388	258,525,552	13,792,630	39,407,514
2001	280,424,350	801,212,429	62,813,417	251,253,668	17,249,740	49,284,971
2000	275,383,990	786,811,400	65,074,203	260,296,812	20,053,910	57,296,886
1999	245,115,410	700,329,743	56,137,898	224,551,592	19,718,940	56,339,829
1998	239,046,580	682,990,229	56,244,788	224,979,152	19,621,730	56,062,086

**Source:** Summit County Fiscal Officer's Office

(a) The assessed value of real property is fixed at 35% of true value.

(b) Tangible personal property and public utility tangible property are assessed at varying percentages of true value.

As categories of tangible personal property have not been separated for this table, the maximum assessed rate of 25% of true value is assumed.

(c) Assumes public utilities are assessed at true value which is 35%.

<b>Total Direct Tax Rate</b>	<b>Total</b>		
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>%</b>
60.23	\$ 437,107,231	\$ 1,282,086,833	34.09%
64.06	449,094,625	1,331,099,609	33.74%
56.90	425,448,473	1,279,428,601	33.25%
56.90	422,469,995	1,274,231,809	33.15%
56.73	425,994,791	1,291,644,467	32.98%
56.79	372,835,008	1,139,107,323	32.73%
53.36	360,487,507	1,101,751,068	32.72%
53.44	360,512,103	1,104,405,098	32.64%
53.36	320,972,248	981,221,163	32.71%
53.36	314,913,098	964,031,466	32.67%

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS

Tax Year/ Collection Year	Overlapping Rates			Direct Rates				Total
	County	City	Township	Voted			Unvoted	
				General	Bond	Capital		
2006/2007	13.07	10.00	13.50	55.93	-	-	4.30	60.23
2005/2006	13.07	10.00	13.50	55.93	-	3.83	4.30	64.06
2004/2005	13.07	10.00	13.75	47.29	0.31	5.00	4.30	56.90
2003/2004	13.07	10.00	13.75	47.29	0.31	5.00	4.30	56.90
2002/2003	13.07	10.00	13.75	47.29	0.14	5.00	4.30	56.73
2001/2002	13.07	10.00	13.07	47.29	0.20	5.00	4.30	56.79
2000/2001	13.07	10.00	13.07	47.29	0.60	1.17	4.30	53.36
1999/2000	12.27	10.00	13.50	47.29	0.68	1.17	4.30	53.44
1998/1999	12.27	10.00	13.50	47.29	0.60	1.17	4.30	53.36
1997/1998	11.65	10.00	13.50	47.29	0.60	1.17	4.30	53.36

**Source:** Summit County Fiscal Officer's Office



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

PRINCIPAL REAL ESTATE PROPERTY TAX PAYERS  
DECEMBER 31, 2006 AND DECEMBER 31, 2003

<u>December 31, 2006</u>		
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Assessed Value</u>
Barberton Health System LLC	\$ 9,170,520	2.31%
LRC Magic Investors LTD	2,158,400	0.54%
Kimco of Ohio	2,061,780	0.52%
Babcock & Wilcox Co.	1,723,870	0.43%
BWX Technologies Inc.	1,663,990	0.42%
B&C Diversified Products Inc.	1,415,730	0.36%
B&C Research Inc.	1,290,890	0.33%
Heritage Place Limited Partnership	988,740	0.25%
Littman & Denedick Austin Lake Apartments	959,000	0.24%
Daniel L. Pohl Family Limited Partnership	955,080	0.24%
<b>Total</b>	<b>\$ 22,388,000</b>	<b>5.64%</b>

<u>December 31, 2003</u>		
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Assessed Value</u>
Barberton Health System LLC	\$ 10,311,780	2.94%
Babcock & Wilcox Co.	3,361,530	0.96%
Pittsburgh Plate Glass Co.	2,184,490	0.62%
Kimco of Ohio	2,171,210	0.62%
Pendleton Magic LLC	2,072,110	0.59%
Bergit Realty Co.	1,702,210	0.49%
BWX Technologies Inc.	1,661,040	0.47%
Elson Pointe Limited Partnership	1,498,700	0.43%
KL Morris Family Limited	1,446,190	0.41%
B&C Machine Co.	1,315,660	0.38%
<b>Total</b>	<b>\$ 27,724,920</b>	<b>7.91%</b>

**Source:** Summit County Fiscal Officer's Office

**Note:** Information on top-ten taxpayers prior to 2003 was not available.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

PRINCIPAL PERSONAL PROPERTY TAX PAYERS  
DECEMBER 31, 2006 AND DECEMBER 31, 2003

<u>December 31, 2006</u>		
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Assessed Value</u>
Alcoa Inc.	\$ 8,232,930	20.18%
McDermott Inc.	7,305,690	17.91%
Triad Hospitals Inc.	4,465,180	10.95%
Ohio Bell Telephone	3,404,620	8.35%
PPG Industries Inc.	3,020,290	7.40%
B&C Corporation	2,962,720	7.26%
B&C Research Inc.	2,692,380	6.60%
Wright Tool Co.	2,120,350	5.20%
Eash Ohio Gas Co.	1,494,750	3.66%
Malco Products Inc.	895,340	2.20%
<b>Total</b>	<b>\$ 36,594,250</b>	<b>89.71%</b>

<u>December 31, 2003</u>		
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Assessed Value</u>
McDermott Inc.	\$ 8,758,490	12.12%
B&C Corporation	5,127,720	7.10%
Machining Corporation of America	4,916,720	6.81%
Ohio Edison Co.	4,514,430	6.25%
Ohio Bell Telephone	4,484,440	6.21%
PPG Industries Inc.	3,886,550	5.38%
B&C Research Inc.	3,765,570	5.21%
Reiter Dairy Inc.	3,146,160	4.35%
Alcoa Inc.	3,112,980	4.31%
Fred Martin Motor Co.	2,864,560	3.96%
<b>Total</b>	<b>\$ 44,577,620</b>	<b>61.70%</b>

**Source:** Summit County Fiscal Officer's Office

**Note:** Information on top-ten taxpayers prior to 2003 was not available.

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**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN CALENDAR YEARS**

<b>Tax Year/ Collection Year</b>	<b>Current Levy</b>	<b>Delinquent Levy</b>	<b>Total Levy</b>	<b>Current Collection</b>	<b>Percent of Current Levy Collected</b>
2006/2007	\$ 17,206,095	\$ -	\$ 17,206,095	\$ 16,360,201	95.08%
2005/2006	14,053,547	-	14,053,547	13,367,848	95.12%
2004/2005	13,909,738	-	13,909,738	13,247,793	95.24%
2003/2004	13,898,339	-	13,898,339	12,951,421	93.19%
2002/2003	14,215,404	-	14,215,404	13,033,751	91.69%
2001/2002	12,587,242	1,053,135	13,640,377	12,128,846	96.36%
2000/2001	12,416,407	1,110,134	13,526,541	11,924,039	96.03%
1999/2000	12,288,486	1,420,769	13,709,255	11,855,033	96.47%
1998/1999	11,804,014	1,529,922	13,333,936	11,354,618	96.19%
1997/1998	11,373,226	1,226,025	12,599,251	10,941,381	96.20%

**Source:** Summit County Fiscal Officer's Office

**Note:** Delinquent levy and collection information for collection years 2003-2007 was not available from Summit County.

<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection As a Percent of Total Levy</u>
\$ -	\$ 16,360,201	95.08%
-	13,367,848	95.12%
-	13,247,793	95.24%
-	12,951,421	93.19%
-	13,033,751	91.69%
508,433	12,637,279	92.65%
399,777	12,323,816	91.11%
652,369	12,507,402	91.23%
629,491	11,984,109	89.88%
353,968	11,295,349	89.65%

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Governmental Activities</b>				<b>(a) Total Primary Government</b>	<b>(b) Percentage of Personal Income</b>	<b>(b) Per Capita</b>	<b>(b) Per ADM</b>
	<b>General Obligation Bonds</b>	<b>Notes Payable</b>	<b>Loans Payable</b>	<b>Capital Leases</b>				
2007	\$ 23,504,952	\$ -	\$ 189,000	\$ -	\$ 23,693,952	4.78%	\$ 849	\$ 5,281
2006	24,654,952	755,000	372,000	-	25,781,952	5.20%	924	5,958
2005	25,829,962	1,480,000	564,000	-	27,873,962	5.62%	999	6,528
2004	26,959,962	2,180,000	767,000	-	29,906,962	6.03%	1,072	6,878
2003	28,049,962	2,850,000	732,604	-	31,632,566	6.38%	1,134	7,408
2002	29,099,962	3,450,000	160,000	338,746	33,048,708	6.67%	1,185	7,508
2001	30,109,962	81,100	210,000	337,018	30,738,080	6.20%	1,102	6,633
2000	31,084,962	162,200	80,000	-	31,327,162	6.32%	1,123	6,841
1999	32,029,962	243,300	100,000	-	32,373,262	11.31%	1,172	7,487
1998	32,879,962	324,400	-	-	33,204,362	11.60%	1,202	7,590

**Sources:**

(a) See notes to the financial statements regarding the District's outstanding debt information.

(b) See schedule " Demographic and Economic Statistic, Last Ten Years" for personal income, population and enrollment information.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>		<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Total</b>		
2007	\$ 23,504,952	\$ 23,504,952	1.83%	\$ 843
2006	24,654,952	24,654,952	1.85%	884
2005	25,829,962	25,829,962	2.02%	926
2004	26,959,962	26,959,962	2.12%	966
2003	28,049,962	28,049,962	2.17%	1,005
2002	29,099,962	29,099,962	2.55%	1,043
2001	30,109,962	30,109,962	2.73%	1,079
2000	31,084,962	31,084,962	2.81%	1,114
1999	32,029,962	32,029,962	3.26%	1,160
1998	32,879,962	32,879,962	3.41%	1,190

**Note:** Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2007

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct:</b>			
Barberton City School District	\$ 23,504,952	100.00%	\$ 23,504,952
	<u>23,504,952</u>		<u>23,504,952</u>
<b>Overlapping:</b>			
City of Barberton	7,030,000	98.43%	6,919,629
Summit County	56,295,000	3.46%	1,947,807
Akron Metropolitan Regional Transit Authority	1,005,000	3.46%	34,773
City of Norton	3,587,111	3.19%	114,429
Total Overlapping	<u>67,917,111</u>		<u>9,016,638</u>
Total direct and overlapping debt	<u>\$ 91,422,063</u>		<u>\$ 32,521,590</u>

**Source:** Ohio Municipal Advisory Council



**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Voted Debt Limit</b>	<b>Total Debt Applicable to Limit</b>	<b>Less: Debt Service Available Balance</b>	<b>Less: Amount to be Provided by Barberton Community Foundation</b>	<b>Net Debt Applicable to Limit</b>	<b>Voted Legal Debt Margin</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2007	\$ 38,214,863	\$ 23,504,952	\$ 1,832,746	\$ 22,950,366	\$ - *	38,214,863	0.00%
2006	40,418,516	24,654,952	1,830,434	23,504,952	- *	40,418,516	0.00%
2005	38,290,363	25,829,962	1,815,753	24,654,952	- *	38,290,363	0.00%
2004	38,022,300	26,959,962	1,759,933	25,719,962	- *	38,022,300	0.00%
2003	38,339,531	28,049,962	1,785,277	26,739,962	- *	38,339,531	0.00%
2002	33,555,151	29,099,962	1,853,355	27,719,692	- *	33,555,151	0.00%
2001	32,443,876	30,109,962	1,904,369	28,659,692	- *	32,443,876	0.00%
2000	32,446,089	31,084,962	1,802,251	29,559,962	- *	32,446,089	0.00%
1999	28,887,502	32,029,962	1,754,564	30,424,692	- *	28,887,502	0.00%
1998	28,342,179	32,879,962	2,020,083	31,259,692	- *	28,342,179	0.00%

**Source:** Summit County Fiscal Officer's Office and District financial records.

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

\* This amount is reduced below zero but shown here as zero for outstanding debt.

**Note:** Beginning in fiscal year 2007 the amount of assessed valuation for railroad and telephone personal property has been excluded from the debt margin calculation.

**Note:** Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

Year	Population (1)	Per Capita Personal Income (2)	Personal Income (2)	Median Family Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rates (4)		
							Summit County	Ohio	United States
2007	27,899	\$ 17,764	\$ 495,597,836	\$ 39,387	37.2	4,487	5.9%	6.1%	4.5%
2006	27,899	17,764	495,597,836	39,387	37.2	4,327	5.3%	5.9%	5.1%
2005	27,899	17,764	495,597,836	39,387	37.2	4,270	5.8%	5.9%	5.1%
2004	27,899	17,764	495,597,836	39,387	37.2	4,348	6.1%	6.2%	5.5%
2003	27,899	17,764	495,597,836	39,387	37.2	4,270	6.2%	6.2%	6.0%
2002	27,899	17,764	495,597,836	39,387	37.2	4,402	6.0%	5.7%	5.8%
2001	27,899	17,764	495,597,836	39,387	37.2	4,634	4.6%	4.4%	4.7%
2000	27,899	17,764	495,597,836	39,387	37.2	4,579	4.1%	4.0%	4.0%
1999	27,623	10,366	286,340,018	27,543	34.2	4,324	4.3%	4.3%	4.2%
1998	27,623	10,366	286,340,018	27,543	34.2	4,375	4.1%	4.3%	4.5%

**Sources:**

- (1) Ohio Workforce Information
- (2) U. S. Census Bureau - Statistics only available as of 2000 and 1990 Census.
- (3) District records
- (4) Bureau of Labor Statistics, U.S. Department of Labor

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

PRINCIPAL EMPLOYERS  
DECEMBER 31, 2005 AND DECEMBER 31, 2004

<u>Employer</u>	<u>2005</u>		<u>2004</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
B&C Corporation	1,459	1	(a)	(a)
Babcock and Wilcox Co.	1,214	2	1,098	2
Barberton Board of Education	790	3	899	3
BWX Technologies	666	4	695	4
B&C Industries	592	5	552	5
Kellou LLC	480	6	383	8
B&C Research Inc.	440	7	410	6
City of Barberton	411	8	408	7
QHG of Barberton	317	9	1,361	1
Reiter Dairy Inc.	297	10	354	9
Malco Products Inc.	<u>(a)</u>	-	<u>188</u>	10
Total	<u><u>6,666</u></u>		<u><u>6,348</u></u>	

**Source:** City of Barberton; CCA Division of Taxation and Ohio Job and Family Service, Office of Workforce Development

**Note:** Information on principal employers for 2006 and prior to 2004 was not available, and total City employment was not available from the City of Barberton.

**(a)** Number of employees for these employers were not reported to the City of Barberton in 2004 and 2005, however, the rankings are correct. The employers percentage of total employment will not be disclosed since the percentages by employers cannot be determined.

**BARBERTON CITY SCHOOL DISTRICT**  
**SUMMIT COUNTY, OHIO**  
 STAFFING STATISTICS  
 FULL TIME EQUIVALENTS (FTE) BY TYPE/PROGRAM  
 LAST TWO FISCAL YEARS

<u>Type</u>	<u>2007</u>	<u>2006</u>
Administration:	30.00	26.00
Certificated Staff:		
Teaching Staff:		
Regular education	201.74	187.50
Special education	38.00	35.11
Vocational education	13.00	13.00
Tutors	16.00	15.00
Others	17.21	12.00
Auxiliary Positions:		
Counselors	8.33	8.00
Speech Therapists	3.82	3.80
Psychologists	4.90	5.00
Support Staff:		
Secretarial	24.76	29.75
Teacher Aides	19.07	17.40
Cafeteria Workers	28.12	27.34
Custodial	25.75	26.75
Maintenance	19.94	18.00
Bus Driver	9.59	12.69
Total	<u>460.23</u>	<u>437.34</u>

**Source:** District records.

**Note:** Information for 2005 and prior is not available.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS

<b>Function</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>
Instruction:										
Regular and Special										
Enrollment (students)	4,487	4,327	4,270	4,348	4,270	4,402	4,634	4,579	4,324	4,375
Graduation rate	86.20%	82.50%	81.90%	71.90%	78.10%	79.30%	71.60%	88.00%	82.00%	87.50%
Support services:										
Board of education										
Regular meetings per year	21	20	20	23	23	23	23	22	24	23
Special meetings per year	9	10	3	3	8	6	4	8	2	4
Administration										
Student attendance rate	93.60%	93.70%	93.40%	93.70%	93.80%	93.80%	93.30%	93.00%	93.00%	92.50%
Fiscal										
Nonpayroll checks issued	4,248	4,072	3,843	3,663	4,347	4,818	4,782	N/A	N/A	N/A
Operations and maintenance										
Work orders completed	1,549	1,584	1,595	1,581	1,110	841	908	774	943	N/A
Pupil transportation										
Average students transported daily	1,245	1,212	1,054	1,137	1,322	N/A	N/A	N/A	N/A	N/A
Food service operations										
Meals served to students	459,478	468,916	451,005	461,524	467,843	470,388	N/A	N/A	N/A	N/A

**Source:** District records.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

CAPITAL ASSET STATISTICS  
LAST FIVE FISCAL YEARS

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Governmental Activities:</b>					
Land	\$ 5,239,550	\$ 5,239,550	\$ 5,239,550	\$ 3,739,550	\$ 3,739,550
Construction in progress	-	-	-	2,347,804	146,900
Land improvements	3,160,092	3,420,614	3,687,068	5,851,199	6,218,717
Buildings and improvements	36,507,818	37,717,973	38,841,358	36,150,134	37,196,485
Furniture and equipment	1,069,458	1,181,145	1,343,237	335,568	489,047
Vehicles	558,686	372,365	345,853	193,753	242,824
 Total Governmental Activities Capital Assets, net	 <u>\$46,535,604</u>	 <u>\$ 47,931,647</u>	 <u>\$49,457,066</u>	 <u>\$ 48,618,008</u>	 <u>\$ 48,033,523</u>

**Source:** District financial records.

**Note:** Amounts above are presented net of accumulated depreciation.

**Note:** The District implemented GASB Statement No. 34 in 2003; therefore information prior to 2003 is not available.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION  
LAST THREE FISCAL YEARS**

	<b>2007</b>	<b>2006</b>	<b>2005</b>
Barberton High School (2000)			
Square feet	263,960	263,960	263,960
Capacity (students)	1,600	1,600	1,600
Enrollment	1,350	1,300	1,305
Highland Middle School (1917/1958)			
Square feet	68,615	68,615	68,615
Capacity (students)	520	520	520
Enrollment	447	440	446
U.L. Light Middle School (1952/2004)			
Square feet	67,600	67,600	67,600
Capacity (students)	540	540	540
Enrollment	490	485	479
Johnson Elementary School (1930/1958/2003)			
Square feet	43,760	43,760	43,760
Capacity (students)	350	350	350
Enrollment	310	322	327
Memorial Elementary School (1947/1952)			
Square feet	40,540	40,540	40,540
Capacity (students)	324	324	324
Enrollment	386	360	363
Portage Elementary School (1930/1958)			
Square feet	76,480	76,480	76,480
Capacity (students)	457	457	457
Enrollment	420	400	393
Santroek Elementary School (1949)			
Square feet	37,080	37,080	37,080
Capacity (students)	374	374	374
Enrollment	352	350	362
Woodford Elementary School (1958/1964/2003)			
Square feet	43,740	43,740	43,740
Capacity (students)	350	350	350
Enrollment	422	430	429
Decker Head Start (1958)			
Square feet	28,000	28,000	28,000
Capacity (students)	250	250	250
Enrollment	310	336	325
Stadium (1950/2000)			
Square feet	9,000	9,000	9,000
Administration Building (1964)			
Square feet	8,000	8,000	8,000
Oakdale Elementary School (1927/1960/1978)			
Square feet	N/A	44,235	44,235
Capacity (students)	N/A	312	312
Enrollment	N/A	Closed	Closed
Arnold Head Start (1958)			
Square feet	N/A	28,797	28,797
Capacity (students)	N/A	250	250
Enrollment	N/A	Closed	Closed

**Source:** District records

**Note:** Year of original construction and subsequent additions are in parentheses. Information for 2004 and prior is not available.

**Note:** Oakdale Elementary School and Arnold Head Start were demolished during fiscal year 2007.

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**

OPERATING STATISTICS  
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities (2)		Enrollment	Percent Change
	Expenditures (1)	Cost per pupil	Expenses (1)	Cost per pupil		
2007	\$ 43,505,193	\$ 9,696	\$ 44,302,403	\$ 9,874	4,487	3.70%
2006	42,463,376	9,814	44,105,261	10,193	4,327	1.33%
2005	43,006,207	10,072	43,243,949	10,127	4,270	-1.79%
2004	46,416,401	10,675	45,886,756	10,554	4,348	1.83%
2003	44,102,318	10,328	43,487,040	10,184	4,270	-3.00%
2002	41,207,188	9,361	N/A	N/A	4,402	-5.01%
2001	39,870,006	8,604	N/A	N/A	4,634	1.20%
2000	53,926,854	11,777	N/A	N/A	4,579	5.90%
1999	43,413,612	10,040	N/A	N/A	4,324	-1.17%
1998	38,792,523	8,867	N/A	N/A	4,375	0.00%

**Source:** District records

(1) Debt Service totals have been excluded.

(2) The District implemented GASB 34 in fiscal year 2003.

**Note:** N/A indicates that the information was not available.



<b>Teaching Staff</b>	<b>Pupil/Teacher Ratio</b>	<b>Percentage of Free Lunches</b>	<b>Percentage of Reduced Lunches</b>	<b>Total Percentage of Participation</b>
365	12.29	62.91%	13.29%	82.91%
365	11.85	60.07%	14.68%	83.69%
412	10.36	60.58%	13.09%	81.42%
435	10.00	60.38%	12.93%	0.73%
320	13.34	57.96%	13.33%	72.61%
420	10.48	55.14%	13.42%	77.86%
298	15.55	N/A	N/A	N/A
320	14.31	N/A	N/A	N/A
356	12.15	N/A	N/A	N/A
325	13.46	N/A	N/A	N/A

**BARBERTON CITY SCHOOL DISTRICT  
SUMMIT COUNTY, OHIO**  
CERTIFICATED STAFF TRAINING/TEACHER SALARIES  
LAST TEN FISCAL YEARS

**CERTIFICATED STAFF TRAINING**

<u>Fiscal Year</u>	<u>BA</u>	<u>BA/ +150</u>	<u>MA</u>	<u>MA +15</u>	<u>MA +30</u>	<u>PhD</u>	<u>Total</u>
2007	27	58	102	59	71	3	320

**Source:** District records

**Note:** Information prior to 2007 is not available.

**TEACHER SALARIES**

<u>Fiscal Year</u>	<u>School District</u>			<u>State Average</u>
	<u>BA Minimum</u>	<u>MA Maximum</u>	<u>Average</u>	
2007	\$ 31,487	\$ 68,327	\$ 50,015	\$ 53,536
2006	30,507	66,337	50,842	50,772
2005	30,570	66,337	49,998	49,438
2004	29,679	64,403	47,399	47,659
2003	28,815	62,527	43,352	45,645
2002	27,908	60,559	41,913	43,755
2001	27,029	58,653	42,608	42,995
2000	26,242	55,633	N/A	41,713
1999	25,478	54,013	N/A	40,746
1998	24,735	51,201	N/A	N/A

**Source:** District records and ODE website.

**Note:** N/A indicates the information was not available.



**Mary Taylor, CPA**  
Auditor of State

**BARBERTON CITY SCHOOL DISTRICT**

**SUMMIT COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 8, 2008**