

**MAPLE HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

SINGLE AUDIT

FOR THE YEARS ENDED JUNE 30, 2007



Mary Taylor, CPA
Auditor of State

MAPLE HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

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**MAPLE HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2007**

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U. S. Department of Agriculture						
<i>Passed Through the Ohio Department of Education</i>						
Food Distribution	N/A	10.550	\$0	\$90,924	\$0	\$102,551
Nutrition Cluster:						
National School Lunch Program	LL-P1-06	10.555	1,290	0	1,290	0
	LL-P1-07	10.555	6,328	0	6,328	0
	LL-P4-06	10.555	112,138	0	112,138	0
	LL-P4-07	10.555	483,140	0	483,140	0
Total National School Lunch Program			602,896	0	602,896	0
National School Breakfast Program	05-PU 06	10.553	35,300	0	35,300	0
	05-PU 07	10.553	146,420	0	146,420	0
Total School Breakfast Program			181,720	0	181,720	0
Total Nutrition Cluster			784,616	0	784,616	0
Total U.S. Department of Agriculture			784,616	90,924	784,616	102,551
U. S. Department of Education						
<i>Direct Assistance:</i>						
Smaller Learning Communities	V215L 032033	84.215L	260,000	0	246,030	0
<i>Passed Through the Ohio Department of Education</i>						
<i>Special Education Cluster:</i>						
Special Education Grants to States	6BSD 07	84.027	75,000	0	72,126	0
Special Education Grants to States	6BSF 07	84.027	865,341	0	862,008	0
Subtotal for CFDA 84.027			940,341	0	934,134	0
Special Education - Pre-School	PGS1 06	84.173	940	0	0	0
Special Education - Pre-School	PGS1 07	84.173	36,522	0	36,522	0
Subtotal for CFDA 84.173			37,462	0	36,522	0
Total Special Education Cluster			977,803	0	970,655	0
Title I Grants to Local Education Agencies	C1-S1 07	84.010	446,497	0	446,497	0
Innovative Educational Program Strategies	C2S1 06	84.298	(8,669)	0	0	0
Innovative Educational Program Strategies	C2S1 07	84.298	14,897	0	6,228	0
Total Innovative Educational Program Strategies			6,228	0	6,228	0
Safe and Drug Free Schools	DRS1 06	84.186	(1,045)	0	-	0
Safe and Drug Free Schools	DRS1 07	84.186	14,533	0	13,488	0
Total Safe and Drug Free Schools			13,488	0	13,488	0
Improving Teacher Quality	TRS1 07	84.367	102,690	0	102,690	0
Comprehensive School Reform	RFCC 07	84.332	50,000	0	50,000	0
Enhancing Education	TJS1 07	84.318	4,645	0	3,476	0
<i>Passed Through Bedford City School District</i>						
Vocational Ed. Basic Grants to States	C1-06	84.048	65,370	0	65,370	0
Total U. S. Department of Education			1,926,721	0	1,904,435	0
Total Federal Award Receipts and Disbursements			\$2,711,337	\$90,924	\$2,689,051	\$102,551

See Notes to the Schedule of Federal Awards Receipts and Expenditures

**MAPLE HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2007**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B—CHILD NUTRITION CLUSTER

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 nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.

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

NOTE C – NEGATIVE RECEIPTS

Negative receipts are shown for the Innovative Educational Program Strategies Grant (\$8,669), CFDA # 84.298, and the Safe and Drug Free Schools Grant (\$1,045), CFDA # 84.186. These negative receipts represent unspent monies that were transferred to the following fiscal year award amounts.

CFDA – Catalog of Federal Domestic Assistance



Mary Taylor, CPA

Auditor of State

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

Maple Heights City School District
Cuyahoga County
14605 Granger Road
Maple Heights, Ohio 44137

To the Board of Education

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Maple Heights City School District, Cuyahoga 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 24, 2007. 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 a certain matter that we reported to the District's management in a separate letter dated December 24, 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 instances of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2007-001 through 2007-003.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the District's responses and, accordingly, we express no opinion on them.

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.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 24, 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

Maple Heights City School District
Cuyahoga County
14605 Granger Road
Maple Heights, Ohio 44137

To the Board of Education:

Compliance

We have audited the compliance of the Maple Heights City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to 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.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program 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 the District's internal control over compliance.

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's 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.

Schedule of Federal Awards Receipts and Expenditures

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Maple Heights City School District as of and for the year ended June 30, 2007, and have issued our report thereon dated December 24, 2007. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures 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, Board of Education, and 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 24, 2007

**MAPLE HEIGHTS CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY
 SCHEDULE OF FINDINGS
 OMB CIRCULAR A - §133 - §505
 FOR THE YEAR ENDED JUNE 30, 2007**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under .510?	No
(d)(1)(vii)	Major Programs (list):	CFDA# 84.010 – Title I Grants to Local Educational Agencies CFDA# 84.215L - Fund for the Improvement of Education – Smaller Learning Communities
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

**MAPLE HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007
(Continued)**

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

Finding Number	2007-001
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Self Insurance Program for Health Benefits - Noncompliance Citation

Ohio Rev. Code § 9.833(C)(1) requires self-insured governments that provide health-care programs to calculate (i.e., reserve) amounts required to cover health care benefit liabilities. It also requires programs to prepare a report, within 90 days after the fiscal year-end, reflecting those reserves (i.e., liabilities) and the disbursements made to pay self-insured claims, legal and consultant costs during the preceding fiscal year.

An actuary must certify that the amounts reserved are fairly stated in accordance with sound loss reserving principles. The actuary must be a member of the American Academy of Actuaries.

School district's subject to this requirement must also establish an internal service fund by resolution to account for all claims, administrative and other related program costs.

These requirements are also set forth in Auditor of State Bulletin 2001-005, dated April 12, 2001.

During the 2005-06 school year the District changed its insurance program for health benefits from a premium based plan to self insurance. However, the District did not utilize an actuary to certify the adequacy of the amounts reserved or establish the required internal service fund. During the 2006-07 school year the District established the required internal service fund but did not post any activity to it during the year nor did it utilize an actuary. Instead, the activity was posted to the general fund. For financial reporting purposes, the activity was reported in an internal service fund by the District in order to comply with the Ohio Revised Code.

We recommend the District adhere to the requirements Auditor of State Bulletin 2001-005, dated April 12, 2001. This would entail retaining the services of an actuary to certify the adequacy of the amounts reserved for its self insurance program and posting the activity to the fund established.

Official's Response

We will post activity to the self insurance fund on a regular basis and have already retained the services of an actuary for fiscal year 2008.

**MAPLE HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007
(Continued)**

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

Finding Number	2007-002
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Appropriations Exceeding Total Estimated Receipts - Noncompliance Citation

Ohio Rev. Code § 5705.39 states, in part, the total appropriation from each fund shall not exceed the total estimated revenue available for expenditure therefrom as certified by the county budget commission.

The following funds had original appropriations in excess of total estimated resources which were corrected prior to year end:

Fund	Original Appropriations	Estimated Resources plus Carryover Balances	Difference
Major Capital Projects Fund			
Building	\$481,000	\$210,713	\$270,287
Special Revenue Funds			
Teacher Training and Development	40,000	0	40,000
Disadvantaged Pupil Program	50,000	2,121	47,879
School Net Professional Development	82,244	62,505	19,739
Career Tech and Adult Equipment	22,975	12,106	10,869
Title VI-B	924,302	923,035	1,267
Carl Perkins Grant	75,000	66,572	8,428
Preschool Grant	59,000	983	58,017
Debt Service Fund			
Bond Retirement	570,000	566,074	3,926

We recommend the District compare appropriations to estimated receipts in all funds which are legally required to be budgeted to ensure compliance with the above requirements. This comparison should be made on a monthly basis at a minimum.

Official's Response

As noted above, the District corrected this situation prior to year end. As a matter of standard operating policy, we compare appropriations to estimated receipts in all funds which are legally required to be budgeted and make the necessary adjustments.

**MAPLE HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007
(Continued)**

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

Finding Number	2007-003
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Expenditures plus Encumbrances Exceeding Total Appropriations - Noncompliance Citation

Ohio Rev. Code § 5705.41(B) prohibits a subdivision or taxing unit from making an expenditure or encumbrance unless it has been properly appropriated. Budgetary expenditures as enacted by the District may not exceed appropriations at the legal level of control for all funds.

As of June 30, 2007, the following funds had expenditures plus encumbrances in excess of appropriations:

	<u>Appropriations</u>	<u>Total Expenditures Plus Encumbrances</u>	<u>Excess</u>
Special Revenue Funds:			
Uniform School Supplies	\$163,357	\$192,716	\$29,359
Lathchkey Program	173,000	180,503	7,503
Professional Development Block Grant	2,000	6,051	4,051
Ohio Reads Grant	47,000	54,002	7,002
Carl Perkins Grant	75,000	94,709	19,709
E-Rate Grant	25,170	31,133	5,963
Capital Project Fund			
SchoolNet	15,000	31,151	16,151

We recommend the District verify that all expenditures and encumbrances have proper appropriation authority prior to expending funds or certifying encumbrances and compare total appropriations to expenditures plus encumbrances in all funds which are legally required to be budgeted, at the legal level of control, to maintain compliance with the above requirement.

Official's Response

We will continue to compare appropriations with expenditures and encumbrances at the legal level of control and make the necessary adjustments.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

**MAPLE HEIGHTS CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY
 SCHEDULE OF PRIOR AUDIT FINDINGS
 FOR THE YEAR ENDED JUNE 30, 2007**

Finding Number	Finding Summary	Fully Corrected ?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2006-001	Ohio Rev. Code § 9.833 requires that an internal service fund be established for self insurance and an actuary be used to certify the amounts reserved are fairly stated in accordance with sound loss reserving principles.	No	The District established an internal service fund during 2007 but did not post any activity to it nor was an actuary used to certify the reserve amounts. Comment is being repeated in the report.

Maple Heights City School District
Maple Heights, Ohio

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2007

Prepared by

Treasurer's Office
Christopher D. Krause
Treasurer

Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2007



**MAPLE HEIGHTS CITY SCHOOL DISTRICT
MAPLE HEIGHTS, OHIO**

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Introductory Section

Maple Heights City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2007
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Maple Heights City Schools

14605 Granger Road
Maple Heights, Ohio 44137

CHRISTOPHER D. KRAUSE
Treasurer

Telephone (216) 587-6100
Extension 223

December 24, 2007

Board of Education Members and
Residents of Maple Heights City School District;

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires the school districts reporting on a GAAP basis to file an annual report with Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require the Maple Heights City School District (the School District) to be subjected to an annual examination by the Auditor of State. The Auditor of State's office rendered an opinion on the City's financial statements as of June 30, 2007, and the Independent Accountants' Report on the basic financial statements is included in the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the School District

The Maple Heights City School District is one of 612 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District provides education to 3,785 students in grades kindergarten through twelfth. Additionally, the School District provides pre-school, extended day kindergarten and other services to a large number of students. Maple Heights City Schools is located in Northeastern Ohio approximately thirteen miles southeast of the City of Cleveland. The Maple Heights City School District encompasses the entire City of Maple Heights. The School District was originally part of Bedford Township. The U. S. Census in 1923, revealed that Maple Heights was populous enough to be legally separated from the County School System and be classified by the State of Ohio as an exempted village school district. The first Maple Heights Board of Education was organized in 1924 during which forty-five students began their high school studies in the old town hall. By 1928, school officials recognized the need for a larger high school. Clement Drive Elementary School, which had opened in 1925, was selected to be the site of the high school which opened in 1931. By 1930, the population of Maple Heights had reached 5,950. Four public schools were in operation with an enrollment of 1,188 pupils and a staff of forty teachers. What was once Maple Grove School, dedicated in 1933, is now known as Granger School which presently serves as the District's Administration Building.

Presently, there are six schools in the District, one high school, one middle school and four elementary schools.

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide educational services authorized by charter and further mandated by State and Federal agencies. The Board of Education is made up of five members elected at large.

Reporting Entity

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

The City of Maple Heights, the Maple Heights Public Library, and the Parent Teacher Organizations have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are they fiscally dependent on the School District.

The Lakeshore Northeast Ohio Computer Association and the Ohio Schools Council Association are jointly governed organizations whose relationship to the school district is described in Note 17 to the basic financial statements.

Economic Outlook

The Maple Heights City School District is located in a mature community that is served by diversified transportation facilities with immediate access to I-480 and I-271. The School District has a long history of managing its finances in a prudent manner. It has done so despite the significant challenges involved in being located in a mature, primarily residential community with a changing local economy and transitional workforce.

As a result of land limitations, and consolidation and merger activity in the food and beverage industry, the School District has experienced the departure of some taxpaying businesses. In addition there is limited growth in new residential housing. In an effort to counter these conditions, the City of Maple Heights has actively recruited new businesses and has been successful in its efforts. The City has added new business in both the manufacturing and retail sectors, which will have a stabilizing effect on future tax collections.

School District enrollment has increased despite limited growth in new housing. The 2006-2007 enrollment of 3,785 students reflects an increase of 352 students compared with the 1995-1996 school year. Enrollment is projected to increase to approximately 3,800 students over the next five years.

Education Program

During the 2007 school year, the School District's curriculum included a wide range of electives and comprehensive courses of study in college preparatory, liberal arts and vocational programs. Test scores indicate students in the School District are improving as compared to state averages. The School District has earned a rating of continuous improvement on the State of Ohio District Report Card for the 2006/2007 school year.

A full range of student activities and athletic programs are available to students at the high school. Some activities are open to all student participants while others, including interscholastic sports, require a try-out process. Competitive sports programs are available via affiliation in the Lake Erie League from grades 7 through 12.

Relevant Financial Policy

Twice annually, in October and May each year the Treasurer of the Maple Heights City Schools shall file with the Ohio Department of Education a five year forecast of the School District's general fund for the current and four succeeding fiscal years. Said forecast will be utilized in certifying all contracts for services with a duration of two or more years

Major Initiatives

The Maple Heights City School's Strategic Plan was adopted by the Board of Education in 2005. A mission statement, beliefs, objectives and strategies were approved as part of the planning process. The strategic plan is updated annually based upon educational trends, district financial status, mandates from the Ohio Department of Education and United States Department of Education. The District Leadership Team, comprised of staff members, parents and administrators is responsible for maintaining and implementing the strategic plan. District Leadership is currently meeting to identify focus areas for the next year.

The topics identified in the Strategic Plan included Technology, Client Learning, Staff Development, Extra Mural Funding, Facilities and, Cooperation, Collaboration, Communication. Each of these areas are deemed to be important in providing District students with the proper tools and learning environment necessary to succeed as they integrate into society as adults. An especially important area, Curriculum, is constantly reviewed to match student needs at new educational levels. This is accomplished through team teaching and coordination to maximize appropriate programming and personnel.

Other major initiatives included:

1. Continuous Improvement, attainment of additional academic standards.
2. School Improvement Plan (All District Buildings).
3. Extended Learning Opportunity.
4. Summer School for Reading and Math.
5. Alternative School.
6. Student Intervention.
7. Teacher Professional Development Training.
8. Alignment of Ohio Proficiency Test Curriculum.

Primary Accomplishments for 2007 Were as Follows:

Financial

- o Received the Certificate of Excellence in Financial Reporting from the Government Finance Officer's Association (GFOA), for the ninth consecutive year.
- o Passage of House Bill 119 (State Budget Bill for Fiscal Years 2008 and 2009 by the Ohio General Assembly provided School Foundation to all of Ohio's public school systems for Fiscal Years 2008 and 2009. This legislation provided the District with an increase in state funding of 3.0 percent for Fiscal Year 2008 and 3.0 percent for Fiscal Year 2009. Since School Foundation is a major source of funding for the Maple Heights City Schools, these increases will help to maintain current levels of educational programs for the next two years. .

Instruction

- Continued the designation of Continuous Improvement on the state report card which is a two level increase from the previous designation of academic emergency. Milkovich Middle School met AYP (Adequate Yearly Progress) as the only middle school in Cuyahoga County to attain this status.
- Maple Heights High School was selected as a “School of Promise” by the Ohio Department of Education.
- Over the past four years, Maple Heights City Schools have made the highest gains in Cuyahoga County in Performance Index.
- This year, Maple Heights City Schools is the highest performing predominately African-American school district in the State of Ohio.
- Created additional educational programs, increased teaching staff to enable higher standards for student learning.
- Purchased new textbooks for various grade levels.

Community

- Continuously engaged the community with regard to education programs by holding town hall meetings and publishing quarterly newsletters.

For the Future

Our primary focus continued to be on the educational program. This program serves our students, parents, and community in an effort to continuously improve. This process involves assessing current programs, identifying areas to improve, developing options, selecting the best option and assessing the results.

Specific Goals for 2008 Are:

Financial

- Continue multi-year planning for capital projects, technology and maintenance to assure limited funds are used for the best instructional use through the Permanent Improvement Coordinating Committee.
- Receive the Certificate of Excellence in Financial Reporting for the School District’s 2007 Comprehensive Annual Financial Report.
- Continue to carefully monitor and impact, where possible, the Ohio Supreme Court’s decision regarding school funds and the legislative implementation of solutions.

Instruction

- Continue implementation of small learning community learning environment for students entering high school.
- Continue implementation of grade level elementaries for alignment of curriculum.

- o Continue to meet additional educational indicators on the State report card in pursuit of educational excellence.
- o Increase targets for proficiency test standards.
- o Continue District energy savings projects and seek alternative funding for school building improvements.

Awards and Acknowledgement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial reporting for a Comprehensive Annual Financial Report to the Maple Heights City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

We believe our current report conforms to the Certificate of Achievement requirements and we are submitting it to GFOA for consideration.

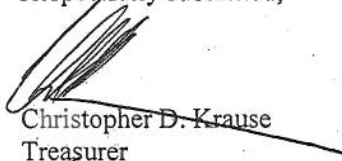
The publication of this report is a significant step toward professionalizing the Maple Heights City School District's financial reporting. It enhances the School District's accountability to the residents of the Maple Heights City School District.

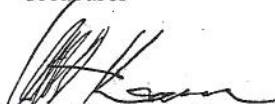
The preparations of this report would not have been possible without the assistance and support of the staff of the Treasurer's Office and various administrators and staff members of the School District. Assistance from the County Auditor's staff and outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to Local Government Services of the State Auditor's Office for assistance in planning, designing and reviewing this financial report.

Finally, sincere appreciation is extended to the Board of Education for their support for this project.

Respectfully submitted,


Christopher D. Krause
Treasurer


Dr. Charles T. Keenan
Superintendent

Maple Heights City School District
Principal Officials
June 30, 2007

Board of Education

Ms. Lori ChickPresident
Mr. Michael A. WhiteVice President
Ms. Pamela D. Crews.....Member
Mr. Robert F. Dober.....Member
Mr. Nicholas R. DorseyMember

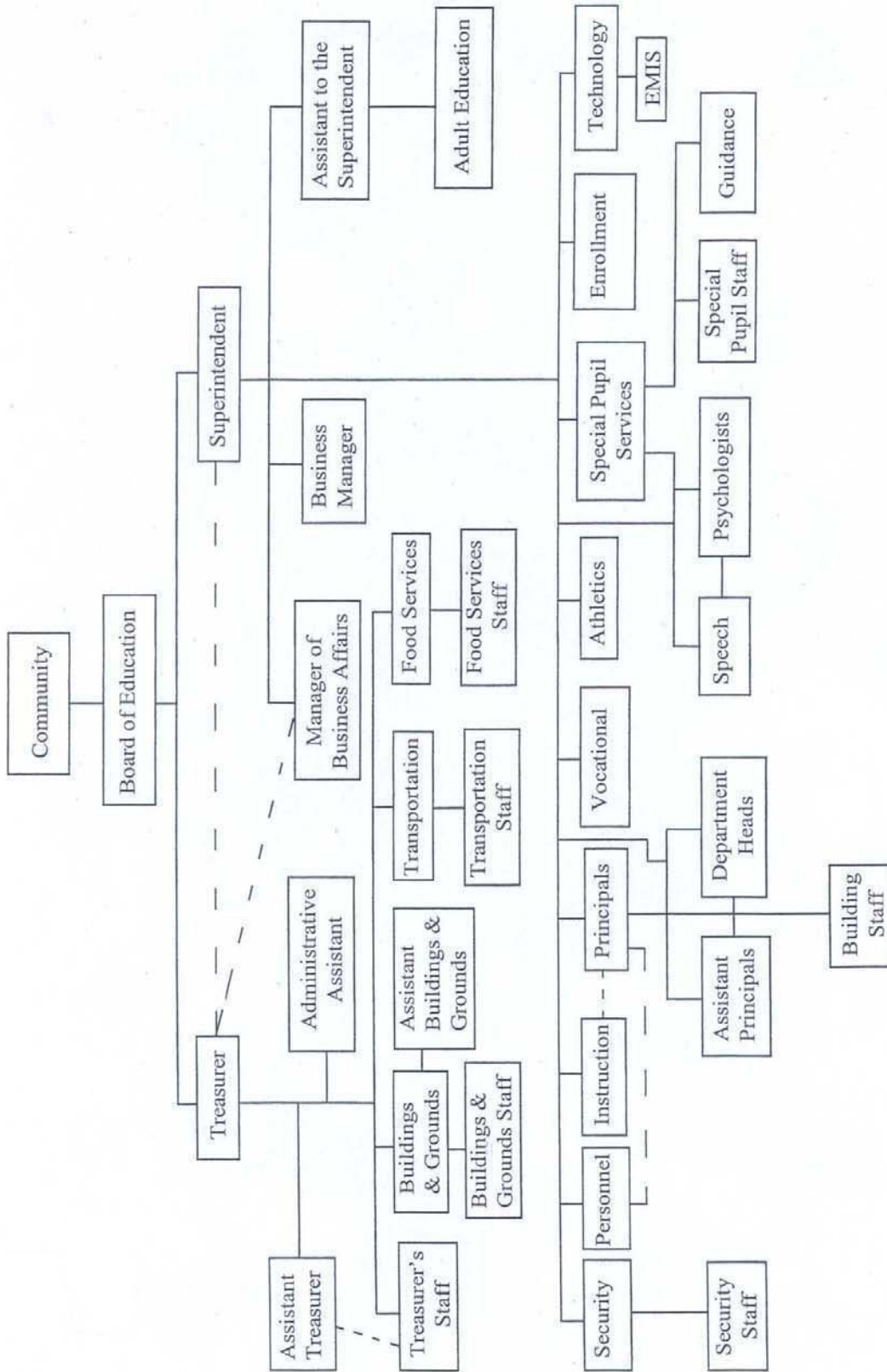
Treasurer

Mr. Christopher D. Krause

Superintendent

Dr. Charles T. Keenan

Maple Heights City School District
Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Maple Heights 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.



President

Executive Director

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Financial Section



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Maple Heights City School District
Cuyahoga County
14605 Granger Road
Maple Heights, Ohio 44137

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Maple Heights City School District, Cuyahoga 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 the Maple Heights City School District, Cuyahoga 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 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.

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 provides additional information and are not a required part of the basic financial statements. We subjected the combining 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 cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 24, 2007

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

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

Highlights

Key financial highlights for 2007 are as follows:

Total net assets increased \$1.2 million. This increase was primarily due to an increase in funding per pupil and an increase in property tax revenues.

Outstanding debt decreased from \$4.2 million in 2006 to \$3.8 million in 2007. This decrease is due to principal payments against current debt.

Liabilities decreased to \$23.3 million from \$24.2 million in 2006, while total assets increased by \$0.3 million. The decrease in liabilities for 2007 was primarily the result of decreases in notes payable and deferred revenue.

While total revenue increased from \$39.4 million in 2006 to \$43.8 million in 2007, program expenses increased from \$39.7 million to \$42.6 million. The increase in revenue was due to an increase in property tax revenue received by the School District. The increase in program expenses was due to wage increases provided in negotiated labor contracts, increased medical insurance costs for School District employees and the purchase of upgraded educational materials.

During fiscal year 2007, the School District was self insured for medical insurance benefits provided to School District employees. Over the past several years the School District has experienced double digit percentage increases for employee benefits without the means to generate the revenue necessary to meet these increases. In an effort to curtail future double percentage increases of employee benefits, the School District became self insured in fiscal year 2006 for purposes of cost containment. The School District has seen a savings by being self insured although this trend may not continue in the future. In addition, the School District has instituted stop loss insurance.

The School District's five year forecast (which has been submitted to the Ohio Department of Education and appears on their website) reflects a positive cash balance for the duration of the forecast. One of the largest sources of revenue included in the forecast is state foundation revenue. State foundation revenue amounts are uncertain. The State of Ohio General Assembly adopted a two year budget in 2007 for fiscal years 2008 and 2009 which included State funding of School Districts for the two year period stated. The five year forecast includes projected revenue for fiscal years 2008 through 2012. Funding for fiscal years 2010 through 2012 can only be estimated at this time, and is largely uncertain due to the revenue problems that the State of Ohio is facing.

In addition to uncertainty of future State funding, the budget adopted in 2005 also includes a provision to eliminate Tangible Personal Property Taxes that are assessed to School District businesses. This lost revenue is scheduled to be reimbursed to school districts by the State of Ohio through fiscal year 2011.

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

Using the Basic Financial Statements

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

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

Reporting the School District as a Whole

The Statement of Net Assets and the Statement of Activities reflect how the School District did financially during fiscal year 2007. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

These statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the School District as a whole has increased or decreased from the prior fiscal year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes of these changes may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, all of the School District activities are reported as governmental activities, including instruction, support services, non-instructional services and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund Financial statements provide detailed information about the School District's major funds. While the School District uses many funds to account for its financial transactions, the fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund and the Building Capital Projects Fund.

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

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.

The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The School District as a Whole

Table 1 provides a summary of the School District's net assets for fiscal year 2007 compared to fiscal year 2006:

Table 1
 Net Assets
 Governmental Activities

	2007	2006	Change
Assets			
Current and Other Assets	\$23,442,211	\$22,796,975	\$645,236
Capital Assets, Net	10,171,916	10,476,593	(304,677)
<i>Total Assets</i>	<u>33,614,127</u>	<u>33,273,568</u>	<u>340,559</u>
Liabilities			
Current and Other Liabilities	20,969,971	21,668,575	(698,604)
Long-Term Liabilities:			
Due Within One Year	514,718	546,443	(31,725)
Due in More than One Year	1,832,984	1,997,684	(164,700)
<i>Total Liabilities</i>	<u>23,317,673</u>	<u>24,212,702</u>	<u>(895,029)</u>
Net Assets			
Invested in Capital Assets, Net of Debt	6,254,617	6,061,370	193,247
Restricted:			
Capital Projects	80,507	45,426	35,081
Debt Service	114,619	82,641	31,978
Other Purposes	514,035	749,965	(235,930)
Unrestricted	3,332,676	2,121,464	1,211,212
<i>Total Net Assets</i>	<u>\$10,296,454</u>	<u>\$9,060,866</u>	<u>\$1,235,588</u>

Total assets increased by \$0.3 million. The primary reason for this increase was an increase in cash and cash equivalents due to spending not exceeding revenue.

Total liabilities for governmental activities decreased by \$0.9 million. The decrease for 2007 was primarily the result of decreases in claims payable, notes payable and deferred revenue, which was partially offset by increases in accounts payable and matured compensated absences.

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

The net impact was a increase in net assets of \$1.2 million. This small increase shows that the financial position of the School District did not drastically change from fiscal year 2006 to fiscal year 2007 and also shows the prudent use of School District resources.

Table 2 shows the change in net assets for fiscal year 2007 compared to fiscal year 2006.

Table 2
Change in Net Assets

	<u>2007</u>	<u>2006</u>	<u>Change</u>
Revenues			
Program Revenues:			
Charges for Services and Sales	\$2,072,044	\$1,888,825	\$183,219
Operating Grants and Contributions	4,566,608	4,486,519	80,089
<i>Total Program Revenues</i>	<u>6,638,652</u>	<u>6,375,344</u>	<u>263,308</u>
General Revenues:			
Property Taxes	16,772,189	14,886,892	1,885,297
Grants and Entitlements	19,428,413	18,638,034	790,379
Investment Earnings	426,925	260,023	166,902
Other	528,765	699,189	(170,424)
<i>Total General Revenues</i>	<u>37,156,292</u>	<u>34,484,138</u>	<u>2,672,154</u>
<i>Total Revenues</i>	<u>43,794,944</u>	<u>40,859,482</u>	<u>2,935,462</u>
Program Expenses			
Instruction	22,667,313	21,461,117	1,206,196
Support Services:			
Pupil and Instructional Staff	3,382,081	3,151,155	230,926
Board of Education, Administration, Fiscal and Business	6,093,245	5,726,665	366,580
Operation and Maintenance of Plant	5,958,413	5,228,455	729,958
Pupil Transportation	1,523,409	1,314,828	208,581
Central	16,017	27,657	(11,640)
Operation of Non-Instructional Services	350,274	297,498	52,776
Extracurricular Activities	948,143	988,977	(40,834)
Food Services Operations	1,455,040	1,381,312	73,728
Interest and Fiscal Charges	165,421	157,045	8,376
<i>Total Program Expenses</i>	<u>42,559,356</u>	<u>39,734,709</u>	<u>2,824,647</u>
Net Change in Net Assets	<u>1,235,588</u>	<u>1,124,773</u>	<u>110,815</u>
<i>Net Assets Beginning of Year</i>	<u>9,060,866</u>	<u>7,936,093</u>	<u>1,124,773</u>
<i>Net Assets End of Year</i>	<u>\$10,296,454</u>	<u>\$9,060,866</u>	<u>\$1,235,588</u>

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

While total revenue increased for governmental activities from \$39.4 million to \$43.8 million, the vast majority of revenue supporting governmental activities is general revenue. General revenue increased to \$37.1 million in 2007 from \$33.0 million in 2006. General revenue comprised 84.8 percent of total revenue. The primary source of the increase was the timing of property tax receipts. As explained in Note 6, the amount available as an advance at June 30, 2007 was \$2,375,280 compared to \$1,882,796 at June 30, 2006. Property taxes comprised \$16.8 million of general revenue in 2007, compared to \$13.4 million in 2006.

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. It increases as a result of new construction of collection from a new voted levy. Although school districts experience inflationary growth in expenses, tax revenue does not keep pace with the increased expenses due to House Bill 920. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay less than \$35.00 and the School District would collect the same dollar value the levy generated in the year it passed. The 10 percent rollback on all residential/agricultural property and the 2.5 percent rollback on all owner occupied homes would reduce the amount of taxes paid.

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service. Property taxes made up 38.3 percent of revenues for governmental activities for Maple Heights City School District in fiscal year 2007, an increase from the prior year.

Program expense increased from \$39.7 million in 2006 to \$42.5 million in fiscal year 2007.

The major program expense for governmental activities, as expected, is for instruction. Instructional costs increased \$1.2 million. When combined with pupil and instructional staff support these categories make up 61.2 percent of expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

Table 3 indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted state entitlements.

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

Table 3
Governmental
Activities

	Total Cost of Services 2007	Net Cost of Services 2007	Total Cost of Services 2006	Net Cost of Services 2006
Instruction	\$22,667,313	(\$18,263,342)	\$21,461,117	(\$17,623,469)
Support Services:				
Pupil and Instructional Staff	3,382,081	(3,095,773)	3,151,155	(2,804,970)
Board of Education, Administration, Fiscal and Business	6,093,245	(5,971,168)	5,726,665	(5,623,321)
Operation and Maintenance of Plant	5,958,413	(5,895,291)	5,228,455	(5,140,015)
Pupil Transportation	1,523,409	(1,523,409)	1,314,828	(1,314,828)
Central	16,017	(16,017)	27,657	(27,657)
Operation of Non-Instructional Services	350,274	(18,331)	297,498	(6,147)
Extracurricular Activities	948,143	(880,147)	988,977	(902,808)
Food Service Operations	1,455,040	(91,805)	1,381,312	240,895
Interest and Fiscal Charges	165,421	(165,421)	157,045	(157,045)
<i>Total</i>	<u>\$42,559,356</u>	<u>(\$35,920,704)</u>	<u>\$39,734,709</u>	<u>(\$33,359,365)</u>

The dependence upon general tax revenues and unrestricted State entitlements for governmental activities is apparent. In fiscal year 2007, 39.4 percent of total expenses are supported through taxes, an increase from the 33.8 percent in fiscal year 2006. Grants and entitlements not restricted to specific programs in fiscal year 2007 support 45.7 percent, a decrease from the 46.9 percent in fiscal year 2006. Investments and other miscellaneous type revenues support the remaining activity costs. In fiscal year 2007, program revenues only account for 15.6 percent of all governmental expenses, a decrease from the 16.0 percent in fiscal year 2006. The community, as a whole, is a primary support for Maple Heights City School District students, with unrestricted State entitlements being the most important source of revenue.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. A review of the School District's major funds demonstrates an increase in fund balance for the General Fund and the Building fund. All governmental funds had total revenues of \$43.8 million and expenditures of \$42.5 million. The net change in fund balance for the year was most significant in the general fund, where the general fund balance went from \$3.3 million in 2006 to a \$4.8 million for 2007. An increase in property tax revenue accounts for this increase.

General Fund Budgeting Highlights

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

During fiscal 2007, the School District amended its general fund budget as needed. The School District uses site-based budgeting. The budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. For the general fund, final estimated revenue was \$35,400,961, below the original budget estimates of \$36,132,766. For the general fund, the final estimated

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

expenditures were \$42,192,933, above the original budgeted expenditures of \$39,496,394. The increase was mainly due to an unanticipated spending on academic initiatives.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$39,776,325, \$2,510,752 above revenues.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2007, the School District had \$10.2 million invested in land, buildings and improvements, furniture and equipment, vehicles and textbooks. Table 4 shows fiscal 2007 balances compared to fiscal 2006. More detailed information is presented in Note 8 of the notes to the basic financial statements.

Table 4
Capital Assets at June 30
Governmental Activities
(Net of Depreciation)

	<u>2007</u>	<u>2006</u>
Land	\$1,220,608	\$1,220,608
Construction in Progress	43,000	0
Buildings and Improvements	7,825,639	8,110,874
Furniture and Equipment	535,705	543,142
Vehicles	546,964	601,969
Totals	<u>\$10,171,916</u>	<u>\$10,476,593</u>

The decrease in capital assets is due to annual depreciation of the assets, partially offset by the purchase of new equipment such as school buses and equipment necessary for educational programming.

Debt

At June 30, 2007, the School District had \$3,763,000 in notes outstanding. Table 5 summarizes the notes outstanding for fiscal year 2007 and 2006. More detailed information is presented in Notes 13 and 14 of the notes to the basic financial statements.

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

Table 5
Outstanding Debt at June 30
Governmental Activities

	2007	2006
2006 Energy Conservation Note	\$0	\$198,000
2006 Energy Conservation Note	0	3,011,000
2007 Energy Conservation Note	3,011,000	0
2006 School Improvement Note	0	257,000
2007 School Improvement Note	242,000	0
2004 Tax Anticipation Note	510,000	750,000
Totals	\$3,763,000	\$4,216,000

The 2007 energy conservation notes were issued to refinance 2006 energy conservation notes. Originally these notes were issued to replace heating systems at Dunham and Raymond Elementary Schools, lighting systems and steam traps in all School District buildings and exterior windows at Rockside Elementary. Principal and interest payments are made from the General Fund through savings realized through reductions in energy consumption.

The 2007 school improvement notes were issued to refinance 2006 school improvement notes. Originally these notes were issued for various building improvements throughout the School District.

The 2004 tax anticipation notes were issued against future revenues to be generated by the renewal of a 1.5 mill permanent improvement levy in 2004 which will be paid from revenues generated by this levy. The funds were used to replace the roof of the high school complex.

At June 30, 2007, the School District's overall legal debt margin was \$37,405,120 with an unvoted debt margin of \$419,945. The debt is well within permissible limits.

Current Issues

The School District's five-year forecast continues to be the instrument used to make future financial decisions with regard to program and funding strategies. Currently the forecast indicates a positive fund balance for the duration of the forecast but a careful strategy must be developed in regards to future labor negotiations, health insurance cost containment, rising utility costs and the need for increased revenue to support the School District's educational objectives.

Maple Heights City School District is maintaining its programs and using its resources wisely. As the preceding information shows, the School District heavily depends on its property taxpayers and support from unrestricted state entitlements. However, financially the future is not without challenges.

The passage of an 8.5 mill operating levy in 2003 provides additional funds to meet operating expenses and offset the decline of personal property tax due to the phase out of the tangible personal property tax. This decline due to decreasing personal property business taxes, and delinquencies means reduced tax revenue in future years. With this decline in tax collections, the School District must seek additional tax revenues to continue current operations. However, the School District cannot look to the State of Ohio for increased revenue.

Maple Heights City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

The State of Ohio was found by the Ohio Supreme Court in March 1997, to be operating an unconstitutional educational system, one that was neither “adequate” nor “equitable”. Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. In May of 2000, the Ohio Supreme Court again ruled that, while the State had made some progress, the current funding system for schools is far too dependent on property taxes which are inherently not “equitable” nor “adequate”. The Court directed the Governor and the legislature to address the fundamental issues creating the inequities. In 2001, the Ohio legislature crafted a school-funding program to address the Court’s concerns. The Court has found this funding program did not meet its constitutional standards. Virtually no additional state revenue will be available to Maple Heights City School District.

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

Maple Heights City School District has committed itself to financial excellence for many years. In addition, the School District’s system of budgeting and internal controls is critical to the integrity of the use of public funds. All of the School District’s financial abilities will be needed to meet the challenges of the future.

Contacting the School District’s Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District’s finances and to show the School District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Christopher D. Krause, Treasurer at Maple Heights City School District, 14605 Granger Road, Maple Heights, Ohio 44137; or by e-mail at Christopher.krause@Inoca.org.

Maple Heights City School District

Statement of Net Assets

June 30, 2007

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$7,262,535
Accounts Receivable	9,526
Inventory Held for Resale	7,451
Materials and Supplies Inventory	50,604
Property Taxes Receivable	16,109,517
Deferred Charges	2,578
Nondepreciable Capital Assets	1,263,608
Depreciable Capital Assets, Net	<u>8,908,308</u>
<i>Total Assets</i>	<u>33,614,127</u>
Liabilities	
Accounts Payable	317,422
Accrued Wages	2,215,790
Intergovernmental Payable	1,322,922
Matured Compensated Absences Payable	211,860
Claims Payable	327,226
Accrued Interest Payable	29,075
Deferred Revenue	13,292,676
Notes Payable	3,253,000
Long-Term Liabilities:	
Due Within One Year	514,718
Due In More Than One Year	<u>1,832,984</u>
<i>Total Liabilities</i>	<u>23,317,673</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	6,254,617
Restricted for:	
Capital Projects	80,507
Debt Service	114,619
Special Education	37,584
Training and Development	7,560
Literacy Programs	4,362
Alternative Education	11,032
Food Service	228,476
School Supplies	58,512
Public School Support	16,025
Student Activities	24,149
Other Purposes	126,335
Unrestricted	<u>3,332,676</u>
<i>Total Net Assets</i>	<u><u>\$10,296,454</u></u>

See accompanying notes to the basic financial statements

Maple Heights City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2007

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Total
Governmental Activities				
Instruction:				
Regular	\$17,435,384	\$235,131	\$1,889,781	(\$15,310,472)
Special	3,505,148	1,070,119	1,178,177	(1,256,852)
Vocational	1,718,725	13,852	16,911	(1,687,962)
Adult/Continuing	8,056	0	0	(8,056)
Support Services:				
Pupil	1,596,400	0	0	(1,596,400)
Instructional Staff	1,785,681	0	286,308	(1,499,373)
Board of Education	55,392	0	6,243	(49,149)
Administration	3,672,774	0	48,233	(3,624,541)
Fiscal	1,610,263	0	67,601	(1,542,662)
Business	754,816	0	0	(754,816)
Operation and Maintenance of Plant	5,958,413	0	63,122	(5,895,291)
Pupil Transportation	1,523,409	0	0	(1,523,409)
Central	16,017	0	0	(16,017)
Operation of Non-Instructional Services	350,274	138,803	193,140	(18,331)
Extracurricular Activities	948,143	42,513	25,483	(880,147)
Food Service Operations	1,455,040	571,626	791,609	(91,805)
Interest and Fiscal Charges	165,421	0	0	(165,421)
<i>Total</i>	<u>\$42,559,356</u>	<u>\$2,072,044</u>	<u>\$4,566,608</u>	<u>(35,920,704)</u>

General Revenues

Property Taxes Levied for:

General Purposes	16,333,218
Debt Service	282,882
Capital Outlay	156,089
Grants and Entitlements not	
Restricted to Specific Programs	19,428,413
Investment Earnings	426,925
Miscellaneous	528,765

Total General Revenues

37,156,292

Change in Net Assets

1,235,588

Net Assets Beginning of Year

9,060,866

Net Assets End of Year

\$10,296,454

See accompanying notes to the basic financial statements

Maple Heights City School District

*Balance Sheet
Governmental Funds
June 30, 2007*

	<u>General</u>	<u>Building</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$6,543,568	\$28,264	\$690,703	\$7,262,535
Accounts Receivable	736	0	8,790	9,526
Interfund Receivable	83,811	0	0	83,811
Inventory Held for Resale	0	0	7,451	7,451
Materials and Supplies Inventory	50,604	0	0	50,604
Property Taxes Receivable	15,698,739	410,778	0	16,109,517
<i>Total Assets</i>	<u>\$22,377,458</u>	<u>\$439,042</u>	<u>\$706,944</u>	<u>\$23,523,444</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$308,926	\$0	\$8,496	\$317,422
Accrued Wages	2,203,456	0	12,334	2,215,790
Intergovernmental Payable	1,287,216	0	35,706	1,322,922
Interfund Payable	0	0	83,811	83,811
Matured Compensated Absences Payable	211,860	0	0	211,860
Deferred Revenue	13,343,139	343,821	0	13,686,960
Accrued Interest Payable	1,990	24,757	0	26,747
Notes Payable	242,000	3,011,000	0	3,253,000
<i>Total Liabilities</i>	<u>17,598,587</u>	<u>3,379,578</u>	<u>140,347</u>	<u>21,118,512</u>
Fund Balances				
Reserved for Encumbrances	295,110	0	91,980	387,090
Reserved for Property Taxes	2,310,108	65,172	0	2,375,280
Unreserved, Undesignated Reported in:				
General Fund	2,173,653	0	0	2,173,653
Special Revenue Funds	0	0	354,590	354,590
Debt Service Fund	0	0	120,027	120,027
Capital Projects Funds (Deficit)	0	(3,005,708)	0	(3,005,708)
<i>Total Fund Balances (Deficit)</i>	<u>4,778,871</u>	<u>(2,940,536)</u>	<u>566,597</u>	<u>2,404,932</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$22,377,458</u>	<u>\$439,042</u>	<u>\$706,944</u>	<u>\$23,523,444</u>

See accompanying notes to the basic financial statements

Maple Heights City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2007*

Total Governmental Funds Balances		\$2,404,932
 <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.		10,171,916
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes		394,284
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and the liabilities of the internal service fund are included in governmental activities in the statement of net assets.		(327,226)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(2,328)
Unamortized issuance costs represent deferred charges which do not provide current financial resources and, therefore, are not reported in the funds.		2,578
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Notes Payable	(510,000)	
Notes Premium	(4,345)	
Capital Lease	(156,877)	
Compensated Absences	(1,676,480)	
Total	(2,347,702)	(2,347,702)
 <i>Net Assets of Governmental Activities</i>		\$10,296,454

See accompanying notes to the basic financial statements

Maple Heights City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2007

	General	Building	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$16,235,604	\$153,988	\$282,882	\$16,672,474
Intergovernmental	19,356,795	41,524	4,621,605	24,019,924
Interest	426,925	0	0	426,925
Charges for Services	10,179	0	571,626	581,805
Tuition and Fees	1,223,118	0	224,546	1,447,664
Extracurricular Activities	62	0	42,513	42,575
Contributions and Donations	8,859	0	25,483	34,342
Miscellaneous	527,185	0	1,580	528,765
<i>Total Revenues</i>	<u>37,788,727</u>	<u>195,512</u>	<u>5,770,235</u>	<u>43,754,474</u>
Expenditures				
Current:				
Instruction:				
Regular	15,276,268	0	1,911,935	17,188,203
Special	2,594,785	0	878,516	3,473,301
Vocational	1,640,443	0	94,653	1,735,096
Adult/Continuing	0	0	8,056	8,056
Support Services:				
Pupil	1,585,113	0	5,803	1,590,916
Instructional Staff	1,038,320	0	744,951	1,783,271
Board of Education	47,598	0	6,300	53,898
Administration	3,563,334	0	101,976	3,665,310
Fiscal	1,578,344	0	31,047	1,609,391
Business	716,170	0	0	716,170
Operation and Maintenance of Plant	5,826,312	0	63,471	5,889,783
Pupil Transportation	1,369,841	0	0	1,369,841
Central	7,733	0	3,972	11,705
Operation of Non-Instructional Services	0	0	350,274	350,274
Extracurricular Activities	828,800	0	66,523	895,323
Food Service Operations	0	0	1,425,609	1,425,609
Capital Outlay	51,917	161,475	31,151	244,543
Debt Service:				
Principal Retirement	47,502	0	240,000	287,502
Interest and Fiscal Charges	152,323	0	15,750	168,073
<i>Total Expenditures</i>	<u>36,324,803</u>	<u>161,475</u>	<u>5,979,987</u>	<u>42,466,265</u>
<i>Net Change in Fund Balances</i>	1,463,924	34,037	(209,752)	1,288,209
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>3,314,947</u>	<u>(2,974,573)</u>	<u>776,349</u>	<u>1,116,723</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$4,778,871</u>	<u>(\$2,940,536)</u>	<u>\$566,597</u>	<u>\$2,404,932</u>

See accompanying notes to the basic financial statements

Maple Heights City School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2007*

Net Change in Fund Balances -Total Governmental Funds \$1,288,209

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Outlay	212,224	
Current Year Depreciation	<u>(499,876)</u>	
Total		(287,652)

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (17,025)

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

Delinquent Property Taxes	99,715	
Intergovernmental	<u>(59,245)</u>	
Total		40,470

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

Long-term Notes Payable	240,000	
Capital Leases Payable	<u>47,502</u>	
Total		287,502

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued Interest	884	
Issuance Cost	(2,578)	
Amortization of Premium	<u>4,346</u>	
Total		2,652

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (95,423)

The internal service fund used by management to charge the costs of insurance is included in the statement of activities and not on the governmental fund statement of revenues and expenditures.

16,855

Change in Net Assets of Governmental Activities \$1,235,588

See accompanying notes to the basic financial statements

Maple Heights City School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$15,285,696	\$14,976,111	\$15,763,768	\$787,657
Intergovernmental	18,769,756	18,389,608	19,356,795	967,187
Interest	357,286	350,049	368,460	18,411
Charges for Services	14,534	10,179	10,179	0
Tuition and Fees	1,188,317	1,168,310	1,230,292	61,982
Extracurricular Activities	60	60	62	2
Contributions and Donations	8,590	8,416	8,859	443
Miscellaneous	508,527	498,228	527,158	28,930
<i>Total Revenues</i>	<u>36,132,766</u>	<u>35,400,961</u>	<u>37,265,573</u>	<u>1,864,612</u>
Expenditures				
Current:				
Instruction:				
Regular	14,907,893	16,080,772	15,280,308	800,464
Special	2,778,047	2,810,401	2,636,439	173,962
Vocational	1,726,291	1,723,600	1,616,910	106,690
Support Services:				
Pupil	1,573,022	1,706,768	1,601,120	105,648
Instructional Staff	1,072,059	1,150,842	1,079,606	71,236
Board of Education	47,975	50,907	47,756	3,151
Administration	3,533,870	3,790,936	3,556,281	234,655
Fiscal	1,513,726	1,742,633	1,634,765	107,868
Business	745,522	772,690	724,861	47,829
Operation and Maintenance of Plant	5,744,929	6,125,712	5,746,536	379,176
Pupil Transportation	1,387,198	1,440,066	1,350,927	89,139
Central	7,887	8,425	7,904	521
Extracurricular Activities	801,104	882,642	828,185	54,457
Capital Outlay	51,805	55,343	51,917	3,426
Debt Service:				
Principal Retirement	3,458,572	3,694,699	3,466,000	228,699
Interest and Fiscal Charges	146,494	156,497	146,810	9,687
<i>Total Expenditures</i>	<u>39,496,394</u>	<u>42,192,933</u>	<u>39,776,325</u>	<u>2,416,608</u>
<i>Excess of Revenues Under Expenditures</i>	(3,363,628)	(6,791,972)	(2,510,752)	4,281,220
Other Financing Sources				
General Obligation Notes Issued	3,156,989	3,093,049	3,253,000	159,951
<i>Net Change in Fund Balance</i>	(206,639)	(3,698,923)	742,248	4,441,171
<i>Fund Balance Beginning of Year</i>	5,126,059	5,126,059	5,126,059	0
Prior Year Encumbrances Appropriated	327,433	327,433	327,433	0
<i>Fund Balance End of Year</i>	<u>\$5,246,853</u>	<u>\$1,754,569</u>	<u>\$6,195,740</u>	<u>\$4,441,171</u>

See accompanying notes to the basic financial statements

Maple Heights City School District

Statement of Fund Net Assets

Internal Service Fund

June 30, 2007

	<u>Insurance</u>
Assets	\$0
Liabilities	
Claims Payable	<u>327,226</u>
Net Assets	
Unrestricted (Deficit)	<u><u>(\$327,226)</u></u>

See accompanying notes to the basic financial statements

Maple Heights City School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Fund
For the Fiscal Year Ended June 30, 2007*

	Insurance
Operating Revenues	
Charges for Services	\$3,221,829
Operating Expenses	
Purchased Services	306,059
Claims	2,898,915
<i>Total Operating Expenses</i>	3,204,974
<i>Change in Net Assets</i>	16,855
<i>Net Assets Beginning of Year (Deficit)</i>	(344,081)
<i>Net Assets End of Year (Deficit)</i>	(\$327,226)

See accompanying notes to the basic financial statements

Maple Heights City School District
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2007

	Insurance
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Interfund Services Provided	\$3,221,829
Cash Payments for Purchased Services	(306,059)
Cash Payments for Claims	(2,915,770)
<i>Net Increase in Cash and Cash Equivalents</i>	0
<i>Cash and Cash Equivalents Beginning of Year</i>	0
<i>Cash and Cash Equivalents End of Year</i>	\$0
 <i>Reconciliation of Operating Income</i>	
<i>to Net Cash Provided by Operating Activities</i>	
<i>Operating Income</i>	\$16,855
Adjustments	
Decrease in Claims Payable	(16,855)
<i>Net Cash Provided by Operating Activities</i>	\$0

See accompanying notes to the basic financial statements

Maple Heights City School District
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
June 30, 2007

	<u>Agency</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$88,343</u>
Liabilities	
Due to Students	<u>\$88,343</u>

See accompanying notes to the basic financial statements

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 1 - Description of the School District

The Maple Heights City School District (the School District) operates under a locally elected five-member Board form of government and provides educational services as authorized by state and federal agencies. The Board controls a staff of 264 non-certificated employees, 251 certificated full time teaching personnel and 33 administrative employees to provide services to 3,785 students and other community members. The School District operates 4 elementary schools (K-6), 1 middle school (7-8), and 1 high school (9-12).

The School District was originally part of Bedford Township. In 1924 the first Maple Heights Board of Education was organized. The Clement Elementary School was selected to become the site of the high school. The School District was officially established in 1931 and is organized under Article VI, Section 2 and 3 of the Constitution of the State of Ohio. Under such laws there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at-large for staggered four year terms.

The School District is located in Maple Heights, Ohio, Cuyahoga County and serves an area of approximately 5.5 square miles.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the basic financial statements of the School District are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Maple Heights City School District, this includes the agencies and departments that provide the following services: general operations, food service and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. The School District has no component units.

The School District participates in two jointly governed organizations, the Lakeshore Northeast Ohio Computer Association and Ohio Schools Council Association. These organizations are presented in Note 17 to the basic financial statements.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service fund unless these pronouncements conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

A. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

The statement of net assets presents the financial condition of the governmental activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. The fiduciary funds are reported by type.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

B. Fund Accounting

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

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

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

Building Fund The building fund accounts for a property tax levy used for various capital improvements within the School District.

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

Proprietary Fund Type Proprietary funds reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows and are classified as either enterprise or internal service. The School District only has an internal service fund.

Internal Service Fund The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund is a self insurance fund that accounts for medical benefits of School District employees.

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary fund is an agency fund which reports resources that belong to the student bodies of the various schools.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Fund Financial Statements 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 a reconciliation 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 (e.g., revenues) and decreases (e.g., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its internal service fund.

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 and the statement presented for proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

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

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

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

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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

Property taxes for which there is an enforceable legal claim as of June 30, 2007, but which were levied to finance fiscal year 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

E. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. Budgetary information for the self insurance internal service fund is not reported because the fund is created for GAAP purposes to account for the medical benefits of the School District. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The Treasurer is authorized to further allocate appropriations at the function and object levels.

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

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

F. Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

Maple Heights City School District
Notes to the Basic Financial Statements
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During fiscal year 2007, investments were limited to STAROhio and federal home loan mortgage corporation notes. Investments are reported at fair value which is based on quoted market prices.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2007.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2007 amounted to \$426,925 which includes \$46,887 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

G. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories consist of donated food, purchased food and school supplies held for resale, and materials and supplies held for consumption.

H. Capital Assets

All of the School District's capital assets are general capital assets. General capital assets are those assets related to activities reported in the governmental funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of thirty-five hundred dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Description	Estimated Lives
Buildings and Improvements	20 - 50 years
Furniture and Equipment	3 - 20 years
Vehicles	10 years

I. Interfund Balances

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

J. Issuance Costs

Issuance costs for underwriting fees and note insurance for the notes are being amortized using the straight-line method over the life of the notes on the government-wide statements. The straight-line method of amortization is not materially different from the effective-interest method. On governmental fund statements note issuance costs are expended in the year the notes are issued.

K. 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 employer will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

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

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

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have resigned or retired will be paid. The non-current portion of the liability is not reported.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

L. 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 proprietary 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, insurance premiums, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes are recognized as a liability on the fund financial statements when due.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$709,161 of restricted net assets, none of which is restricted by enabling legislation. Net assets restricted for other purposes include community activities, information systems and telecommunications.

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

N. Interfund Activity

Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

O. Fund Balance Reserves

The School District reserves those portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves are established for encumbrances and property taxes.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Any revenues and expenses not meeting the definitions of operating are reported as nonoperating.

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence.

R. Estimates

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

Note 3 – Accountability and Compliance

A. Accountability

At June 30, 2007 the following funds had deficit fund balances:

	<u>Fund Balance</u>
Auxiliary Services	\$429
Poverty Based Assistance	7,699
Title VI-B	14,953
Carl Perkins Grant	76,229
Building	2,940,536

The deficits in the Auxiliary Services, Poverty Based Assistance, Title VI-B and Carl Perkins Grant special revenue funds are due to adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, rather than when accruals occur. The deficit in the building capital projects fund is a result of the issuance of short-term energy conservation notes which are used to finance the project until bonds are issued. The deficit will be eliminated once bonds are issued and the obligation is no longer reported in the fund.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

B. Compliance

The School District had a negative cash balances in the poverty based assistance and Carl Perkins special revenue fund in the amounts of \$7,582 and \$76,229, respectively, indicating that revenue from other sources were used to pay the obligations of this fund, contrary to Ohio Revised Code Section 5705.10. In order to eliminate future negative cash, the School District will make cash advances during the year.

The following funds had original appropriations in excess of estimated resources plus carryover balances contrary to Section 5705.39, Revised Code.

Fund	Original Appropriations	Estimated Resources plus Carryover Balances	Difference
Major Capital Projects Fund			
Building	\$481,000	\$210,713	\$270,287
Special Revenue Funds			
Teacher Training and Development	40,000	0	40,000
Disadvantaged Pupil Program	50,000	2,121	47,879
School Net Professional Development	82,244	62,505	19,739
Career Tech and Adult Equipment	22,975	12,106	10,869
Title VI-B	924,302	923,035	1,267
Carl Perkins Grant	75,000	66,572	8,428
Preschool Grant	59,000	983	58,017
Debt Service Fund			
Bond Retirement	570,000	566,074	3,926

The following funds had expenditures plus encumbrances in excess of appropriations contrary to section 5705.41, Ohio Revised Code:

	Final Appropriations	Expenditures	Excess
Special Revenue Funds:			
Uniform School Supplies	\$163,357	\$192,716	\$29,359
Lathchkey Program	173,000	180,503	7,503
Professional Development Block Grant	2,000	6,051	4,051
Ohio Reads Grant	47,000	54,002	7,002
Carl Perkins Grant	75,000	94,709	19,709
E-Rate Grant	25,170	31,133	5,963
Capital Project Fund			
SchoolNet	15,000	31,151	16,151

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

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 4 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Investments are reported at cost (budget) rather than fair value (GAAP).
5. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget) rather than on the balance sheet (GAAP).

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

Net Change in Fund Balance	
GAAP Basis	\$1,463,924
Net Adjustment for Revenue Accruals	(523,154)
Net Adjustment for Expenditure Accruals	335,157
Beginning Fair Value Adjustment for Investments	5,970
Ending Fair Value Adjustment for Investments	52,495
Notes Issued	3,253,000
Principal Retirement	(3,466,000)
Adjustments for Encumbrances	(379,144)
Budget Basis	\$742,248

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 5 - Deposits and Investments

Monies held by the School District are classified by State statute into three categories.

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

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

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

Maple Heights City School District
Notes to the Basic Financial Statements
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Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$6,324,894 of the School District's bank balance of \$6,424,894 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

Investments are reported at fair value. As of June 30, 2007, the School District had the following investments:

	Fair Value	Maturity (Days)
Federal Home Loan		
Mortgage Corporation Notes	\$1,001,040	303
STAROhio	365,512	Average 38.56
	\$1,366,552	

Interest Rate Risk The School District has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Mortgage Corporation Notes are exposed to custodial credit risk in that it is uninsured, unregistered, and held by the counterparty's trust department or agent but not in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Credit Risk The Federal Home Loan Mortgage Corporation Notes and STAROhio carry a rating of AAA by Standard & Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Concentration of Credit Risk The School District places no limit on the amount it may invest in any one issuer. The following is the School District's allocation as of June 30, 2007:

Investment Issuer	Percentage of Investments
Federal Home Loan Mortgage Corporation Notes	73.25%
STAROhio	26.75

Note 6 - Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 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.

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 tax) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2007 were levied after April 1, 2006, on the value listed as of December 31, 2006. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent 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 School District prior to June 30; however, this year the settlement was late.

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 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.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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 and the late personal property tax settlement were levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2007 was \$2,310,108 in the general fund and \$65,172 in the building fund. The amount available as an advance at June 30, 2006, was \$1,831,207 in the general fund and \$51,589 in the building fund. The difference was in the timing and collection by the County Auditor.

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

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

	2006 Second Half Collections		2007 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$372,241,930	88.09 %	\$413,267,970	91.79 %
Public Utility	15,083,680	3.57	14,052,290	3.12
Tangible Personal Property	35,259,452	8.34	22,904,499	5.09
	\$422,585,062	100.00 %	\$450,224,759	100.00 %

Full Tax rate per \$1,000 of assessed valuation	\$63.30	\$62.90
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Note 7 - Receivables

Receivables at June 30, 2007, consisted of taxes, accounts (rent, student fees and tuition) and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables, except delinquent property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected in one year.

Maple Heights City School District
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:

	Balance 6/30/06	Additions	Deletions	Balance 6/30/07
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,220,608	\$0	\$0	\$1,220,608
Construction in Progress	0	43,000	0	43,000
<i>Total Capital Assets, not being depreciated</i>	<u>1,220,608</u>	<u>43,000</u>	<u>0</u>	<u>1,263,608</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	16,250,710	0	0	16,250,710
Furniture and Equipment	1,852,005	77,061	(110,933)	1,818,133
Vehicles	1,359,081	92,163	(64,136)	1,387,108
<i>Total Capital Assets, being depreciated</i>	<u>19,461,796</u>	<u>169,224</u>	<u>(175,069)</u>	<u>19,455,951</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(8,139,836)	(285,235)	0	(8,425,071)
Furniture and Equipment	(1,308,863)	(79,831)	106,266	(1,282,428)
Vehicles	(757,112)	(134,810)	51,778	(840,144)
<i>Total Accumulated Depreciation</i>	<u>(10,205,811)</u>	<u>(499,876) *</u>	<u>158,044</u>	<u>(10,547,643)</u>
<i>Total Capital Assets, being depreciated, net</i>	<u>9,255,985</u>	<u>(330,652)</u>	<u>(17,025)</u>	<u>8,908,308</u>
Governmental Activities Capital Assets, Net	<u>\$10,476,593</u>	<u>(\$287,652)</u>	<u>(\$17,025)</u>	<u>\$10,171,916</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$226,550
Vocational	2,479
Support Services:	
Board of Education	1,494
Administration	12,326
Business	26,292
Operation and Maintenance of Plant	31,063
Pupil Transportation	132,661
Central	4,312
Extracurricular Activities	52,820
Food Service Operations	9,879
Total Depreciation Expense	<u>\$499,876</u>

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 9 - Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2007, the School District contracted for the following insurance coverage:

Company	Type of Coverage	Coverage Amount
Indiana Insurance Company	Property	\$66,513,671
	General Liability, in aggregate	2,000,000
	General Liability, per occurrence	1,000,000
	Medical Expense, any one person	5,000
	Boiler and Machinery	30,000,000
	Uninsured Motorist	50,000
	Blanket Bond	5,000
Flagherty	Aggregate limit on premises	1,500
	Aggregate limit for messenger	2,000
Western Surety Company	Treasurer's Bond	25,000
	Public Official Bond	20,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from last year.

B. Workers' Compensation

The School 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.

C. Self-Insurance

Beginning in fiscal year 2007, medical insurance is offered to employees through a self-insurance internal service fund. The School District's monthly premiums are paid to the fiscal agent who in turn pays the claims on the School District's behalf. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$85,000 per employee, per year. The claims liability of \$327,226 reported in the internal service fund at June 30, 2007 is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The change in claims activity for the current fiscal year and prior year is as follows:

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2006	\$0	\$2,069,285	\$1,725,204	\$344,081
2007	344,081	2,898,915	2,915,770	327,226

Note 10 - Defined Benefit Pension Plans

A. School Employees Retirement System

The School 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 43215-3476.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2007, 10.68 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 a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2007, 2006 and 2005 were \$655,800, \$617,637, and \$561,505, respectively; 51.42 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005.

B. State Teachers Retirement System of Ohio

The School 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 East Broad Street, Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on 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

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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

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

For the fiscal year ended June 30, 2007, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2006, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2007, 2006, and 2005, were \$2,029,205, \$1,942,120, and \$1,802,299, respectively; 83.41 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005. Contributions to the DC and Combined Plans for fiscal year 2007 were \$6,708 made by the School District and \$28,446 made by the plan members.

Note 11 – Postemployment Benefits

The School 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-certificated 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 cost will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS 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 Board allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$156,093 for fiscal year 2007.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

STRS Ohio pays health care benefits from the Health Care Stabilization Fund. At June 30, 2006, (the latest information available) the balance in the Fund was \$3.5 billion. For the year ended June 30, 2006, net health care costs paid by STRS were \$282,743,000 and STRS 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 health care premium. 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, compared to 3.42 percent of covered payroll for 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. However, the surcharge is capped at two percent of each employer's SERS salaries. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2007 fiscal year equaled \$330,430.

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 at June 30, 2006, (the latest information available), were \$158,751,207. At June 30, 2006, SERS had net assets available for payment of health care benefits of \$295.6 million. SERS has 59,492 participants eligible to receive benefits.

Note 12 - Employee Benefits

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 270 days for all certified and 180 days for classified personnel. Upon retirement, payment is made for one-third of accrued, but unused sick leave credit to a maximum of 90 days for certified personnel and 60 days for classified personnel.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 13 - Short-Term Obligations

The School District's note activity, including amount outstanding and interest rate, is as follows:

	Outstanding 6/30/06	Additions	Deletions	Outstanding 6/30/07
General Fund				
2006 Energy Conservation Notes 4.00%	\$198,000	\$0	\$198,000	\$0
2006 School Improvement Notes 4.25%	257,000	0	257,000	0
2007 School Improvement Notes 4.00%	0	242,000	0	242,000
Total General Fund	455,000	242,000	455,000	242,000
Capital Projects Fund - Building				
2006 Energy Conservation Notes 4.25%	3,011,000	0	3,011,000	0
2007 Energy Conservation Notes 4.00%	0	3,011,000	0	3,011,000
Total Capital Projects Fund - Building	3,011,000	3,011,000	3,011,000	3,011,000
Total Notes	\$3,466,000	\$3,253,000	\$3,466,000	\$3,253,000

All of the notes are backed by the full faith and credit of the Maple Heights City School District and mature within one year. The note liability is reflected in the general fund and building capital projects fund which received the proceeds.

The 2007 school improvement bond anticipation notes were issued to refinance 2006 school improvement notes. Originally these notes were issued for various building improvements throughout the School District.

The 2007 energy conservation bond anticipation notes were issued to refinance 2006 energy conservation notes. Originally these notes were issued to replace heating systems at Dunham and Raymond Elementary Schools, lighting systems and steam traps in all School District Buildings and exterior windows at Rockside Elementary. Principal and interest payments are made from the General Fund on a cash basis and reclassified to the building capital projects fund on a GAAP basis.

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 14 - Long-Term Obligations

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

	Amount Outstanding 6/30/06	Additions	Reductions	Amount Outstanding 6/30/07	Amount Due in One Year
Long-Term Notes:					
\$1,203,000 2004 2.50%					
Long-Term Notes	\$750,000	\$0	\$240,000	\$510,000	\$250,000
Premium on Long-Term Notes	8,691	0	4,346	4,345	0
Total 2004 Long-Term Notes	<u>758,691</u>	<u>0</u>	<u>244,346</u>	<u>514,345</u>	<u>250,000</u>
Capital Lease	204,379	0	47,502	156,877	49,843
Compensated Absences	<u>1,581,057</u>	<u>215,963</u>	<u>120,540</u>	<u>1,676,480</u>	<u>214,875</u>
Total Governmental Activities Long-Term Liabilities	<u><u>\$2,544,127</u></u>	<u><u>\$215,963</u></u>	<u><u>\$412,388</u></u>	<u><u>\$2,347,702</u></u>	<u><u>\$514,718</u></u>

The 2004 tax anticipation notes were issued to allow the School District to undertake several key projects following passage of a 1.5 mill permanent improvement levy renewal in May 2004. The note is being paid from the bond retirement debt service fund by revenues generated by this levy. The notes were issued at a premium of \$21,729.

Compensated absences will be paid from the general and food service special revenue funds. The capital lease will be paid from the general fund.

The School District's overall debt margin was \$37,405,120 with an unvoted debt margin of \$419,945 at June 30, 2007. Principal and interest requirements to retire the notes outstanding at June 30, 2007 are as follows:

Fiscal Year Ending	Long-Term Notes	
	Principal	Interest
2008	\$250,000	\$9,625
2009	260,000	3,250
Totals	<u><u>\$510,000</u></u>	<u><u>\$12,875</u></u>

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 15 – Capital Lease

The School District entered into a capital lease for a phone system. This lease meets the criteria of a capital lease as defined by FASB Statement No. 13, “Accounting for Leases.” Capital lease payments have been reclassified and are reflected as debt service expenditures in the general fund on the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized and depreciated as follows:

Furniture and Equipment	\$568,166
Less: Accumulated Depreciation:	(38,378)
<i>Total Capital Assets, being depreciated, net</i>	<i>\$529,788</i>

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2007.

	Governmental Activities
2008	\$56,540
2009	56,540
2010	56,231
Total Minimum Lease Payments	169,311
Less: Amounts Representing Interest	(12,434)
Present Value of Minimum Lease Payments	\$156,877

Note 16 - Contingencies

A. Grants

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

B. Litigation

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

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 17 - Jointly Governed Organizations

A. Lakeshore Northeast Ohio Computer Association

The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed computer service bureau owned and operated by sixteen school districts. The primary function of LNOCA is to provide data services to the sixteen school districts. Major areas of service provided by LNOCA include accounting, payroll, inventory, career guidance, student tracking, pupil scheduling, attendance and grade reporting. Each school is represented on the LNOCA Board of Directors by its superintendent. Each year, the Board of Directors elects a Chairman, a Vice Chairman, and a Recording Secretary. The Treasurer of the fiscal agent is a nonvoting, ex-officio member of the Board of Directors. The Cuyahoga County Educational Service Center serves as the fiscal agent of LNOCA. Each schools district supports LNOCA based upon a per pupil charge dependent upon the software package used. Maple Heights City School District paid \$72,845 to LNOCA during fiscal year 2007. Financial information can be obtained by contacting LNOCA, 5700 West Canal Road, Valley View, Ohio 44125.

B. Ohio Schools Council Association

The Ohio Schools Council Association (Council) is a jointly governed organization among one hundred eight school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2007, the School District paid \$105,056 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio, 44131.

The School District participates in the Council's electric purchase program which was implemented during fiscal year 1998 and the natural gas program which was implemented during fiscal year 2004.

The electric purchase program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

In 1997, Energy Acquisition Corp., a non profit corporation with a self appointing board, issued \$119,140,000 in debt to prepurchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates their agreement, they are required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp.

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

Maple Heights City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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

Note 18 - Set-Asides

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

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

	Capital Improvements	Textbooks and Instructional Material
Set-Aside Reserve Balance as of June 30, 2006	\$0	(\$1,742,704)
Current Year Set-Aside Requirement	616,604	616,604
Offsets During the Fiscal Year	(184,220)	0
Qualifying Disbursements	(829,342)	(1,095,066)
Totals	<u>(\$396,958)</u>	<u>(\$2,221,166)</u>
Set-Aside Balance Carried Forward to Future Fiscal Years	<u>\$0</u>	<u>(\$2,221,166)</u>
Set-Aside Reserve Balance as of June 30, 2007	<u>\$0</u>	<u>\$0</u>

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

Note 19 – Interfund Balances

The general fund reported an interfund receivable of \$83,811 and the Poverty Based Assistance and Carl Perkins Grant special revenue funds reported interfund payables of \$7,582 and \$76,229, respectively, at June 30, 2007. These advances were made to cover negative cash balances.

Combining and Individual Fund Statements and Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Uniform School Supplies Fund - This fund accounts for the purchase and sale of school supplies for use in the School District. Profits derived from such sales are used for school purposes or activities connected with the School.

Mental Health and Mental Retardation Fund - This fund accounts for funding to provide programs for special needs students.

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

Local Grants Fund - This fund accounts for funds received to promote community involvement and volunteer activities between the School District and community.

Latchkey Program Fund – This fund accounts for funds received to provide summer and after school child care.

Athletics and Music Fund - This fund accounts for gate receipts and other revenues from athletic events and costs (except supplemental coaching contracts) of the athletic program, including transportation.

Auxiliary Services Fund - This fund accounts for funds which provide services and materials to pupils attending non-public schools within the School District.

Professional Development Block Grant Fund – This fund accounts for receipts and expenditures necessary for providing assistance to the School District for the development of in-service programs.

Management Information Systems Fund - This fund accounts for State monies which support the development of hardware, software or other costs associated with the management information system.

Teacher Training and Development Fund – This fund accounts for funds which provide for first year teacher training programs.

Disadvantaged Pupil Program Fund - This fund accounts for State monies used for improving the educational and cultural status of disadvantaged pupils.

School Net Professional Development Fund - This fund accounts for State monies received for computer training for teachers in the School District provided by Ohio Educational Computer Networks connections.

(continued)

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds (continued)

Ohio Reads Grant Fund - This fund accounts for State monies received for the purpose of providing an intense intervention literacy program for students Kindergarten through Third grade. This program also provides for community volunteers in a one on one setting.

Summer School Subsidy Fund - This fund accounts for State monies which provide summer school programs for the student body.

Career Tech and Adult Equipment Fund - This fund accounts for State monies received for the purpose of providing materials and supplies for programs for career tech and adult education.

Alternative School Fund - This fund accounts for State monies received for the purpose of providing an alternative educational setting for students who have not succeeded in a typical classroom.

Poverty Based Assistance Fund - This fund accounts for State monies used for improving the educational and cultural status of disadvantaged pupils.

Miscellaneous State Grants Fund - This fund accounts for State monies which support academic and enrichment programs for the student body.

Title VI-B Fund - This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Carl Perkins Grant Fund - This fund accounts for State monies used for the development of vocational educational programs in the following categories: secondary, post-secondary, adult, disadvantaged, and handicapped persons, exemplary programs, cooperative education, ancillary services, research, advisory committees and work study projects.

Title I Fund - This fund accounts for Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

Title V Fund - This fund accounts for Federal monies which support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

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

Preschool Grant Fund - This fund accounts for Federal monies used for a preschool for students with disabilities.

E-Rate Grant Fund - This fund accounts for Federal monies paid directly to a telecommunication provider.

Miscellaneous Federal Grants Fund - This fund accounts for Federal monies which support academic and enrichment programs for the student body.

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Debt Service Fund

The bond retirement fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Nonmajor Capital Projects Fund

Capital projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

SchoolNet Fund - This fund accounts for state monies to be used to provide wiring to all classrooms that supports the transmission of voice, video and data, and to provide a computer workstation and related technology for every classroom.

Maple Heights City School District

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$570,676	\$120,027	\$690,703
Accounts Receivable	8,790	0	8,790
Inventory Held for Resale	7,451	0	7,451
<i>Total Assets</i>	<u>\$586,917</u>	<u>\$120,027</u>	<u>\$706,944</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$8,496	\$0	\$8,496
Accrued Wages	12,334	0	12,334
Intergovernmental Payable	35,706	0	35,706
Interfund Payable	83,811	0	83,811
<i>Total Liabilities</i>	<u>140,347</u>	<u>0</u>	<u>140,347</u>
Fund Balances:			
Reserved for Encumbrances	91,980	0	91,980
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	354,590	0	354,590
Debt Service Fund	0	120,027	120,027
<i>Total Fund Balances</i>	<u>446,570</u>	<u>120,027</u>	<u>566,597</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$586,917</u>	<u>\$120,027</u>	<u>\$706,944</u>

Maple Heights City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$0	\$282,882	\$0	\$282,882
Intergovernmental	4,591,511	0	30,094	4,621,605
Charges for Services	571,626	0	0	571,626
Tuition and Fees	224,546	0	0	224,546
Extracurricular Activities	42,513	0	0	42,513
Contributions and Donations	25,483	0	0	25,483
Miscellaneous	1,580	0	0	1,580
<i>Total Revenues</i>	<u>5,457,259</u>	<u>282,882</u>	<u>30,094</u>	<u>5,770,235</u>
Expenditures				
Current:				
Instruction:				
Regular	1,911,935	0	0	1,911,935
Special	878,516	0	0	878,516
Vocational	94,653	0	0	94,653
Adult/Continuing	8,056	0	0	8,056
Support Services:				
Pupil	5,803	0	0	5,803
Instructional Staff	744,951	0	0	744,951
Board of Education	6,300	0	0	6,300
Administration	101,976	0	0	101,976
Fiscal	31,047	0	0	31,047
Operation and Maintenance of Plant	63,471	0	0	63,471
Central	3,972	0	0	3,972
Operation of Non-instructional Services	350,274	0	0	350,274
Extracurricular Activities	66,523	0	0	66,523
Food Service Operations	1,425,609	0	0	1,425,609
Capital Outlay	0	0	31,151	31,151
Debt Service:				
Principal Retirement	0	240,000	0	240,000
Interest and Fiscal Charges	0	15,750	0	15,750
<i>Total Expenditures</i>	<u>5,693,086</u>	<u>255,750</u>	<u>31,151</u>	<u>5,979,987</u>
<i>Net Change in Fund Balances</i>	(235,827)	27,132	(1,057)	(209,752)
<i>Fund Balances Beginning of Year</i>	<u>682,397</u>	<u>92,895</u>	<u>1,057</u>	<u>776,349</u>
<i>Fund Balances End of Year</i>	<u><u>\$446,570</u></u>	<u><u>\$120,027</u></u>	<u><u>\$0</u></u>	<u><u>\$566,597</u></u>

Maple Heights City School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2007

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Mental Health and Mental Retardation</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$275,982	\$50,991	\$40,257
Accounts Receivable	0	7,521	0
Inventory Held for Resale	7,451	0	0
<i>Total Assets</i>	<u>\$283,433</u>	<u>\$58,512</u>	<u>\$40,257</u>
 Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$0	\$0
Accrued Wages	2,182	0	2,635
Intergovernmental Payable	20,930	0	38
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>23,112</u>	<u>0</u>	<u>2,673</u>
 Fund Balances			
Reserved for Encumbrances	0	88,614	0
Unreserved, Undesignated (Deficit)	260,321	(30,102)	37,584
<i>Total Fund Balances (Deficit)</i>	<u>260,321</u>	<u>58,512</u>	<u>37,584</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$283,433</u>	<u>\$58,512</u>	<u>\$40,257</u>

(continued)

Maple Heights City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2007

	Public School Support	Local Grants	Latchkey Program
Assets			
Equity in Pooled Cash and Cash Equivalents	\$15,569	\$8,784	\$10,607
Accounts Receivable	665	0	604
Inventory Held for Resale	0	0	0
<i>Total Assets</i>	<u>\$16,234</u>	<u>\$8,784</u>	<u>\$11,211</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$209	\$0	\$179
Accrued Wages	0	0	0
Intergovernmental Payable	0	0	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>209</u>	<u>0</u>	<u>179</u>
Fund Balances			
Reserved for Encumbrances	244	0	256
Unreserved, Undesignated (Deficit)	15,781	8,784	10,776
<i>Total Fund Balances (Deficit)</i>	<u>16,025</u>	<u>8,784</u>	<u>11,032</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$16,234</u>	<u>\$8,784</u>	<u>\$11,211</u>

Athletics and Music	Auxiliary Services	Management Information Systems	School Net Professional Development	Ohio Reads Grant	Poverty Based Assistance
\$24,242	\$769	\$14,556	\$7,560	\$4,362	\$0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$24,242</u>	<u>\$769</u>	<u>\$14,556</u>	<u>\$7,560</u>	<u>\$4,362</u>	<u>\$0</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
93	1,198	0	0	0	117
0	0	0	0	0	7,582
<u>93</u>	<u>1,198</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,699</u>
0	0	0	0	0	0
24,149	(429)	14,556	7,560	4,362	(7,699)
<u>24,149</u>	<u>(429)</u>	<u>14,556</u>	<u>7,560</u>	<u>4,362</u>	<u>(7,699)</u>
<u>\$24,242</u>	<u>\$769</u>	<u>\$14,556</u>	<u>\$7,560</u>	<u>\$4,362</u>	<u>\$0</u>

(continued)

Maple Heights City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2007

	Miscellaneous State Grants	Title VI-B	Carl Perkins Grant
Assets			
Equity in Pooled Cash and Cash Equivalents	\$23,295	\$6,207	\$0
Accounts Receivable	0	0	0
Inventory Held for Resale	0	0	0
<i>Total Assets</i>	<u>\$23,295</u>	<u>\$6,207</u>	<u>\$0</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$7,939	\$0
Accrued Wages	0	0	0
Intergovernmental Payable	0	13,221	0
Interfund Payable	0	0	76,229
<i>Total Liabilities</i>	<u>0</u>	<u>21,160</u>	<u>76,229</u>
Fund Balances			
Reserved for Encumbrances	0	2,780	0
Unreserved, Undesignated (Deficit)	23,295	(17,733)	(76,229)
<i>Total Fund Balances (Deficit)</i>	<u>23,295</u>	<u>(14,953)</u>	<u>(76,229)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$23,295</u>	<u>\$6,207</u>	<u>\$0</u>

Title I	Title V	Preschool Grant	E-Rate Grant	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$4,578	\$945	\$983	\$56,243	\$24,746	\$570,676
0	0	0	0	0	8,790
0	0	0	0	0	7,451
<u>\$4,578</u>	<u>\$945</u>	<u>\$983</u>	<u>\$56,243</u>	<u>\$24,746</u>	<u>\$586,917</u>
\$0	\$0	\$0	\$169	\$0	\$8,496
0	0	0	0	7,517	12,334
0	0	0	0	109	35,706
0	0	0	0	0	83,811
<u>0</u>	<u>0</u>	<u>0</u>	<u>169</u>	<u>7,626</u>	<u>140,347</u>
0	0	0	86	0	91,980
4,578	945	983	55,988	17,120	354,590
<u>4,578</u>	<u>945</u>	<u>983</u>	<u>56,074</u>	<u>17,120</u>	<u>446,570</u>
<u>\$4,578</u>	<u>\$945</u>	<u>\$983</u>	<u>\$56,243</u>	<u>\$24,746</u>	<u>\$586,917</u>

Maple Heights City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2007

	Food Service	Uniform School Supplies	Mental Health and Mental Retardation
Revenues			
Intergovernmental	\$791,609	\$0	\$40,987
Charges for Services	571,626	0	0
Tuition and Fees	0	85,743	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>1,363,235</u>	<u>85,743</u>	<u>40,987</u>
Expenditures			
Current:			
Instruction:			
Regular	0	75,070	0
Special	0	0	0
Vocational	0	9,032	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	0	0	0
Board of Education	0	0	0
Administration	0	0	90,556
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Food Service Operations	1,405,609	20,000	0
<i>Total Expenditures</i>	<u>1,405,609</u>	<u>104,102</u>	<u>90,556</u>
<i>Net Change in Fund Balances</i>	(42,374)	(18,359)	(49,569)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>302,695</u>	<u>76,871</u>	<u>87,153</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$260,321</u></u>	<u><u>\$58,512</u></u>	<u><u>\$37,584</u></u>

Public School Support	Local Grants	Latchkey Program	Athletics and Music	Auxiliary Services	Professional Development Block Grant
\$0	\$7,413	\$49,336	\$0	\$128,260	\$0
0	0	0	0	0	0
0	0	138,803	0	0	0
7,444	0	0	35,069	0	0
24,033	0	0	1,450	0	0
0	0	0	1,580	0	0
<u>31,477</u>	<u>7,413</u>	<u>188,139</u>	<u>38,099</u>	<u>128,260</u>	<u>0</u>
0	12,877	0	0	0	0
0	0	0	0	0	0
0	1,500	0	0	0	0
0	8,056	0	0	0	0
0	0	0	0	0	0
0	347	0	0	0	6,051
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	180,247	0	140,596	0
33,574	1,727	0	31,222	0	0
0	0	0	0	0	0
<u>33,574</u>	<u>24,507</u>	<u>180,247</u>	<u>31,222</u>	<u>140,596</u>	<u>6,051</u>
(2,097)	(17,094)	7,892	6,877	(12,336)	(6,051)
<u>18,122</u>	<u>25,878</u>	<u>3,140</u>	<u>17,272</u>	<u>11,907</u>	<u>6,051</u>
<u>\$16,025</u>	<u>\$8,784</u>	<u>\$11,032</u>	<u>\$24,149</u>	<u>(\$429)</u>	<u>\$0</u>

(continued)

Maple Heights City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds (continued)

For the Fiscal Year Ended June 30, 2007

	<u>Management Information Systems</u>	<u>Disadvantaged Pupil Program</u>	<u>School Net Professional Development</u>
Revenues			
Intergovernmental	\$13,100	\$0	\$21,300
Charges for Services	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>13,100</u>	<u>0</u>	<u>21,300</u>
Expenditures			
Current:			
Instruction:			
Regular	6,920	0	22,151
Special	0	2,009	0
Vocational	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	0	0	0
Board of Education	6,300	0	0
Administration	0	0	11,420
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Food Service Operations	0	0	0
<i>Total Expenditures</i>	<u>13,220</u>	<u>2,009</u>	<u>33,571</u>
<i>Net Change in Fund Balances</i>	(120)	(2,009)	(12,271)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>14,676</u>	<u>2,009</u>	<u>19,831</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$14,556</u>	<u>\$0</u>	<u>\$7,560</u>

Ohio Reads Grant	Summer School Subsidy	Career Tech and Adult Equipment	Alternative School	Poverty Based Assistance	Miscellaneous State Grants
\$46,000	\$0	\$0	\$50,680	\$1,345,723	\$162,178
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
46,000	0	0	50,680	1,345,723	162,178
40,002	1,599	0	0	1,352,993	77,956
0	0	0	0	481	0
0	0	2,131	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
4,000	0	0	0	0	85,907
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	52,528	0	0
0	0	0	0	0	0
10,000	0	0	0	0	7,420
0	0	0	0	0	0
0	0	0	0	0	0
54,002	1,599	2,131	52,528	1,353,474	171,283
(8,002)	(1,599)	(2,131)	(1,848)	(7,751)	(9,105)
12,364	1,599	2,131	1,848	52	32,400
\$4,362	\$0	\$0	\$0	(\$7,699)	\$23,295

(continued)

Maple Heights City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds (continued)

For the Fiscal Year Ended June 30, 2007

	Title VI-B	Carl Perkins Grant	Title I
Revenues			
Intergovernmental	\$940,341	\$16,911	\$496,499
Charges for Services	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>940,341</u>	<u>16,911</u>	<u>496,499</u>
Expenditures			
Current:			
Instruction:			
Regular	26,303	80	51,530
Special	622,034	0	253,992
Vocational	0	81,990	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	1,800	4,003	0
Instructional Staff	343,975	4,459	173,578
Board of Education	0	0	0
Administration	0	0	0
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Central	0	3,972	0
Operation of Non-Instructional Services	8,251	0	3,512
Extracurricular Activities	0	0	0
Food Service Operations	0	0	0
<i>Total Expenditures</i>	<u>1,002,363</u>	<u>94,504</u>	<u>482,612</u>
<i>Net Change in Fund Balances</i>	(62,022)	(77,593)	13,887
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>47,069</u>	<u>1,364</u>	<u>(9,309)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$14,953)</u></u>	<u><u>(\$76,229)</u></u>	<u><u>\$4,578</u></u>

<u>Title V</u>	<u>Drug Free Schools</u>	<u>Preschool Grant</u>	<u>E-Rate Grant</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$6,228	\$13,488	\$36,522	\$67,601	\$357,335	\$4,591,511
0	0	0	0	0	571,626
0	0	0	0	0	224,546
0	0	0	0	0	42,513
0	0	0	0	0	25,483
0	0	0	0	0	1,580
<u>6,228</u>	<u>13,488</u>	<u>36,522</u>	<u>67,601</u>	<u>357,335</u>	<u>5,457,259</u>
164	0	27,496	0	216,794	1,911,935
0	0	0	0	0	878,516
0	0	0	0	0	94,653
0	0	0	0	0	8,056
0	0	0	0	0	5,803
556	2,546	3,362	0	120,170	744,951
0	0	0	0	0	6,300
0	0	0	0	0	101,976
0	0	0	31,047	0	31,047
0	10,943	0	0	0	63,471
0	0	0	0	0	3,972
248	0	0	0	0	350,274
0	0	0	0	0	66,523
0	0	0	0	0	1,425,609
<u>968</u>	<u>13,489</u>	<u>30,858</u>	<u>31,047</u>	<u>336,964</u>	<u>5,693,086</u>
5,260	(1)	5,664	36,554	20,371	(235,827)
<u>(4,315)</u>	<u>1</u>	<u>(4,681)</u>	<u>19,520</u>	<u>(3,251)</u>	<u>682,397</u>
<u>\$945</u>	<u>\$0</u>	<u>\$983</u>	<u>\$56,074</u>	<u>\$17,120</u>	<u>\$446,570</u>

Statement - Fiduciary Fund

Fiduciary Fund

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

Agency Fund

Student Activities Fund - This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

Maple Heights City School District
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2007

	Beginning Balance <u>June 30, 2006</u>	<u>Additions</u>	<u>Reductions</u>	Ending Balance <u>June 30, 2007</u>
Student Activities				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$75,289</u>	<u>\$128,840</u>	<u>\$115,786</u>	<u>\$88,343</u>
Liabilities				
Due to Students	<u>\$75,289</u>	<u>\$128,840</u>	<u>\$115,786</u>	<u>\$88,343</u>

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

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$15,285,696	\$14,976,111	\$15,763,768	\$787,657
Intergovernmental	18,769,756	18,389,608	19,356,795	967,187
Interest	357,286	350,049	368,460	18,411
Charges for Services	14,534	10,179	10,179	0
Tuition and Fees	1,188,317	1,168,310	1,230,292	61,982
Extracurricular Activities	60	60	62	2
Contributions and Donations	8,590	8,416	8,859	443
Miscellaneous	508,527	498,228	527,158	28,930
<i>Total Revenues</i>	<u>36,132,766</u>	<u>35,400,961</u>	<u>37,265,573</u>	<u>1,864,612</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	8,857,264	9,584,383	8,783,919	800,464
Fringe Benefits	3,366,634	3,287,774	3,287,774	0
Purchased Services	2,262,020	2,873,758	2,873,758	0
Materials and Supplies	233,504	266,386	266,386	0
Capital Outlay	188,471	68,471	68,471	0
Total Regular	<u>14,907,893</u>	<u>16,080,772</u>	<u>15,280,308</u>	<u>800,464</u>
Special:				
Salaries	1,841,442	2,057,477	1,883,515	173,962
Fringe Benefits	725,397	708,202	708,202	0
Purchased Services	208,669	40,891	40,891	0
Materials and Supplies	1,438	3,681	3,681	0
Capital Outlay	1,101	150	150	0
Total Special	<u>2,778,047</u>	<u>2,810,401</u>	<u>2,636,439</u>	<u>173,962</u>
Vocational:				
Salaries	865,980	1,093,552	986,862	106,690
Fringe Benefits	380,069	371,060	371,060	0
Purchased Services	349,983	214,840	214,840	0
Materials and Supplies	104,322	43,457	43,457	0
Capital Outlay	24,930	0	0	0
Other	1,007	691	691	0
Total Vocational	<u>1,726,291</u>	<u>1,723,600</u>	<u>1,616,910</u>	<u>106,690</u>
Total Instruction	<u>\$19,412,231</u>	<u>\$20,614,773</u>	<u>\$19,533,657</u>	<u>\$1,081,116</u>

(continued)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Support Services:				
Pupil:				
Salaries	\$968,087	\$1,016,806	\$911,158	\$105,648
Fringe Benefits	349,896	341,602	341,602	0
Purchased Services	203,763	302,724	302,724	0
Materials and Supplies	43,941	45,310	45,310	0
Capital Outlay	7,015	0	0	0
Other	320	326	326	0
Total Pupil	<u>1,573,022</u>	<u>1,706,768</u>	<u>1,601,120</u>	<u>105,648</u>
Instructional Staff:				
Salaries	498,117	527,950	456,714	71,236
Fringe Benefits	175,894	171,723	171,723	0
Purchased Services	11,482	80,721	80,721	0
Materials and Supplies	383,992	370,448	370,448	0
Capital Outlay	2,574	0	0	0
Total Instructional Staff	<u>1,072,059</u>	<u>1,150,842</u>	<u>1,079,606</u>	<u>71,236</u>
Board of Education:				
Salaries	7,521	18,541	15,390	3,151
Fringe Benefits	5,927	0	0	0
Purchased Services	2,910	15,793	15,793	0
Materials and Supplies	10,272	7,379	7,379	0
Other	21,345	9,194	9,194	0
Total Board of Education	<u>47,975</u>	<u>50,907</u>	<u>47,756</u>	<u>3,151</u>
Administration:				
Salaries	2,109,408	2,309,117	2,074,462	234,655
Fringe Benefits	798,936	798,536	798,536	0
Purchased Services	409,914	384,922	384,922	0
Materials and Supplies	204,069	290,228	290,228	0
Capital Outlay	4,719	1,881	1,881	0
Other	6,824	6,252	6,252	0
Total Administration	<u>3,533,870</u>	<u>3,790,936</u>	<u>3,556,281</u>	<u>234,655</u>
Fiscal:				
Salaries	369,329	517,404	409,536	107,868
Fringe Benefits	157,724	218,508	218,508	0
Purchased Services	650,660	545,057	545,057	0
Materials and Supplies	17,261	13,796	13,796	0
Capital Outlay	0	11,380	11,380	0
Other	318,752	436,488	436,488	0
Total Fiscal	<u>\$1,513,726</u>	<u>\$1,742,633</u>	<u>\$1,634,765</u>	<u>\$107,868</u>

(continued)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Business:				
Salaries	\$278,422	\$279,318	\$231,489	\$47,829
Fringe Benefits	89,153	124,510	124,510	0
Purchased Services	71,467	46,492	46,492	0
Materials and Supplies	206,598	183,094	183,094	0
Capital Outlay	88,824	120,099	120,099	0
Other	11,058	19,177	19,177	0
Total Business	<u>745,522</u>	<u>772,690</u>	<u>724,861</u>	<u>47,829</u>
Operation and Maintenance of Plant:				
Salaries	2,270,006	2,341,905	1,962,729	379,176
Fringe Benefits	755,905	1,026,350	1,026,350	0
Purchased Services	2,509,127	2,353,790	2,353,790	0
Materials and Supplies	117,125	315,131	315,131	0
Capital Outlay	92,766	88,536	88,536	0
Total Operation and Maintenance of Plant	<u>5,744,929</u>	<u>6,125,712</u>	<u>5,746,536</u>	<u>379,176</u>
Pupil Transportation:				
Salaries	623,153	705,720	616,581	89,139
Fringe Benefits	237,464	322,422	322,422	0
Purchased Services	324,295	266,872	266,872	0
Materials and Supplies	120,865	140,286	140,286	0
Capital Outlay	67,934	3,840	3,840	0
Other	13,487	926	926	0
Total Pupil Transportation	<u>1,387,198</u>	<u>1,440,066</u>	<u>1,350,927</u>	<u>89,139</u>
Central:				
Purchased Services	1,969	2,103	1,973	130
Materials and Supplies	5,918	6,322	5,931	391
Total Central	<u>7,887</u>	<u>8,425</u>	<u>7,904</u>	<u>521</u>
Total Support Services	<u>15,626,188</u>	<u>16,788,979</u>	<u>15,749,756</u>	<u>1,039,223</u>
Extracurricular Activities:				
Academic Oriented:				
Purchased Services	68,793	73,490	68,941	4,549
Materials and Supplies	1,012	2,871	2,871	0
Total Academic Oriented	<u>\$69,805</u>	<u>\$76,361</u>	<u>\$71,812</u>	<u>\$4,549</u>

(continued)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Sports Oriented:				
Salaries	\$343,652	\$379,992	\$344,397	\$35,595
Fringe Benefits	216,105	99,333	99,333	0
Purchased Services	3,959	4,807	4,807	0
Materials and Supplies	43,467	90,911	90,911	0
Total Sports Oriented	607,183	575,043	539,448	35,595
School and Public Service:				
Salaries	123,904	231,038	216,725	14,313
Purchased Services	212	200	200	0
Total School and Public Service	124,116	231,238	216,925	14,313
Total Extracurricular Activities	801,104	882,642	828,185	54,457
Capital Outlay:				
Building Acquisition:				
Other	7,255	7,751	7,271	480
Other Facilities Acquisition:				
Purchased Services	44,550	47,592	44,646	2,946
Total Capital Outlay	51,805	55,343	51,917	3,426
Debt Service:				
Principal Retirement	3,458,572	3,694,699	3,466,000	228,699
Interest and Fiscal Charges	146,494	156,497	146,810	9,687
Total Debt Service	3,605,066	3,851,196	3,612,810	238,386
Total Expenditures	39,496,394	42,192,933	39,776,325	2,416,608
Excess of Revenues Under Expenditures	(3,363,628)	(6,791,972)	(2,510,752)	4,281,220
Other Financing Sources				
General Obligation Notes Issued	3,156,989	3,093,049	3,253,000	159,951
Net Change in Fund Balance	(206,639)	(3,698,923)	742,248	4,441,171
Fund Balance Beginning of Year	5,126,059	5,126,059	5,126,059	0
Prior Year Encumbrances Appropriated	327,433	327,433	327,433	0
Fund Balance End of Year	\$5,246,853	\$1,754,569	\$6,195,740	\$4,441,171

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$722,212	\$142,695	(\$579,517)
Intergovernmental	210,163	41,524	(168,639)
<i>Total Revenues</i>	<u>932,375</u>	<u>184,219</u>	<u>(748,156)</u>
Expenditures			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Materials and Supplies	153,171	51,800	101,371
Capital Outlay	285,249	96,467	188,782
Total Support Services	438,420	148,267	290,153
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	42,580	14,400	28,180
<i>Total Expenditures</i>	<u>481,000</u>	<u>162,667</u>	<u>318,333</u>
<i>Net Change in Fund Balance</i>	451,375	21,552	(429,823)
<i>Fund Balance Beginning of Year</i>	<u>6,712</u>	<u>6,712</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$458,087</u></u>	<u><u>\$28,264</u></u>	<u><u>(\$429,823)</u></u>

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$820,062	\$824,355	\$4,293
Charges for Services	549,938	571,626	21,688
<i>Total Revenues</i>	<u>1,370,000</u>	<u>1,395,981</u>	<u>25,981</u>
Expenditures			
Current:			
Food Service Operations:			
Salaries	627,535	577,670	49,865
Fringe Benefits	82,203	75,671	6,532
Purchased Services	5,886	5,419	467
Materials and Supplies	737,188	678,610	58,578
Capital Outlay	87,375	87,177	198
Other	9,813	2,288	7,525
<i>Total Expenditures</i>	<u>1,550,000</u>	<u>1,426,835</u>	<u>123,165</u>
<i>Net Change in Fund Balance</i>	(180,000)	(30,854)	149,146
<i>Fund Balance Beginning of Year</i>	<u>306,836</u>	<u>306,836</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$126,836</u></u>	<u><u>\$275,982</u></u>	<u><u>\$149,146</u></u>

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Tuition and Fees	\$115,000	\$80,616	(\$34,384)
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	94	66	28
Materials and Supplies	121,897	163,618	(41,721)
Total Regular	121,991	163,684	(41,693)
Vocational:			
Materials and Supplies	12,869	9,032	3,837
Total Instruction	134,860	172,716	(37,856)
Food Service Operations:			
Materials and Supplies	28,497	20,000	8,497
<i>Total Expenditures</i>	163,357	192,716	(29,359)
<i>Net Change in Fund Balance</i>	(48,357)	(112,100)	(63,743)
<i>Fund Balance Beginning of Year</i>	73,920	73,920	0
Prior Year Encumbrances Appropriated	557	557	0
<i>Fund Balance (Deficit) End of Year</i>	\$26,120	(\$37,623)	(\$63,743)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Mental Health and Mental Retardation Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$75,000	\$40,987	(\$34,013)
Expenditures			
Current:			
Support Services:			
Administration:			
Salaries	104,165	75,563	28,602
Fringe Benefits	20,835	15,114	5,721
<i>Total Expenditures</i>	125,000	90,677	34,323
<i>Net Change in Fund Balance</i>	(50,000)	(49,690)	310
<i>Fund Balance Beginning of Year</i>	89,947	89,947	0
<i>Fund Balance End of Year</i>	\$39,947	\$40,257	\$310

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$14,301	\$6,779	(\$7,522)
Contributions and Donations	50,699	24,033	(26,666)
<i>Total Revenues</i>	<u>65,000</u>	<u>30,812</u>	<u>(34,188)</u>
Expenditures			
Current:			
Extracurricular Activities:			
Academic Oriented:			
Purchased Services	39	25	14
Materials and Supplies	51,672	32,791	18,881
Capital Outlay	1,666	1,057	609
<i>Total Expenditures</i>	<u>53,377</u>	<u>33,873</u>	<u>19,504</u>
<i>Net Change in Fund Balance</i>	11,623	(3,061)	(14,684)
<i>Fund Balance Beginning of Year</i>	14,508	14,508	0
Prior Year Encumbrances Appropriated	<u>3,877</u>	<u>3,877</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$30,008</u></u>	<u><u>\$15,324</u></u>	<u><u>(\$14,684)</u></u>

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Grants Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$35,000	\$7,413	(\$27,587)
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	4,583	2,320	2,263
Materials and Supplies	25,287	12,802	12,485
Total Regular	29,870	15,122	14,748
Vocational:			
Salaries	2,963	1,500	1,463
Adult/Continuing:			
Materials and Supplies	4,731	2,395	2,336
Capital Outlay	11,182	5,661	5,521
Total Adult/Continuing	15,913	8,056	7,857
Total Instruction	48,746	24,678	24,068
Support Services:			
Instructional Staff:			
Materials and Supplies	685	347	338
Extracurricular Activities:			
Academic Oriented:			
Materials and Supplies	3,411	1,727	1,684
<i>Total Expenditures</i>	52,842	26,752	26,090
<i>Net Change in Fund Balance</i>	(17,842)	(19,339)	(1,497)
<i>Fund Balance Beginning of Year</i>	25,281	25,281	0
Prior Year Encumbrances Appropriated	2,842	2,842	0
<i>Fund Balance End of Year</i>	\$10,281	\$8,784	(\$1,497)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Latchkey Program Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$49,336	\$49,336	\$0
Tuition and Fees	120,664	138,199	17,535
<i>Total Revenues</i>	<u>170,000</u>	<u>187,535</u>	<u>17,535</u>
Expenditures			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries	169,810	177,175	(7,365)
Purchased Services	2,020	2,108	(88)
Materials and Supplies	1,170	1,220	(50)
<i>Total Expenditures</i>	<u>173,000</u>	<u>180,503</u>	<u>(7,503)</u>
<i>Net Change in Fund Balance</i>	(3,000)	7,032	10,032
<i>Fund Balance Beginning of Year</i>	<u>3,140</u>	<u>3,140</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$140</u>	<u>\$10,172</u>	<u>\$10,032</u>

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Athletics and Music Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$110,456	\$35,069	(\$75,387)
Contributions and Donations	4,567	1,450	(3,117)
Miscellaneous	4,977	1,580	(3,397)
<i>Total Revenues</i>	<u>120,000</u>	<u>38,099</u>	<u>(81,901)</u>
Expenditures			
Current:			
Extracurricular Activities:			
Academic Oriented:			
Purchased Services	758	175	583
Occupational Oriented:			
Materials and Supplies	13,460	3,106	10,354
Sport Oriented Activities:			
Salaries	41,062	9,475	31,587
Purchased Services	18,531	4,276	14,255
Materials and Supplies	30,202	6,969	23,233
Other	27,731	6,399	21,332
Total Sport Oriented Activities	<u>117,526</u>	<u>27,119</u>	<u>90,407</u>
School and Public Service Co-Curricular Activities:			
Other	3,541	817	2,724
<i>Total Expenditures</i>	<u>135,285</u>	<u>31,217</u>	<u>104,068</u>
<i>Net Change in Fund Balance</i>	(15,285)	6,882	22,167
<i>Fund Balance Beginning of Year</i>	17,073	17,073	0
Prior Year Encumbrances Appropriated	285	285	0
<i>Fund Balance End of Year</i>	<u>\$2,073</u>	<u>\$24,240</u>	<u>\$22,167</u>

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$150,000	\$128,260	(\$21,740)
Expenditures			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries	8,715	8,610	105
Purchased Services	57,512	56,821	691
Materials and Supplies	75,266	74,362	904
Capital Outlay	753	744	9
<i>Total Expenditures</i>	142,246	140,537	1,709
<i>Net Change in Fund Balance</i>	7,754	(12,277)	(20,031)
<i>Fund Balance Beginning of Year</i>	10,798	10,798	0
Prior Year Encumbrances Appropriated	2,246	2,246	0
<i>Fund Balance End of Year</i>	\$20,798	\$767	(\$20,031)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Professional Development Block Grant Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Current:			
Support Services:			
Instructional Staff:			
Materials and Supplies	2,000	6,051	(4,051)
<i>Net Change in Fund Balance</i>	(2,000)	(6,051)	(4,051)
<i>Fund Balance Beginning of Year</i>	6,051	6,051	0
<i>Fund Balance End of Year</i>	\$4,051	\$0	(\$4,051)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Management Information Systems Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$11,000	\$13,100	\$2,100
Expenditures			
Current:			
Regular:			
Salaries	13,086	6,920	6,166
Support Services:			
Board of Education:			
Capital Outlay	11,914	6,300	5,614
<i>Total Expenditures</i>	25,000	13,220	11,780
<i>Net Change in Fund Balance</i>	(14,000)	(120)	13,880
<i>Fund Balance Beginning of Year</i>	14,676	14,676	0
<i>Fund Balance End of Year</i>	\$676	\$14,556	\$13,880

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Teacher Training and Development Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$40,000	\$0	(\$40,000)
Expenditures			
Current:			
Support Services:			
Fiscal:			
Capital Outlay	40,000	0	40,000
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Disadvantaged Pupil Program Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$50,000	\$0	(\$50,000)
Expenditures			
Current:			
Instruction:			
Special:			
Materials and Supplies	50,000	2,121	47,879
<i>Net Change in Fund Balance</i>	0	(2,121)	(2,121)
<i>Fund Balance Beginning of Year</i>	2,121	2,121	0
<i>Fund Balance End of Year</i>	\$2,121	\$0	(\$2,121)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
School Net Professional Development Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$63,500	\$21,300	(\$42,200)
Expenditures			
Current:			
Instruction:			
Regular:			
Capital Outlay	71,092	34,325	36,767
Support Services:			
Administration:			
Purchased Services	23,652	11,420	12,232
<i>Total Expenditures</i>	94,744	45,745	48,999
<i>Net Change in Fund Balance</i>	(31,244)	(24,445)	6,799
<i>Fund Balance Beginning of Year</i>	12,261	12,261	0
Prior Year Encumbrances Appropriated	19,744	19,744	0
<i>Fund Balance End of Year</i>	\$761	\$7,560	\$6,799

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads Grant Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$40,000	\$46,000	\$6,000
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	19,147	22,000	(2,853)
Materials and Supplies	15,668	18,002	(2,334)
Total Instruction	34,815	40,002	(5,187)
Support Services:			
Instructional Staff:			
Salaries	3,481	4,000	(519)
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	8,704	10,000	(1,296)
<i>Total Expenditures</i>	47,000	54,002	(7,002)
<i>Net Change in Fund Balance</i>	(7,000)	(8,002)	(1,002)
<i>Fund Balance Beginning of Year</i>	12,364	12,364	0
<i>Fund Balance End of Year</i>	\$5,364	\$4,362	(\$1,002)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Summer School Subsidy Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$25,000	\$0	(\$25,000)
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	25,000	1,599	23,401
<i>Net Change in Fund Balance</i>	0	(1,599)	(1,599)
<i>Fund Balance Beginning of Year</i>	1,599	1,599	0
<i>Fund Balance End of Year</i>	\$1,599	\$0	(\$1,599)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Career Tech and Adult Equipment Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$10,868	\$0	(\$10,868)
Expenditures			
Current:			
Instruction:			
Vocational:			
Materials and Supplies	4,045	2,131	1,914
Capital Outlay	18,929	9,975	8,954
<i>Total Expenditures</i>	22,974	12,106	10,868
<i>Net Change in Fund Balance</i>	(12,106)	(12,106)	0
<i>Fund Balance Beginning of Year</i>	2,131	2,131	0
Prior Year Encumbrances Appropriated	9,975	9,975	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Alternative School Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$57,500	\$50,680	(\$6,820)
Expenditures			
Current:			
Operation and Maintenance of Plant:			
Purchased Services	55,000	52,528	2,472
<i>Net Change in Fund Balance</i>	2,500	(1,848)	(4,348)
<i>Fund Balance Beginning of Year</i>	1,848	1,848	0
<i>Fund Balance End of Year</i>	\$4,348	\$0	(\$4,348)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Poverty Based Assistance Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$1,359,948	\$1,345,723	(\$14,225)
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	1,359,464	1,352,824	6,640
Materials and Supplies	52	52	0
Total Regular	1,359,516	1,352,876	6,640
Special:			
Materials and Supplies	484	481	3
<i>Total Expenditures</i>	1,360,000	1,353,357	6,640
<i>Net Change in Fund Balance</i>	(52)	(7,634)	(7,582)
<i>Fund Balance Beginning of Year</i>	52	52	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$7,582)	(\$7,582)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$167,602	\$162,178	(\$5,424)
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	86,641	74,201	12,440
Materials and Supplies	4,385	3,755	630
Total Instruction	91,026	77,956	13,070
Support Services:			
Instructional Staff:			
Purchased Services	99,553	85,259	14,294
Materials and Supplies	757	648	109
Total Support Services	100,310	85,907	14,403
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	8,664	7,420	1,244
<i>Total Expenditures</i>	200,000	171,283	28,717
<i>Net Change in Fund Balance</i>	(32,398)	(9,105)	23,293
<i>Fund Balance Beginning of Year</i>	32,400	32,400	0
<i>Fund Balance End of Year</i>	\$2	\$23,295	\$23,293

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$977,765	\$940,341	(\$37,424)
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	5,225	5,020	205
Purchased Services	11,067	10,630	437
Materials and Supplies	12,237	11,753	484
Total Regular	28,529	27,403	1,126
Special:			
Purchased Services	628,927	604,064	24,863
Total Instruction	657,456	631,467	25,989
Support Services:			
Pupil:			
Materials and Supplies	1,874	1,800	74
Instructional Staff:			
Purchased Services	156,091	149,920	6,171
Materials and Supplies	62,551	60,078	2,473
Capital Outlay	139,238	133,734	5,504
Total Instructional Staff	357,880	343,732	14,148
Total Support Services	359,754	345,532	14,222
Operation of Non-Instructional Services:			
Community Services:			
Salaries	3,987	3,829	158
Purchased Services	4,603	4,422	181
Total Operation of Non-Instructional Services	8,590	8,251	339
<i>Total Expenditures</i>	1,025,800	985,250	40,550
<i>Net Change in Fund Balance</i>	(48,035)	(44,909)	3,126
<i>Fund Balance Beginning of Year</i>	7,233	7,233	0
Prior Year Encumbrances Appropriated	40,802	40,802	0
<i>Fund Balance End of Year</i>	\$0	\$3,126	\$3,126

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Carl Perkins Grant Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$74,000	\$16,911	(\$57,089)
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	62	80	(18)
Vocational:			
Purchased Services	17,625	22,256	(4,631)
Materials and Supplies	26,173	33,051	(6,878)
Capital Outlay	21,294	26,888	(5,594)
Total Vocational	65,092	82,195	(17,103)
Total Instruction	65,154	82,275	(17,121)
Support Services:			
Pupil:			
Salaries	10	12	(2)
Materials and Supplies	3,160	3,991	(831)
Total Pupil	3,170	4,003	(833)
Instructional Staff:			
Purchased Services	3,531	4,459	(928)
Central:			
Purchased Services	871	1,100	(229)
Materials and Supplies	2,274	2,872	(598)
Total Central	3,145	3,972	(827)
Total Support Services	9,846	12,434	(2,588)
<i>Total Expenditures</i>	75,000	94,709	(19,709)
<i>Net Change in Fund Balance</i>	(1,000)	(77,798)	(76,798)
<i>Fund Balance Beginning of Year</i>	1,572	1,572	0
<i>Fund Balance (Deficit) End of Year</i>	\$572	(\$76,226)	(\$76,798)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$585,213	\$496,499	(\$88,714)
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	6,647	5,660	987
Purchased Services	2,054	1,748	306
Materials and Supplies	51,842	44,122	7,720
Total Regular	60,543	51,530	9,013
Special:			
Salaries	337,673	287,390	50,283
Purchased Services	13,677	11,640	2,037
Total Special	351,350	299,030	52,320
Total Instruction	411,893	350,560	61,333
Support Services:			
Instructional Staff:			
Salaries	2,215	1,885	330
Purchased Services	154,257	131,287	22,970
Materials and Supplies	54,025	45,980	8,045
Total Support Services	210,497	179,152	31,345
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	4,042	3,440	602
Materials and Supplies	84	72	12
Total Operation of Non-Instructional Services	4,126	3,512	614
<i>Total Expenditures</i>	626,516	533,224	93,292
<i>Net Change in Fund Balance</i>	(41,303)	(36,725)	4,578
<i>Fund Balance Beginning of Year</i>	39,784	39,784	0
Prior Year Encumbrances Appropriated	1,519	1,519	0
<i>Fund Balance End of Year</i>	\$0	\$4,578	\$4,578

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title V Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$35,000	\$6,228	(\$28,772)
Expenditures			
Current:			
Instruction:			
Regular:			
Purchased Services	1,175	392	783
Materials and Supplies	15,085	5,032	10,053
Total Instruction	16,260	5,424	10,836
Support Services:			
Instructional Staff:			
Purchased Services	1,421	474	947
Materials and Supplies	246	82	164
Total Support Services	1,667	556	1,111
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	743	248	495
<i>Total Expenditures</i>	18,670	6,228	12,442
<i>Net Change in Fund Balance</i>	16,330	0	(16,330)
<i>Fund Balance Beginning of Year</i>	765	765	0
Prior Year Encumbrances Appropriated	170	170	0
<i>Fund Balance End of Year</i>	\$17,265	\$935	(\$16,330)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Schools Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$35,000	\$13,488	(\$21,512)
Expenditures			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	5,189	2,546	2,643
Operation and Maintenance of Plant:			
Salaries	22,311	10,943	11,368
<i>Total Expenditures</i>	27,500	13,489	14,011
<i>Net Change in Fund Balance</i>	7,500	(1)	(7,501)
<i>Fund Balance Beginning of Year</i>	1	1	0
<i>Fund Balance End of Year</i>	\$7,501	\$0	(\$7,501)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Grant Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$59,000	\$36,522	(\$22,478)
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	44,419	27,496	16,923
Support Services:			
Instructional Staff:			
Purchased Services	14,581	9,026	5,555
<i>Total Expenditures</i>	59,000	36,522	22,478
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	983	983	0
<i>Fund Balance End of Year</i>	\$983	\$983	\$0

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
E-Rate Grant Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$5,650	\$67,601	\$61,951
Expenditures			
Current:			
Support Services:			
Fiscal:			
Capital Outlay	25,170	31,133	(5,963)
<i>Net Change in Fund Balance</i>	(19,520)	36,468	55,988
<i>Fund Balance Beginning of Year</i>	19,350	19,350	0
Prior Year Encumbrances Appropriated	170	170	0
<i>Fund Balance End of Year</i>	\$0	\$55,988	\$55,988

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$565,000	\$357,335	(\$207,665)
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	317,540	223,674	93,866
Materials and Supplies	10,724	7,553	3,171
Total Instruction	328,264	231,227	97,037
Support Services:			
Instructional Staff:			
Purchased Services	171,736	120,970	50,766
<i>Total Expenditures</i>	500,000	352,197	147,803
<i>Net Change in Fund Balance</i>	65,000	5,138	(59,862)
<i>Fund Balance Beginning of Year</i>	19,608	19,608	0
<i>Fund Balance End of Year</i>	\$84,608	\$24,746	(\$59,862)

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$482,876	\$282,882	(\$199,994)
Expenditures			
Debt Service:			
Principal Retirement	534,897	240,000	294,897
Interest and Fiscal Charges	35,103	15,750	19,353
<i>Total Expenditures</i>	570,000	255,750	314,250
<i>Net Change in Fund Balance</i>	(87,124)	27,132	114,256
<i>Fund Balance Beginning of Year</i>	92,895	92,895	0
<i>Fund Balance End of Year</i>	\$5,771	\$120,027	\$114,256

Maple Heights City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
SchoolNet Fund
For the Fiscal Year Ended June 30, 2007

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$60,000	\$30,094	(\$29,906)
Expenditures			
Current:			
Instruction:			
Regular:			
Capital Outlay - New	14,491	30,094	(15,603)
Support Services:			
Instructional Staff:			
Materials and Supplies	509	1,057	(548)
<i>Total Expenditures</i>	15,000	31,151	(16,151)
<i>Net Change in Fund Balance</i>	45,000	(1,057)	(46,057)
<i>Fund Balance Beginning of Year</i>	1,057	1,057	0
<i>Fund Balance End of Year</i>	\$46,057	\$0	(\$46,057)

Statistical Section

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Statistical Section

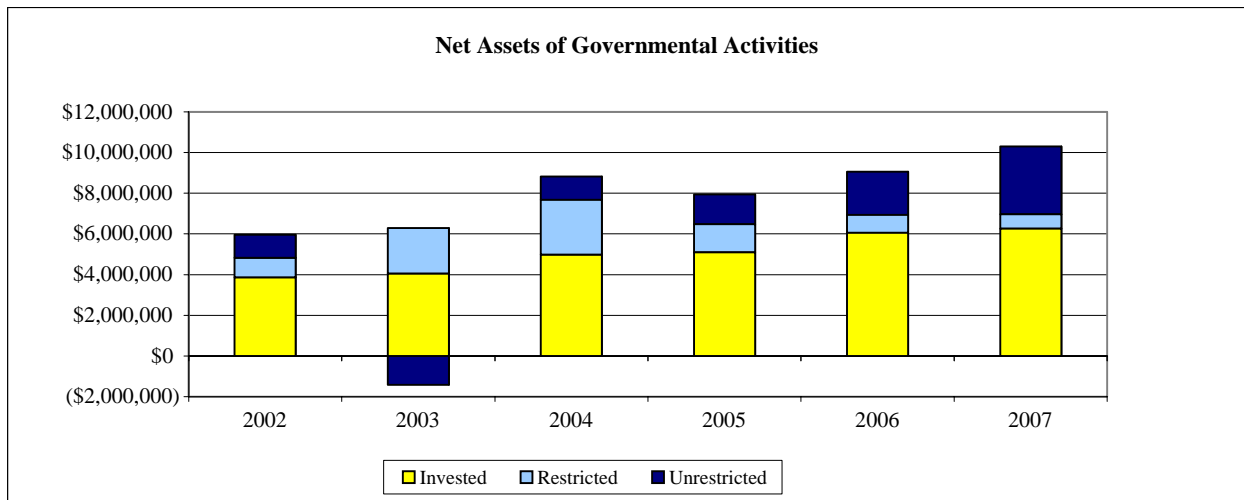
This part of Maple Heights City School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial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

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	S2-7
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source, property tax.	S8-17
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S18-23
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S24-25
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S26-31

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

Maple Heights City School District
Net Assets by Component
Last Six Fiscal Years
(accrual basis of accounting)

	2002	2003	2004	2005	2006	2007
Governmental Activities:						
Invested in Capital Assets, Net of Related Debt	\$3,866,519	\$4,050,729	\$4,980,407	\$5,094,961	\$6,061,370	\$6,254,617
Restricted for:						
Capital Projects	0	362,107	513,195	173,442	45,426	80,507
Debt Service	374,605	408,103	533,237	417,643	82,641	114,619
Other Purposes	585,261	1,469,097	1,643,155	797,101	749,965	514,035
Unrestricted (Deficit)	1,137,879	(1,418,363)	1,150,143	1,452,946	2,121,464	3,332,676
 Total Governmental Activities Net Assets	 <u>\$5,964,264</u>	 <u>\$4,871,673</u>	 <u>\$8,820,137</u>	 <u>\$7,936,093</u>	 <u>\$9,060,866</u>	 <u>\$10,296,454</u>



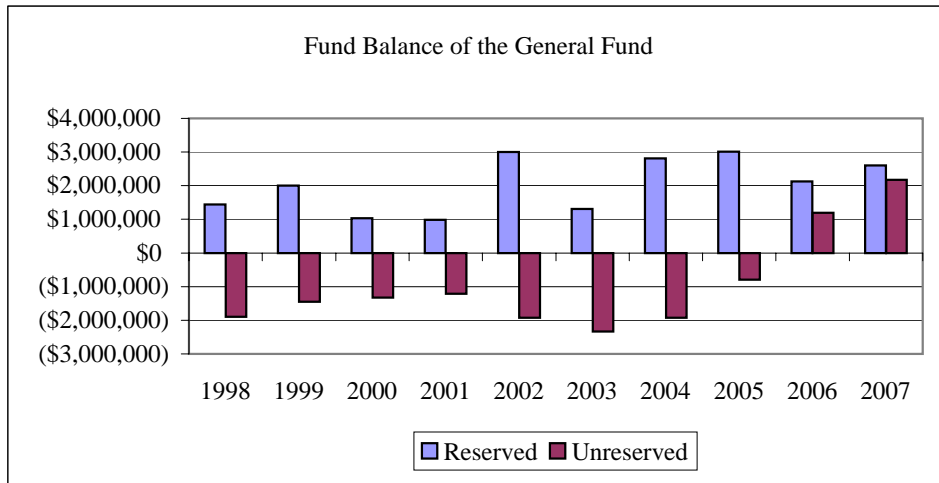
Maple Heights City School District
Changes in Net Assets of Governmental Activities
Last Six Fiscal Years
(accrual basis of accounting)

	2002	2003	2004	2005	2006	2007
Expenses						
Regular Instruction	\$12,181,673	\$11,803,010	\$12,520,897	\$14,060,342	\$15,536,545	\$17,435,384
Special Instruction	3,902,191	3,292,012	3,998,714	4,692,431	4,078,118	3,505,148
Vocational Instruction	1,575,190	1,022,744	1,494,061	1,856,092	1,844,744	1,718,725
Adult/Continuing Instruction	0	4,884	3,732	3,999	1,710	8,056
Pupil Support	1,247,504	1,112,096	1,648,119	1,484,023	1,494,086	1,596,400
Instructional Staff Support	652,149	382,115	968,426	1,150,959	1,657,069	1,785,681
Board of Education	45,792	20,051	33,943	37,689	59,960	55,392
Administration	3,228,317	3,248,639	2,919,834	3,397,949	3,531,492	3,672,774
Fiscal	840,566	1,957,935	1,064,745	1,328,609	1,477,295	1,610,263
Business	539,565	500,569	783,803	893,360	657,918	754,816
Operation and Maintenance of Plant	4,395,384	3,507,919	4,564,071	5,290,699	5,228,455	5,958,413
Pupil Transportation	1,477,070	1,224,932	1,255,010	1,753,689	1,314,828	1,523,409
Central	15,448	11,436	9,406	10,026	27,657	16,017
Operation of Non-Instructional Services	257,933	208,017	263,157	172,648	297,498	350,274
Extracurricular Activities	661,676	684,508	833,879	871,547	988,977	948,143
Food Service Operations	1,726,348	1,235,949	1,365,444	1,419,696	1,381,312	1,455,040
Interest and Fiscal Charges	211,091	128,592	98,534	111,064	157,045	165,421
<i>Total Expenses</i>	<u>32,957,897</u>	<u>30,345,408</u>	<u>33,825,775</u>	<u>38,534,822</u>	<u>39,734,709</u>	<u>42,559,356</u>
Program Revenues						
Charges for Services						
Regular Instruction	568,421	604,527	123,079	137,348	227,338	235,131
Special Instruction (1)	10,130	5,916	797,051	658,143	774,325	1,070,119
Vocational Instruction	12,799	21,451	77,079	22,852	10,023	13,852
Operation and Maintenance of Plant	9,742	4,707	0	0	0	0
Pupil Transportation	14,397	34,501	62,874	52,104	0	0
Operation of Non-Instructional Services	0	0	0	3,720	171,328	138,803
Extracurricular Activities	60,581	91,474	76,818	98,292	67,571	42,513
Food Service Operations	843,736	624,623	608,126	618,062	638,240	571,626
Operating Grants and Contributions	2,510,346	3,060,312	3,656,977	3,392,288	4,486,519	4,566,608
Capital Grants and Contributions	62,798	10,165	7,186	42,289	0	0
<i>Total Program Revenues</i>	<u>4,092,950</u>	<u>4,457,676</u>	<u>5,409,190</u>	<u>5,025,098</u>	<u>6,375,344</u>	<u>6,638,652</u>
Net Expense	<u>(28,864,947)</u>	<u>(25,887,732)</u>	<u>(28,416,585)</u>	<u>(33,509,724)</u>	<u>(33,359,365)</u>	<u>(35,920,704)</u>
General Revenues						
Property Taxes Levied for:						
General Purposes	13,924,725	9,365,671	15,703,224	14,072,031	14,522,328	16,333,218
Debt Service	547,147	464,834	598,769	316,951	229,179	282,882
Capital Outlay	326,337	166,778	204,128	155,057	135,385	156,089
Grants and Entitlements not Restricted to Specific Programs	14,957,255	14,505,903	15,486,963	17,734,028	18,638,034	19,428,413
Investment Earnings	87,110	24,003	53,631	140,342	260,023	426,925
Miscellaneous	108,026	267,952	318,334	207,271	699,189	528,765
<i>Total General Revenues</i>	<u>29,950,600</u>	<u>24,795,141</u>	<u>32,365,049</u>	<u>32,625,680</u>	<u>34,484,138</u>	<u>37,156,292</u>
<i>Change in Net Assets</i>	<u>\$1,085,653</u>	<u>(\$1,092,591)</u>	<u>\$3,948,464</u>	<u>(\$884,044)</u>	<u>\$1,124,773</u>	<u>\$1,235,588</u>

(1) During 2007, Charges for Services increased in Special Instruction due to an increase in the number of students from other school districts.

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

	1998	1999	2000	2001
General Fund				
Reserved	\$1,443,149	\$2,003,416	\$1,035,254	\$980,616
Unreserved (Deficit)	(1,893,697)	(1,450,588)	(1,326,374)	(1,208,156)
<i>Total General Fund (Deficit)</i>	<u>(450,548)</u>	<u>552,828</u>	<u>(291,120)</u>	<u>(227,540)</u>
All Other Governmental Funds				
Reserved	61,239	652,935	1,570,566	629,051
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	634,593	474,088	720,113	752,919
Debt Service Fund	270,540	109,561	0	0
Capital Projects Funds (Deficit)	(274,484)	238,063	(316,922)	(2,874,256)
<i>Total All Other Governmental Funds (Deficit)</i>	<u>691,888</u>	<u>1,474,647</u>	<u>1,973,757</u>	<u>(1,492,286)</u>
<i>Total Governmental Funds (Deficit)</i>	<u><u>\$241,340</u></u>	<u><u>\$2,027,475</u></u>	<u><u>\$1,682,637</u></u>	<u><u>(\$1,719,826)</u></u>



2002	2003	2004	2005	2006	2007
\$3,003,450	\$1,306,985	\$2,812,200	\$3,009,116	\$2,123,565	\$2,605,218
(1,920,594)	(2,331,276)	(1,920,693)	(795,992)	1,191,382	2,173,653
1,082,856	(1,024,291)	891,507	2,213,124	3,314,947	4,778,871
254,710	300,296	649,949	395,729	109,721	157,152
466,393	538,342	979,368	540,853	624,265	354,590
293,764	355,270	467,518	432,722	92,895	120,027
(2,858,151)	(2,872,281)	(2,976,835)	(3,030,500)	(3,025,105)	(3,005,708)
(1,843,284)	(1,678,373)	(880,000)	(1,661,196)	(2,198,224)	(2,373,939)
(\$760,428)	(\$2,702,664)	\$11,507	\$551,928	\$1,116,723	\$2,404,932

Maple Heights City School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	1998	1999	2000	2001	2002
Revenues					
Property Taxes	\$11,484,719	\$12,403,227	\$11,134,159	\$12,166,583	\$14,989,133
Intergovernmental	9,367,497	12,358,901	13,071,544	14,929,065	17,429,085
Interest	240,780	237,698	320,987	281,272	87,110
Charges for Services	15,700	9,869	8,684	6,705	852,992
Tuition and Fees	77,246	743,071	454,622	461,604	605,583
Extracurricular Activities	832	82,122	73,604	45,333	60,581
Rentals	2,009	1,202	0	0	650
Contributions and Donations	260	15,914	0	0	22,264
Miscellaneous	185,254	149,953	287,466	335,314	108,026
<i>Total Revenues</i>	<u>21,374,297</u>	<u>26,001,957</u>	<u>25,351,066</u>	<u>28,225,876</u>	<u>34,155,424</u>
Expenditures					
Current:					
Instruction:					
Regular	10,206,070	9,560,942	13,498,034	13,831,411	12,192,893
Special (1)	1,964,947	2,579,049	0	0	3,840,737
Vocational	1,452,870	1,337,582	1,424,984	1,659,695	1,621,801
Adult/Continuing	0	3,862	0	0	0
Support Services:					
Pupil	923,626	1,168,752	1,187,345	1,230,178	1,238,535
Instructional Staff	425,890	470,211	586,892	720,053	586,302
Board of Education (2)	34,321	32,498	0	0	44,568
Administration	1,970,699	2,389,861	2,608,661	3,024,594	3,162,439
Fiscal	755,231	575,643	964,646	1,192,528	899,153
Business (3)	459,783	531,546	0	0	536,262
Operation and Maintenance of Plant	2,588,457	2,720,897	3,878,260	3,458,426	4,136,679
Pupil Transportation	861,357	1,021,630	1,356,601	1,130,694	1,322,949
Central	8,172	19,597	11,321	10,115	15,448
Operation of Non-Instructional Services	0	325,613	267,334	274,943	257,290
Extracurricular Activities	438,692	619,756	604,685	611,780	651,515
Food Service Operations (4)	0	0	0	0	1,696,489
Capital Outlay	7,237	700,151	204,095	4,168,504	297,796
Debt Service:					
Principal Retirement	0	36,000	72,000	214,000	482,000
Interest and Fiscal Charges	64,320	129,316	84,138	100,712	213,170
Issuance Costs	0	0	0	0	0
<i>Total Expenditures</i>	<u>22,161,672</u>	<u>24,222,906</u>	<u>26,748,996</u>	<u>31,627,633</u>	<u>33,196,026</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(787,375)</u>	<u>1,779,051</u>	<u>(1,397,930)</u>	<u>(3,401,757)</u>	<u>959,398</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	0	3,092	1,521	0
General Obligation Bonds Issued	0	0	1,050,000	0	0
Notes Issued	0	7,084	0	0	0
Premium on Notes	0	0	0	0	0
Inception of Capital Lease	0	0	0	0	0
Transfers In	0	337,834	326,448	369,684	85,000
Transfers Out	(252,526)	(337,834)	(326,448)	(371,911)	(85,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(252,526)</u>	<u>7,084</u>	<u>1,053,092</u>	<u>(706)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(\$1,039,901)</u>	<u>\$1,786,135</u>	<u>(\$344,838)</u>	<u>(\$3,402,463)</u>	<u>\$959,398</u>
Debt Service as a Percentage of					
Noncapital Expenditures	0.3%	0.7%	0.6%	1.1%	2.1%

(1) During 1997, 2001 and 2002 Special Instruction expenditures were included in the Regular Instruction category.

(2) During 2001 and 2002 Board of Education expenditures were included in the Administration category.

(3) During 2001 and 2002 Business expenditures were included in the Fiscal category.

(4) Prior to 2002 Food Service Operations expenditures were not included in governmental funds.

2003	2004	2005	2006	2007
\$9,856,633	\$16,097,300	\$15,803,393	\$15,019,328	\$16,672,474
16,824,511	19,416,702	21,628,546	23,074,620	24,019,924
24,003	53,631	140,342	260,023	426,925
631,086	643,044	643,472	651,952	581,805
626,954	1,025,165	848,524	1,169,302	1,447,664
82,045	76,818	98,292	67,571	42,575
590	0	233	0	0
31,023	33,260	37,965	19,298	34,342
314,476	318,334	207,271	699,189	528,765
<u>28,391,321</u>	<u>37,664,254</u>	<u>39,408,038</u>	<u>40,961,283</u>	<u>43,754,474</u>
11,408,309	12,648,584	14,294,618	15,410,998	17,188,203
3,288,433	4,015,668	4,698,875	4,070,104	3,473,301
1,013,120	1,493,099	1,801,888	1,810,689	1,735,096
4,884	3,732	3,999	1,710	8,056
1,124,137	1,671,793	1,494,105	1,495,043	1,590,916
372,395	971,664	1,151,430	1,635,757	1,783,271
21,174	34,044	37,689	59,960	53,898
3,267,496	2,919,488	3,420,402	3,441,097	3,665,310
1,929,532	1,070,470	1,361,871	1,470,224	1,609,391
487,445	784,437	733,244	723,193	716,170
3,433,658	4,648,039	4,919,702	5,253,347	5,889,783
1,108,797	1,497,022	1,393,641	1,236,404	1,369,841
11,436	9,406	10,026	20,929	11,705
199,195	264,541	168,534	313,567	350,274
629,231	799,497	818,108	935,631	895,323
1,248,200	1,391,413	1,425,673	1,370,515	1,425,609
174,003	1,359,444	601,680	964,056	244,543
482,000	480,000	418,000	593,787	287,502
130,112	99,579	114,132	157,643	168,073
0	12,892	0	0	0
<u>30,333,557</u>	<u>36,174,812</u>	<u>38,867,617</u>	<u>40,964,654</u>	<u>42,466,265</u>
<u>(1,942,236)</u>	<u>1,489,442</u>	<u>540,421</u>	<u>(3,371)</u>	<u>1,288,209</u>
0	0	0	0	0
0	0	0	0	0
0	1,203,000	0	0	0
0	21,729	0	0	0
0	0	0	568,166	0
85,000	85,000	0	329,631	0
<u>(85,000)</u>	<u>(85,000)</u>	<u>0</u>	<u>(329,631)</u>	<u>0</u>
0	1,224,729	0	568,166	0
<u>(\$1,942,236)</u>	<u>\$2,714,171</u>	<u>\$540,421</u>	<u>\$564,795</u>	<u>\$1,288,209</u>
2.0%	1.7%	1.4%	1.9%	1.1%

Maple Heights City School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Estimated Actual Value	Tangible Personal Property	
	Assessed Value		Total		Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU			Assessed Value	Estimated Actual Value
1998	\$233,605,590	\$73,664,530	\$307,270,120	\$877,914,629	\$20,040,070	\$22,772,807
1999	233,285,480	75,626,350	308,911,830	882,605,229	19,612,920	22,287,409
2000	233,809,300	79,555,200	313,364,500	895,327,143	17,619,230	20,021,852
2001	265,418,150	85,308,370	350,726,520	1,002,075,771	17,619,890	20,022,602
2002	266,158,910	85,181,880	351,340,790	1,003,830,829	14,313,680	16,265,545
2003	266,553,340	83,600,710	350,154,050	1,000,440,143	14,477,060	16,451,205
2004	288,962,750	85,094,470	374,057,220	1,068,734,914	16,597,690	18,861,011
2005	289,061,640	83,612,660	372,674,300	1,064,783,714	15,810,410	17,966,375
2006	289,185,550	83,056,380	372,241,930	1,063,548,371	15,083,680	17,140,545
2007	326,116,210	87,151,760	413,267,970	1,180,765,629	14,052,290	15,968,511

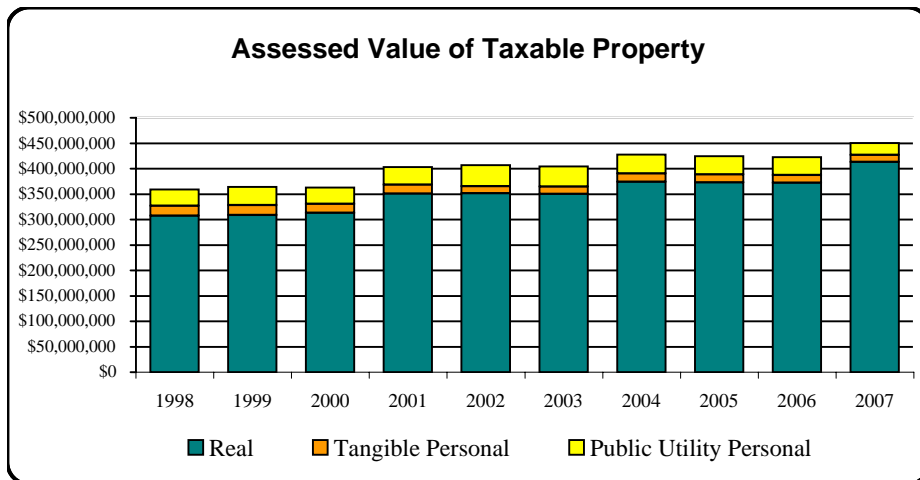
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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

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

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

Tangible Personal Property				
General Business		Total		Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$31,793,599	\$127,174,396	\$359,103,789	\$1,027,861,832	N/A
35,777,462	143,109,848	364,302,212	1,048,002,486	\$35.65934
31,911,123	127,644,492	362,894,853	1,042,993,487	35.77979
34,492,662	137,970,648	402,839,072	1,160,069,021	33.46819
41,282,871	165,131,484	406,937,341	1,185,227,858	33.86092
39,466,822	171,594,878	404,097,932	1,188,486,226	34.47110
37,096,385	161,288,630	427,751,295	1,248,884,555	41.82420
35,798,886	155,647,330	424,283,596	1,238,397,419	41.03953
35,259,452	188,050,411	422,585,062	1,268,739,327	40.83848
22,904,499	183,235,992	450,224,759	1,379,970,132	42.56435



Maple Heights City School District

Property Tax Rates

(per \$1,000 of assessed value)

Last Nine Years (1)

	1999	2000	2001
Unvoted Millage			
Operating	<u>\$5.3000</u>	<u>\$5.3000</u>	<u>\$5.3000</u>
Voted Millage - by levy			
1976 Operating - continuing			
Residential/Agricultural Real	7.9862	7.9724	7.2644
Commercial/Industrial and Public Utility Real	11.3866	11.1136	10.3704
General Business and Public Utility Personal	24.1000	24.1000	24.1000
1977 Operating - continuing			
Residential/Agricultural Real	4.4113	4.4037	3.9672
Commercial/Industrial and Public Utility Real	5.2717	5.1453	4.8012
General Business and Public Utility Personal	10.0000	10.0000	10.0000
1988 Operating - continuing			
Residential/Agricultural Real	3.9000	3.8933	3.4684
Commercial/Industrial and Public Utility Real	4.3224	4.2188	3.9367
General Business and Public Utility Personal	6.0000	6.0000	6.0000
1993 Permanent Improvement (2)			
Residential/Agricultural Real	1.2625	1.2603	1.1113
Commercial/Industrial and Public Utility Real	1.3164	1.2849	1.1990
General Business and Public Utility Personal	1.5000	1.5000	1.5000
1998 Five Year Emergency Operating (\$3,273,900) (3)	9.2000	9.2000	8.4000
1999 Bond Levy (\$870,000)	0.0000	0.5000	0.6000
2003 Five Year Emergency Operating (\$3,434,832)	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>
Total voted millage by type of property			
Residential/Agricultural Real	\$26.7600	\$27.2297	\$24.8113
Commercial/Industrial and Public Utility Real	31.4971	31.4626	29.3073
General Business and Public Utility Personal	<u>50.8000</u>	<u>51.3000</u>	<u>50.6000</u>

2002	2003	2004	2005	2006	2007
<u>\$5.3000</u>	<u>\$5.3000</u>	<u>\$5.3000</u>	<u>\$5.3000</u>	<u>\$5.3000</u>	<u>\$5.3000</u>
7.2667	7.2675	7.4448	7.4452	7.4477	7.6772
10.3704	10.6764	10.5091	10.7113	10.7786	10.3649
24.1000	24.1000	24.1000	24.1000	24.1000	24.1000
3.9685	3.9689	3.9326	3.9325	3.9338	3.8880
4.8012	4.9429	4.8654	4.9590	4.9902	4.7987
10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
3.4695	3.4699	3.3226	3.3223	3.3234	3.1348
3.9367	4.0528	3.9893	4.0660	4.0916	3.9345
6.0000	6.0000	6.0000	6.0000	6.0000	6.0000
1.1117	1.1118	1.0269	1.0267	1.0270	0.9111
1.1990	1.2343	1.2150	1.2384	1.2462	1.1983
1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
8.3000	8.8000	8.1000	8.1000	8.0000	7.8000
0.6000	0.8000	0.8000	0.0000	0.0000	0.0000
0.0000	0.0000	8.5000	8.5000	8.4000	8.2000
\$24.7164	\$25.4181	\$33.1269	\$32.3267	\$32.1319	\$31.6111
29.2073	30.5064	37.9788	37.5747	37.5066	36.2964
<u>50.5000</u>	<u>51.2000</u>	<u>59.0000</u>	<u>58.2000</u>	<u>58.0000</u>	<u>57.6000</u>

(continued)

Maple Heights City School District

Property Tax Rates (continued)

(per \$1,000 of assessed value)

Last Nine Years (1)

	1999	2000	2001
Overlapping Rates by Taxing District			
Cleveland Metro Parks			
Residential/Agricultural Real	\$1.4295	\$1.4267	\$1.2812
Commercial/Industrial and Public Utility Real	1.5083	1.5039	1.3247
General Business and Public Utility Personal	1.5500	1.5500	1.5500
Cleveland-Cuyahoga Port Authority			
Residential/Agricultural Real	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.0000
General Business and Public Utility Personal	0.0000	0.0000	0.0000
Cuyahoga Community College			
Residential/Agricultural Real	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.0000
General Business and Public Utility Personal	0.0000	0.0000	0.0000
City of Maple Heights			
Residential/Agricultural Real	15.0000	14.9948	14.1410
Commercial/Industrial and Public Utility Real	14.9926	14.9210	14.2256
General Business and Public Utility Personal	15.0000	15.0000	14.5000
Cuyahoga County Library			
Residential/Agricultural Real	1.1315	1.3975	1.2610
Commercial/Industrial and Public Utility Real	1.2675	1.3884	1.2006
General Business and Public Utility Personal	1.4000	1.4000	1.4000
Cuyahoga County			
Residential/Agricultural Real	11.4230	11.4114	11.3967
Commercial/Industrial and Public Utility Real	12.4065	12.3736	11.9298
General Business and Public Utility Personal	13.7500	13.7500	14.6500

(1) Information prior to 1999 is not available.

(2) This levy was renewed in 1998 and 2004.

(3) This levy was renewed in 2003.

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

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

Real property tax rates for voted levies are reduced so that inflationary increases in value do not generate additional revenue.

Source: Ohio Department of Taxation

2002	2003	2004	2005	2006	2007
\$1.2771	\$1.2758	\$1.1661	\$1.8457	\$1.8465	\$1.6715
1.3335	1.3447	1.3166	1.8397	1.8500	1.7187
1.5500	1.5500	1.5500	1.8500	1.8500	1.8500
0.0000	0.0000	0.1050	0.1049	0.1049	0.0946
0.0000	0.0000	0.1129	0.1122	0.1134	0.1053
0.0000	0.0000	0.1300	0.1300	0.1300	0.1300
0.0000	0.0000	2.3479	2.3443	2.3451	2.3915
0.0000	0.0000	2.5801	2.5656	2.5918	2.5722
0.0000	0.0000	2.8000	2.8000	2.8000	2.8000
14.1418	14.1420	15.1946	15.1938	15.1590	14.7776
14.2256	14.3060	15.4374	15.5000	15.5000	15.3464
14.5000	14.5000	15.5000	15.5000	15.5000	15.5000
1.2583	1.2565	1.1593	1.9931	1.9935	1.8093
1.1985	1.2050	1.1715	1.9892	2.0000	1.8764
1.4000	1.4000	1.4000	2.0000	2.0000	2.0000
11.3815	12.4609	10.9899	10.9754	11.7227	11.8655
12.0023	12.8764	12.0433	11.9846	12.5762	12.4941
14.6500	14.6500	13.5200	13.5200	13.5200	13.4200

Maple Heights City School District
Property Tax Levies and Collections (1)
Last Ten Years

<u>Collection Year (2)</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections (3)</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
1997	\$12,898,827	\$12,444,440	96.48%	\$437,725	\$12,882,165	99.87%
1998	13,408,633	12,949,137	96.57	516,527	13,465,664	100.43
1999	13,249,934	12,652,162	95.49	434,093	13,086,255	98.76
2000	13,451,336	12,818,328	95.29	592,639	13,410,967	99.70
2001	14,242,665	13,005,770	91.32	640,881	13,646,651	95.82
2002	13,932,743	12,783,764	91.75	893,000	13,676,764	98.16
2003	14,127,834	13,035,106	92.27	708,062	13,743,168	97.28
2004	18,225,370	16,996,100	93.26	1,133,934	18,130,034	99.48
2005	17,693,198	15,971,899	90.27	1,198,528	17,170,427	97.05
2006	16,630,961	14,914,434	89.68	1,076,589	15,991,023	96.15

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2007 information cannot be presented because all collections have not been made by June 30, 2007.
- (3) The County does not identify delinquent tax collections by tax year.

Maple Heights City School District

Principal Taxpayers

Real Estate Tax

2006 and 1998

Name of Taxpayer	2006 (1)	
	Assessed Value	Percent of Real Property Assessed Value
Southgate U.S.A.	\$10,189,340	2.74%
Liberty Investments Group	2,867,270	0.77
Rockside Commerce One, LLC	2,279,130	0.61
Rockside Distribution	1,802,605	0.48
Turney Dunham Association	1,726,095	0.47
JDS Maple Leaf Square, LLC	1,695,750	0.46
Commercial Net Lease Realty	1,567,020	0.42
MidAmco	1,305,745	0.35
LTD Liability Co.	1,265,670	0.34
Eastbank Realty Ltd.	1,171,275	0.31
Totals	<u>\$25,869,900</u>	<u>6.95%</u>
Total Assessed Valuation	<u>\$372,241,930</u>	

Name of Taxpayer	1998	
	Assessed Value	Percent of Real Property Assessed Value
SouthGate USA	\$10,668,710	3.47%
First National Supermarkets	5,665,910	1.84
Crickman Maple Trust	3,601,500	1.17
Q.R.S	2,171,470	0.72
Commercial Lease Realty	2,019,330	0.66
Seaway Food Service, Inc.	1,879,540	0.61
Turney Dunham Association	1,575,000	0.51
Rockside Distribution	1,514,800	0.49
PFZ, Incorporated	1,150,100	0.37
THEM of Ohio	1,106,000	0.36
Totals	<u>\$31,352,360</u>	<u>10.20%</u>
Total Assessed Valuation	<u>\$307,270,120</u>	

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

(1) Information for 2007 is not available.

Maple Heights City School District

Principal Taxpayers

Tangible Personal Property Tax

2006 and 1998

Name of Taxpayer	2006 (1)	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
C&S Wholesale Grocers Inc.	\$7,101,670	20.14%
Pennzoil Quaker State Co.	3,894,730	11.05
Liberty Ford Inc.	2,568,070	7.28
Sherwood Food Distributors	2,279,390	6.46
BCS Metal Prep LLC	1,206,100	3.42
Schloss Paving Co.	743,080	2.11
Box One Corp.	693,870	1.97
Chas Svec Inc.	603,640	1.71
Riser Foods Company	585,920	1.66
Republic Engineered Inc.	540,560	1.54
Total	\$20,217,030	57.34%
Total Assessed Valuation	\$35,259,452	

Name of Taxpayer	1998	
	Assessed Value	Percent of Tangible Personal Property Assessed Value
First National Supermarkets	\$7,919,990	24.91%
Edgecomb Metals	4,441,350	13.97
Riser Foods	1,916,660	6.03
Sherwood Food Distributors	1,796,410	5.65
Telerama, Incorporated	1,011,190	3.18
Metal Processing Corporation	773,260	2.43
Agmet Metals, Incorporated	670,470	2.11
HBD Industries	611,240	1.92
R.L. Lipton Distributing Corporation	496,790	1.56
K Mart Corporation	483,630	1.53
Total	\$20,120,990	63.29%
Total Assessed Valuation	\$31,793,599	

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

Maple Heights City School District

Principal Taxpayers

Public Utilities Tax

2006 and 1998

Name of Taxpayer	2006 (1)	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Bell Telephone Company	\$5,959,700	39.50%
Cleveland Electric Illuminating	4,877,600	32.34
Norfolk Southern	1,850,680	12.27
East Ohio Gas	1,101,140	7.30
American Transmission System	605,680	4.02
Total	\$14,394,800	95.43%
Total Assessed Valuation	\$15,083,680	

Name of Taxpayer	1998	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Bell Telephone Company	\$7,997,460	39.91%
Cleveland Electric Illuminating	7,247,860	36.17
East Ohio Gas	3,406,060	17.00
Consolidated Rail Corporation	447,730	2.23
GTE Mobilnet	301,260	1.50
Ohio Tel & Tel Company	109,210	0.54
Northern Ohio Cellular	91,720	0.46
Total	\$19,601,300	97.81%
Total Assessed Valuation	\$20,040,070	

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

(1) Information for 2007 is not available.

Maple Heights City School District
*Ratio of General Bonded Debt to Estimated Actual
Value, Ratio of General Debt to Personal Income and Debt per Capita
Last Ten Fiscal Years*

Fiscal Year	General Bonded Debt			General	
	General Bonded Debt Outstanding	Ratio of General Bonded Debt to Estimated Actual Value (1)	General Bonded Debt per Capita (2)	Notes	Capital Leases
1998	\$176,000	0.0171%	\$6.50	\$2,392,000	\$0
1999	140,000	0.0134	5.17	1,993,000	0
2000	1,118,000	0.1072	41.27	1,724,000	0
2001	904,000	0.0779	34.56	989,000	0
2002	657,000	0.0554	25.12	4,192,000	0
2003	420,000	0.0353	16.06	3,898,000	0
2004	195,000	0.0156	7.46	4,797,000	0
2005	0	0.0000	0.00	4,495,000	0
2006	0	0.0000	0.00	4,216,000	204,379
2007	0	0.0000	0.00	3,763,000	156,877

(1) The Estimated Actual Value can be found on S9

(2) The population can be found on S24

(3) The personal income can be found on S24

Debt

Total Debt	Ratio of General Debt to Personal Income (3)	General Debt Per Capita (2)
\$2,568,000	0.7411%	\$94.80
2,133,000	0.6155	78.74
2,842,000	0.5618	104.91
1,893,000	0.3875	72.37
4,849,000	0.9927	185.39
4,318,000	0.8839	165.09
4,992,000	1.0219	190.85
4,495,000	0.9202	171.85
4,420,379	0.9049	169.00
3,919,877	0.8024	149.87

Maple Heights City School District
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities*
June 30, 2007

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
Maple Heights City School District			
Capital Leases	\$156,877	100.00%	\$156,877
Notes	<u>3,763,000</u>	100.00	<u>3,763,000</u>
Total Direct Debt	<u>3,919,877</u>		<u>3,919,877</u>
Overlapping Debt:			
Payable from Property Taxes			
Cuyahoga County Bonds	208,194,000	1.36	2,831,438
Regional Transit Authority Bonds	156,500,000	1.36	2,128,400
Maple Heights City Bonds	7,894,330	100.00	7,894,330
Payable from Other Sources:			
Cuyahoga County Capital Leases	29,485,000	1.36	400,996
Cuyahoga County Loans	7,574,000	1.36	103,006
Cuyahoga County Revenue Bonds	106,016,000	1.36	1,441,818
Regional Transit Authority Loan	4,580,196	1.36	62,291
Maple Heights City Capital Leases	111,294	100.00	111,294
Maple Heights City Loans	<u>3,075,819</u>	100.00	<u>3,075,819</u>
Total Overlapping Debt	<u>523,430,639</u>		<u>18,049,392</u>
Total Direct and Overlapping Debt	<u>\$527,350,516</u>		<u>\$21,969,269</u>

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government. The valuations used were for the 2007 collection year.

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Maple Heights City School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

	1998	1999	2000	2001
Assessed Valuation (1)	<u>\$359,103,789</u>	<u>\$364,302,212</u>	<u>\$362,894,853</u>	<u>\$402,839,072</u>
Debt Limit - 9% of Assessed Value (2)	<u>\$32,319,341</u>	<u>\$32,787,199</u>	<u>\$32,660,537</u>	<u>\$36,255,516</u>
Amount of Debt Applicable to Debt Limit				
General Obligation Bonds	176,000	140,000	1,118,000	904,000
School Improvement Notes	0	0	0	0
Less Amount Available in Debt Service	<u>(270,540)</u>	<u>(109,561)</u>	<u>(195,065)</u>	<u>(238,294)</u>
Amount of Debt Subject to Limit	<u>(94,540)</u>	<u>30,439</u>	<u>922,935</u>	<u>665,706</u>
Legal Debt Margin	<u>\$32,413,881</u>	<u>\$32,756,760</u>	<u>\$31,737,602</u>	<u>\$35,589,810</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.29%	99.91%	97.17%	98.16%
Unvoted Debt Limit - .10% of Assessed Value (2)	\$359,104	\$364,302	\$362,895	\$402,839
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$359,104</u>	<u>\$364,302</u>	<u>\$362,895</u>	<u>\$402,839</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Sample County Auditor and School District Financial Records

- (1) HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude general business tangible personal property as well as railroad and telephone tangible property.
- (2) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

2002	2003	2004	2005	2006	2007
<u>\$406,937,341</u>	<u>\$404,097,932</u>	<u>\$427,751,295</u>	<u>\$424,283,596</u>	<u>\$413,869,792</u>	<u>\$419,945,480</u>
<u>\$36,624,361</u>	<u>\$36,368,814</u>	<u>\$38,497,617</u>	<u>\$38,185,524</u>	<u>\$37,248,281</u>	<u>\$37,795,093</u>
560,000	380,000	195,000	0	0	0
0	0	1,203,000	980,000	750,000	510,000
<u>(352,601)</u>	<u>(382,199)</u>	<u>(524,010)</u>	<u>(432,722)</u>	<u>(92,895)</u>	<u>(120,027)</u>
<u>207,399</u>	<u>(2,199)</u>	<u>873,990</u>	<u>547,278</u>	<u>657,105</u>	<u>389,973</u>
<u>\$36,416,962</u>	<u>\$36,371,013</u>	<u>\$37,623,627</u>	<u>\$37,638,246</u>	<u>\$36,591,176</u>	<u>\$37,405,120</u>
99.43%	100.01%	97.73%	98.57%	98.24%	98.97%
\$406,937	\$404,098	\$427,751	\$424,284	\$413,870	\$419,945
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$406,937</u>	<u>\$404,098</u>	<u>\$427,751</u>	<u>\$424,284</u>	<u>\$413,870</u>	<u>\$419,945</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Maple Heights City School District

Demographic and Economic Statistics

Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (1)</u>	<u>Unemployment Rate (2)</u>
1998	27,089	\$346,522,488	\$12,792	4.4%
1999	27,089	346,522,488	12,792	4.6
2000	27,089	505,914,164	18,676	4.5
2001	26,156	488,489,456	18,676	4.5
2002	26,156	488,489,456	18,676	4.6
2003	26,156	488,489,456	18,676	6.7
2004	26,156	488,489,456	18,676	6.6
2005	26,156	488,489,456	18,676	6.4
2006	26,156	488,489,456	18,676	5.6
2007	26,156	488,489,456	18,676	6.3

Sources: 1) U.S. Census Bureau
2) Ohio Department of Job and Family Services
Represents Cuyahoga County

Maple Heights City School District
Principal Employers
December 31, 2006 and December 31, 2005 (1)

December 31, 2006

Employer	Nature of Business	Number of Employees
Maple Heights City School District	Education	548
City of Maple Heights	Government	257
C&S Wholesale	Grocery Wholesale	167
Sherwood Food Distributors	Distribution	165
Home Depot	Retail	82
Cuyahoga County Auditor	Government	78
Beverage Management	Distribution	59
American Professional Employment	Employment Services	42
Maple Care	Health Care	31
Absolute Home Improvement	Home Improvement	27
Total		<u>1,456</u>
Total Employment within the School District		<u>n/a</u>

December 31, 2005

Employer	Nature of Business	Number of Employees
Maple Heights City School District	Education	575
City of Maple Heights	Government	273
C&S Wholesale	Grocery Wholesale	178
Sherwood Food Distributors	Distribution	167
Home Depot	Retail	97
Cuyahoga County Auditor	Government	78
Beverage Management	Distribution	57
American Professional Employment	Employment Services	42
Absolute Home Improvement	Home Improvement	34
Maple Care	Health Care	29
Total		<u>1,530</u>
Total Employment within the School District		<u>n/a</u>

Source: Regional Income Tax Agency

(1) Information prior to 2005 is not available.

Maple Heights City School District

Building Statistics

Last Two Fiscal Years (1)

	2006	2007
Rockside Elementary School		
Constructed in 1957		
Total Building Square Footage	30,000	30,000
Enrollment Grades 2-3	459	483
Student Capacity	480	480
Stafford Elementary School		
Constructed in 1930		
Total Building Square Footage	35,000	35,000
Enrollment Grades 4-5	562	508
Student Capacity	600	600
Raymond Elementary School		
Constructed in 1954		
Total Building Square Footage	40,000	40,000
Enrollment Grades Pre K-1	448	514
Student Capacity	480	480
Dunham Elementary School		
Constructed in 1952		
Total Building Square Footage	30,000	30,000
Enrollment Grade 6	404	300
Student Capacity	540	540
Milkovich Middle School		
Constructed in 1956		
Total Building Square Footage	82,000	82,000
Enrollment Grades 7-8	732	684
Student Capacity	660	660
Maple Heights High School		
Constructed in 1920		
Total Building Square Footage	201,000	201,000
Enrollment Grades 9-12	1,368	1,296
Student Capacity	1,780	1,780

(1) Information prior to 2006 was not available.

Maple Heights City School District
School District Employees by Function/Program
Last Two Fiscal Years (1)

Function/Program	2006	2007
Regular Instruction		
Elementary Classroom Teachers	78	78
Middle School Classroom Teachers	36	36
High School Classroom Teachers	41	52
Art, Music and Physical Education Teachers	27	22
Special Instruction		
Elementary Classroom Teachers	13	15
Middle School Classroom Teachers	9	7
High School Classroom Teachers	12	10
Vocational Instruction		
High School Classroom Teachers	17	14
Pupil Support Services		
Guidance Counselors	7	7
Librarians	2	2
Psychologists	4	4
Speech and Language Pathologists	3	3
Administrators		
Elementary	6	6
Middle School	3	3
High School	4	4
Administration	20	19
Operation of Plant		
Custodians	16	16
Maintenance	11	10
Pupil Transportation		
Bus Drivers	23	21
Bus Aides	17	18
Food Service Program		
Elementary Cooks	16	16
Middle School and High School Cooks	14	14

Method: Using 1.0 for each full-time employee and 0.5 for each part-time employee at fiscal year end.

(1) Information prior to 2006 is not available.

Maple Heights City School District

Per Pupil Cost

Last Ten Fiscal Years

Fiscal Year	Student Enrollment		General Governmental		Governmental Activities	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost	Total Expenses (2)	Per Pupil Cost
1998	3,891	0.59 %	\$22,097,352	\$5,679	N/A	N/A
1999	3,842	(1.26)	24,057,590	6,262	N/A	N/A
2000	3,860	0.47	26,592,858	6,889	N/A	N/A
2001	3,955	2.46	31,312,921	7,917	N/A	N/A
2002	3,815	(3.54)	32,500,856	8,519	\$32,957,897	\$8,639
2003	3,773	(1.10)	29,721,445	7,877	30,345,408	8,043
2004	3,721	(1.38)	35,582,341	9,563	33,825,775	9,091
2005	3,808	2.34	38,335,485	10,067	38,534,822	10,119
2006	3,973	4.33	40,213,224	10,122	39,734,709	10,001
2007	3,785	(4.73)	42,010,690	11,099	42,393,935	11,201

(1) Debt Service totals have been excluded.

(2) The School District implemented GASB-34 in fiscal year 2002.

Maple Heights City School District
Students in Free or Reduced Price Lunch Program
 6/30/2007 (1)

School	Students Receiving Free Lunch	Percentage of Students Receiving Free Lunch	Students Receiving Reduced Lunch	Percentage of Students Receiving Reduced Lunch
Dunham Elementary	195	65.00 %	31	10.33 %
Raymond Elementary	289	56.23	61	11.87
Rockside Elementary	288	59.63	55	11.39
Stafford Elementary	296	58.27	48	9.45
Milkovich Middle	349	51.02	63	9.21
Maple Heights High	450	34.72	64	4.94

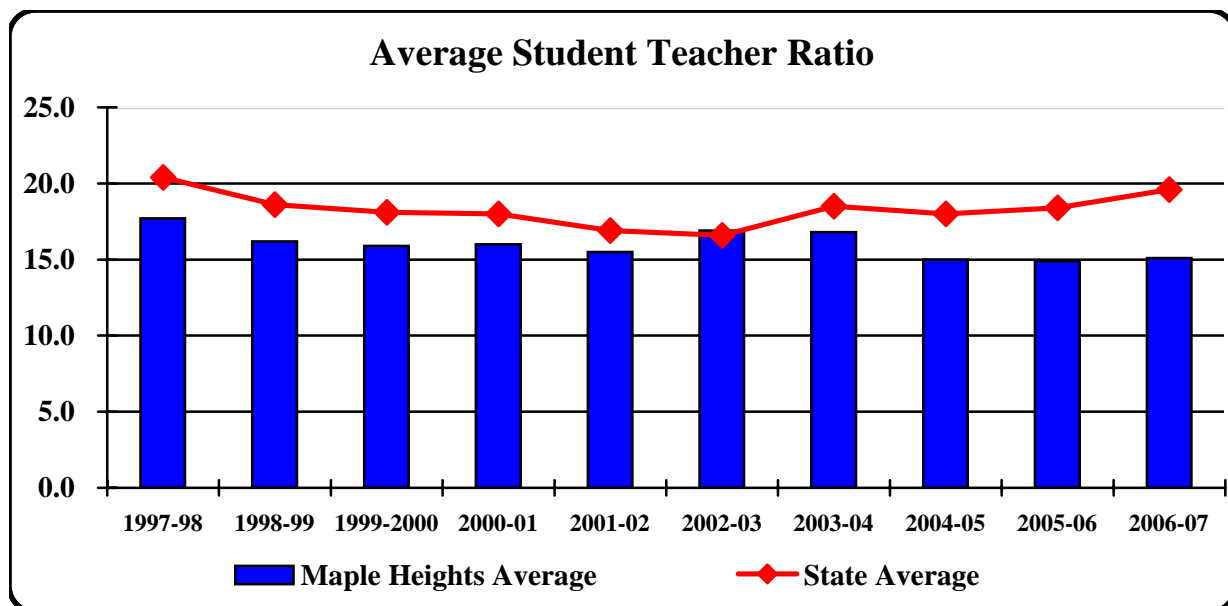
Source: Maple Heights School District Records

(1) Information prior to 2007 is not available.

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

School Year	Maple Heights Average	State Average
1997 - 1998	17.7	20.4
1998 - 1999	16.2	18.6
1999 - 2000	15.9	18.1
2000 - 2001	16.0	18.0
2001 - 2002	15.5	16.9
2002 - 2003	16.9	16.6
2003 - 2004	16.8	18.5
2004 - 2005	15.0	18.0
2005 - 2006	14.9	18.4
2006 - 2007	15.1	19.6

Source: Ohio Department of Education, EMIS Reports



Maple Heights City School District

Teacher Education and Experience

June 30, 2007

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	49	19.52 %
Bachelor + 9	20	7.97
Bachelor + 18	50	19.92
Master's Degree	61	24.30
Master's + 9	20	7.97
Master's + 18	14	5.58
Master's + 30	15	5.98
Master's + 60	<u>22</u>	<u>8.76</u>
Total	<u><u>251</u></u>	<u><u>100.00 %</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	79	31.47 %
6 - 10	76	30.28
11 and Over	<u>96</u>	<u>38.25</u>
	<u><u>251</u></u>	<u><u>100.00 %</u></u>

Source: Maple Heights School District Personnel Records

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Mary Taylor, CPA
Auditor of State

MAPLE HEIGHTS CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 10, 2008**