



Dave Yost • Auditor of State



**BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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# Dave Yost • Auditor of State

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

Brecksville-Broadview Heights City School District  
Cuyahoga County  
6638 Mill Road  
Brecksville, Ohio 44141

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 Brecksville-Broadview Heights City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 31, 2013. 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 the purpose of expressing our opinion on the financial statements, but not for the purpose of opining 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

### **Compliance and Other Matters**

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

We did note a certain matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated January 31, 2013.

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" and "O".

**Dave Yost**  
Auditor of State

January 31, 2013



# Dave Yost • Auditor of State

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

Brecksville-Broadview Heights City School District  
Cuyahoga County  
6638 Mill Road  
Brecksville, Ohio 44141

To the Board of Education:

### Compliance

We have audited the compliance of Brecksville-Broadview 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 could directly and materially affect each of the Brecksville-Broadview Heights City School District's major federal programs for the year ended June 30, 2012. 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 opine on the District's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the 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 these 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 these requirements.

In our opinion, the Brecksville-Broadview Heights City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2012.

### Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

101 Central Plaza South, 700 Chase Tower, Canton, Ohio 44702-1509  
Phone: 330-438-0617 or 800-443-9272 Fax: 330-471-0001

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A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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 over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

We have also audited the financial statements of governmental activities, each major fund, and the aggregate remaining fund information of Brecksville-Broadview Heights City School District, Cuyahoga County, Ohio (the District) as of and for the year ended June 30, 2012, and have issued our report thereon dated January 31, 2013. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying Federal Awards Receipts and Expenditures Schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The Schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This Schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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, others within the entity, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Dave Yost**  
Auditor of State

January 31, 2013

**BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2012**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i>	Federal CFDA Number	Pass Through Entity Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
Program Title						
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education</i>						
Child Nutrition Cluster:						
School Breakfast Program	10.553	100833-3L70-2012	\$ 6,859	\$ -	\$ 6,859	\$ -
National School Lunch Program	10.555	100833-3L60-2012	239,027	59,684	239,027	59,684
Total			<u>245,886</u>	<u>59,684</u>	<u>245,886</u>	<u>59,684</u>
<b>Total U.S. Department of Agriculture/Nutrition Cluster</b>			<u>245,886</u>	<u>59,684</u>	<u>245,886</u>	<u>59,684</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Direct</i>						
Safe and Drug-Free Schools and Communities National Programs	84.184	N/A	68,807	-	142,264	-
<i>Passed Through Ohio Department of Education</i>						
Special Education Cluster:						
Special Education Grants to State (IDEA Part B)	84.027	100833-3M20-2011	133,782	-	135,936	-
Special Education Grants to State (IDEA Part B)	84.027	100833-3M20-2012	713,690	-	627,358	-
ARRA-Special Education Grants to State (IDEA Part B)	84.391	100833-3DJ0-2011	-	-	28,665	-
Total Special Education Grants to State (IDEA Part B)			<u>847,472</u>	<u>-</u>	<u>791,959</u>	<u>-</u>
Special Education Preschool Grants (IDEA Part B)	84.173	100833-3C50-2012	20,695	-	20,695	-
Total Special Education Cluster			<u>868,167</u>	<u>-</u>	<u>812,654</u>	<u>-</u>
Title I Grants to Local Educational Agencies	84.010	100833-3M00-2011	-	-	1,727	-
Title I Grants to Local Educational Agencies	84.010	100833-3M00-2012	236,186	-	234,042	-
Improving Teacher Quality State Grants (Title IIA)	84.367	10833-3Y60-2012	62,180	-	61,391	-
Education Jobs Fund	84.410	10833-3ET0-2012	274,424	-	274,424	-
English Language Acquisition Grants (Title III)	84.365	100833-3Y70-2011	-	-	218	-
English Language Acquisition Grants (Title III)	84.365	100833-3Y70-2012	12,273	-	12,273	-
Safe and Drug Free Schools and Communities State Grants (Title IV)	84.186	100833-3D10-2012	10,000	-	10,000	-
<i>Passed Through Ohio Department of Education</i>			<u>1,463,230</u>	<u>-</u>	<u>1,406,729</u>	<u>-</u>
<b>Total U.S. Department of Education</b>			<u>1,532,037</u>	<u>-</u>	<u>1,548,993</u>	<u>-</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
<i>Direct</i>						
Drug-Free Communities Support Program Grants	93.276	N/A	122,182	-	155,137	-
Drug-Free Communities Support Program Grants	93.276	N/A	64,112	-	50,400	-
<b>Total U.S. Department of Health and Human Services</b>			<u>186,294</u>	<u>-</u>	<u>205,537</u>	<u>-</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>						
<i>Direct</i>						
Community Oriented Policing Services - Secure our Schools	16.710	N/A	27,268	-	-	-
<b>Total Federal Financial Assistance</b>			<u>\$ 1,991,485</u>	<u>\$ 59,684</u>	<u>\$ 2,000,416</u>	<u>\$ 59,684</u>

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

**BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2012**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Receipts and Expenditures Schedule (the Schedule) reports the Brecksville-Broadview Heights City School District's (the District's) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

**NOTE C – FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective programs that benefitted from the use of those donated food commodities.

**NOTE D – TRANSFERS BETWEEN PROGRAM YEARS**

The District generally must spend Federal assistance within 15 months of receipt (funds must be obligated by June 30<sup>th</sup> and spent by September 30<sup>th</sup>). However, with Ohio Department of Education's ("ODE") approval, a district can transfer unspent Federal assistance to the succeeding year, thus allowing the district to have a total of 27 months to spend the assistance. During fiscal year 2012, the ODE authorized the following transfers:

<b>CFDA Number</b>	<b>Program Title</b>	<b>Grant Year</b>	<b>Transfer Out</b>	<b>Transfer In</b>
84.010	Title I Grants to Local Education Agencies	2012	\$4,741	
84.010	Title I Grants to Local Education Agencies	2013		\$4,741
84.367	Improving Teacher Quality State Grants, Title II-A	2012	\$3,613	
84.367	Improving Teacher Quality State Grants, Title II-A	2013		\$3,613
84.318	Educational Technology State Grants, Title II-D	2012	\$1,694	
84.318	Educational Technology State Grants, Title II-D	2013		\$1,694
84.365	English Language Acquisition Grants (Title III)	2012	\$7,712	
84.365	English Language Acquisition Grants (Title III)	2013		\$7,712
84.027	Special Education Grants to States, IDEA-B	2012	\$87,015	
84.027	Special Education Grants to States, IDEA-B	2013		\$87,015

**BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2012**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Education Jobs Fund – 84.410 Special Education Cluster: Special Education Grants to States – 84.027 Special Education Grants to States (ARRA) – 84.391 Special Education Preschool Grants – 84.173
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

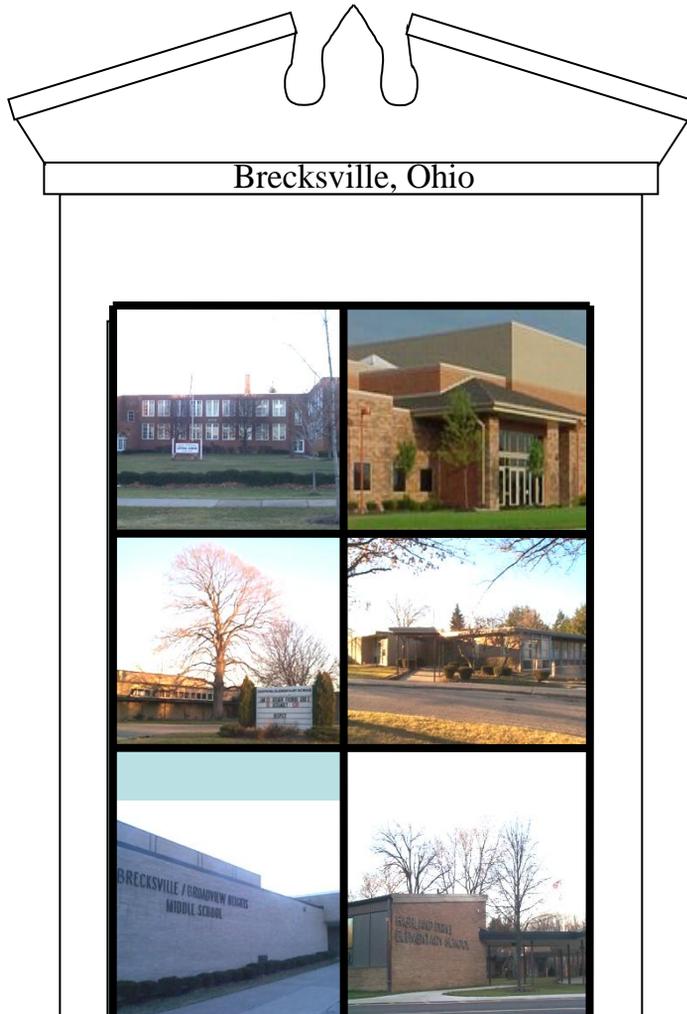
NONE

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

NONE

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*Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2012*



**Brecksville- Broadview  
Heights School District**

*“where fine education is a heritage”*

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Brecksville-Broadview Heights  
City School District

Brecksville, Ohio

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Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2012



Prepared by:

Richard Berdine, Treasurer/CFO



# **Introductory Section**

**Brecksville-Broadview Heights City School District**

*Comprehensive Annual Financial Report*

*For the Fiscal Year Ended June 30, 2012*

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Brecksville-Broadview Heights City School District

6638 Mill Road • Brecksville, Ohio 44141 • (440) 740-4000

*“where fine education is a heritage”*

January 31, 2013

Board of Education Members and  
Residents of Brecksville-Broadview Heights City School District:

It is our privilege to present to you the Comprehensive Annual Financial Report (CAFR) of the Brecksville-Broadview Heights City School District (the “School District”) for the fiscal year ended June 30, 2012. This CAFR 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 school districts reporting on a GAAP basis to file an annual unaudited report with the Auditor of State within 150 days of the fiscal year end.

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

Under Ohio law, regular audits are required to be performed on all financial related operations of the School District. These audits may be done by either the State Auditor’s Office or, if the State Auditor permits, an independent public accounting firm. For fiscal year 2012, the School District was audited by the Auditor of State’s Office. Their unqualified opinion is included in the financial section of this CAFR.

Management’s discussion and analysis (MD&A) immediately follows the Independent Accountants’ 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.

### **School District Organization**

Brecksville-Broadview Heights City School District is one of 613 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District provides education to 4,316 students in preschool through twelfth grade. Geographically, the School District encompasses the entire City of Brecksville, all but the southwestern portion of the City of Broadview Heights and a small section of the City of North Royalton. The School District’s total area is approximately 27 square miles.

The growing suburban communities of Brecksville and Broadview Heights are located 15 miles south of downtown Cleveland and 18 miles north of Akron.

The students enrolled in the Brecksville-Broadview Heights City School District attend classes in the following buildings:

- Brecksville-Broadview Heights High School built in 1997 consists of students in grades 9 through 12
- Brecksville-Broadview Heights Middle School built in 1960, with additions in 1965, 1971 and 1986, consists of students in grades 6 through 8 and preschool
- Central School built in 1915, with additions in 1929, 1950, 1964 and 1981, consists of students in grades 4 and 5
- Chippewa Elementary School built in 1962 consists of students in kindergarten through third grade
- Highland Drive Elementary School built in 1953, with an addition in 1957, consists of students in kindergarten through third grade
- Hilton Elementary School built in 1967 consists of students in kindergarten through third grade

All second and third grade students who participate in the gifted program attend classes at Highland Drive Elementary School. Services are provided in all buildings to meet the needs of the special education students. Vocational students attend the Cuyahoga Valley Career Center, which is located in Brecksville, and operates as a separate entity from the School District.

An elected five-member Board of Education (the “Board”) serves as the taxing authority and policy maker for the School District. The Board adopts an annual tax budget and an annual appropriation resolution which serves as the basis for control over and authorization for all expenditures of School District tax money. The Board directly approves all personnel-related expenditures.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. Mr. Scot T. Prebles served as Superintendent beginning August 1, 2010.

The Treasurer/CFO is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the School District, acting as custodian of all School District funds and investing idle funds as permitted by Ohio law. Richard A. Berdine was hired as Treasurer/CFO effective August 1, 2012, replacing Karen Obratil, who served in this capacity for 11 years.

### **Reporting Entity**

The School District has reviewed its operating entity definition in order to ensure 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 Brecksville-Broadview Heights City School District (the primary government) and its potential component units. The School District is not a component unit and has no component units.

The City of Brecksville, City of Broadview Heights, Cuyahoga County Public Library, Parent School Organization and the Brecksville-Broadview Heights Schools Foundation have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are the organizations fiscally dependent on the School District.

North Coast Council, the Cuyahoga Valley Career Center, the Ohio Schools’ Council and the Suburban Health Consortium are reported as jointly governed organizations and a risk sharing pool. The School District participates in the Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan, an insurance purchasing pool.

Statutorily, the School District operates under the standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services prescribed by State and Federal agencies.

## **Economic Condition and Outlook**

The School District is located in a residential area with limited industrial and commercial facilities. All new construction is closely monitored. Due to the current economic climate, residential development planning has diminished within the School District. During the past ten years the School District's enrollment has fluctuated; however, over the past five years the School District's enrollment has steadily declined. This trend is currently being studied by the School District.

The School District, along with many other public school systems in the State, still faces some difficult economic situations in the future since the primary funding source is property tax revenue. Ohio law limits growth in real estate tax revenues by adjusting voted millage as assessed values change. This keeps revenues from each levy relatively constant. Cuyahoga County experienced a triennial update of real property in 2012. The School District's administration closely monitors the cost of operations and continues to look for cost savings opportunities and new funding sources in order to maintain the quality educational services that the School District has been accustomed to providing.

Public utility deregulation went into effect in January 2002 and caused a \$13,000,000 decrease in public utility property valuations resulting in a tax revenue loss in excess of \$1,000,000 for the School District. In response to the deregulation legislation, legislatures enacted a "hold harmless" clause for school districts for a period of five years.

State funding, specifically funding for general operations, remains unclear for future years. In March 1997, the Ohio Supreme Court ruled the present system of funding Ohio schools to be unconstitutional. The State legislature was directed to adequately fund schools without reducing funds to tax dependent schools such as Brecksville-Broadview Heights City Schools. Since the primary local source of funding Ohio schools is the property tax, the foundation formula was originally intended to compensate for the large differences in property values found throughout the State by allocating State funds based on property valuation per pupil.

Beginning in fiscal year 2010, the State General Assembly adopted a new funding method called the Ohio Evidence-Based Model (OEBM). The Ohio Evidence-Based Model was established in Chapter 3306 of the Ohio Revised Code and links educational research on academic achievement and successful outcomes with funding components to achieve results. It incorporates real financial data and socioeconomic factors to fund resources and implement proven school programs according to the student need to achieve educational adequacy. The adequacy amount is the sum of service support components for instruction, administrative, operations and maintenance, gifted and enrichment, professional development and an instructional materials factor. These factors are multiplied against the Ohio education challenge factor (a district's wealth factor) and the State-wide base salary for given positions and the number of positions funded. Other factors included in the calculation are student/teacher ratios, organizational units, and average daily membership (ADM). The adequacy amount is offset by the school district share of the adequacy amount (the charge off amount), which is equal to 22 mills for fiscal year 2011.

Beginning in fiscal year 2012, the administration of Governor John Kasich has proposed to move away from the Ohio Evidence Based Model to a new funding method. However, since a new funding mechanism is not formulated as of yet, the administration has decided to fund school districts in fiscal year 2012 and 2013 based on a transitional approach until a new formula is devised. This transitional approach is referred to as the Bridge formula.

In fiscal year 2011, approximately eight percent of the adequacy funding was provided from a State Fiscal Stabilization grant received by the State of Ohio under the American Recovery and Reinvestment Act. This funding was not available from the State in fiscal year 2012.

The School District is a member of the Alliance for High Quality Education, an organization of school districts working for a funding solution that takes a “hold harmless” approach. The Alliance advocates a solution that will provide for needy schools, avoid the “Robin Hood” effect of taking from wealthy districts to provide for the poorer ones and address the negative effects of House Bill 920 (H.B. 920). H.B. 920, passed by the Ohio legislature in 1976, prohibits the inflationary growth of revenue generated by most voted tax issues. When the worth of taxable property in the School District changes, the tax rates are adjusted so income, or voted dollars, will remain about the same.

House Bill No. 66 (H.B. 66), the State’s biennial budget for fiscal years 2006 and 2007, was enacted in June 2005. This legislation adopted sweeping changes in the State’s tax structure. The most significant provision impacting the School District was the elimination of the tangible personal property tax on business.

The phase-out for the tangible personal property tax began with the 2006 tax collection year, in which approximately 75 percent of the traditional was payable, followed by 50 percent and 25 percent in tax collection years 2007 and 2008, respectively, with no tax due in tax collection year 2009.

Because of the decrease in personal property tax collections due to the impact of the tax phase-out and tax reimbursement phase-in, it is vital for the School District’s Board and management team to continue to carefully and prudently plan to provide the educational resources required to meet the future needs of its students.

The School District attributes much of its past educational success to the community’s demand for, and support of, both a traditional and quality school system. Regardless of the improvements made to Ohio’s method of funding public education, our School District always will remain accountable to the residents and taxpayers who make the School District their school system of choice.

### **Educational Programs**

During the 2012 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. The School District offers seventeen advanced placement and eighteen Honors courses at the high school. Test scores indicate students are achieving higher than State and national averages.

The all-day kindergarten program that was implemented for the 2008-09 school year in Highland Drive Elementary School has been expanded to Hilton Elementary and Chippewa Elementary with parents paying tuition for the extended half-day of kindergarten.

A full range of extracurricular programs and activities are available to students beginning in the elementary grades. A complete competitive athletics program is offered beginning in the seventh grade at the middle school.

The Cuyahoga Valley Career Center (Career Center) provides comprehensive career-based and special needs job training to students.

All teachers and students have access to the Internet through North Coast Council (NCC), the School District’s data acquisition site.

Achievement/Proficiency Intervention was offered to students in grades 3 through 12. A summer reading intervention academy was offered to students in grades 3 through 6.

More than 92 percent of the School District's high school graduates indicate they intend to continue their education at the University and College level, 75 percent at four-year colleges and 17 percent at two-year colleges. The remaining 8 percent chose the military or an alternative plan. The School District offers approximately 191 courses at the high school level and 30 course offerings are available at the Career Center. Students have been recognized as Commended Students, Semifinalists or Finalists in the National Merit Scholarship Program for the past 48 consecutive years.

## **Community**

The School District has developed cooperative working relationships with the businesses and churches in the community through the Partnership in a Healthy Community program and participation in the Business Advisory Council.

As part of the School District's strategic plan, the Financial Activities Communications Team (FACT) was formed consisting of residents with financial background. FACT meets monthly with the School District Treasurer/CFO to review the financial activities of the School District. Annually, FACT presents a report to the Board of Education providing input on issues that they reviewed. FACT has been operating since 2002 and has been focusing on the financial activities. In 2007, FACT decided to develop a communications strategy and created the Bee Line, a monthly informational ad that appears in the Brecksville Magazine and BroadView Journal. Bee Line highlights various aspects of the School District's financial operations and provides the information in an easy to understand format. These magazines are distributed to all of the households in Brecksville and Broadview Heights. In addition, these advertorials are published on the School District's web-site, [www.bbhcsd.org](http://www.bbhcsd.org).

The Brecksville-Broadview Heights Schools Foundation provides scholarships for students and grants for teachers for educational and instructional programs. The Foundation worked with the Alumni Association and the chambers of commerce for both Brecksville and Broadview Heights in selecting and honoring community and former staff members as inductees in the School District's Gallery of Achievement.

## **Long-Term Financial Planning**

Annually, the School District prepares a five-year financial forecast. The financial forecast is the foundation for the School District's operations and is used as a financial planning tool to assist the School District in determining its ability to meet certain financial obligations and plan future funding needs. The five-year forecast of revenue and expenditures serves as a financial planning tool and the foundation for academic and business operations of the School District. The forecast provides the Board and community stakeholders with a blueprint addressing the financial needs required to serve the student population. Assumptions are an integral part of the forecast and represent what the School District believes are significant factors impacting the forecast. Through a collaborative process, the administration assists the Board of Education in determining and prioritizing the needs of the School District. In accordance with State law, the Board of Education approves the financial forecast and submits it to the Ohio Department of Education prior to October 31 and reviews and updates it again prior to May 31. The financial forecast can be found on the School District's web-site at [www.bbhcsd.org](http://www.bbhcsd.org).

A key component to the forecast is the timeline for the renewal of the School District's limited levies that occur every three or five years. Collectively, these levies represent 20 percent of the School District's operating budget and 100 percent of the permanent improvement budget. The School District is proactive in planning and when the School District began deficit spending in fiscal year 2009, budget and staff reductions were made for the 2009-2010 school year totaling approximately \$1.2 million. Due to the failure of the 5.5 mill, 5 year operating levy in November 2009, the School District approved further budget and staff reductions for the 2010-2011 school year. After the defeat of the 5.8 mill, 5 year operating levy on November 2, 2010, the School District developed a \$1.2 million restructure plan. The School District tried for the third time to have an additional tax levy approved by the voters. In May 2011, a 5.3 mill, 5 year operating levy was defeated. This defeat caused another round of staff reductions.

Negotiations were successfully completed in August 2012 with both employees' unions. Base salaries are frozen for the 2012-2013 through the 2014-2015 school years. In addition, the employee share of the insurance premiums for medical, dental and prescription drugs increased from ten to fifteen percent for all staff beginning in November 2012.

An in-depth review and analysis of the five-year forecast is done with FACT members, the School District's financial oversight group.

### **Relevant Financial Policies**

It is the School District's policy to maintain a replacement schedule for textbooks, computers and school buses. The management of these replacement schedules is handled through the permanent improvement fund. The last new levy approved by the voters was a dual purpose levy, with one mill designated for these permanent improvements.

### **Financial Accomplishments**

The Brecksville-Broadview Heights City School District, like many school districts in Ohio, is financially challenged. However, the School District has a positive outlook for the future due to the prudent financial planning and placing renewal levies on the ballot early to provide financial stability by ensuring the continuity of funding for academic programming.

In March 2012, the School District paid off the \$56,000 property improvement manuscript note which financed a synthetic turf project at the high school stadium and the renovation of the practice field. In August 2011, the School District issued \$323,005 in energy conservation manuscript notes, to finance a lighting retrofit project. \$45,000 of the funds for this project are from donations from the Bee Athletic Boosters, City of Broadview Heights, athletic teams, and private contributions. Annually, the School District's general fund will contribute \$25,000. The note has been purchased by the Bond Retirement Fund as an investment and is presented on the financial statements as an interfund receivable.

Policies and procedures are developed to ensure compliance with budgetary issues. Annually, a cut-off date is determined for purchase orders. After the established cut-off date, only emergency purchase orders are processed. This procedure provides sufficient time to pay invoices for items or services purchased during the fiscal year and close the purchase orders prior to June 30 which reduces the encumbrances.

### **Awards**

#### ***GFOA Certificate of Achievement Program***

For the fourteenth consecutive year, the School District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association (GFOA).

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Brecksville-Broadview Heights City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2011. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for review.

### *ASBO Certificate*

For the seventh consecutive year, the School District received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO).

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Brecksville-Broadview Heights City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2011. This award certifies that the Comprehensive Annual Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing business officials. For fiscal year 2012, the School District has decided not to submit the CAFR to ASBO.

### **Acknowledgements**

The publication of this report is a significant step toward professionalizing the financial reporting of the School District while enhancing the School District's accountability to the residents of the Brecksville-Broadview Heights City School District.

This Comprehensive Annual Financial Report was made possible by the diligence of the staff of the Office of the Treasurer/CFO. Their initiative and conscientious work ensured the integrity of the information contained herein and guaranteed this report's successful completion.

Finally, our thanks are extended to the Board of Education for their support in recognizing the importance of continuously improving our financial accountability to our citizens and their commitment to excellence by showing that Brecksville-Broadview Heights City School District is a place "where fine education is a heritage."

Respectfully submitted,



Richard A. Berdine  
Treasurer/CFO



Scot T. Prebles  
Superintendent

# Brecksville-Broadview Heights City School District

## Principal Officials

### Board of Education

Mr. David Tryon..... President  
Mr. Mark Jantzen..... Vice President  
Mr. Mark Dosen..... Member  
Mrs. Kathleen Mack ..... Member  
Mr. Michael Ziegler ..... Member

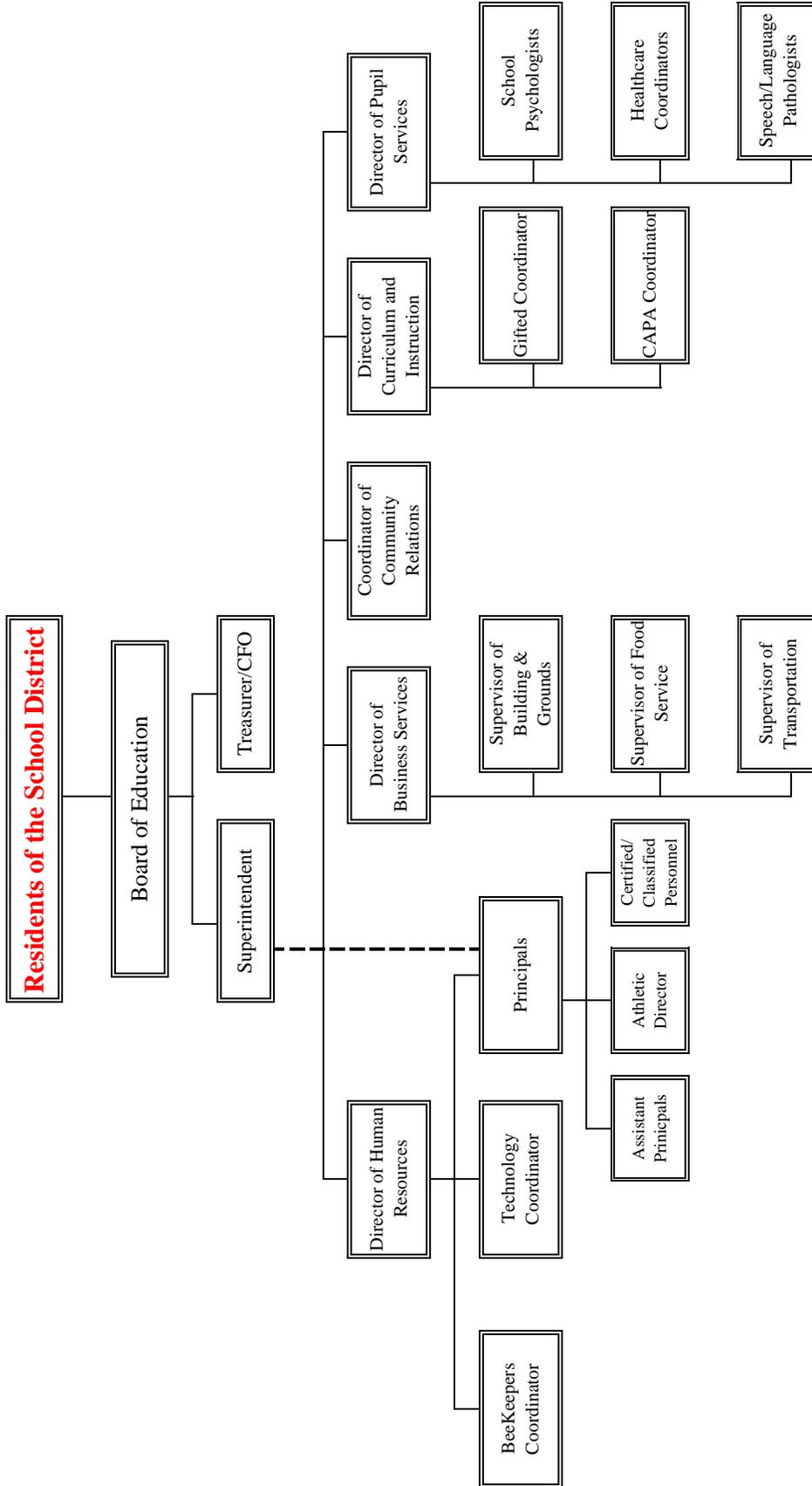
### Administration

Mr. Scot T. Prebles..... Superintendent  
Mr. Richard A. Berdine ..... Treasurer/CFO\*  
Mr. Richard Evans..... Director of Human Resources  
Mrs. Kathleen Spirakus ..... Director of Pupil Services  
Mr. Lawrence Tomec..... Director of Business Services  
Ms. Carla Calevich..... Director of Curriculum & Instruction  
Ms. Cathy Harbinak ..... Coordinator of Community Relations

\*Karen Obratil was Treasurer/CFO until July 31, 2012. Richard A. Berdine became Treasurer on August 1, 2012.

Brecksville-Broadview Heights City School District

Organizational Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Brecksville-Broadview Heights  
City School District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2011

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.



*Linda C. Dandison*

President

*Jeffrey R. Emer*

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT, OHIO**

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2011

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

President

Executive Director

# **Financial Section**



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Brecksville-Broadview Heights City School District  
Cuyahoga County  
6638 Mill Road  
Brecksville, Ohio 44141

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 Brecksville-Broadview Heights City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2012, 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 Brecksville-Broadview Heights City School District, Cuyahoga County, Ohio, as of June 30, 2012, and the respective changes in financial position 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 January 31, 2013, 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.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "Y" and "O".

**Dave Yost**  
Auditor of State

January 31, 2013

## **Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited*

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The discussion and analysis of Brecksville-Broadview 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, 2012. 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.

### **Financial Highlights**

Key financial highlights for 2012 are as follows:

- The School District is committed to meeting the academic needs of our students by providing them with updated textbooks and instructional materials to compete in a global environment. Nine hundred network computers were purchased for student instructional use across various grade levels.
- Negotiations were successfully completed in August 2012 with both employees' unions. Base salaries are frozen for the 2012-2013 through the 2014-2015 school years. In addition, the employee share of the insurance premiums for medical, dental and prescription drugs increased from ten to fifteen percent for all staff beginning in November 2012.
- The School District issued \$1,340,850 in energy conservation notes on May 13, 2012 at an interest rate of 1.50 percent. This energy conservation project (House Bill 264) paid costs of installations, modifications and remodeling of school buildings to conserve energy which includes boiler, lighting and window replacements.

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

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Brecksville-Broadview 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 as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of Brecksville-Broadview Heights City School District, the general and bond retirement funds are by far the most significant funds.

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

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

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2012?" The *Statement of Net Assets* and the *Statement of Activities* answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

## **Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis*

*For the Fiscal Year Ended June 30, 2012*

*Unaudited*

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

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

- Governmental Activities – All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. None of the School District's programs are reported as business-type activities.

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

#### *Fund Financial Statements*

The analysis of the School District's major funds begins on page 8. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and the bond retirement debt service 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 fiscal year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

***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 School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Table I provides a summary of the School District's net assets for fiscal year 2012 compared to fiscal year 2011.

**Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis*

*For the Fiscal Year Ended June 30, 2012*

*Unaudited*

Table I  
Net Assets  
Governmental Activities

	2012	2011	Change
<b>Assets</b>			
Current and Other Assets	\$55,534,908	\$52,053,258	\$3,481,650
Capital Assets	34,209,077	35,340,028	(1,130,951)
Total Assets	89,743,985	87,393,286	2,350,699
<b>Deferred Outflow of Resources</b>			
Fair Value of Hedging Derivatives	1,243,499	1,514,147	(270,648)
<b>Liabilities</b>			
Current Liabilities	\$36,764,558	\$35,398,097	\$1,366,461
Long-Term Liabilities			
Due within One Year	2,257,390	2,128,808	128,582
Due in More than One Year	25,236,196	26,583,534	(1,347,338)
Total Liabilities	64,258,144	64,110,439	147,705
<b>Net Assets</b>			
Invested in Capital Assets			
Net of Related Debt	12,603,613	12,183,706	419,907
Restricted for:			
Capital Projects	5,117,694	4,136,094	981,600
Debt Service	4,450,127	4,257,447	192,680
Other Purposes	837,289	544,516	292,773
Unrestricted	3,720,617	3,675,231	45,386
Total Net Assets	\$26,729,340	\$24,796,994	\$1,932,346

The overall increase in net assets is due to management's continued efforts to control the increases in expenses.

Table 2 shows the changes in net assets for fiscal year 2012 compared to fiscal year 2011.

## Brecksville-Broadview Heights City School District

### Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2012

Unaudited

Table 2  
Change in Net Assets  
Governmental Activities

	2012	2011	Change
<b>Revenues</b>			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$3,704,894	\$3,621,434	\$83,460
Operating Grants, Contributions and Interest	2,346,360	2,465,720	(119,360)
Capital Grants and Contributions	287,042	325,548	(38,506)
<b>Total Program Revenues</b>	<b>6,338,296</b>	<b>6,412,702</b>	<b>(74,406)</b>
<i>General Revenues:</i>			
Taxes	36,911,310	35,603,151	1,308,159
Intergovernmental	12,061,388	13,513,535	(1,452,147)
Payment in Lieu of Taxes	376,359	2,431	373,928
Unrestricted Contributions	145,107	32,646	112,461
Interest	56,709	42,654	14,055
Miscellaneous	293,244	68,990	224,254
<b>Total General Revenues</b>	<b>49,844,117</b>	<b>49,263,407</b>	<b>580,710</b>
<b>Total Revenues</b>	<b>56,182,413</b>	<b>55,676,109</b>	<b>506,304</b>
<b>Program Expenses</b>			
<i>Instruction:</i>			
Regular	23,133,861	24,051,870	918,009
Special	6,378,072	6,666,990	288,918
Vocational	117,999	152,958	34,959
Adult/Continuing	592	16,149	15,557
Student Intervention Services	368,663	50,573	(318,090)
<i>Support Services:</i>			
Pupil	3,927,797	3,762,403	(165,394)
Instructional Staff	2,913,948	3,463,419	549,471
Board of Education	200,571	85,536	(115,035)
Administration	2,863,281	3,444,930	581,649
Fiscal	1,233,040	1,235,547	2,507
Business	487,043	464,730	(22,313)
Operation and Maintenance of Plant	4,044,697	4,352,062	307,365
Pupil Transportation	3,388,665	3,478,499	89,834
Central	259,532	273,213	13,681
Operation of Non-Instructional Services	675,490	893,420	217,930
Food Service Operations	1,629,048	1,679,488	50,440
Child Care Operations	426,159	392,003	(34,156)
Extracurricular Activities	1,091,020	1,046,032	(44,988)
Interest and Fiscal Charges	1,110,589	1,172,708	62,119
<b>Total Program Expenses</b>	<b>54,250,067</b>	<b>56,682,530</b>	<b>2,432,463</b>
Decrease in Net Assets	1,932,346	(1,006,421)	2,938,767
Net Assets Beginning of Year	24,796,994	25,803,415	(1,006,421)
Net Assets End of Year	\$26,729,340	\$24,796,994	1,932,346

## **Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited*

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### **Governmental Activities**

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 or collection from a new voted levy. Although school districts experience inflationary growth in expenses, tax revenue does not keep pace with increased expenses due to House Bill 920. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.00 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00 and the School District would collect the same dollar value the levy generated in the year it passed.

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 65.7 percent of revenues for governmental activities for Brecksville-Broadview Heights City School District in fiscal year 2012. The increase in property tax revenue was due to increases in real estate tax collections.

The School District carefully invests its cash and equivalents in a variety of investment types with the primary focus being safety of principal, but with an attention to investment opportunities to increase yield. The School District pays close attention to daily interest rates and long-term financial trends. Fiscal year 2012's interest revenue is \$14,055 more than 2011's and is a direct result of more cash being available for investment purposes.

The intergovernmental portion of the general revenues is the second largest source of revenues for the School District and includes monies received from the Ohio Department of Education, the Bridge Formula and property tax relief such as homestead exemptions and rollbacks provided by HB 920, as well as the tangible personal property loss reimbursement. The decrease is due to less monies received for foundation and for the tangible personal property loss reimbursement.

In an effort to curb the rising costs of prescription drugs, the School District moved from a self-insured program into the Suburban Health Consortium. The Consortium is a shared risk pool created pursuant to State statute for the purpose of maximizing benefits and/or reducing costs of health care benefits. To date the Consortium has been an overwhelming success for the School District's medical and prescription insurance.

Instructional and support services for instructional staff expenses decreased from the previous fiscal year due to the reduction in staffing levels from additional employees retiring and wage freezes. Support services for administration decreased primary due to reduction in clerical staff of 4 positions. Overall, the expenses decreased across the board due in large part to the School District's continued commitment to plan carefully and prudently to provide the resources to meet student needs over the next several years.

Parents continue to have the opportunity to pay for the student's lunch on line. Each student uses his/her personal identification number that accesses his/her account when visiting the cafeteria. The School District is exploring the ability for parents to pay for workbook fees and extracurricular activities online as well.

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

## Brecksville-Broadview Heights City School District

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited*

The negative amounts indicated in Table 3 should not be construed as something bad; they are merely indicative of whether a particular function of government relies on general revenues for financing or is a net contributor of resources to the School District. 94 percent of instructional activities are supported through taxes and other general revenues. Clearly, the three communities that comprise the School District (Brecksville, Broadview Heights and North Royalton) are, by far, the greatest source of financial support for the students of the Brecksville-Broadview Heights City School District.

Table 3  
Total and Net Cost of Program Services  
Governmental Activities

	2012		2011	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$29,999,187	(\$28,210,299)	\$30,938,540	(\$28,162,960)
Support Services				
Pupil and Instructional Staff	6,841,745	(5,996,210)	7,225,822	(6,660,299)
Board of Education, Administration, Fiscal and Business	4,783,935	(4,614,277)	5,230,743	(5,230,743)
Operation and Maintenance of Plant	4,044,697	(3,901,446)	4,352,062	(4,338,412)
Pupil Transportation	3,388,665	(3,181,956)	3,478,499	(3,478,499)
Central	259,532	(250,862)	273,213	(268,213)
Operation of Non-Instructional Services	675,490	(10,093)	893,420	(201,790)
Food Service Operations	1,629,048	112,068	1,679,488	(70,981)
Child Care Operations	426,159	29,348	392,003	43,993
Extracurricular Activities	1,091,020	(777,455)	1,046,032	(729,216)
Interest and Fiscal Charges	1,110,589	(1,110,589)	1,172,708	(1,172,708)
Total	<u>\$54,250,067</u>	<u>(\$47,911,771)</u>	<u>\$56,682,530</u>	<u>(\$50,269,828)</u>

### The School District's Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$54,470,265 and expenditures of \$54,223,735. The net change in fund balance for the year was most significant in the other governmental funds, an increase of \$1,098,148. This change occurred primarily because of lower expenditures. The bond retirement debt service fund continues to make the bonded debt service requirements. As one can see from the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds, property taxes from the communities that comprise the School District are the largest revenue source, accounting for 64.74 percent of total governmental revenue.

### 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 fund is the general fund, the School District's operational fund. During the course of fiscal year 2012, the School District amended its general fund budget numerous times. The School District uses site-based budgeting and the budgeting systems are designed to control total site-based budgets but provide flexibility for site-based management.

## Brecksville-Broadview Heights City School District

*Management's Discussion and Analysis  
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For the general fund, the budget basis actual revenue was \$46,748,700, \$237,121 below final budget estimates of \$46,985,821. Prior to June 30, 2012, the School District revised its budget basis revenue estimate to better reflect actual collections anticipated. Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$46,880,700, \$308,885 under final budget estimates of \$47,189,585. In response to the excess of expenditures over revenues of \$132,000, the School District implemented \$1.2 million in budget reductions for fiscal year 2013.

The School District's ending unobligated cash balance was \$109,208 above the final budget amount. This is due in large part to the School District's continued commitment to provide a quality education while still controlling the costs of a quality education.

### Capital Assets and Debt Administration

#### *Capital Assets*

The School District continued to purchase SMART boards in order to keep pace with the ever changing educational demands of the classroom. SMART boards are fundamentally changing the way teachers teach and children learn. The interactive nature and multiple capabilities make SMART boards an excellent learning median for preparing students for the challenges of the 21<sup>st</sup> century.

For fiscal year 2012, the School District also purchased two new school buses. These buses were purchased with the 1.0 mill permanent improvement property tax levy money.

The School District has established a textbook replacement schedule to ensure that we meet the academic needs of our students by providing them with updated textbooks and instructional materials to compete in a global environment.

Ohio law requires school districts to set aside three percent of certain revenues for capital improvements. For fiscal year 2012, this amounted to \$746,073. Table 4 shows fiscal year 2012 balances compared to fiscal year 2011.

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

	2012	2011
Land	\$3,088,833	\$3,088,833
Construction in Progress	101,200	0
Buildings and Improvements	26,016,874	26,783,754
Furniture and Equipment	1,892,131	1,908,517
Vehicles	2,018,815	2,143,389
Textbooks	1,091,224	1,415,535
Total Capital Assets	<u>\$34,209,077</u>	<u>\$35,340,028</u>

See Note 13 to the basic financial statements for additional information on the School District's capital assets and Note 20 for additional information regarding required set-asides.

## Brecksville-Broadview Heights City School District

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited*

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### Debt

Table 5 summarizes bonds and long-term notes outstanding:

	2012	2011
General Obligation Bonds:		
High School Refunding	\$11,144,108	\$12,648,704
High School Refunding Notes	9,128,612	9,175,845
Total	<u>\$20,272,720</u>	<u>\$21,824,549</u>

On December 28, 2006, the School District issued \$17,025,000 in general obligation bonds to refund a portion of the high school general obligations issues in order to take advantage of lower interest rates.

In April 2004, the School District entered into an agreement to issue and sell to Bank One NA variable interest rate notes dated October 2, 2006, in the amount of \$8,920,000. On October 16, 2006, the School District issued and sold variable interest rate notes in the amount of \$8,920,000 to Bank One NA. The notes have scheduled maturities beginning December 1, 2012 and ending December 1, 2016. The School District and Bank One also agreed to enter into an interest rate swap agreement in which Bank One agreed to pay interest at a variable rate on a notional amount equal to the unpaid principal amount of the notes and the School District agreed to pay interest on the notional amount at a fixed rate equal to the rate of the refunded 1996 bonds.

During fiscal year 2012, the School District issued \$325,005 in manuscript notes to finance the synthetic turf project for the high school stadium field. Manuscript notes are notes issued and purchased by the School District and held until maturity as an investment vehicle whereby the School District pays interest to the general fund from the debt service fund. This form of issue avoids the underwriting and insurance costs and is used primarily for projects which require minimal or short term funding. These notes are shown on the balance sheet as interfund receivable/payables between the debt service fund and the capital projects fund.

See Note 19 to the basic financial statements for additional information on the School District's long-term liabilities.

### Current Financial Related Activities

Brecksville-Broadview Heights City School District has continued to maintain the highest standards of services to our students, parents and community at one of the lowest costs in Cuyahoga County. As with all school districts in the State of Ohio, State funding issues are constantly monitored to determine the impact on the School District. As the preceding information shows, the School District is heavily reliant on local property taxpayers.

Management must continue to diligently plan expenses, staying carefully within the School District's financial forecast. Additional revenues must not be treated as a windfall to expand programs but as an opportunity to extend the time horizon of the life of the levies.

**Brecksville-Broadview Heights City School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
Unaudited*

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In conclusion, Brecksville-Broadview Heights City School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1998. The School District also received the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting since 2005.

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 any questions about this report or need additional financial information contact Richard Berdine, Treasurer/CFO at Brecksville-Broadview Heights City School District, 6638 Mill Road, Brecksville, Ohio 44141 or e-mail at [rberdine@bbhcsd.org](mailto:rberdine@bbhcsd.org).

## Brecksville-Broadview Heights City School District

### Statement of Net Assets

June 30, 2012

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$19,778,229
Accounts Receivable	26,242
Intergovernmental Receivable	191,672
Inventory Held for Resale	15,227
Materials and Supplies Inventory	7,582
Prepaid Items	8,834
Taxes Receivable	35,322,634
Deferred Charges	184,488
Nondepreciable Capital Assets	3,190,033
Depreciable Capital Assets, Net	<u>31,019,044</u>
<i>Total Assets</i>	<u>89,743,985</u>
<b>Deferred Outflows of Resources</b>	
Fair Value of Hedging Derivatives	<u>1,243,499</u>
<b>Liabilities</b>	
Accounts Payable	272,655
Accrued Wages and Benefits	4,474,692
Contracts Payable	101,200
Intergovernmental Payable	1,182,291
Matured Compensated Absences Payable	44,101
Deferred Revenue	29,254,594
Accrued Interest Payable	94,175
Notes Payable	1,340,850
Long-Term Liabilities:	
Due Within One Year	2,257,390
Due In More Than One Year	<u>25,236,196</u>
<i>Total Liabilities</i>	<u>64,258,144</u>
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	12,603,613
Restricted for:	
Capital Projects	5,117,694
Debt Service	4,450,127
Other Purposes	837,289
Unrestricted	<u>3,720,617</u>
<i>Total Net Assets</i>	<u><u>\$26,729,340</u></u>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Statement of Activities*

*For the Fiscal Year Ended June 30, 2012*

	Expenses	Program Revenues			Net Revenue (Expense) and Change in Net Assets
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Instruction:					
Regular	\$23,133,861	\$753,012	\$511,883	\$44,302	(\$21,824,664)
Special	6,378,072	195,443	268,784	0	(5,913,845)
Vocational	117,999	3,666	0	0	(114,333)
Adult/Continuing	592	0	0	0	(592)
Student Intervention Services	368,663	11,798	0	0	(356,865)
Support Services:					
Pupil	3,927,797	116,994	46,538	124,414	(3,639,851)
Instructional Staff	2,913,948	78,307	479,282	0	(2,356,359)
Board of Education	200,571	6,419	0	0	(194,152)
Administration	2,863,281	90,893	18,711	0	(2,753,677)
Fiscal	1,233,040	39,349	0	0	(1,193,691)
Business	487,043	14,286	0	0	(472,757)
Operation and Maintenance of Plant	4,044,697	125,348	10,800	7,103	(3,901,446)
Pupil Transportation	3,388,665	95,486	0	111,223	(3,181,956)
Central	259,532	8,162	508	0	(250,862)
Operation of Non-Instructional					
Services	675,490	1,188	664,209	0	(10,093)
Food Service Operations	1,629,048	1,395,471	345,645	0	112,068
Child Care Operations	426,159	455,507	0	0	29,348
Extracurricular Activities	1,091,020	313,565	0	0	(777,455)
Interest and Fiscal Charges	1,110,589	0	0	0	(1,110,589)
<b>Totals</b>	<b>\$54,250,067</b>	<b>\$3,704,894</b>	<b>\$2,346,360</b>	<b>\$287,042</b>	<b>(47,911,771)</b>
<b>General Revenues</b>					
Property Taxes Levied for:					
					32,863,211
					2,493,064
					1,555,035
					12,061,388
					376,359
					145,107
					56,709
					293,244
					<b>49,844,117</b>
					1,932,346
					24,796,994
					<b>\$26,729,340</b>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Balance Sheet*

**Governmental Funds**

*June 30, 2012*

	<u>General</u>	<u>Bond Retirement Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Equity in Pooled Cash and				
Cash Equivalents	\$11,377,444	\$3,790,668	\$4,610,117	\$19,778,229
Taxes Receivable	31,531,514	2,542,616	1,248,504	35,322,634
Accounts Receivable	2,527	0	23,715	26,242
Intergovernmental Receivable	85,442	0	106,230	191,672
Interfund Receivable	0	323,005	0	323,005
Prepaid Items	8,834	0	0	8,834
Inventory Held for Resale	0	0	15,227	15,227
Materials and Supplies Inventory	0	0	7,582	7,582
<i>Total Assets</i>	<u>\$43,005,761</u>	<u>\$6,656,289</u>	<u>\$6,011,375</u>	<u>\$55,673,425</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$213,262	\$0	\$59,393	\$272,655
Accrued Wages and Benefits	4,411,260	0	63,432	4,474,692
Contracts Payable	0	0	101,200	101,200
Interfund Payable	0	0	323,005	323,005
Matured Compensated Absences Payable	44,101	0	0	44,101
Intergovernmental Payable	1,092,002	0	90,289	1,182,291
Deferred Revenue	27,822,450	2,247,886	1,127,390	31,197,726
Accrued Interest Payable	0	0	3,621	3,621
Notes Payable	0	0	1,340,850	1,340,850
<i>Total Liabilities</i>	<u>33,583,075</u>	<u>2,247,886</u>	<u>3,109,180</u>	<u>38,940,141</u>
<b>Fund Balances</b>				
Nonspendable	8,834	0	7,582	16,416
Restricted	0	4,408,403	4,236,261	8,644,664
Committed	0	0	200,499	200,499
Assigned	362,329	0	0	362,329
Unassigned (Deficit)	9,051,523	0	(1,542,147)	7,509,376
<i>Total Fund Balances</i>	<u>9,422,686</u>	<u>4,408,403</u>	<u>2,902,195</u>	<u>16,733,284</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$43,005,761</u>	<u>\$6,656,289</u>	<u>\$6,011,375</u>	<u>\$55,673,425</u>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities*  
 June 30, 2012

<b>Total Governmental Fund Balances</b>	<b>\$16,733,284</b>
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	34,209,077
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. These deferrals are attributed to delinquent property taxes.	1,943,132
In the statement of activities, interest is accrued on outstanding bonds, notes and capital leases, whereas in governmental funds, an interest expenditure is reported when due.	(90,554)
The fair value of hedging derivative instruments is reported as deferred outflows on the statement of net assets	1,243,499
Long-term liabilities, including bonds payable and capital leases payable, are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(11,144,108)
SWAP Notes	(9,128,612)
Capital Lease	(176,382)
Early Retirement Incentive	(360,000)
Resignation Incentive	(15,000)
Compensated Absences	(5,425,985)
Derivative Instrument Liability	(1,243,499)
Total	(27,493,586)
In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when bonds are issued.	184,488
<i>Net Assets of Governmental Activities</i>	<b>\$26,729,340</b>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
For the Fiscal Year Ended June 30, 2012

	General	Bond Retirement Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes	\$31,405,016	\$2,377,083	\$1,481,862	\$35,263,961
Intergovernmental	11,741,534	319,854	2,568,603	14,629,991
Interest	53,259	0	3,450	56,709
Tuition and Fees	564,698	0	435,206	999,904
Extracurricular Activities	961,145	0	310,266	1,271,411
Payment in Lieu of Taxes	376,359	0	0	376,359
Rentals	21,590	0	0	21,590
Charges for Services	16,518	0	1,395,471	1,411,989
Contributions and Donations	25,333	0	119,774	145,107
Miscellaneous	247,536	0	45,708	293,244
<i>Total Revenues</i>	<u>45,412,988</u>	<u>2,696,937</u>	<u>6,360,340</u>	<u>54,470,265</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	21,014,560	0	581,308	21,595,868
Special	5,921,395	0	258,195	6,179,590
Vocational	113,343	0	0	113,343
Student Intervention Services	368,663	0	0	368,663
Support Services:				
Pupil	3,606,710	0	245,842	3,852,552
Instructional Staff	2,457,154	0	463,165	2,920,319
Board of Education	200,571	0	0	200,571
Administration	2,809,453	0	19,674	2,829,127
Fiscal	1,221,808	0	596	1,222,404
Business	444,328	0	0	444,328
Operation and Maintenance of Plant	3,909,068	0	23,934	3,933,002
Pupil Transportation	2,990,929	0	179,810	3,170,739
Central	248,501	0	2,111	250,612
Operation of Non-Instructional Services	0	0	630,245	630,245
Food Service Operations	0	0	1,651,208	1,651,208
Child Care Operations	0	0	423,051	423,051
Extracurricular Activities	758,967	0	305,250	1,064,217
Capital Outlay	320	0	731,029	731,349
Debt Service:				
Principal Retirement	0	1,510,000	0	1,510,000
Interest and Fiscal Charges	0	1,114,956	17,591	1,132,547
<i>Total Expenditures</i>	<u>46,065,770</u>	<u>2,624,956</u>	<u>5,533,009</u>	<u>54,223,735</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(652,782)</u>	<u>71,981</u>	<u>827,331</u>	<u>246,530</u>
<b>Other Financing Sources (Uses)</b>				
Inception of Capital Lease	176,382	0	0	176,382
Transfers In	0	0	270,817	270,817
Transfers Out	(270,817)	0	0	(270,817)
<i>Total Other Financing Sources (Uses)</i>	<u>(94,435)</u>	<u>0</u>	<u>270,817</u>	<u>176,382</u>
<i>Net Change in Fund Balances</i>	<u>(747,217)</u>	<u>71,981</u>	<u>1,098,148</u>	<u>422,912</u>
<i>Fund Balances Beginning of Year</i>	<u>10,169,903</u>	<u>4,336,422</u>	<u>1,804,047</u>	<u>16,310,372</u>
<i>Fund Balances End of Year</i>	<u>\$9,422,686</u>	<u>\$4,408,403</u>	<u>\$2,902,195</u>	<u>\$16,733,284</u>

See accompanying notes to the basic financial statements

**Brecksville-Broadview 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, 2012*

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**Net Change in Fund Balances - Total Governmental Funds** \$422,912

*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 outlays in the current period.

Capital Asset Additions	1,221,481	
Current Year Depreciation	(2,352,432)	
Total		(1,130,951)

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

Property Taxes	1,647,349	
Grants	64,799	
Total		1,712,148

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,510,000

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 on Bonds	4,718	
Amortization of Issuance Costs	(24,589)	
Amortization of Premium	24,498	
Amortization of Loss on Bond Refunding	(75,964)	
Amortization of Cash Savings	93,295	
Total		21,958

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.

Compensated Absences	(614,839)	
Early Retirement Incentive	180,000	
Resignation Incentive	7,500	
Total		(427,339)

Other financing sources, such as inception of capital leases, in the governmental funds increase long-term liabilities in the statement of net assets. (176,382)

*Change in Net Assets of Governmental Activities* \$1,932,346

See accompanying notes to the basic financial statements

**Brecksville-Broadview 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, 2012*

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$32,162,525	\$36,857,224	\$32,840,928	(\$4,016,296)
Intergovernmental	9,042,617	8,465,321	11,741,534	3,276,213
Interest	64,645	30,889	42,969	12,080
Tuition and Fees	585,619	402,804	563,230	160,426
Extracurricular Activities	907,318	643,755	883,777	240,022
Payment in Lieu of Taxes	0	376,359	376,359	0
Rentals	44,797	16,163	21,590	5,427
Charges for Services	71,019	12,052	16,518	4,466
Contributions and Donations	10,809	11,177	15,318	4,141
Miscellaneous	0	170,077	246,477	76,400
<b>Total Revenues</b>	<b>42,889,349</b>	<b>46,985,821</b>	<b>46,748,700</b>	<b>(237,121)</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	21,346,129	21,340,761	21,228,371	112,390
Special	6,046,257	5,956,519	5,921,650	34,869
Vocational	111,724	120,707	119,664	1,043
Student Intervention Services	239,886	468,236	465,254	2,982
Support Services:				
Pupil	3,631,062	3,655,113	3,629,128	25,985
Instructional Staff	2,649,308	2,572,451	2,540,155	32,296
Board of Education	111,937	197,807	196,188	1,619
Administration	2,833,198	2,864,592	2,848,113	16,479
Fiscal	1,360,815	1,272,291	1,259,600	12,691
Business	582,220	493,472	486,880	6,592
Operation and Maintenance of Plant	4,524,234	4,102,807	4,079,129	23,678
Pupil Transportation	3,069,567	3,110,472	3,078,425	32,047
Central	295,431	241,368	240,225	1,143
Extracurricular Activities	815,217	792,989	787,918	5,071
<b>Total Expenditures</b>	<b>47,616,985</b>	<b>47,189,585</b>	<b>46,880,700</b>	<b>308,885</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(4,727,636)</b>	<b>(203,764)</b>	<b>(132,000)</b>	<b>71,764</b>
<b>Other Financing Sources (Uses)</b>				
Advances In	99,110	97,612	133,782	36,170
Transfers Out	(277,801)	(272,091)	(270,817)	1,274
<b>Total Other Financing Sources (Uses)</b>	<b>(178,691)</b>	<b>(174,479)</b>	<b>(137,035)</b>	<b>37,444</b>
<b>Net Change in Fund Balance</b>	<b>(4,906,327)</b>	<b>(378,243)</b>	<b>(269,035)</b>	<b>109,208</b>
<b>Fund Balance Beginning of Year</b>	<b>10,699,724</b>	<b>10,699,724</b>	<b>10,699,724</b>	<b>0</b>
Prior Year Encumbrances Appropriated	379,671	379,671	379,671	0
<b>Fund Balance End of Year</b>	<b>\$6,173,068</b>	<b>\$10,701,152</b>	<b>\$10,810,360</b>	<b>\$109,208</b>

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Statement of Fiduciary Net Assets*

***Fiduciary Funds***

*June 30, 2012*

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	<u>Private Purpose Trust</u>	
	<u>Unclaimed Monies</u>	<u>Agency</u>
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$7,929	<u>\$123,691</u>
<b>Liabilities</b>		
Due to Students	<u>0</u>	<u>\$123,691</u>
<b>Net Assets</b>		
Held in Trust for Unclaimed Monies	<u>\$7,929</u>	

See accompanying notes to the basic financial statements

**Brecksville-Broadview Heights City School District**

*Statement of Changes in Fiduciary Net Assets*

***Private Purpose Trust Fund***

*For the Fiscal Year Ended June 30, 2012*

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	<u>Unclaimed Monies</u>
<b>Additions</b>	\$0
<b>Deductions</b>	<u>0</u>
<i>Change in Net Assets</i>	0
<i>Net Assets Beginning of Year</i>	<u>7,929</u>
<i>Net Assets End of Year</i>	<u><u>\$7,929</u></u>

See accompanying notes to the financial statements

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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### **Note 1 - Description of the School District**

Brecksville-Broadview Heights City School District (the "School District") operates under a locally-elected Board form of government and provides educational services as authorized by state and federal agencies. This Board controls the School District's 8 instructional/support facilities staffed by 257 non-certificated employees, 264 certificated employees and 20 administrative employees to provide services to 4,316 students and other community members.

The School District was established in 1883 through the consolidation of existing land areas and school districts and is organized under Article VI, Sections 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 serves an area of approximately 27 square miles. It is located in Cuyahoga County, including all of the territory of the City of Brecksville, most of the City of Broadview Heights and a small portion of the City of North Royalton.

#### ***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the basic financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Brecksville-Broadview 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.

***Nonpublic Schools*** Within the School District boundaries, there is located the Assumption School, Lawrence School and South Suburban Montessori School. Current State legislation provides for funding to these nonpublic schools. These monies are received and disbursed by the School District on behalf of the nonpublic schools by the Treasurer/CFO of the School District, as directed by the nonpublic schools. These transactions are reported in a special revenue fund and as a governmental activity of the School District.

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

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

***Cities of Brecksville and Broadview Heights*** The city governments of Brecksville and Broadview Heights are each a separate body politic and corporate. Each city elects a mayor and council independent of any School District relationships and administer the provision of traditional city services. Council acts as the taxing and budgeting authority.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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

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

The School District participates in an insurance purchasing pool, a risk sharing pool and three jointly governed organizations. These organizations are the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan, the Suburban Health Consortium, the North Coast Council, Cuyahoga Valley Career Center and Ohio Schools' Council. These organizations are presented in Notes 21 and 22 to the basic financial statements.

### **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 local 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 unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

#### ***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. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. However, the School District has only governmental activities; therefore no business-type activities are presented.

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.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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***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 fund 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 fiduciary funds are reported by type.

### ***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 two categories of funds: governmental 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 accounts and reports for all financial resources except those required to be accounted for and reported in another fund. The general fund is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Bond Retirement Debt Service Fund*** The bond retirement debt service fund accounts for and reports restricted property taxes for the payment of general obligation bonds issued to build the high school.

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

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

### ***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 (e.g. revenues) and decreases (e.g. expenses) in total net assets.

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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***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.

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

### ***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 statements for the 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 and entitlements. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 10). Revenue from grants and entitlements 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 fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources include a fair value of the derivative instrument reported in the government-wide statement of net position.

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

## **Brecksville-Broadview Heights City School District**

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2012*

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Property taxes for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 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.

### ***Budgetary Data***

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

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/CFO. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect the amounts in the certificate when 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. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

### ***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. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During fiscal year 2012, investments were limited to federal home loan bank notes, federal home loan mortgage discount notes, federal home loan mortgage notes, United States treasury obligations and STAR Ohio.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2012*

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Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share which is the price the investment could be sold for on June 30, 2012.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2012 amounted to \$53,259, which includes \$20,853 assigned from other School District funds.

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

### ***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2012, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which the services are consumed.

### ***Inventory***

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

### ***Capital Assets***

The School District's only capital assets are general capital assets. General capital assets 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 one thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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:

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Buildings and Improvements	15 - 40 years
Furniture and Equipment	5 - 20 years
Vehicles	5 - 10 years
Textbooks	8 years

***Interfund Balances***

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

***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 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 administrators and classified staff after five years of service and teachers after ten years of service.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments came due each period upon the occurrence of employee retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have retired will be paid.

***Accrued Liabilities and Long-term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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, compensated absences and special termination benefits are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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### ***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 through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include food service and extracurricular activities.

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

### ***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the School is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

***Restricted*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by highest level formal action (resolution) of the School District Board of Education. Those committed amounts cannot be used for any other purpose unless the School District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education or a School District official delegated that authority by resolution or by a State statute.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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The School District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

### ***Internal Activity***

Transfers between governmental activities are eliminated on the government-wide financial statements. 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. Interfund payments for services provided and used are not eliminated.

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.

### ***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.

### ***Bond Issuance Costs***

Bond issuance costs for underwriting fees for the refunding notes and bonds are being amortized using the straight-line method over the life of the agreement on the government-wide statements. The straight-line method of amortization is not materially different from the effective-interest method.

As permitted by State statute, the School District paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

### ***Deferred Loss on Refunding***

The difference between the reacquisition price (funds required to refund the old debt) of the refunding notes and bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense. This accounting loss is amortized over the remaining life of the old debt or the life of the new debt whichever is shorter and is presented net of the general obligation bonds payable on the statement of net assets.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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### ***Bond Premiums***

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums are received in the year the bonds are issued.

### ***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 – Change in Accounting Principle**

For fiscal year 2012, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 64, “Derivative Instruments: Application of Hedge Accounting Termination Provisions – and amendment of GASB Statement No. 53”. GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. This statement had no effect on beginning net position/fund balance.

### **Note 4 – Fund Deficit**

The building capital projects fund's deficit of \$1,542,147 is the result of the issuance of short-term bond anticipation notes which are used to finance the project until the bonds are issued. Once the notes are retired or bonds are issued, this deficit will be eliminated.

### **Note 5 – Interfund Activities**

#### ***Interfund Transfers***

A transfer of \$230,817 was made from the general fund into the building capital projects fund to move unrestricted resources as debt payments came due. Transfers of \$40,000 were made to nonmajor governmental funds to move unrestricted resources to support programs.

#### ***Interfund Balances***

The \$323,005 interfund transaction between the debt service and building capital projects fund is a manuscript note. The building capital projects fund issued a property improvement note to finance a lighting retrofit project. The manuscript note was issued by the School District and purchased by the bond retirement debt service fund as an investment. This advance will be paid primarily from outside sources and donations. The School District will contribute what it would normally budget for the lighting project.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2012*

**Note 6 – Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Bond Retirement	Nonmajor Governmental Funds	Total
<i><b>Nonspendable</b></i>				
Prepays	\$8,834	\$0	\$0	\$8,834
Inventory	0	0	7,582	7,582
<i>Total Nonspendable</i>	<u>8,834</u>	<u>0</u>	<u>7,582</u>	<u>16,416</u>
<i><b>Restricted for</b></i>				
Food Service Operations	0	0	337,374	337,374
Athletics	0	0	193,160	193,160
Non-Public Schools	0	0	40,437	40,437
Community Activities	0	0	230,205	230,205
Technology Improvements	0	0	205	205
Drug Abuse Education	0	0	1,534	1,534
Special Education Programs	0	0	55,013	55,013
English Proficiency	0	0	7	7
Teacher Development	0	0	7,915	7,915
Debt Service Payments	0	4,408,403	0	4,408,403
Capital Improvements	0	0	3,370,411	3,370,411
<i>Total Restricted</i>	<u>0</u>	<u>4,408,403</u>	<u>4,236,261</u>	<u>8,644,664</u>
<i><b>Committed to</b></i>				
College Scholarships	0	0	105,462	105,462
After School Program	0	0	95,037	95,037
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>200,499</u>	<u>200,499</u>
<i><b>Assigned to</b></i>				
Other Purposes	362,329	0	0	362,329
<i>Unassigned (Deficit)</i>	<u>9,051,523</u>	<u>0</u>	<u>(1,542,147)</u>	<u>7,509,376</u>
<i>Total Fund Balances</i>	<u><u>\$9,422,686</u></u>	<u><u>\$4,408,403</u></u>	<u><u>\$2,902,195</u></u>	<u><u>\$16,733,284</u></u>

**Note 7 - Budgetary Basis of Accounting**

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

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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 restricted, committed, or assigned fund balance (GAAP).
4. Investments reported at cost (budget) rather than at fair value (GAAP).
5. Budgetary revenues and expenditures of the public school support funds are reclassified to the general fund for GAAP reporting.

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

Net Change in Fund Balance	
	<u>General</u>
GAAP Basis	(\$747,217)
Net Adjustment for Revenue Accruals	1,214,073
Beginning Fair Value of Adjustments for Investments	973
Ending Fair Value of Adjustments for Investments	(9,317)
Net Adjustment for Expenditure Accruals	(328,554)
Excess of Revenues and Other Financing Sources and Over (Under) Expenditures and Other Financing Uses:	
Public School Support	23,900
Encumbrances	(422,893)
	<u>                    </u>
Budget Basis	<u>(\$269,035)</u>

### **Note 8 - 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.

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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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, 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.

### **Deposits**

***Custodial Credit Risk*** 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 possession of an outside party. At fiscal year end, \$2,762,313 of the School District's bank balance of \$7,993,562 was uninsured and uncollateralized. At June 30, 2012, the carrying amount of all School District deposits was \$7,678,950. 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 FDIC.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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, 2012, the School District had the following investments:

	Fair Value	Investment Maturities in Years			Moody Rating	Percent of Total Investments
		Less than 1	1 - 2	2 - 3		
Federal Home Loan Bank Notes	\$4,147,978	990,012	3,157,966	0	AAA	33.91%
Federal Home Loan Mortgage Discount Notes	3,040,524	3,040,524	0	0	AAA	24.86%
Federal Home Loan Mortgage Notes	750,870	750,870	0	0	AAA	6.14%
Federal National Mortgage Association Notes	3,431,154	0	377,479	3,053,675	AAA	28.05%
Federal National Mortgage Association Bonds	794,936	0	0	794,936	AAA	6.50%
United States Treasury Obligation	4,089	4,089	0	0		N/A
STAR Ohio	61,348	61,348	0	0	N/A	N/A
<b>Total</b>	<b>\$12,230,899</b>	<b>\$4,846,843</b>	<b>\$3,535,445</b>	<b>\$3,848,611</b>		

**Interest Rate Risk** As a means of limiting its exposure to fair value losses caused by rising interest rates, the School District's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the School District's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**Credit Risk** The Moody's ratings of the School District's investments are listed in the table above. Ohio law requires that STAR Ohio 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.

**Concentration of Credit Risk** The School District places no limit on the amount it may invest in any one issuer.

**Note 9 - Receivables**

Receivables at June 30, 2012, consisted of taxes, accounts, tuition, and intergovernmental grants. 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 for delinquent property taxes, will be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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A summary of the principal items of intergovernmental receivables follows:

Intergovernmental Receivables	Amounts
School Employees Retirement System	\$92,240
Title IDEA-B	49,271
Nutrition Cluster	34,626
Title III	7,719
Title II-A	3,175
Title I	2,947
Title II-D	1,694
Total	<u>\$191,672</u>

### **Note 10 - Property Taxes**

Property taxes are levied and assessed on a calendar year basis while the School District's 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 year 2012 represents collections of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed value listed as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State law at 35 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 year 2012 represents collections of calendar year 2011 taxes. Public utility real and tangible personal property taxes received in calendar year 2012 became a lien December 31, 2010, were levied after April 1, 2011 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Cuyahoga County. The County Fiscal Officer 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, 2012, are available to finance fiscal year 2012 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2012 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

## Brecksville-Broadview Heights City School District

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012

The amount available as an advance at June 30, 2012 was \$3,709,064 in the general fund, \$294,730 in the bond retirement fund and \$185,913 in the permanent improvements capital projects fund. The amount available as an advance at June 30, 2011 was \$5,144,976 in the general fund, \$410,161 in the bond retirement fund and \$258,079 in the permanent improvements capital projects fund.

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

The assessed values upon which the fiscal year 2012 taxes were collected are:

	2011 Second Half Collections		2012 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$987,531,590	97.88%	\$990,782,070	97.74%
Public Utility Personal	21,354,050	2.12	22,867,270	2.26
Total	<u>\$1,008,885,640</u>	<u>100.00%</u>	<u>\$1,013,649,340</u>	<u>100.00%</u>
Full Tax Rate per \$1,000 of assessed valuation	\$77.20		\$77.20	

### Note 11 - Risk Management

#### *Workers' Compensation*

For fiscal year 2012, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 21). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley UniService provides administrative, cost control, and actuarial services to the GRP.

#### *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 2012, the School District participated in the Ohio Schools' Council's insurance program through Ohio Casualty and Travelers Property Casualty Company of America for various types of insurance.

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>
Ohio Casualty	Property	\$127,044,860
	Commercial Umbrella Liability	10,000,000
	Inland Marine	5,053,013
	Crime	50,000
	Extra Expense	1,000,000
	General Liability, in aggregate	2,000,000
	General Liability, per occurrence	1,000,000
	Fleet Insurance, single limit	1,000,000
	Fleet Insurance, uninsured	1,000,000
	Employee Benefits Liability, limit	1,000,000
	Employee Benefits Liability, aggregate	3,000,000
	Public Officials Bond	15,000
	Travelers Property Casualty Co.	Boiler and Machinery

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.

### ***Employee Health Benefits***

For fiscal year 2012, the School District was a participant in the Suburban Health Consortium (the "Consortium") to provide employee medical/surgical and prescription drug benefits. The Consortium is administered by Medical Mutual of Ohio. Payments are made to the Consortium for the monthly attachment point, monthly stop-loss premiums, and administrative charges. The entire risk of loss transfers to the Consortium upon payment of the premiums.

The School District's portion of the monthly medical insurance premium is \$377.29 for single coverage and \$943.21 for family coverage for full-time employees. The School District's portion of the monthly prescription drug insurance premium is \$106.36 for single coverage and \$265.94 for family coverage for full-time employees.

Claims are paid for all participants regardless of claims flow. Upon termination, all School District claims would be paid without regard to the School District's account balance or the Directors have the right to hold monies for an existing school district subsequent to the settlement of all expenses and claims.

## **Note 12 - Contingencies**

### ***Grants***

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2012*

***Litigation***

No litigation is pending at this time for the Brecksville-Broadview Heights City School District.

**Note 13 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	<u>Balance 06/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/12</u>
<b>Governmental Activities</b>				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$3,088,833	\$0	\$0	\$3,088,833
Construction in Progress	0	101,200	0	101,200
<i>Total Capital Assets Not Being Depreciated</i>	<u>3,088,833</u>	<u>101,200</u>	<u>0</u>	<u>3,190,033</u>
<i>Capital Assets Being Depreciated</i>				
Buildings and Improvements	48,917,956	531,950	0	49,449,906
Furniture and Equipment	9,657,850	405,536	(44,267)	10,019,119
Vehicles	4,202,763	179,810	0	4,382,573
Textbooks	2,876,891	2,985	0	2,879,876
<i>Total Capital Assets Being Depreciated</i>	<u>65,655,460</u>	<u>1,120,281</u>	<u>(44,267)</u>	<u>66,731,474</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(22,134,202)	(1,298,830)	0	(23,433,032)
Furniture and Equipment	(7,749,333)	(421,922)	44,267	(8,126,988)
Vehicles	(2,059,374)	(304,384)	0	(2,363,758)
Textbooks	(1,461,356)	(327,296)	0	(1,788,652)
<i>Total Accumulated Depreciation</i>	<u>(33,404,265)</u>	<u>(2,352,432)</u>	<u>44,267</u>	<u>(35,712,430)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>32,251,195</u>	<u>(1,232,151)</u>	<u>0</u>	<u>31,019,044</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$35,340,028</u>	<u>(\$1,130,951)</u>	<u>\$0</u>	<u>\$34,209,077</u>

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,736,375
Special	16,054
Vocational	4,353
Adult Continuing Instruction	748
Other Instruction	5,484
Support Services	
Pupil	33,030
Instructional Staff	4,867
Administration	4,294
Fiscal	3,618
Business	51,329
Operation and Maintenance of Plant	131,246
Pupil Transportation	284,387
Central	3,000
Operation of Non-Instructional Services	7,467
Food Service Operations	41,211
Extracurricular Activities	24,969
Total	<u>\$2,352,432</u>

### **Note 14 – Defined Benefit Pension Plans**

#### ***School Employees Retirement System***

Plan Description – The School District participates in the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2012, the allocation to pension and death benefits was 12.70 percent. The remaining 1.30 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2012, 2011, and 2010 were \$992,761, \$833,028 and \$1,053,069, respectively. For fiscal year 2012, 65.55 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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### ***State Teachers Retirement System***

Plan Description – 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 can be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by 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 member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DB Plan and the DC 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. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50. Benefits are established by Ohio Revised Code Chapter 3307.

A DB or Combined Plan member with five or more years of 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 of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. For the fiscal year ended June 30, 2012, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

The School District's required contributions to STRS Ohio for the DB Plan and for the defined benefit portion of the Combined Plan were \$3,059,102 and \$71,551 for the fiscal year ended June 30, 2012, \$3,114,545 and \$80,215 for the fiscal year ended June 30, 2011, and \$3,226,455 and \$28,457 for the fiscal year ended June 30, 2010. For fiscal year 2012, 83.77 percent has been contributed for the DB Plan and the Combined Plan, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

Contributions made to STRS Ohio for the DC Plan for fiscal year 2012 were \$56,494 made by the School District and \$40,353 made by the plan members.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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### ***Social Security System***

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2012, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages.

### **Note 15 - Postemployment Benefits**

#### ***School Employees Retirement System***

Plan Description – The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2012, 0.55 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for fiscal year 2012, this amount was \$35,800. During fiscal year 2012, the School District paid \$123,052 in surcharge.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$166,046, \$241,938, and \$202,703, respectively. For fiscal year 2012, 65.55 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2012, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010, were \$58,628, \$53,607, and \$62,624 respectively. For fiscal year 2012, 65.55 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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### ***State Teachers Retirement System***

Plan Description – The School District participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2012, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$235,316, \$239,580, and \$248,189 respectively. For fiscal year 2012, 83.77 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

### **Note 16 - Other Employee Benefits**

#### ***Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance in the amount of \$50,000 to full-time employees and in an amount equal to double the employee's annual salary for administrators and administrative support staff positions from Anthem Life Insurance Company through the Suburban Health Consortium.

#### ***Compensated Absences***

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to thirty days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time. Twelve month administrative personnel earn 20 days vacation leave and after 10 years of service, 25 days of vacation leave are earned.

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum. Upon retirement, payment is made for 28 percent of the total sick leave accumulation, up to a maximum accumulation of 88 days for certificated employees and 101 days for classified employees. An employee receiving such payment must meet the retirement provisions set by STRS or SERS. Upon retirement for administrators, payment is made for 30 percent of the total sick leave accumulation.

#### ***Retirement Incentives***

The School District offered two retirement incentives. One incentive offered each teacher, who as of June 30, 2011, was eligible to retire under any State Teachers Retirement System (STRS) guidelines, was eligible to participate in a Timely Retirement Incentive Plan (TRIP) that provides annual cash payments of \$15,000 on January 2012, January 2013 and January 2014. The School District had eleven teachers participate. A second retirement incentive plan was approved by the Board for those teachers who provided written

## Brecksville-Broadview Heights City School District

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012

notification of their impending retirement by June 24, 2011. This incentive provides annual cash payments of \$7,500 in January 2012, January 2013 and January 2014. The School District had two teachers participate.

### **Resignation Incentive**

Any teacher who as of July 1, 2010, is at MA, Step 15 on the 2010-2011 Teacher Salary Schedule was eligible to participate in a Resignation Incentive Plan (RIP) that provides annual cash payments of \$7,500 on January 2012, January 2013 and January 2014. To receive this incentive, the teacher had to provide written notification on or before June 1, 2011. The School District had one teacher participate.

### **Note 17 – Capital Leases**

The School District has entered into a lease for copiers. This lease obligation meets the criteria of a capital lease as defined by Financial Accounting Standards Board Statement Number 13, “Accounting for Leases,” and has been recorded on the government-wide statements. The original amounts capitalized for the capital lease and the book value as of June 30, 2012 follows:

	<u>Amounts</u>
Asset:	
Equipment	\$176,382
Less: Accumulated depreciation	<u>0</u>
Current Book Value	<u><u>\$176,382</u></u>

As of June 30, 2012, the future minimum lease payments required under the capital lease and the present value of the minimum lease payments had not been determined.

Capital lease payments have been reclassified and reflected as debt service in the fund financial statement for the general fund.

### **Note 18 – Fund Obligations**

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

	<u>Outstanding June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Outstanding June 30, 2012</u>
2011 1.5%				
Energy Conservation Notes	\$1,540,850	\$0	\$1,540,850	\$0
Energy Conservation Note Premium	13,444	0	13,444	0
Total 2011 Energy Conservation Notes	<u>1,554,294</u>	<u>0</u>	<u>1,554,294</u>	<u>0</u>
2012 1.5%				
Energy Conservation Notes	0	1,340,850	0	1,340,850
Total Fund Obligations	<u><u>\$1,554,294</u></u>	<u><u>\$1,340,850</u></u>	<u><u>\$1,554,294</u></u>	<u><u>\$1,340,850</u></u>

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

On May 13, 2011, the School District issued energy conservation bond anticipation notes for the purpose of boiler, lighting and window replacement throughout the School District. These notes matured on May 13, 2012.

On May 13, 2012, the School District issued energy conservation bond anticipation notes for the purpose of boiler, lighting and window replacement throughout the School District. As of June 30, 2012, all of the proceeds have been expended. All of the notes are backed by the full faith and credit of the School District and mature within one year. The note liability is reflected in the fund which received the proceeds.

### Note 19 - Long-Term Obligations

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

	Balance 06/30/11	Increase	Decrease	Balance 06/30/12	Amounts Due in One Year
<b>Governmental Activities</b>					
<i>High School Refunding Bonds</i>					
3.75% - 5% High School Refunding Bonds					
Serial Bonds	\$12,705,000	\$0	\$1,510,000	\$11,195,000	\$0
Premium on Bonds	255,188	0	24,498	230,690	0
Loss on Refunding	(311,484)	0	(29,902)	(281,582)	0
<b>Total High School Refunding Bonds</b>	<b>12,648,704</b>	<b>0</b>	<b>1,504,596</b>	<b>11,144,108</b>	<b>0</b>
<i>Refunding Notes</i>					
6.5% High School Refunding Notes					
Refunding Notes	8,920,000	0	0	8,920,000	1,565,000
Cash Flow Savings	505,349	0	93,295	412,054	0
Loss on Refunding	(249,504)	0	(46,062)	(203,442)	0
<b>Total Refunding Notes</b>	<b>9,175,845</b>	<b>0</b>	<b>47,233</b>	<b>9,128,612</b>	<b>1,565,000</b>
<i>Other Long-Term Obligations</i>					
Capital Leases Payable	0	176,382	0	176,382	31,090
Timely Retirement Incentive Plan	540,000	0	180,000	360,000	180,000
Resignation Incentive	22,500	0	7,500	15,000	7,500
Compensated Absences Payable	4,811,146	1,319,091	704,252	5,425,985	473,800
Cash Flow Hedging Derivative Instrument	1,514,147	0	270,648	1,243,499	0
<b>Total Other Long-Term Obligations</b>	<b>6,887,793</b>	<b>1,495,473</b>	<b>1,162,400</b>	<b>7,220,866</b>	<b>692,390</b>
<b>Total Governmental Activities</b>	<b>\$28,712,342</b>	<b>\$1,495,473</b>	<b>\$2,714,229</b>	<b>\$27,493,586</b>	<b>\$2,257,390</b>

On December 28, 2006, the School District issued \$17,025,000 in general obligation bonds to refund a portion of the high school general obligation issues in order to take advantage of lower interest rates resulting in a savings to taxpayers over the remaining life of the bonds. These bonds are paid from the bond retirement fund and will mature in December 2021.

On October 16, 2006, the School District issued \$8,920,000 in school improvement refunding notes to refund a portion of the high school general obligation issues in order to take advantage of lower interest rates. These notes are paid from the bond retirement fund and will mature in December 2016.

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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In April 2004, the School District entered into an agreement to issue and sell to Bank One NA variable interest rate notes dated October 2, 2006, in the amount of \$8,920,000. The School District decided to enter into the agreement based upon the net present value savings of 6.17 percent which fell within the 3 percent to 5 percent pre-determined savings criteria. The School District also analyzed the bond market at the time and determined the agreement to be economically feasible. On October 16, 2006, the School District issued and sold variable interest rate notes in the amount of \$8,920,000 to Bank One NA. The notes have scheduled maturities beginning December 1, 2012 and ending December 1, 2016. The notes have a variable interest rate of .65 multiplied times the sum of the one-month London Interbank Offered Rate (LIBOR) plus .90. Proceeds of the notes were used to refund \$8,920,000 of the series 1996 bonds.

In April 2004, the School District and Bank One also agreed to enter into an interest rate swap agreement. This cash flow hedging derivative instrument is a pay-fixed swap (swap) reported in the governmental activities. Bank One agreed to pay interest at a variable rate on a notional amount equal to the unpaid principal amount of the notes and the School District agreed to pay interest on the notional amount at a fixed rate equal to the rate of the refunded 1996 bonds. The School District received an upfront payment from Bank One, NA of \$648,100 representing the present value of the debt service savings to be achieved through the refunding based on a notional amount of \$8,920,000. This upfront payment is being amortized using the straight line method over the life of the notes. The swap terminates on December 1, 2016.

The objective of the interest rate swap transaction with the Bank would be to hedge the exposure of the School District against interest rate fluctuations arising from the variable rates borne by those Bond Anticipation Notes. Under the swap agreement, the School District is the fixed rate payer, paying 6.5 percent on the 2006 Refunding Notes. The counterparty, the Bank, is the floating rate payer, paying the actual variable rate borne by the notes. The floating rate is determined in accordance with the one-month LIBOR Index. The floating rate is calculated as .65 multiplied times the sum of the one-month London Interbank Offered Rate (LIBOR) plus .90.

Both the note rate and the LIBOR Index are known and reset monthly and payable semiannually on June 1 and December 1. Additionally, the notional amount of the swap is equal to the par amount of the Refunding Notes and both are set to mature on December 1, 2016. Based on the criteria of consistent critical terms, the swap was determined to be effective for 2012.

As of June 30, 2012, the swap had a negative fair value of \$1,243,499 estimated using the zero-coupon method. This method calculated the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments were then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. The fair value at June 30, 2012 is reported on the Statement of Net Assets as a deferred outflow of resources and a long-term liability. Changes in fair value were reported on the statement of net assets as a decrease in deferred outflows of resources and long-term liability due in more than one year.

**Interest rate risk** The School District is exposed to interest rate risk on its pay-fixed interest rate swap. As the LIBOR decreases, the School District's net payment on the swap increases.

**Termination Risk** The swap agreements may be terminated prior to their stated termination date under certain circumstances. Upon termination, a payment may be owed by the School District to the Bank, or by the Bank to the School District, depending upon the prevailing economic circumstances at the time of the termination.

**Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2012*

Compensated absences will be paid from the general fund and food service and child care special revenue funds. The timely retirement and resignation incentives will be paid from the general fund. The capital lease will be paid from the general fund.

The School District's overall debt margin was \$75,198,839 with an unvoted debt margin of \$1,013,649 at June 30, 2012. Principal and interest requirements to retire general obligation bonds and notes outstanding at June 30, 2012 are as follows:

	General Obligation Bonds		Refunding Notes		
	Principal	Interest	Principal	Interest	Hedging Derivative, Net
2013	\$0	\$506,844	\$1,565,000	\$120,465	\$408,472
2014	0	506,844	1,670,000	96,520	327,280
2015	0	506,844	1,775,000	71,021	240,817
2016	0	506,844	1,895,000	43,856	148,706
2017	0	506,844	2,015,000	13,915	50,573
2018-2022	11,195,000	1,253,247	0	0	0
Total Principal and Interest	<u>\$11,195,000</u>	<u>\$3,787,467</u>	<u>\$8,920,000</u>	<u>\$345,777</u>	<u>\$1,175,848</u>

**Note 20 - 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 construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end. These amounts must be 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 capital acquisition. Disclosure of this information is required by State statute.

	Capital Improvements
Set-Aside Balance as of June 30, 2011	\$0
Current Year Set-aside Requirement	746,073
Offsets	(1,554,318)
Total	<u>(\$808,245)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>\$0</u>
Set-aside Balance as of June 30, 2012	<u>\$0</u>

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

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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### **Note 21 – Public Entity Risk Pools**

#### ***Insurance Purchasing Pool***

The School District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP) was established through the Ohio Association of School Business Officials (OASBO) as a group purchasing pool. The Executive Director of the OASBO, or his designee, serves as coordinator of the GRP. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

#### ***Shared Risk Pool***

The Suburban Health Consortium (the "Consortium") is a shared health risk pool created on October 1, 2001, formed by the Boards of Education of several school districts in northeast Ohio, for the purposes of maximizing benefits and/or reducing costs of group health, life, dental and/or other insurance coverages for their employees and the eligible dependents and designated beneficiaries of such employees. The Consortium was formed and operates as a legally separate entity under Ohio Revised Code Section 9.833. The Board of Directors is the governing body of the Consortium. The Board of Education of each Consortium Member appoints its Superintendent or such Superintendent's designee to be its representative of the Board of Directors. The officers of the Board of Directors consist of a Chairman, Vice-Chairman and Recording Secretary, who are elected at the annual meeting of Board of Directors and serve until the next annual meeting. All of the authority of the Consortium is exercised by or under the direction of the Board of Directors. The Board of Directors also sets all premiums and other amounts to be paid by the Consortium Members, and the Board of Directors have the authority to waive premiums and other payments. All members of the Board of Directors serve without compensation.

The Fiscal Agent shall be the Board of Education responsible for administering the financial transactions of the Consortium (Orange City School District). The Fiscal Agent shall carry out the responsibilities of the Consortium Fund, enter into contracts on behalf of the Consortium as authorized by the Board of Directors and carry out such other responsibilities as approved by the Board of Directors and agreed to by the Fiscal Agent. Each District Member enrolled in a benefit program may require contributions from its employees toward the cost of any benefit program being offered by such District Member, and such contributions shall be included in the payments from such District Member to the Fiscal Agent for such benefit program. Contributions are to be submitted by each District Member, to the Fiscal Agent, required under the terms of the Consortium Agreement and any benefit program in which such District Member is enrolled to the Fiscal Agent on a monthly basis, or as otherwise required in accordance with any benefit program in which such District Member is enrolled. All general administrative costs incurred by the Consortium that are not covered by the premium payments shall be shared equally by the Consortium Members as approved by the Board of Directors, and shall be paid by each Consortium Member upon receipt of notice from the Fiscal Agent that such payment is due. It is the express intention of the Consortium Members that the Consortium Agreement and the Consortium shall continue for an indefinite term, but may be terminated as provided in the Consortium Agreement.

Any Consortium Member wishing to withdraw from participation in the Consortium or any benefit program shall notify the Fiscal Agent at least one hundred eighty (180) days prior to the effective date of withdrawal. Upon withdrawal of a Consortium Member, the Consortium shall pay the run out of all claims for such Consortium Member provided such Consortium Member has paid to the Consortium, prior to the effective date of withdrawal a withdrawal fee in the amount equal to two months' premiums at the Consortium

## **Brecksville-Broadview Heights City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

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Member's current rate. Payment of the withdrawal fee does not extend insurance coverage for two months. Upon automatic withdrawal, for non-payment of premiums required by the Consortium Agreement, the Consortium shall pay the run out of all claims for such Consortium Member provided the Consortium has received from such Consortium Member all outstanding and unpaid premiums and other amounts and the withdrawal fee equal to two months' premiums at the Consortium Members' current rates. Any Consortium Member which withdraws from the Consortium pursuant to the Consortium Agreement shall have no claim to the Consortium's assets. Financial information for the Consortium can be obtained from the Treasurer of the Orange City School District (the Fiscal Agent) at 32000 Chagrin Boulevard, Pepper Pike, Ohio 44124.

### **Note 22 - Jointly Governed Organizations**

#### ***North Coast Council***

The North Coast Council (NCC) is a jointly governed computer service bureau owned and operated by thirteen public school districts. The North Coast Council was formed when the Lakeshore Northeast Ohio Computer Consortium and the Lake Erie Educational Computer Association merged during fiscal year 2012. The primary function of NCC is to provide to its members the support and leadership which enables organizations to achieve their objectives through innovative and cost effective shared technology solutions. Major areas of service provided by NCC include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. NCC is wholly owned by its member districts and is governed by a Board of Directors (member Superintendents). NCC's current membership includes the Educational Service Center of Cuyahoga County and thirteen school districts in Cuyahoga County. 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 NCC. Each school district supports NCC based upon a per pupil charge dependent upon the software packages used. In fiscal year 2012, the School District paid \$139,277 to NCC. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 5700 West Canal Road, Valley View, Ohio 44125.

#### ***Cuyahoga Valley Career Center***

The Cuyahoga Valley Career Center (a joint vocational school district) is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of representatives from each participating school district's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Cuyahoga Valley Career Center is not part of the School District and its operations are not included as part of the reporting entity. The School District made no contributions to the Cuyahoga Valley Career Center during fiscal year 2012. Financial information can be obtained by contacting the Treasurer at the Cuyahoga Valley Career Center, 8001 Brecksville Road, Brecksville, OH 44141.

#### ***Ohio Schools' Council***

The Ohio Schools Council (Council) is a jointly governed organization among 161 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other

## Brecksville-Broadview Heights City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2012*

responsibilities as designated by the Board. In fiscal year 2012, the School District paid \$269,597 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director at the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Compass Energy has been selected as the new supplier and program manager for the period from October 1, 2010 through March 31, 2013. There are currently 143 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

### **Note 23 – Significant Commitments**

#### *Contractual Commitments*

At June 30, 2012, the School District's significant contractual commitments consisted of the following:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining on Contract</u>
HB 264 Improvements	\$678,045	\$110,400	\$567,645
Stadium Bleacher Replacement	246,950	0	246,950
Roofing Replacement	419,376	0	419,376

#### *Encumbrances*

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

General fund	\$422,893
Nonmajor funds	<u>1,514,921</u>
Total	<u><u>\$1,937,814</u></u>

## Combining and Individual Fund Statements and Schedules

### *Nonmajor Special Revenue Funds*

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Following is a description of the School District's nonmajor special revenue funds:

**Food Service Fund** – The fund accounts for and reports the charges for services and operating grants restricted to the food service operations of the School District.

**Scholarship Fund** – This fund accounts for and reports donations committed towards college scholarships for the students.

**Other Grants Fund** – This fund accounts for and reports restricted grant monies received to promote community involvement and to support activities between the school and community.

**Child Care Fund** – This fund accounts for and reports tuition received from parents committed to the after school child care program.

**Athletics Fund** – This fund accounts for and reports gate receipts and other revenues from athletic events restricted for the costs (except supplemental coaching contracts) of the athletic program.

**Auxiliary Services Fund** – This fund accounts for and reports restricted State grant monies that provide services and materials to pupils attending non-public schools within the School District.

**Educational Management Information Systems Fund** – This fund accounts for and reports restricted State grant monies used to support the costs associated with the requirements of the management information system.

**Entry Year Teachers** – This fund accounts for and reports restricted State monies spent on teacher in-service and training for first year teachers.

**One Net Fund** – This fund accounts for and reports restricted State grant monies used for classroom wiring for technology.

**SchoolNet Professional Development Fund** – This fund accounts for and reports restricted State monies to assist staff in gaining knowledge of technology.

**Education Jobs Fund** – This fund accounts for and reports restricted Federal grant monies to assist schools in providing educational and related services for early childhood, elementary and secondary education.

**IDEA-B Fund** – This fund accounts for and reports restricted Federal grant monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

(continued)

*Nonmajor Special Revenue Funds (continued)*

**Title II-D Fund** – This fund accounts for and reports restricted Federal grant monies used for technology.

**Title III Fund** – This fund accounts for and reports restricted Federal grant monies used for costs associated with limited English proficiency.

**Title I Fund** – This fund accounts for and reports restricted Federal grant monies used to assist the School District in meeting the special needs of educationally deprived children.

**Title V Fund** – This fund accounts for and reports restricted Federal grant monies used to support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

**Title IV Fund** – This fund accounts for and reports restricted Federal grant monies used to support the implementation of programs for drug abuse education and prevention.

**Pre-School Fund** – This fund accounts for and reports restricted Federal grant monies used for speech therapy services and instructional supplies used in preschool programs.

**Title II-A Fund** – This fund accounts for and reports restricted Federal grant monies used for professional development of teachers.

**Miscellaneous Federal Grants Fund** – This fund accounts for and reports other restricted Federal grants, which are not required to be accounted for in a separate fund.

**Public School Support Fund** – This fund accounts for and reports school site sales revenue and expenditures for assemblies and other activity costs. This fund is included in the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

*Nonmajor Capital Projects Funds*

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust. Following is a description of the nonmajor capital project funds:

**Permanent Improvement Fund** – This fund accounts for and reports property taxes restricted for various capital improvements within the School District

**Building Fund** – This fund accounts for and reports bond and note proceeds restricted for the acquisition, construction, improvements and furnishings for the new high school.

**Brecksville-Broadview Heights City School District**

*Combining Balance Sheet*

**Nonmajor Governmental Funds**

*June 30, 2012*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,183,870	\$3,426,247	\$4,610,117
Receivables:			
Taxes	0	1,248,504	1,248,504
Accounts	23,715	0	23,715
Intergovernmental	106,230	0	106,230
Inventory Held for Resale	15,227	0	15,227
Materials and Supplies Inventory	7,582	0	7,582
<i>Total Assets</i>	<u>\$1,336,624</u>	<u>\$4,674,751</u>	<u>\$6,011,375</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$44,173	\$15,220	\$59,393
Accrued Wages and Benefits	63,432	0	63,432
Contracts Payable	0	101,200	101,200
Interfund Payable	0	323,005	323,005
Intergovernmental Payable	90,289	0	90,289
Deferred Revenue	64,799	1,062,591	1,127,390
Accrued Interest Payable	0	3,621	3,621
Notes Payable	0	1,340,850	1,340,850
<i>Total Liabilities</i>	<u>262,693</u>	<u>2,846,487</u>	<u>3,109,180</u>
<b>Fund Balances</b>			
Nonspendable	7,582	0	7,582
Restricted	865,850	3,370,411	4,236,261
Committed	200,499	0	200,499
Unassigned (Deficit)	0	(1,542,147)	(1,542,147)
<i>Total Fund Balances</i>	<u>1,073,931</u>	<u>1,828,264</u>	<u>2,902,195</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,336,624</u>	<u>\$4,674,751</u>	<u>\$6,011,375</u>

**Brecksville-Broadview Heights City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Nonmajor Governmental Funds**  
*For the Fiscal Year Ended June 30, 2012*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Taxes	\$0	\$1,481,862	\$1,481,862
Intergovernmental	2,281,561	287,042	2,568,603
Interest	3,450	0	3,450
Tuition and Fees	435,206	0	435,206
Extracurricular Activities	310,266	0	310,266
Charges for Services	1,395,471	0	1,395,471
Contributions and Donations	74,774	45,000	119,774
Miscellaneous	45,708	0	45,708
<i>Total Revenues</i>	<u>4,546,436</u>	<u>1,813,904</u>	<u>6,360,340</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	509,686	71,622	581,308
Special	258,195	0	258,195
Support Services:			
Pupil	44,705	201,137	245,842
Instructional Staff	463,165	0	463,165
Administration	19,674	0	19,674
Fiscal	596	0	596
Operation and Maintenance of Plant	12,450	11,484	23,934
Pupil Transportation	0	179,810	179,810
Central	2,111	0	2,111
Operation of Non-Instructional Services	630,245	0	630,245
Food Service Operations	1,651,208	0	1,651,208
Child Care Operations	423,051	0	423,051
Extracurricular Activities	305,250	0	305,250
Capital Outlay	0	731,029	731,029
Debt Service:			
Interest and Fiscal Charges	0	17,591	17,591
<i>Total Expenditures</i>	<u>4,320,336</u>	<u>1,212,673</u>	<u>5,533,009</u>
<i>Excess of Revenues Over Expenditures</i>	226,100	601,231	827,331
<b>Other Financing Sources</b>			
Transfers In	15,000	255,817	270,817
<i>Net Change in Fund Balances</i>	241,100	857,048	1,098,148
<i>Fund Balances Beginning of Year</i>	<u>832,831</u>	<u>971,216</u>	<u>1,804,047</u>
<i>Fund Balances End of Year</i>	<u>\$1,073,931</u>	<u>\$1,828,264</u>	<u>\$2,902,195</u>

**Brecksville-Broadview Heights City School District**

*Combining Balance Sheet*

***Nonmajor Special Revenue Funds***

*June 30, 2012*

	<u>Food Service</u>	<u>Scholarship</u>	<u>Other Grants</u>	<u>Child Care</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$398,226	\$105,574	\$178,234	\$94,509
Receivables:				
Accounts	0	0	0	23,715
Intergovernmental	34,919	0	0	5,722
Inventory Held for Resale	15,227	0	0	0
Materials and Supplies Inventory	7,582	0	0	0
<i>Total Assets</i>	<u>\$455,954</u>	<u>\$105,574</u>	<u>\$178,234</u>	<u>\$123,946</u>
 <b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$2,576	\$112	\$1,012	\$1,808
Accrued Wages and Benefits	44,717	0	0	10,628
Intergovernmental Payable	63,705	0	5,969	16,473
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>110,998</u>	<u>112</u>	<u>6,981</u>	<u>28,909</u>
 <b>Fund Balances</b>				
Nonspendable	7,582	0	0	0
Restricted	337,374	0	171,253	0
Committed	0	105,462	0	95,037
<i>Total Fund Balances</i>	<u>344,956</u>	<u>105,462</u>	<u>171,253</u>	<u>95,037</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$455,954</u>	<u>\$105,574</u>	<u>\$178,234</u>	<u>\$123,946</u>

<u>Athletics</u>	<u>Auxiliary Services</u>	<u>SchoolNet Professional Development</u>	<u>IDEA-B</u>	<u>Title II-D</u>
\$193,160	\$42,056	\$164	\$86,331	\$41
0	0	0	0	0
0	0	0	49,699	1,694
0	0	0	0	0
0	0	0	0	0
<u>\$193,160</u>	<u>\$42,056</u>	<u>\$164</u>	<u>\$136,030</u>	<u>\$1,735</u>
\$0	\$1,619	\$0	\$30,148	\$0
0	0	0	0	0
0	0	0	2,857	0
0	0	0	49,271	1,694
0	1,619	0	82,276	1,694
0	0	0	0	0
193,160	40,437	164	53,754	41
0	0	0	0	0
<u>193,160</u>	<u>40,437</u>	<u>164</u>	<u>53,754</u>	<u>41</u>
<u>\$193,160</u>	<u>\$42,056</u>	<u>\$164</u>	<u>\$136,030</u>	<u>\$1,735</u>

(continued)

**Brecksville-Broadview Heights City School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds (continued)*

*June 30, 2012*

	<u>Title III</u>	<u>Title I</u>	<u>Title V</u>	<u>Title IV</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$2,143	\$5,638	\$1,534
Receivables:				
Accounts	0	0	0	0
Intergovernmental	7,719	2,947	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$7,719</u>	<u>\$5,090</u>	<u>\$5,638</u>	<u>\$1,534</u>
 <b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	884	0	0
Deferred Revenue	7,712	2,947	0	0
<i>Total Liabilities</i>	<u>7,712</u>	<u>3,831</u>	<u>0</u>	<u>0</u>
 <b>Fund Balances</b>				
Nonspendable	0	0	0	0
Restricted	7	1,259	5,638	1,534
Committed	0	0	0	0
<i>Total Fund Balances</i>	<u>7</u>	<u>1,259</u>	<u>5,638</u>	<u>1,534</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$7,719</u>	<u>\$5,090</u>	<u>\$5,638</u>	<u>\$1,534</u>

Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$2,785	\$73,475	\$1,183,870
0	0	23,715
3,175	355	106,230
0	0	15,227
0	0	7,582
<u>\$5,960</u>	<u>\$73,830</u>	<u>\$1,336,624</u>
\$350	\$6,548	\$44,173
0	8,087	63,432
158	243	90,289
3,175	0	64,799
<u>3,683</u>	<u>14,878</u>	<u>262,693</u>
0	0	7,582
2,277	58,952	865,850
0	0	200,499
<u>2,277</u>	<u>58,952</u>	<u>1,073,931</u>
<u>\$5,960</u>	<u>\$73,830</u>	<u>\$1,336,624</u>

**Brecksville-Broadview 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, 2012*

	Food Service	Scholarship	Other Grants	Child Care
<b>Revenues</b>				
Intergovernmental	\$345,645	\$0	\$0	\$0
Interest	2,752	314	0	0
Tuition and Fees	0	0	0	435,206
Extracurricular Activities	0	914	0	20,301
Charges for Services	1,395,471	0	0	0
Contributions and Donations	0	60,649	2,525	0
Miscellaneous	0	0	43,738	1,970
<i>Total Revenues</i>	<u>1,743,868</u>	<u>61,877</u>	<u>46,263</u>	<u>457,477</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	1,038	8,989	0
Special	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	1,283	0
Administration	0	1,659	0	0
Fiscal	0	596	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	57,724	0	0
Food Service Operations	1,651,208	0	0	0
Child Care Operations	0	0	0	423,051
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>1,651,208</u>	<u>61,017</u>	<u>10,272</u>	<u>423,051</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	92,660	860	35,991	34,426
<b>Other Financing Sources</b>				
Transfers In	<u>0</u>	<u>0</u>	<u>15,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	92,660	860	50,991	34,426
<i>Fund Balances Beginning of Year</i>	<u>252,296</u>	<u>104,602</u>	<u>120,262</u>	<u>60,611</u>
<i>Fund Balances End of Year</i>	<u><u>\$344,956</u></u>	<u><u>\$105,462</u></u>	<u><u>\$171,253</u></u>	<u><u>\$95,037</u></u>

Athletics	Auxiliary Services	Educational Management Information Systems	Entry Year Teachers	One Net	SchoolNet Professional Development
\$0	\$312,942	\$0	\$350	\$10,800	\$0
0	384	0	0	0	0
0	0	0	0	0	0
289,051	0	0	0	0	0
0	0	0	0	0	0
11,600	0	0	0	0	0
0	0	0	0	0	0
<u>300,651</u>	<u>313,326</u>	<u>0</u>	<u>350</u>	<u>10,800</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	350	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	12,450	0
0	0	1,611	0	0	0
0	279,316	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
305,250	0	0	0	0	0
<u>305,250</u>	<u>279,316</u>	<u>1,611</u>	<u>350</u>	<u>12,450</u>	<u>0</u>
(4,599)	34,010	(1,611)	0	(1,650)	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(4,599)	34,010	(1,611)	0	(1,650)	0
<u>197,759</u>	<u>6,427</u>	<u>1,611</u>	<u>0</u>	<u>1,650</u>	<u>164</u>
<u>\$193,160</u>	<u>\$40,437</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$164</u>

(continued)

**Brecksville-Broadview 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, 2012*

	Education Jobs	IDEA-B	Title II-D	Title III	Title I
<b>Revenues</b>					
Intergovernmental	\$274,424	\$713,690	\$0	\$12,280	\$236,186
Interest	0	0	0	0	0
Tuition and Fees	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>274,424</u>	<u>713,690</u>	<u>0</u>	<u>12,280</u>	<u>236,186</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	274,424	0	0	11,450	169,570
Special	0	258,195	0	0	0
Support Services:					
Pupil	0	44,705	0	0	0
Instructional Staff	0	359,090	0	1,041	63,261
Administration	0	16,205	0	0	1,810
Fiscal	0	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0	0
Central	0	0	0	0	500
Operation of Non-Instructional Services	0	54,708	0	0	0
Food Service Operations	0	0	0	0	0
Child Care Operations	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
<i>Total Expenditures</i>	<u>274,424</u>	<u>732,903</u>	<u>0</u>	<u>12,491</u>	<u>235,141</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(19,213)	0	(211)	1,045
<b>Other Financing Sources</b>					
Transfer In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	0	(19,213)	0	(211)	1,045
<i>Fund Balances Beginning of Year</i>	<u>0</u>	<u>72,967</u>	<u>41</u>	<u>218</u>	<u>214</u>
<i>Fund Balances End of Year</i>	<u>\$0</u>	<u>\$53,754</u>	<u>\$41</u>	<u>\$7</u>	<u>\$1,259</u>

Title V	Title IV	Pre-School	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$10,000	\$20,695	\$62,180	\$282,369	\$2,281,561
0	0	0	0	0	3,450
0	0	0	0	0	435,206
0	0	0	0	0	310,266
0	0	0	0	0	1,395,471
0	0	0	0	0	74,774
0	0	0	0	0	45,708
0	10,000	20,695	62,180	282,369	4,546,436
0	0	0	44,215	0	509,686
0	0	0	0	0	258,195
0	0	0	0	0	44,705
0	0	20,695	17,445	0	463,165
0	0	0	0	0	19,674
0	0	0	0	0	596
0	0	0	0	0	12,450
0	0	0	0	0	2,111
0	10,000	0	239	228,258	630,245
0	0	0	0	0	1,651,208
0	0	0	0	0	423,051
0	0	0	0	0	305,250
0	10,000	20,695	61,899	228,258	4,320,336
0	0	0	281	54,111	226,100
0	0	0	0	0	15,000
0	0	0	281	54,111	241,100
5,638	1,534	0	1,996	4,841	832,831
\$5,638	\$1,534	\$0	\$2,277	\$58,952	\$1,073,931

**Brecksville-Broadview Heights City School District**

*Combining Balance Sheet*

**Nonmajor Capital Projects Funds**

*June 30, 2012*

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$3,199,718	\$226,529	\$3,426,247
Taxes Receivable	<u>1,248,504</u>	<u>0</u>	<u>1,248,504</u>
<i>Total Assets</i>	<u><u>\$4,448,222</u></u>	<u><u>\$226,529</u></u>	<u><u>\$4,674,751</u></u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$15,220	\$0	\$15,220
Contracts Payable	0	101,200	101,200
Interfund Payable	0	323,005	323,005
Deferred Revenue	1,062,591	0	1,062,591
Accrued Interest Payable	0	3,621	3,621
Notes Payable	<u>0</u>	<u>1,340,850</u>	<u>1,340,850</u>
<i>Total Liabilities</i>	<u>1,077,811</u>	<u>1,768,676</u>	<u>2,846,487</u>
<b>Fund Balances</b>			
Restricted	3,370,411	0	3,370,411
Unassigned (Deficit)	<u>0</u>	<u>(1,542,147)</u>	<u>(1,542,147)</u>
<i>Total Fund Balances (Deficit)</i>	<u>3,370,411</u>	<u>(1,542,147)</u>	<u>1,828,264</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$4,448,222</u></u>	<u><u>\$226,529</u></u>	<u><u>\$4,674,751</u></u>

**Brecksville-Broadview Heights City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Nonmajor Capital Projects Funds**  
*For the Fiscal Year Ended June 30, 2012*

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<b>Revenues</b>			
Taxes	\$1,481,862	\$0	\$1,481,862
Intergovernmental	287,042	0	287,042
Contributions and Donations	0	45,000	45,000
<i>Total Revenues</i>	<u>1,768,904</u>	<u>45,000</u>	<u>1,813,904</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	71,622	0	71,622
Support Services:			
Pupil	201,137	0	201,137
Operation and Maintenance of Plant	11,484	0	11,484
Pupil Transportation	179,810	0	179,810
Capital Outlay	519,429	211,600	731,029
Debt Service:			
Interest and Fiscal Charges	0	17,591	17,591
<i>Total Expenditures</i>	<u>983,482</u>	<u>229,191</u>	<u>1,212,673</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	785,422	(184,191)	601,231
<b>Other Financing Sources</b>			
Transfers In	0	255,817	255,817
<i>Net Change in Fund Balances</i>	785,422	71,626	857,048
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>2,584,989</u>	<u>(1,613,773)</u>	<u>971,216</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$3,370,411</u></u>	<u><u>(\$1,542,147)</u></u>	<u><u>\$1,828,264</u></u>

## **Combining Statements – Fiduciary Funds**

### ***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 purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

### ***Private Purpose Trust Fund***

***Unclaimed Monies Fund*** – This fund accounts for stale-dated payroll checks held for five years for employees.

### ***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.

**Brecksville-Broadview Heights City School District**

*Statement of Changes in Assets and Liabilities*

**Agency Fund**

*For the Fiscal Year Ended June 30, 2012*

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	Balance			Balance
	<u>June 30, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2012</u>
<b>Student Activities Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$126,595</u>	<u>\$239,944</u>	<u>\$242,848</u>	<u>\$123,691</u>
<b>Liabilities</b>				
Due to Students	<u>\$126,595</u>	<u>\$239,944</u>	<u>\$242,848</u>	<u>\$123,691</u>

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

**Brecksville-Broadview 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, 2012*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$32,162,525	\$36,857,224	\$32,840,928	(\$4,016,296)
Intergovernmental	9,042,617	8,465,321	11,741,534	3,276,213
Interest	64,645	30,889	42,969	12,080
Tuition and Fees	585,619	402,804	563,230	160,426
Extracurricular Activities	907,318	643,755	883,777	240,022
Payment in Lieu of Taxes	0	376,359	376,359	0
Rentals	44,797	16,163	21,590	5,427
Charges for Services	71,019	12,052	16,518	4,466
Contributions and Donations	10,809	11,177	15,318	4,141
Miscellaneous	0	170,077	246,477	76,400
<i>Total Revenues</i>	<u>42,889,349</u>	<u>46,985,821</u>	<u>46,748,700</u>	<u>(237,121)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	15,407,051	15,179,684	15,081,525	98,159
Fringe Benefits	4,490,641	4,552,540	4,551,233	1,307
Purchased Services	497,871	799,261	792,760	6,501
Materials and Supplies	484,749	434,148	430,700	3,448
Capital Outlay	118,657	118,033	117,833	200
Other	347,160	257,095	254,320	2,775
<b>Total Regular</b>	<u>21,346,129</u>	<u>21,340,761</u>	<u>21,228,371</u>	<u>112,390</u>
Special:				
Salaries and Wages	4,077,780	3,808,296	3,777,839	30,457
Fringe Benefits	1,064,577	1,136,347	1,135,353	994
Purchased Services	869,986	942,583	942,139	444
Materials and Supplies	30,075	51,723	48,749	2,974
Capital Outlay	3,839	17,570	17,570	0
<b>Total Special</b>	<u>6,046,257</u>	<u>5,956,519</u>	<u>5,921,650</u>	<u>34,869</u>
Vocational:				
Salaries and Wages	82,937	85,523	84,915	608
Fringe Benefits	28,787	29,226	29,135	91
Materials and Supplies	0	5,958	5,614	344
<b>Total Vocational</b>	<u>111,724</u>	<u>120,707</u>	<u>119,664</u>	<u>1,043</u>
Student Intervention Services				
Salaries and Wages	3,813	1,735	0	1,735
Purchased Services	201,073	440,635	439,388	1,247
Other	35,000	25,866	25,866	0
<b>Total Student Intervention Services</b>	<u>239,886</u>	<u>468,236</u>	<u>465,254</u>	<u>2,982</u>
<b>Total Instruction</b>	<u>\$27,743,996</u>	<u>\$27,886,223</u>	<u>\$27,734,939</u>	<u>\$151,284</u>

(continued)

**Brecksville-Broadview 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, 2012*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Support Services:				
Pupil:				
Salaries and Wages	\$2,565,395	\$2,649,037	\$2,629,487	\$19,550
Fringe Benefits	961,375	884,521	881,268	3,253
Purchased Services	36,444	25,169	23,911	1,258
Materials and Supplies	47,428	49,660	48,895	765
Capital Outlay	20,420	46,726	45,567	1,159
Total Pupil	3,631,062	3,655,113	3,629,128	25,985
Instructional Staff:				
Salaries and Wages	1,610,935	1,584,007	1,569,208	14,799
Fringe Benefits	819,479	776,324	766,663	9,661
Purchased Services	94,381	79,257	73,842	5,415
Materials and Supplies	112,288	118,186	115,982	2,204
Capital Outlay	7,975	10,293	10,076	217
Other	4,250	4,384	4,384	0
Total Instructional Staff	2,649,308	2,572,451	2,540,155	32,296
Board of Education:				
Salaries and Wages	16,145	15,544	14,625	919
Fringe Benefits	3,008	2,959	2,959	0
Purchased Services	20,941	17,565	17,565	0
Other	71,843	161,739	161,039	700
Total Board of Education	111,937	197,807	196,188	1,619
Administration:				
Salaries and Wages	2,021,026	2,002,894	1,989,115	13,779
Fringe Benefits	768,528	703,411	701,282	2,129
Purchased Services	15,975	137,246	137,127	119
Materials and Supplies	14,829	11,322	10,882	440
Other	12,840	9,719	9,707	12
Total Administration	2,833,198	2,864,592	2,848,113	16,479
Fiscal:				
Salaries and Wages	360,889	358,391	352,243	6,148
Fringe Benefits	135,350	141,543	141,499	44
Purchased Services	66,326	46,865	44,358	2,507
Materials and Supplies	24,632	9,562	7,189	2,373
Capital Outlay	5,000	11,604	11,604	0
Other	768,618	704,326	702,707	1,619
Total Fiscal	\$1,360,815	\$1,272,291	\$1,259,600	\$12,691

(continued)

**Brecksville-Broadview 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, 2012*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Business:				
Salaries and Wages	\$240,036	\$240,801	\$238,401	\$2,400
Fringe Benefits	107,691	97,157	97,009	148
Purchased Services	206,996	132,948	128,938	4,010
Materials and Supplies	21,797	18,272	18,255	17
Capital Outlay	3,000	1,341	1,341	0
Other	2,700	2,953	2,936	17
Total Business	582,220	493,472	486,880	6,592
Operation and Maintenance of Plant:				
Salaries and Wages	1,938,352	1,854,340	1,833,977	20,363
Fringe Benefits	835,354	782,994	782,160	834
Purchased Services	1,411,422	1,217,156	1,215,779	1,377
Materials and Supplies	288,912	193,205	192,135	1,070
Capital Outlay	42,994	47,993	47,959	34
Other	7,200	7,119	7,119	0
Total Operation and Maintenance of Plant	4,524,234	4,102,807	4,079,129	23,678
Pupil Transportation:				
Salaries and Wages	1,640,072	1,677,122	1,662,369	14,753
Fringe Benefits	724,671	694,120	680,744	13,376
Purchased Services	156,191	251,871	249,210	2,661
Materials and Supplies	544,633	486,098	484,841	1,257
Capital Outlay	4,000	936	936	0
Other	0	325	325	0
Total Pupil Transportation	3,069,567	3,110,472	3,078,425	32,047
Central:				
Salaries and Wages	93,982	72,309	71,203	1,106
Fringe Benefits	23,520	21,350	21,326	24
Purchased Services	159,290	140,851	140,840	11
Materials and Supplies	12,139	5,114	5,112	2
Capital Outlay	5,500	1,094	1,094	0
Other	1,000	650	650	0
Total Central	295,431	241,368	240,225	1,143
Total Support Services	19,057,772	18,510,373	18,357,843	152,530
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	119,895	117,814	116,878	936
Fringe Benefits	23,389	20,736	20,651	85
Purchased Services	475	360	360	0
Total Academic and Subject Oriented Activities	\$143,759	\$138,910	\$137,889	\$1,021

(continued)

**Brecksville-Broadview 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, 2012*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Sports Oriented Activities:				
Salaries and Wages	\$484,813	\$474,833	\$471,290	\$3,543
Fringe Benefits	95,772	88,708	88,480	228
Purchased Services	37,500	43,657	43,625	32
Materials and Supplies	6,000	5,740	5,739	1
Other	5,300	2,679	2,679	0
<b>Total Sports Oriented Activities</b>	<b>629,385</b>	<b>615,617</b>	<b>611,813</b>	<b>3,804</b>
School and Public Service				
Co-Curricular Activities:				
Salaries and Wages	37,379	34,370	34,169	201
Fringe Benefits	4,694	4,092	4,047	45
<b>Total School and Public Service Co-Curricular Activities</b>	<b>42,073</b>	<b>38,462</b>	<b>38,216</b>	<b>246</b>
<b>Total Extracurricular Activities</b>	<b>815,217</b>	<b>792,989</b>	<b>787,918</b>	<b>5,071</b>
<b>Total Expenditures</b>	<b>47,616,985</b>	<b>47,189,585</b>	<b>46,880,700</b>	<b>308,885</b>
<i>Excess of Revenues Under Expenditures</i>	<i>(4,727,636)</i>	<i>(203,764)</i>	<i>(132,000)</i>	<i>71,764</i>
<b>Other Financing Sources (Uses)</b>				
Advances In	99,110	97,612	133,782	36,170
Transfers Out	(277,801)	(272,091)	(270,817)	1,274
<b>Total Other Financing Sources (Uses)</b>	<b>(178,691)</b>	<b>(174,479)</b>	<b>(137,035)</b>	<b>37,444</b>
<b>Net Change in Fund Balance</b>	<b>(4,906,327)</b>	<b>(378,243)</b>	<b>(269,035)</b>	<b>109,208</b>
<b>Fund Balance Beginning of Year</b>	<b>10,699,724</b>	<b>10,699,724</b>	<b>10,699,724</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>379,671</b>	<b>379,671</b>	<b>379,671</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$6,173,068</b>	<b>\$10,701,152</b>	<b>\$10,810,360</b>	<b>\$109,208</b>

**Brecksville-Broadview 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, 2012*

	<u>Original</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$2,699,335	\$2,812,368	\$2,492,514	(\$319,854)
Intergovernmental	227,841	265,767	319,854	54,087
<i>Total Revenues</i>	<u>2,927,176</u>	<u>3,078,135</u>	<u>2,812,368</u>	<u>(265,767)</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	3,050,850	3,050,850	3,050,850	0
Interest and Fiscal Charges	1,145,773	1,145,773	1,145,773	0
<i>Total Expenditures</i>	<u>4,196,623</u>	<u>4,196,623</u>	<u>4,196,623</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,269,447)</u>	<u>(1,118,488)</u>	<u>(1,384,255)</u>	<u>(265,767)</u>
<b>Other Financing Sources</b>				
Energy Conservation Notes Issued	1,185,331	1,114,114	1,340,850	226,736
Transfers In	158,495	191,786	230,817	39,031
<i>Total Other Financing Sources</i>	<u>1,343,826</u>	<u>1,305,900</u>	<u>1,571,667</u>	<u>265,767</u>
<i>Net Change in Fund Balance</i>	74,379	187,412	187,412	0
<i>Fund Balance Beginning of Year</i>	<u>3,926,261</u>	<u>3,926,261</u>	<u>3,926,261</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,000,640</u>	<u>\$4,113,673</u>	<u>\$4,113,673</u>	<u>\$0</u>

**Brecksville-Broadview 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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$250,353	\$250,353	\$0
Interest	139	139	0
Charges for Services	1,385,742	1,395,471	9,729
<i>Total Revenues</i>	<u>1,636,234</u>	<u>1,645,963</u>	<u>9,729</u>
<b>Expenditures</b>			
Current:			
Food Service Operations:			
Salaries and Wages	629,478	628,977	501
Fringe Benefits	243,920	243,255	665
Purchased Services	25,754	25,546	208
Materials and Supplies	705,561	701,352	4,209
Capital Outlay	18,608	17,782	826
Other	1,000	167	833
<i>Total Expenditures</i>	<u>1,624,321</u>	<u>1,617,079</u>	<u>7,242</u>
<i>Net Change in Fund Balance</i>	11,913	28,884	16,971
<i>Fund Balance Beginning of Year</i>	351,698	351,698	0
Prior Year Encumbrances Appropriated	<u>12,391</u>	<u>12,391</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$376,002</u>	<u>\$392,973</u>	<u>\$16,971</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Scholarship Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$18	\$18	\$0
Extracurricular Activities	914	914	0
Contributions and Donations	60,649	60,649	0
<i>Total Revenues</i>	<u>61,581</u>	<u>61,581</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	150	150	0
Materials and Supplies	350	350	0
Other	823	538	285
Total Instruction	<u>1,323</u>	<u>1,038</u>	<u>285</u>
Support Services:			
Administration:			
Materials and Supplies	2,100	1,659	441
Fiscal:			
Materials and Supplies	1,397	624	773
Total Support Services	<u>3,497</u>	<u>2,283</u>	<u>1,214</u>
Operation of Non-Instructional Services:			
Community Services:			
Other	57,730	57,724	6
<i>Total Expenditures</i>	<u>62,550</u>	<u>61,045</u>	<u>1,505</u>
<i>Net Change in Fund Balance</i>	(969)	536	1,505
<i>Fund Balance Beginning of Year</i>	104,552	104,552	0
Prior Year Encumbrances Appropriated	<u>50</u>	<u>50</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$103,633</u></u>	<u><u>\$105,138</u></u>	<u><u>\$1,505</u></u>

**Brecksville-Broadview Heights City School District***Schedule of Revenues, Expenditures and Changes**In Fund Balance - Budget (Non-GAAP Basis) and Actual***Other Grants Fund***For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Contributions and Donations	\$2,525	\$2,525	\$0
Miscellaneous	43,738	43,738	0
Total Revenues	46,263	46,263	0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	4,647	2,156	2,491
Fringe Benefits	353	353	0
Purchased Services	2,424	2,359	65
Total Instruction	7,424	4,868	2,556
Support Services:			
Instructional Staff:			
Materials and Supplies	3,000	1,283	1,717
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	8,889	2,353	6,536
Fringe Benefits	1,006	677	329
Purchased Services	4,681	3,883	798
Total Operation of Non-Instructional Services	14,576	6,913	7,663
Total Expenditures	25,000	13,064	11,936
Excess of Revenues Over Expenditures	21,263	33,199	11,936
<b>Other Financing Sources</b>			
Transfers In	15,000	15,000	0
Net Change in Fund Balance	36,263	48,199	11,936
Fund Balance Beginning of Year	125,547	125,547	0
Fund Balance End of Year	\$161,810	\$173,746	\$11,936

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Child Care Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$392,145	\$411,491	\$19,346
Extracurricular Activities	19,191	20,301	1,110
Miscellaneous	1,970	1,970	0
<i>Total Revenues</i>	<u>413,306</u>	<u>433,762</u>	<u>20,456</u>
<b>Expenditures</b>			
Current:			
Child Care Operations			
Salaries and Wages	286,993	286,993	0
Fringe Benefits	103,695	103,695	0
Purchased Services	67,828	23,345	44,483
Materials and Supplies	20,850	16,108	4,742
Capital Outlay	2,900	1,528	1,372
Other	10,317	1,532	8,785
<i>Total Expenditures</i>	<u>492,583</u>	<u>433,201</u>	<u>59,382</u>
<i>Net Change in Fund Balance</i>	(79,277)	561	79,838
<i>Fund Balance Beginning of Year</i>	83,355	83,355	0
Prior Year Encumbrances Appropriated	<u>2,883</u>	<u>2,883</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,961</u></u>	<u><u>\$86,799</u></u>	<u><u>\$79,838</u></u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Athletics Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$303,472	\$289,051	(\$14,421)
Contributions and Donations	12,179	11,600	(579)
<i>Total Revenues</i>	<u>315,651</u>	<u>300,651</u>	<u>(15,000)</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Sports Oriented Activities:			
Purchased Services	108,700	93,640	15,060
Materials and Supplies	17,978	17,978	0
Capital Outlay	160,283	131,702	28,581
Other	109,047	109,047	0
Total Extracurricular Activities	<u>396,008</u>	<u>352,367</u>	<u>43,641</u>
<i>Net Change in Fund Balance</i>	(80,357)	(51,716)	28,641
<i>Fund Balance Beginning of Year</i>	197,759	197,759	0
Prior Year Encumbrances Appropriated	<u>17,476</u>	<u>17,476</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$134,878</u></u>	<u><u>\$163,519</u></u>	<u><u>\$28,641</u></u>

**Brecksville-Broadview 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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$312,942	\$312,942	\$0
Interest	13	13	0
<i>Total Revenues</i>	<u>312,955</u>	<u>312,955</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Other Operation of Non-Instructional Services:			
Purchased Services	193,787	191,938	1,849
Materials and Supplies	114,172	83,122	31,050
Capital Outlay	12,517	12,517	0
Other	4,068	3,891	177
<i>Total Expenditures</i>	<u>324,544</u>	<u>291,468</u>	<u>33,076</u>
<i>Net Change in Fund Balance</i>	(11,589)	21,487	33,076
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>11,589</u>	<u>11,589</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$33,076</u>	<u>\$33,076</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Educational Management Information Systems Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Central:			
Salaries and Wages	1,416	1,416	0
Purchased Services	195	195	0
<i>Total Expenditures</i>	1,611	1,611	0
<i>Net Change in Fund Balance</i>	(1,611)	(1,611)	0
<i>Fund Balance Beginning of Year</i>	1,611	1,611	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Entry Year Teachers**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$350	\$350	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	350	350	0
<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

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**One Net Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$10,800	\$10,800	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	12,450	12,450	0
<i>Net Change in Fund Balance</i>	(1,650)	(1,650)	0
<i>Fund Balance Beginning of Year</i>	1,650	1,650	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**SchoolNet Professional Development Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	164	164	0
<i>Fund Balance End of Year</i>	<u>\$164</u>	<u>\$164</u>	<u>\$0</u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Education Jobs Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$274,424	\$274,424	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	206,423	206,423	0
Fringe Benefits	68,001	68,001	0
<i>Total Expenditures</i>	274,424	274,424	0
<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

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
IDEA-B Fund  
For the Fiscal Year Ended June 30, 2012*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$896,743</u>	<u>\$847,472</u>	<u>(\$49,271)</u>
<b>Expenditures</b>			
Current:			
Special:			
Purchased Services	394,724	343,134	51,590
Materials and Supplies	17,998	17,783	215
Capital Outlay	<u>2,288</u>	<u>2,288</u>	<u>0</u>
Total Instruction	<u>415,010</u>	<u>363,205</u>	<u>51,805</u>
Support Services:			
Pupil:			
Salaries and Wages	38,649	38,649	0
Fringe Benefits	<u>5,925</u>	<u>5,920</u>	<u>5</u>
Total Pupil	<u>44,574</u>	<u>44,569</u>	<u>5</u>
Instructional Staff:			
Salaries and Wages	102,121	102,121	0
Fringe Benefits	16,292	16,292	0
Purchased Services	272,549	265,256	7,293
Materials and Supplies	<u>3,500</u>	<u>3,094</u>	<u>406</u>
Total Instructional Staff	<u>394,462</u>	<u>386,763</u>	<u>7,699</u>
Administration:			
Salaries and Wages	14,315	14,315	0
Fringe Benefits	<u>2,278</u>	<u>2,278</u>	<u>0</u>
Total Administration	<u>16,593</u>	<u>16,593</u>	<u>0</u>
Total Support Services	<u>\$455,629</u>	<u>\$447,925</u>	<u>\$7,704</u>

(continued)

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
IDEA-B Fund (continued)  
For the Fiscal Year Ended June 30, 2012*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	\$48,080	\$45,919	\$2,161
Fringe Benefits	8,845	8,625	220
Total Operation of Non-Instructional Services	<u>56,925</u>	<u>54,544</u>	<u>2,381</u>
<i>Total Expenditures</i>	<u>927,564</u>	<u>865,674</u>	<u>61,890</u>
<i>Excess of Revenues Under Expenditures</i>	(30,821)	(18,202)	12,619
<b>Other Financing Uses</b>			
Advances Out	<u>(133,782)</u>	<u>(133,782)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(164,603)	(151,984)	12,619
<i>Fund Balance Beginning of Year</i>	14,651	14,651	0
Prior Year Encumbrances Appropriated	<u>149,952</u>	<u>149,952</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$12,619</u></u>	<u><u>\$12,619</u></u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Title II-D Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,694	\$0	(\$1,694)
<b>Expenditures</b>			
Current:			
Support Services:			
Administration:			
Purchased Services	1,554	0	1,554
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	140	0	140
<i>Total Expenditures</i>	1,694	0	1,694
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	41	41	0
<i>Fund Balance End of Year</i>	\$41	\$41	\$0

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes*

*In Fund Balance - Budget (Non-GAAP Basis) and Actual*

**Title III Fund**

*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$19,992	\$12,273	(\$7,719)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	8,070	8,070	0
Fringe Benefits	1,200	1,200	0
Materials and Supplies	2,188	2,180	8
Total Instruction	11,458	11,450	8
Support Services:			
Instructional Staff:			
Purchased Services	8,752	1,041	7,711
<i>Total Expenditures</i>	20,210	12,491	7,719
<i>Net Change in Fund Balance</i>	(218)	(218)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	218	218	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Brecksville-Broadview 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, 2012*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	<u>\$239,133</u>	<u>\$236,186</u>	<u>(\$2,947)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	141,109	141,109	0
Fringe Benefits	14,919	14,919	0
Materials and Supplies	8,402	8,402	0
Capital Outlay	<u>4,790</u>	<u>4,790</u>	<u>0</u>
Total Instruction	<u>169,220</u>	<u>169,220</u>	<u>0</u>
Support Services:			
Instructional Staff:			
Salaries and Wages	45,385	45,385	0
Fringe Benefits	6,970	6,970	0
Purchased Services	<u>16,983</u>	<u>14,036</u>	<u>2,947</u>
Total Instructional Staff	69,338	66,391	2,947
Administration:			
Salaries and Wages	1,800	1,800	0
Central:			
Materials and Supplies	<u>500</u>	<u>500</u>	<u>0</u>
Total Support Services	<u>71,638</u>	<u>68,691</u>	<u>2,947</u>
<i>Total Expenditures</i>	<u>240,858</u>	<u>237,911</u>	<u>2,947</u>
<i>Net Change in Fund Balance</i>	(1,725)	(1,725)	0
<i>Fund Balance Beginning of Year</i>	6	6	0
Prior Year Encumbrances Appropriated	<u>1,719</u>	<u>1,719</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Brecksville-Broadview 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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	5,638	5,638	0
<i>Fund Balance End of Year</i>	<u>\$5,638</u>	<u>\$5,638</u>	<u>\$0</u>

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes*

*In Fund Balance - Budget (Non-GAAP Basis) and Actual*

**Title IV Fund**

*For the Fiscal Year Ended June 30, 2012*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Intergovernmental	\$10,000	\$10,000	\$0
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	450	450	0
Fringe Benefits	50	50	0
Purchased Services	2,000	2,000	0
Materials and Supplies	7,500	7,500	0
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total Expenditures</i>	10,000	10,000	0
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Net Change in Fund Balance</i>	0	0	0
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Fund Balance Beginning of Year</i>	1,534	1,534	0
	<u>          </u>	<u>          </u>	<u>          </u>
<i>Fund Balance End of Year</i>	\$1,534	\$1,534	\$0
	<u>          </u>	<u>          </u>	<u>          </u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Pre-School Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$20,695	\$20,695	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	17,384	17,384	0
Fringe Benefits	3,311	3,311	0
<i>Total Expenditures</i>	20,695	20,695	0
<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

**Brecksville-Broadview Heights City School District**

*Schedule of Revenues, Expenditures and Changes*

*In Fund Balance - Budget (Non-GAAP Basis) and Actual*

**Title II-A Fund**

*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$65,355	\$62,180	(\$3,175)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	38,216	38,215	1
Fringe Benefits	6,000	6,000	0
Total Instruction	44,216	44,215	1
Support Services:			
Instructional Staff:			
Purchased Services	20,000	17,534	2,466
Materials and Supplies	900	0	900
Total Support Services	20,900	17,534	3,366
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	239	239	0
<i>Total Expenditures</i>	65,355	61,988	3,367
<i>Net Change in Fund Balance</i>	0	192	192
<i>Fund Balance Beginning of Year</i>	1,996	1,996	0
<i>Fund Balance End of Year</i>	\$1,996	\$2,188	\$192

**Brecksville-Broadview 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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$350,613	\$282,369	(\$68,244)
<b>Expenditures</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Capital Outlay	60,914	0	60,914
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	95,679	89,592	6,087
Fringe Benefits	31,605	29,430	2,175
Purchased Services	273,065	259,855	13,210
Materials and Supplies	13,361	13,360	1
Capital Outlay	499	499	0
Other	6,758	4,316	2,442
Total Community Services	420,967	397,052	23,915
<i>Total Expenditures</i>	481,881	397,052	84,829
<i>Net Change in Fund Balance</i>	(131,268)	(114,683)	16,585
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	142,157	142,157	0
<i>Fund Balance End of Year</i>	\$10,889	\$27,474	\$16,585

**Brecksville-Broadview 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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$76,186	\$77,368	\$1,182
Contributions and Donations	8,015	10,015	2,000
<i>Total Revenues</i>	<u>84,201</u>	<u>87,383</u>	<u>3,182</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	500	50	450
Materials and Supplies	4,053	1,946	2,107
Capital Outlay	5,278	5,190	88
Other	81,788	78,504	3,284
<i>Total Expenditures</i>	<u>91,619</u>	<u>85,690</u>	<u>5,929</u>
<i>Net Change in Fund Balance</i>	(7,418)	1,693	9,111
<i>Fund Balance Beginning of Year</i>	129,562	129,562	0
<i>Prior Year Encumbrances Appropriated</i>	<u>3,619</u>	<u>3,619</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$125,763</u></u>	<u><u>\$134,874</u></u>	<u><u>\$9,111</u></u>

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Permanent Improvement Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Taxes	\$1,554,028	\$1,554,028	\$0
Intergovernmental	287,041	287,042	1
<i>Total Revenues</i>	<u>1,841,069</u>	<u>1,841,070</u>	<u>1</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	182,689	81,824	100,865
Capital Outlay	5,071	2,985	2,086
Total Instruction	<u>187,760</u>	<u>84,809</u>	<u>102,951</u>
Support Services:			
Pupil:			
Capital Outlay	228,174	201,137	27,037
Operation and Maintenance of Plant:			
Purchased Services	294,902	294,902	0
Pupil Transportation:			
Capital Outlay	180,210	179,810	400
Total Support Services	<u>\$703,286</u>	<u>\$675,849</u>	<u>\$27,437</u>

(continued)

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Permanent Improvement Fund (continued)**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Capital Outlay:			
Site Improvement Services			
Purchased Services	\$139,948	\$137,223	\$2,725
Capital Outlay	1,385,143	1,371,659	13,484
Total Capital Outlay	<u>1,525,091</u>	<u>1,508,882</u>	<u>16,209</u>
<i>Total Expenditures</i>	<u>2,416,137</u>	<u>2,269,540</u>	<u>146,597</u>
<i>Net Change in Fund Balance</i>	(575,068)	(428,470)	146,598
<i>Fund Balance Beginning of Year</i>	2,041,162	2,041,162	0
Prior Year Encumbrances Appropriated	<u>466,139</u>	<u>466,139</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,932,233</u></u>	<u><u>\$2,078,831</u></u>	<u><u>\$146,598</u></u>

**Brecksville-Broadview 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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Contributions and Donations	\$45,000	\$45,000	\$0
<b>Expenditures</b>			
Capital Outlay:			
Site Acquisition Services:			
Purchased Services	323,005	323,005	0
Debt Service:			
Principal Retirement	56,000	56,000	0
Interest and Fiscal Charges	1,120	1,120	0
<i>Total Expenditures</i>	380,125	380,125	0
<i>Excess of Revenues Under Expenditures</i>	(335,125)	(335,125)	0
<b>Other Financing Sources</b>			
Energy Conservation Notes Issued	323,005	323,005	0
Transfers In	25,000	25,000	0
<i>Total Other Financing Sources</i>	348,005	348,005	0
<i>Net Change in Fund Balance</i>	12,880	12,880	0
<i>Fund Balance Beginning of Year</i>	1,044	1,044	0
<i>Fund Balance End of Year</i>	\$13,924	\$13,924	\$0

**Brecksville-Broadview Heights City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Unclaimed Monies Fund**  
*For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>7,929</u>	<u>7,929</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$7,929</u></u>	<u><u>\$7,929</u></u>	<u><u>\$0</u></u>

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# **Statistical Section**

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## Statistical Section

This part of the Brecksville-Broadview 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.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2 - S15
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S16 - S26
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S27 - S32
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S34 - S36
<b>Operating Information</b> These schedules contain service 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.	S37 - S54

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant fiscal year.

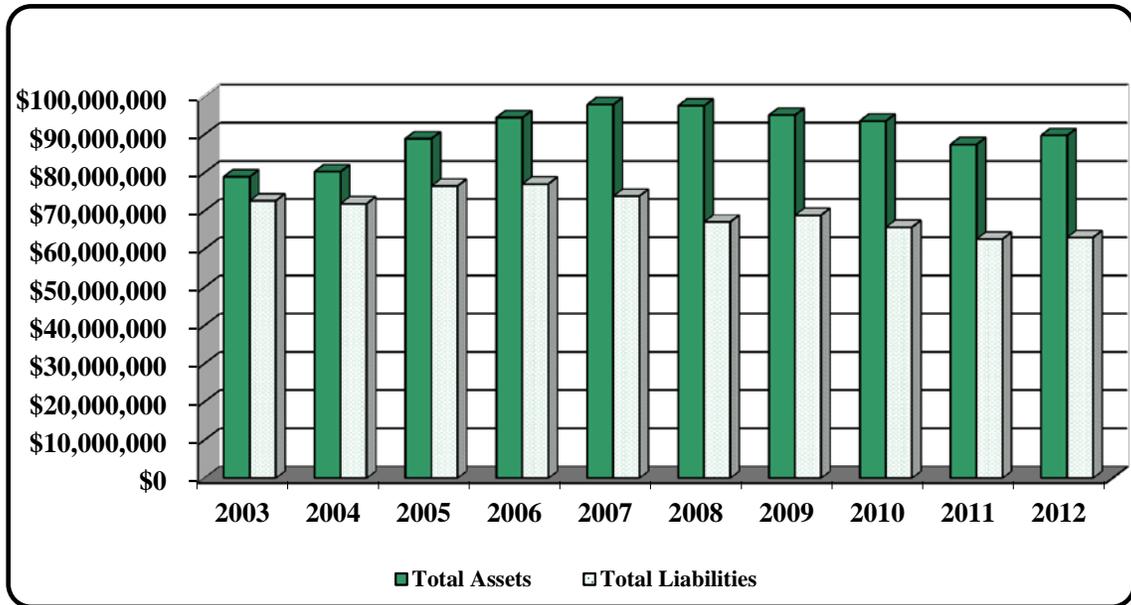
**Brecksville-Broadview Heights City School District**

*Net Assets by Component*

*Last Ten Fiscal Years*

*(accrual basis of accounting)*

	2003	2004	2005	2006	2007
Invested in Capital Assets, Net of Related Debt	\$3,409,804	\$5,063,402	\$4,776,592	\$6,043,852	\$7,696,213
Restricted for:					
Capital Projects	758,863	50,217	1,496,479	1,652,532	1,783,987
Debt Service	2,926,552	3,225,770	2,958,709	3,204,780	3,491,920
Other Purposes	474,238	382,180	471,229	649,727	783,605
Unrestricted (Deficit)	<u>(1,262,893)</u>	<u>(604,530)</u>	<u>2,735,208</u>	<u>5,830,357</u>	<u>10,131,119</u>
<b>Total Net Assets</b>	<u><u>\$6,306,564</u></u>	<u><u>\$8,117,039</u></u>	<u><u>\$12,438,217</u></u>	<u><u>\$17,381,248</u></u>	<u><u>\$23,886,844</u></u>



<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$9,357,989	\$10,473,334	\$11,709,554	\$12,183,706	\$12,603,613
1,880,679	1,489,540	2,011,669	4,136,094	5,117,694
4,003,542	3,830,884	4,111,301	4,257,447	4,450,127
522,398	528,611	981,258	544,516	837,289
<u>14,661,547</u>	<u>9,885,618</u>	<u>6,989,633</u>	<u>3,675,231</u>	<u>3,720,617</u>
<u>\$30,426,155</u>	<u>\$26,207,987</u>	<u>\$25,803,415</u>	<u>\$24,796,994</u>	<u>\$26,729,340</u>

**Brecksville-Broadview Heights City School District**  
*Changes in Net Assets of Governmental Activities*  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

	2003	2004	2005	2006	2007
<b>Expenses</b>					
Regular Instruction	\$18,461,540	\$20,117,135	\$19,813,375	\$21,039,576	\$22,174,663
Special Instruction	3,822,794	4,346,033	4,649,733	4,819,318	5,038,562
Vocational Instruction	361,761	355,380	296,206	346,175	235,584
Adult/Continuing Instruction	28,314	13,408	30,824	24,051	27,392
Student Intervention Services	0	0	0	0	0
Pupil Support	2,552,380		2,868,628	3,176,132	3,408,464
Instructional Staff Support	1,715,541	2,033,834	2,148,023	2,528,519	2,853,586
Board of Education	99,981	48,449	82,551	99,775	86,875
Administration	3,027,354	2,980,665	3,131,675	3,455,646	3,274,933
Fiscal	723,931	777,948	902,114	978,835	1,046,500
Business	271,185	466,348	443,117	476,528	490,640
Operation and Maintenance of Plant	4,507,956	4,161,441	4,217,392	4,761,452	4,638,021
Pupil Transportation	2,707,920	2,687,514	2,885,018	3,344,629	3,323,620
Central	203,997	206,758	162,987	193,819	241,421
Operation of Non-Instructional Services	432,703	405,875	481,639	437,904	461,184
Food Service Operations	1,325,944	1,422,555	1,343,942	1,447,663	1,523,510
Child Care Operations	476,648	408,345	350,949	391,468	449,548
Extracurricular Activities	1,019,536	934,006	998,094	1,019,437	1,062,022
Interest and Fiscal Charges	2,034,073	1,951,763	1,915,343	1,820,368	1,332,591
<i>Total Expenses</i>	<u>43,773,558</u>	<u>43,317,457</u>	<u>46,721,610</u>	<u>50,361,295</u>	<u>51,669,116</u>
<b>Program Revenues</b>					
Charges for Services and Sales					
Regular Instruction	685,361	577,050	636,096	673,134	689,919
Special Instruction	273,870	219,020	440,896	186,054	165,573
Vocational Instruction	0	0	0	0	0
Student Intervention	0	0	0	0	0
Pupil Support	0	0	0	0	0
Instructional Staff Support	0	0	0	0	0
Board of Education	0	0	0	0	0
Administration	0	453	421	626	0
Fiscal	11,087	37,316	41,853	31,400	0
Business	31,194	0	0	0	0
Operation and Maintenance of Plant	47,249	56,020	86,413	50,354	69,609
Pupil Transportation	0	28,109	20,094	13,609	0
Central	0	0	0	0	0
Operation of Non-Instruction Services	3,549	699	0	3,862	0
Food Service Operations	1,012,054	1,086,128	1,138,749	1,157,568	1,202,758
Child Care Operations	472,007	446,070	391,306	439,335	444,138
Extracurricular Activities	236,459	348,001	345,866	360,108	341,430
Operating Grants, Contributions and Interest	1,299,682	1,667,142	2,019,642	1,967,501	2,129,633
Capital Grants and Contributions	224,081	28,057	71,880	24,927	243,455
<i>Total Program Revenues</i>	<u>4,296,593</u>	<u>4,494,065</u>	<u>5,193,216</u>	<u>4,908,478</u>	<u>5,286,515</u>
Net Expense	<u>(39,476,965)</u>	<u>(38,823,392)</u>	<u>(41,528,394)</u>	<u>(45,452,817)</u>	<u>(46,382,601)</u>
<b>General Revenues</b>					
Property Taxes Levied for:					
General Purposes	25,491,761	29,951,494	31,825,729	34,325,661	35,952,763
Debt Service	2,322,468	2,787,447	2,178,970	2,641,749	2,729,340
Capital Outlay	587,995	697,641	1,230,725	1,551,941	1,647,433
Grants and Entitlements not					
Restricted to Specific Programs	9,194,466	9,624,223	10,242,942	10,549,636	11,111,598
Payment in Lieu of Taxes	41,722	17,848	0	54,044	35,971
Unrestricted Contributions	0	5,942	0	30,095	2,570
Interest	188,124	108,023	300,889	825,528	1,361,959
Gain on Sale of Capital Assets	0	6,988	2,284	354,251	750
Miscellaneous	17,846	77,233	68,033	62,943	45,813
<i>Total General Revenues</i>	<u>37,844,382</u>	<u>43,276,839</u>	<u>45,849,572</u>	<u>50,395,848</u>	<u>52,888,197</u>
<i>Change in Net Assets</i>	<u>(\$1,632,583)</u>	<u>\$4,453,447</u>	<u>\$4,321,178</u>	<u>\$4,943,031</u>	<u>\$6,505,596</u>

2008	2009	2010	2011	2012
\$23,337,016	\$24,745,277	\$23,757,856	\$24,051,870	\$23,133,861
5,595,524	5,323,025	6,926,501	6,666,990	6,378,072
236,342	237,341	218,442	152,958	117,999
22,538	25,747	19,989	16,149	592
0	57,728	47,725	50,573	368,663
3,507,991	3,735,765	3,620,756	3,762,403	3,927,797
2,879,085	3,464,819	2,949,861	3,463,419	2,913,948
71,971	85,974	84,986	85,536	200,571
3,476,218	3,258,369	3,541,133	3,444,930	2,863,281
1,039,207	1,009,102	1,283,385	1,235,547	1,233,040
483,937	503,686	528,197	464,730	487,043
4,817,779	5,331,392	4,772,089	4,352,062	4,044,697
3,758,657	3,417,222	3,703,173	3,478,499	3,388,665
269,739	311,029	255,522	273,213	259,532
460,872	630,713	654,884	893,420	675,490
1,582,295	1,603,045	1,711,925	1,679,488	1,629,048
701,769	469,876	398,613	392,003	426,159
1,109,609	1,229,002	1,191,276	1,046,032	1,091,020
1,393,269	1,405,643	1,146,401	1,172,708	1,110,589
<u>54,743,818</u>	<u>56,844,755</u>	<u>56,812,714</u>	<u>56,682,530</u>	<u>54,250,067</u>
382,335	523,944	461,088	1,090,420	753,012
57,975	25,041	116,290	277,836	195,443
0	0	0	5,904	3,666
0	0	0	2,281	11,798
0	0	0	159,990	116,994
0	0	0	0	78,307
0	0	0	0	6,419
34,442	11,178	36,172	0	90,893
0	0	0	0	39,349
0	0	0	0	14,286
138,821	32,616	45,986	0	125,348
10,408	18,810	17,961	0	95,486
0	0	0	0	8,162
33,345	5,207	1,662	0	1,188
1,316,051	1,419,589	1,422,066	1,376,541	1,395,471
513,297	493,107	395,538	435,996	455,507
708,800	660,163	708,134	272,466	313,565
2,003,790	2,112,058	3,398,552	2,465,720	2,346,360
328,667	360,892	337,559	325,548	287,042
<u>5,527,931</u>	<u>5,662,605</u>	<u>6,941,008</u>	<u>6,412,702</u>	<u>6,338,296</u>
<u>(49,215,887)</u>	<u>(51,182,150)</u>	<u>(49,871,706)</u>	<u>(50,269,828)</u>	<u>(47,911,771)</u>
38,028,153	29,806,093	31,848,307	31,671,080	32,863,211
2,857,730	2,235,064	2,453,852	2,431,568	2,493,064
1,756,757	1,388,628	1,492,556	1,500,503	1,555,035
11,905,383	12,964,758	13,450,346	13,513,535	12,061,388
28,250	83,857	1,884	2,431	376,359
36,753	9,603	12,879	32,646	145,107
1,065,650	420,266	66,358	42,654	56,709
250	0	0	0	0
76,272	55,713	140,952	68,990	293,244
<u>55,755,198</u>	<u>46,963,982</u>	<u>49,467,134</u>	<u>49,263,407</u>	<u>49,844,117</u>
<u>\$6,539,311</u>	<u>(\$4,218,168)</u>	<u>(\$404,572)</u>	<u>(\$1,006,421)</u>	<u>\$1,932,346</u>

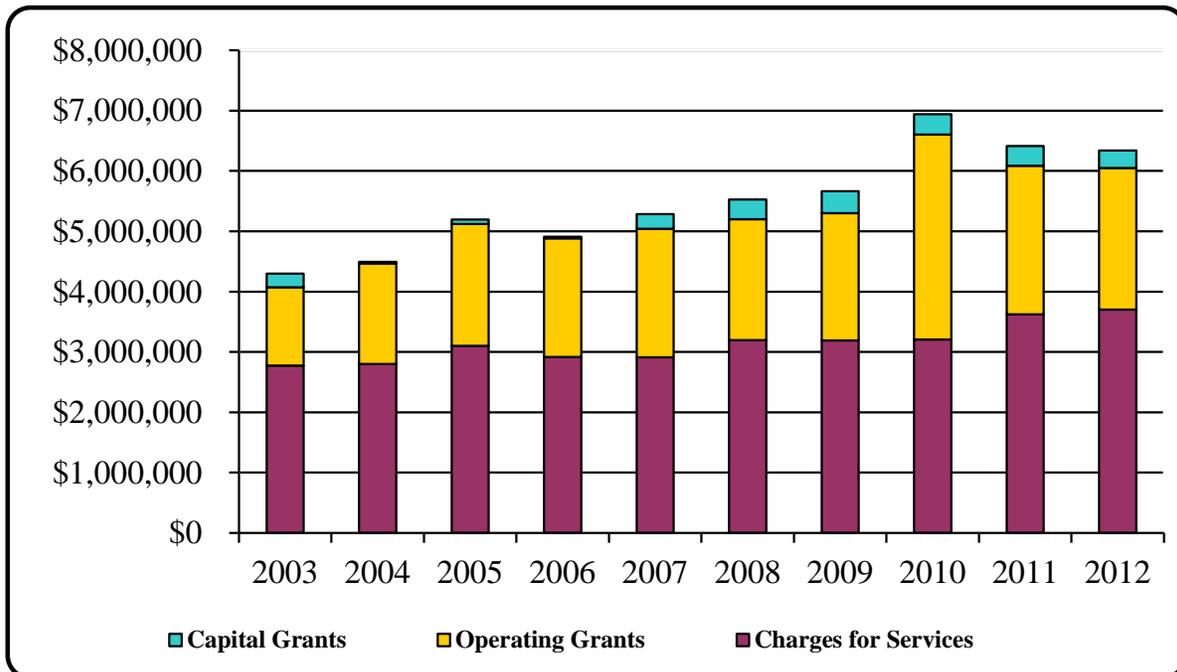
**Brecksville-Broadview Heights City School District**

*Program Revenues by Function*

*Last Ten Fiscal Years*

*(accrual basis of accounting)*

	2003	2004	2005	2006
<b>Governmental Activities</b>				
<i>Function</i>				
Regular Instruction	\$942,148	\$883,284	\$1,023,876	\$940,902
Special Instruction	521,675	562,581	854,136	661,418
Vocational Instruction	0	19,714	92,484	0
Adult/Continuing Instruction	14,540	0	35,758	27,098
Student Intervention	0	0	0	0
Pupil Support	87,496	21,575	47,884	15,845
Instructional Staff Support	159,539	292,249	335,589	387,351
Board of Education	0	0	0	0
Administration	16,657	16,726	51,709	36,781
Fiscal	11,087	37,316	41,873	31,400
Business	31,194	0	0	0
Operation and Maintenance of Plant	68,249	56,020	87,391	54,168
Pupil Transportation	161,672	56,166	81,951	79,499
Central	3,815	4,014	4,477	0
Operation of Non-Instructional Services	393,989	427,211	431,697	488,278
Food Service Operations	1,154,985	1,304,539	1,345,170	1,382,795
Child Care Operations	491,038	464,191	411,585	439,335
Extracurricular Activities	238,509	348,479	347,636	363,608
<b>Total Program Revenues</b>	<b>\$4,296,593</b>	<b>\$4,494,065</b>	<b>\$5,193,216</b>	<b>\$4,908,478</b>



2007	2008	2009	2010	2011	2012
\$1,008,331	\$859,356	\$1,056,281	\$1,270,564	\$2,025,104	\$1,309,197
548,513	486,118	139,509	902,573	742,291	464,227
0	0	88,412	59,869	5,904	3,666
32,224	624	0	0	0	0
0	0	0	0	2,281	11,798
126,320	82,766	0	0	159,990	287,946
397,547	399,122	513,524	563,014	405,533	557,589
0	0	0	0	0	6,419
19,413	121,458	48,548	217,743	0	109,604
0	0	0	18,396	0	39,349
0	0	0	0	0	14,286
87,609	156,821	50,616	62,446	13,650	143,251
146,372	135,852	217,641	261,305	0	206,709
0	16,693	13,977	10,705	5,000	8,670
489,463	386,462	708,276	692,979	691,630	665,397
1,452,114	1,562,184	1,619,721	1,719,552	1,608,507	1,741,116
466,539	513,297	493,107	395,538	435,996	455,507
512,070	807,178	712,993	766,324	316,816	313,565
<u>\$5,286,515</u>	<u>\$5,527,931</u>	<u>\$5,662,605</u>	<u>\$6,941,008</u>	<u>\$6,412,702</u>	<u>\$6,338,296</u>

**Brecksville-Broadview Heights City School District**

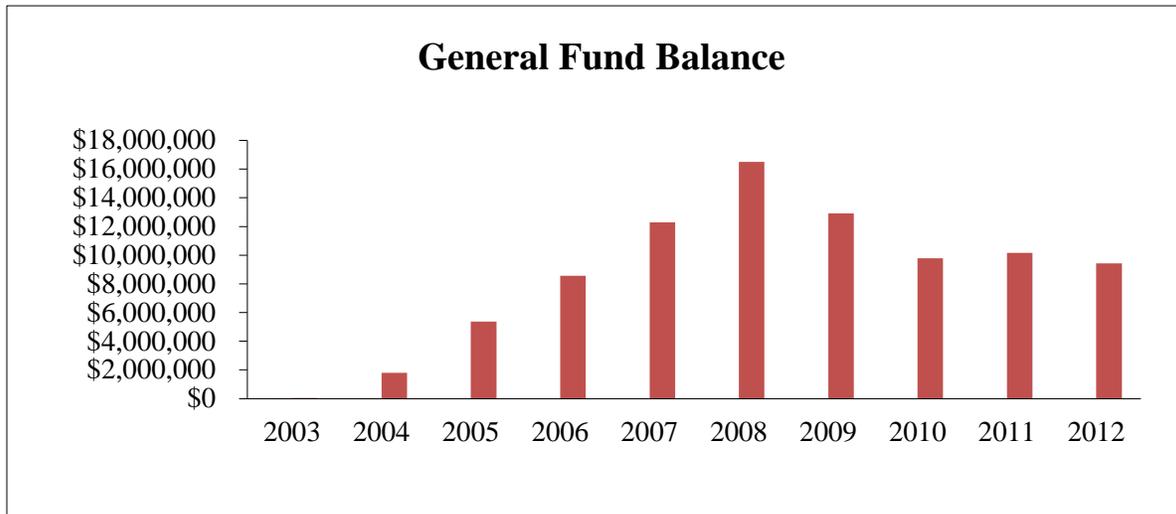
*Fund Balances, Governmental Funds*

*Last Ten Fiscal Years*

*(modified accrual basis of accounting)*

	2003	2004	2005	2006
<b>General Fund</b>				
Nonspendable	\$0	\$0	\$0	\$0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	2,668,090	4,860,762	4,592,263	3,405,309
Unreserved (Deficit)	(2,609,340)	(3,059,429)	778,185	5,156,015
<b>Total General Fund</b>	<b>58,750</b>	<b>1,801,333</b>	<b>5,370,448</b>	<b>8,561,324</b>
<b>All Other Governmental Funds</b>				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
Reserved	713,180	1,564,044	905,878	811,140
Unreserved, Undesignated, Reported in:				
Special Revenue funds	328,667	494,547	505,403	695,357
Debt Service funds	2,721,068	3,683,563	3,499,840	3,697,272
Capital Projects funds (Deficit)	(445,402)	(3,636)	473,836	1,141,289
<b>Total All Other Governmental Funds</b>	<b>3,317,513</b>	<b>5,738,518</b>	<b>5,384,957</b>	<b>6,345,058</b>
<b>Total Governmental Funds</b>	<b>\$3,376,263</b>	<b>\$7,539,851</b>	<b>\$10,755,405</b>	<b>\$14,906,382</b>

Note: The School District implemented GASB 54 in 2010.



2007	2008	2009	2010	2011	2012
\$0	\$0	\$25,482	\$24,555	\$30,534	\$8,834
0	0	0	7,213	0	0
0	0	575,874	254,811	325,080	362,329
0	0	12,312,593	9,489,533	9,814,289	9,051,523
3,931,785	6,968,437	0	0	0	0
8,363,647	9,542,029	0	0	0	0
<u>12,295,432</u>	<u>16,510,466</u>	<u>12,913,949</u>	<u>9,776,112</u>	<u>10,169,903</u>	<u>9,422,686</u>
0	0	30,866	45,515	22,158	7,582
0	0	6,552,753	6,785,932	7,566,871	8,644,664
0	0	112,323	127,309	165,213	200,499
0	0	(778,144)	(1,889,102)	(1,613,773)	(1,542,147)
1,500,984	1,710,914	0	0	0	0
722,967	559,504	0	0	0	0
2,747,344	3,072,067	0	0	0	0
1,017,095	983,395	0	0	0	0
<u>5,988,390</u>	<u>6,325,880</u>	<u>5,917,798</u>	<u>5,069,654</u>	<u>6,140,469</u>	<u>7,310,598</u>
<u>\$18,283,822</u>	<u>\$22,836,346</u>	<u>\$18,831,747</u>	<u>\$14,845,766</u>	<u>\$16,310,372</u>	<u>\$16,733,284</u>

**Brecksville-Broadview Heights City School District**

*Changes in Fund Balances*

*Last Ten Fiscal Years*

*(modified accrual basis of accounting)*

	2003	2004	2005	2006
<b>Revenues</b>				
Taxes	\$28,117,547	\$33,692,675	\$35,207,521	\$38,106,290
Intergovernmental	10,538,112	11,152,063	12,176,303	12,389,752
Interest	191,262	108,680	303,592	828,679
Tuition and Fees	856,890	1,100,271	917,299	738,869
Extracurricular Activities	270,674	344,725	345,866	359,073
Payment in Lieu of Taxes	41,722	17,848	0	54,044
Rentals	44,618	60,497	48,219	44,057
Charges for Services	1,566,467	1,629,856	1,775,432	1,768,719
Contributions and Donations	176,979	172,644	155,458	179,256
Miscellaneous	17,249	77,830	67,849	63,127
<i>Total Revenues</i>	<u>41,821,520</u>	<u>48,357,089</u>	<u>50,997,539</u>	<u>54,531,866</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	17,519,887	18,722,196	18,812,522	19,743,823
Special	3,730,877	4,333,460	4,567,484	4,724,098
Vocational	382,504	362,068	284,397	364,207
Student Intervention Services	0	0	0	0
Adult/Continuing	0	0	30,824	24,051
Support Services:				
Pupil	2,487,696	2,593,444	2,806,598	3,062,282
Instructional Staff	1,625,195	1,968,990	2,089,071	2,501,420
Board of Education	130,941	48,622	82,551	99,775
Administration	2,848,834	2,935,442	2,984,465	3,445,679
Fiscal	704,571	785,508	893,341	931,657
Business	428,160	399,123	366,004	395,751
Operation and Maintenance of Plant	4,211,621	3,998,754	4,049,892	4,312,421
Pupil Transportation	2,836,079	2,691,746	2,747,575	2,991,022
Central	197,379	197,297	163,309	188,759
Operation of Non-Instructional Services	428,679	422,670	477,231	435,623
Food Service Operations	1,242,088	1,300,917	1,348,628	1,373,670
Child Care Operations	487,164	422,609	374,298	363,778
Extracurricular Activities	978,237	937,170	967,951	1,015,750
Capital Outlay	2,089,834	1,659,353	1,454,770	1,375,083
Debt Service:				
Principal Retirement	1,042,935	1,125,635	1,370,820	1,415,116
Payment to Refunded Bond Escrow Agent	0	0	0	0
Interest and Fiscal Charges	2,038,286	1,951,985	1,912,538	1,817,278
Bond Issuance Costs	0	122,000	0	0
<i>Total Expenditures</i>	<u>45,410,967</u>	<u>46,978,989</u>	<u>47,784,269</u>	<u>50,581,243</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>(\$3,589,447)</u>	<u>\$1,378,100</u>	<u>\$3,213,270</u>	<u>\$3,950,623</u>

2007	2008	2009	2010	2011	2012
\$39,785,495	\$41,916,898	\$34,617,997	\$35,391,113	\$37,401,381	\$35,263,961
13,041,695	14,064,093	15,309,199	16,686,040	16,593,399	14,629,991
1,366,789	1,067,108	421,339	67,524	43,452	56,709
582,916	644,083	937,749	877,470	968,689	999,904
341,430	872,245	788,523	823,008	1,194,748	1,271,411
35,971	28,250	83,857	1,884	2,431	376,359
74,016	149,873	37,367	45,986	45,955	21,590
1,892,677	1,567,120	1,430,767	1,458,433	1,412,042	1,411,989
404,878	193,758	144,323	122,855	132,527	145,107
45,813	76,272	55,713	140,952	68,990	293,244
<u>57,571,680</u>	<u>60,579,700</u>	<u>53,826,834</u>	<u>55,615,265</u>	<u>57,863,614</u>	<u>54,470,265</u>
21,038,626	21,814,017	23,385,300	22,667,984	22,040,906	21,595,868
5,035,375	5,482,100	5,256,926	6,834,079	6,538,531	6,179,590
227,046	222,910	215,894	195,862	129,569	113,343
0	0	57,728	47,725	50,573	368,663
27,392	22,538	25,747	19,989	16,149	0
3,467,020	3,406,390	3,667,268	3,585,734	3,696,326	3,852,552
2,757,650	2,827,179	3,285,247	2,930,492	3,379,802	2,920,319
86,875	71,971	85,974	84,986	85,536	200,571
3,159,918	3,349,825	3,286,130	3,504,839	3,356,331	2,829,127
1,029,275	1,026,000	1,008,232	1,269,110	1,219,505	1,222,404
443,931	472,557	462,796	536,463	428,167	444,328
4,336,612	4,655,060	4,626,940	4,456,369	4,261,830	3,933,002
3,079,677	3,538,128	3,446,372	3,565,426	3,519,398	3,170,739
228,043	271,941	300,701	247,665	269,712	250,612
496,197	443,219	618,282	641,832	879,101	630,245
1,432,682	1,512,255	1,568,179	1,616,808	1,674,279	1,651,208
416,363	715,135	470,376	394,809	394,164	423,051
1,062,169	1,084,675	1,092,004	1,143,751	1,040,570	1,064,217
1,817,287	1,684,183	1,973,527	2,901,361	529,042	731,349
1,429,139	1,658,764	1,679,683	1,678,449	1,694,735	1,510,000
1,116,400	0	0	0	0	0
1,369,909	1,418,579	1,318,127	1,277,513	1,194,782	1,132,547
225,293	0	0	0	0	0
<u>54,282,879</u>	<u>55,677,426</u>	<u>57,831,433</u>	<u>59,601,246</u>	<u>56,399,008</u>	<u>54,223,735</u>
<u>\$3,288,801</u>	<u>\$4,902,274</u>	<u>(\$4,004,599)</u>	<u>(\$3,985,981)</u>	<u>\$1,464,606</u>	<u>\$246,530</u>

(continued)

**Brecksville-Broadview Heights City School District***Changes in Fund Balances (continued)**Last Ten Fiscal Years**(modified accrual basis of accounting)*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Other Financing Sources (Uses):</b>				
Refunding Notes Issued	\$0	\$0	\$0	\$0
General Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Bonds	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Sale of Capital Assets	0	6,988	2,284	357,671
Compensation for Loss of Assets	0	0	0	0
Swap Payment	0	948,500	0	0
Inception of Capital Lease	0	1,830,000	0	0
Transfers In	421,878	432,083	285,682	264,252
Transfers Out	<u>(421,878)</u>	<u>(432,083)</u>	<u>(285,682)</u>	<u>(264,252)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>2,785,488</u>	<u>2,284</u>	<u>357,671</u>
<i>Net Change in Fund Balances</i>	<u><u>(\$3,589,447)</u></u>	<u><u>\$4,163,588</u></u>	<u><u>\$3,215,554</u></u>	<u><u>\$4,308,294</u></u>
 <i>Debt Service as a Percentage of Noncapital Expenditures</i>	 7.11%	 6.79%	 7.09%	 6.57%

2007	2008	2009	2010	2011	2012
\$8,920,000	\$0	\$0	\$0	\$0	\$0
17,025,000	0	0	0	0	0
367,471	0	0	0	0	0
(26,085,435)	0	0	0	0	0
750	250	0	0	0	0
35,853	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	176,382
287,863	47,500	119,038	269,230	264,019	270,817
(462,863)	(397,500)	(119,038)	(269,230)	(264,019)	(270,817)
88,639	(349,750)	0	0	0	176,382
<u>\$3,377,440</u>	<u>\$4,552,524</u>	<u>(\$4,004,599)</u>	<u>(\$3,985,981)</u>	<u>\$1,464,606</u>	<u>\$422,912</u>
7.88%	5.73%	5.33%	5.26%	5.21%	4.99%

**Brecksville-Broadview Heights City School District**  
*Election History - School Levies*  
*For the Years 1957 - 2012*

Election Date	Millage	Type	Duration	Purpose	Results	Percentage For
November 5, 1957	5.88	2.57 Renewal 3.31 Increase	5 years 5 years	Current Expenses Current Expenses	Passed	57.80%
November 4, 1958	3.95	2.73 Renewal 1.22 Increase	5 years 5 years	Current Expenses Current Expenses	Passed	60.40
November 3, 1959	7.57	4.44 Renewal 3.13 Increase	8 years 8 years	Current Expenses Current Expenses	Passed	53.60
November 7, 1961	7.00	2.5 Renewal 4.5 Increase	10 years 10 years	Current Expenses Current Expenses	Failed	38.40
May 8, 1962	3.98	Increase	4 years	Current Expenses	Passed	71.90
November 6, 1962	5.88	Renewal	5 years	Current Expenses	Passed	73.00
November 5, 1963	3.95	Renewal	3 years	Current Expenses	Passed	71.30
November 3, 1964	1.00	Increase	2 years	Permanent Imp.	Passed	55.10
November 3, 1964	2.00	Increase	3 years	Current Expenses	Passed	59.20
November 2, 1965	3.80	Increase	2 years	Current Expenses	Passed	55.00
November 8, 1966	7.70	Renewal	5 years	Current Expenses	Passed	63.80
November 8, 1966	1.00	Renewal	5 years	Permanent Imp.	Passed	62.20
November 8, 1966	4.80	Increase	5 years	Current Expenses	Passed	52.50
November 7, 1967	18.80	Renewal	5 years	Current Expenses	Passed	68.90
November 5, 1968	2.91	Increase	Continuing	Current Expenses	Passed	52.60
November 3, 1970	7.50	Increase	Continuing	Current Expenses	Failed	43.90
December 8, 1970	7.50	Increase	Continuing	Current Expenses	Failed	48.20
November 2, 1971	11.90	Renewal	Continuing	Current Expenses	Passed	68.00
November 2, 1971	0.90	Renewal	5 years	Permanent Imp.	Passed	66.00
May 2, 1972	17.90	Renewal	Continuing	Current Expenses	Passed	67.50
November 7, 1972	4.80	Increase	Continuing	Current Expenses	Failed	46.40
December 12, 1972	4.80	Increase	Continuing	Current Expenses	Failed	47.80
November 6, 1973	6.40	Increase	Continuing	Current Expenses	Failed	47.00
November 5, 1974	2.90	Increase	Continuing	Current Expenses	Failed	49.80
November 4, 1975	0.50	Increase	Continuing	Current Expenses	Failed	37.40
June 8, 1976	0.90	Renewal	5 years	Permanent Imp.	Passed	60.50
May 9, 1978	5.80	Increase	Continuing	Current Expenses	Passed	51.50
June 2, 1981	0.90	Renewal	5 years	Permanent Imp.	Passed	66.10
February 7, 1984	3.95	Increase	Continuing	Current Expenses	Failed	28.30
May 8, 1984	3.95	Increase	Continuing	Current Expenses	Failed	39.60
November 6, 1984	3.95	Increase	3 years	Current Expenses	Passed	52.90
May 6, 1986	0.90	Renewal	5 years	Permanent Imp.	Passed	61.20
November 4, 1986	3.95	Renewal	Continuing	Current Expenses	Passed	61.30
May 5, 1987	6.85	Increase	5 years	Current Expenses	Failed	38.90
November 3, 1987	6.85	Increase	5 years	Current Expenses	Failed	49.90
February 2, 1988	7.40	Increase	5 years	Current Expenses	Passed	52.40
November 5, 1991	0.90	Renewal	5 years	Permanent Imp.	Passed	62.90
November 3, 1992	7.40	Replacement	5 years	Current Expenses	Passed	57.10
March 19, 1996	0.90	Replacement	5 years	Permanent Imp.	Failed	49.80
November 5, 1996	5.90	Increase	5 years	Current Expenses	Failed	47.30
February 4, 1997	7.40	Increase	5 years	Current Expenses	Failed	48.00
May 6, 1997	7.40	Increase	5 years	Current Expenses	Failed	49.20
November 4, 1997	6.80	5.80 Increase 1.00 Increase	3 years 3 years	Current Expenses Permanent Imp.	Passed	52.20
November 3, 1998	7.40	Renewal	5 years	Current Expenses	Passed	63.60
March 7, 2000	6.80	5.80 Renewal 1.00 Renewal	3 years 3 years	Current Expenses Permanent Imp.	Passed	71.00

(continued)

**Brecksville-Broadview Heights City School District**  
*Election History - School Levies (continued)*  
For the Years 1957 - 2012

Election Date	Millage	Type	Duration	Purpose	Results	Percentage For
November 7, 2000	6.90	Increase	5 years	Current Expenses	Failed	47.30%
February 6, 2001	6.90	Increase	5 years	Current Expenses	Passed	53.90
February 4, 2003	7.40	Renewal	5 years	Current Expenses	Passed	73.20
February 4, 2003	6.80	5.80 Renewal 1.00 Renewal	3 years 3 years	Current Expenses Permanent Imp.	Passed	73.20
November 4, 2003	7.60	5.60 Increase 2.00 Increase	Continuing Continuing	Current Expenses Permanent Imp.	Failed	41.40
March 2, 2004	6.30	5.30 Increase 1.00 Increase	5 years 5 years	Current Expenses Permanent Imp.	Failed	49.60
August 3, 2004	6.30	5.30 Increase 1.00 Increase	5 years 5 years	Current Expenses Permanent Imp.	Passed	54.50
November 8, 2005	6.90	Renewal	5 years	Current Expenses	Passed	65.10
November 8, 2005	6.80	5.80 Renewal 1.00 Renewal	3 years 3 years	Current Expenses Permanent Imp.	Passed	64.50
November 6, 2007	7.40	Renewal	5 years	Current Expenses	Passed	70.40
November 4, 2008	6.30	5.30 Renewal 1.00 Renewal	5 years 5 years	Current Expenses Permanent Imp.	Passed	65.39
November 4, 2008	6.80	5.80 Renewal 1.00 Renewal	3 years 3 years	Current Expenses Permanent Imp.	Passed	65.46
November 3, 2009	5.50	Increase	5 years	Current Expenses	Failed	42.82
November 2, 2010	5.80	Increase	5 years	Current Expenses	Failed	46.28
May 3, 2011	5.30	Increase	5 years	Current Expenses	Failed	48.37
August 7, 2012	6.80	5.80 Renewal 1.00 Renewal	3 years 3 years	Current Expenses Permanent Imp.	Passed	74.11

Source: Brecksville-Broadview Heights City School Records

**Brecksville-Broadview Heights City School District**

*Assessed and Estimated Actual Value of Taxable Property*

*Last Ten Years*

Collection Year	Real Property			Estimated Actual Value	Tangible
	Assessed Value				General
	Residential/ Agricultural	Commercial/ Industrial	Total		Assessed Value
2003	\$660,944,540	\$151,865,960	\$812,810,500	\$2,322,315,714	\$49,439,385
2004	721,232,210	156,146,620	877,378,830	2,506,796,657	44,476,870
2005	740,224,070	157,679,810	897,903,880	2,565,439,657	48,367,742
2006	756,939,850	175,654,460	932,594,310	2,664,555,171	49,893,380
2007	830,872,250	192,726,840	1,023,599,090	2,924,568,829	37,939,812
2008	843,748,880	178,610,430	1,022,359,310	2,921,026,600	14,510,280
2009	845,845,240	178,211,300	1,024,056,540	2,925,875,829	7,570,785
2010	802,437,560	182,296,230	984,733,790	2,813,525,114	0
2011	804,129,100	183,402,490	987,531,590	2,821,518,829	0
2012	803,769,400	187,012,670	990,782,070	2,830,805,914	0

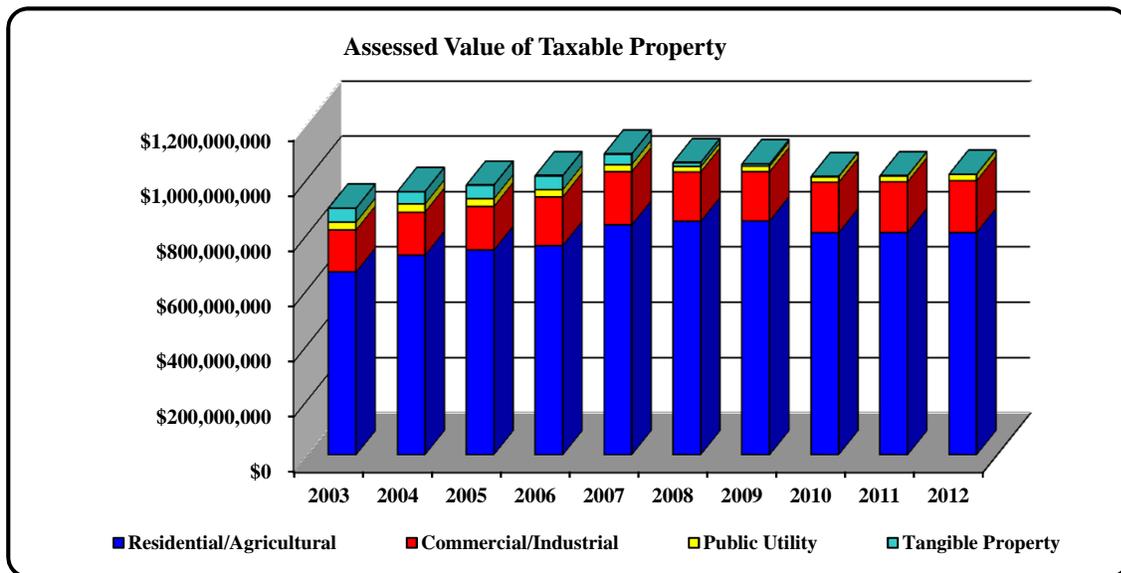
**Source:** Office of the County Fiscal Officer, Cuyahoga County, Ohio

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. 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 was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was 2010).

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, 2.5 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Personal Property		Tangible Personal Property		Total		
Business		Public Utility				
Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Full Tax Rate Per \$1,000 of Assessed Valuation	Weighted Average Tax Rate
\$197,757,540	\$28,750,440	\$32,670,955	\$891,000,325	\$2,552,744,209	\$71.50000	\$40.11199
177,907,480	29,439,450	33,453,920	951,295,150	2,718,158,058	71.40000	38.00627
193,470,968	28,456,740	32,337,205	974,728,362	2,791,247,830	77.60000	44.17361
216,927,739	26,503,490	30,117,602	1,008,991,180	2,911,600,513	77.40000	43.92609
205,080,065	25,910,310	29,443,534	1,087,449,212	3,159,092,428	77.20000	40.62954
116,082,240	19,419,820	22,067,977	1,056,289,410	3,059,176,817	77.10000	39.47264
121,132,560	19,925,640	22,642,773	1,051,552,965	3,069,651,161	77.10000	39.32245
0	20,818,990	23,657,943	1,005,552,780	2,837,183,057	77.30000	40.70675
0	21,354,050	24,265,966	1,008,885,640	2,845,784,794	77.20000	40.60464
0	22,867,270	12,163,441	1,013,649,340	2,842,969,356	77.20000	40.91322



**Brecksville-Broadview Heights City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	2003	2004	2005	2006
<b>Unvoted Millage</b>				
Operating	\$4.690000	\$4.690000	\$4.690000	\$4.690000
<b>Voted Millage - by levy</b>				
1976 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	6.624711	6.176657	6.172777	6.166453
Commercial/Industrial	11.116470	10.757609	10.683476	10.709100
Tangible/Public Utility Personal	32.600000	32.600000	32.600000	32.600000
1978 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	1.729496	1.612522	1.611507	1.609854
Commercial/Industrial	2.469391	2.389670	2.373198	2.378893
Tangible/Public Utility Personal	5.800000	5.800000	5.800000	5.800000
1984 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	1.831990	1.708079	1.707000	1.705251
Commercial/Industrial	2.270701	2.197397	2.182249	2.187482
Tangible/Public Utility Personal	3.950000	3.950000	3.950000	3.950000
1985 Bond (\$1,350,000)	0.130000	0.130000	0.130000	0.000000
1993 Operating - 5 years (1)				
Effective Millage Rates				
Residential/Agricultural	5.274912	4.918129	4.915021	4.909981
Commercial/Industrial	5.558754	5.379297	5.342215	5.355032
Tangible/Public Utility Personal	7.400000	7.400000	7.400000	7.400000
1994 New High School Bond (\$36,000,000)	3.230000	3.130000	3.030000	2.960000
1997 Operating - 3 years (2)				
Effective Millage Rates				
Residential/Agricultural	4.827091	4.500597	4.497749	4.493138
Commercial/Industrial	4.666958	4.516292	4.485157	4.495916
Tangible/Public Utility Personal	5.800000	5.800000	5.800000	5.800000

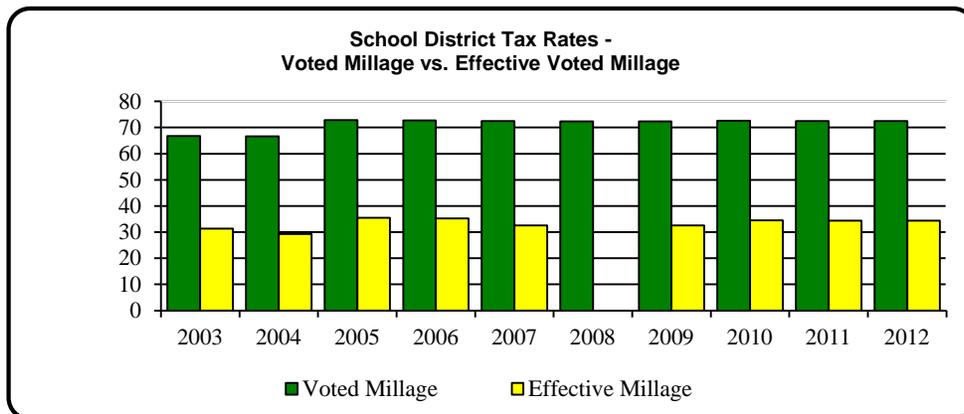
2007	2008	2009	2010	2011	2012
\$4.690000	\$4.690000	\$4.690000	\$4.690000	\$4.690000	\$4.690000
5.684038	5.688634	5.699751	6.030902	6.039965	6.054000
9.854132	9.909161	9.973155	9.886080	9.795322	9.787500
32.600000	32.600000	32.600000	32.600000	32.600000	32.600000
1.483907	1.485107	1.488007	1.574456	1.576823	1.580500
2.188972	2.201192	2.215402	2.196054	2.175893	2.174100
5.800000	5.800000	5.800000	5.800000	5.800000	5.800000
1.571839	1.573111	1.576180	1.667753	1.670261	1.674100
2.012841	2.024078	2.037145	2.019355	2.000817	1.999200
3.950000	3.950000	3.950000	3.950000	3.950000	3.950000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
4.525840	4.529495	4.538331	4.802001	4.809216	4.820400
4.927505	4.955010	4.987000	4.943444	4.898060	4.894100
7.400000	7.400000	7.400000	7.400000	7.400000	7.400000
2.760000	2.660000	2.660000	2.860000	2.760000	2.760000
4.141612	4.144958	4.153043	4.394324	4.400924	4.411200
4.136978	4.160073	4.186927	4.150364	4.112264	4.109000
5.800000	5.800000	5.800000	5.800000	5.800000	5.800000

(continued)

**Brecksville-Broadview Heights City School District**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	2003	2004	2005	2006
1997 Permanent Improvements - 3 years (2)				
Effective Millage Rates				
Residential/Agricultural	\$0.832257	\$0.775965	\$0.775474	\$0.774679
Commercial/Industrial	0.804648	0.778671	0.773303	0.775158
Tangible/Public Utility Personal	1.000000	1.000000	1.000000	1.000000
2001 Operating - 5 years (3)				
Effective Millage Rates				
Residential/Agricultural	6.856378	6.392629	6.388586	6.382038
Commercial/Industrial	6.793830	6.574499	6.529180	6.544843
Tangible/Public Utility Personal	6.900000	6.900000	6.900000	6.900000
2004 Operating - 5 years (4)				
Effective Millage Rates				
Residential/Agricultural	0.000000	0.000000	5.296645	5.291213
Commercial/Industrial	0.000000	0.000000	5.263462	5.276086
Tangible/Public Utility Personal	0.000000	0.000000	5.300000	5.300000
2004 Permanent Improvements - 5 years (4)				
Effective Millage Rates				
Residential/Agricultural	0.000000	0.000000	0.999367	0.998342
Commercial/Industrial	0.000000	0.000000	0.993106	0.995488
Tangible/Public Utility Personal	0.000000	0.000000	1.000000	1.000000
<b>Total Effective Voted Millage by type of property</b>				
Residential/Agricultural	\$31.336835	\$29.344578	\$35.524126	\$35.290949
Commercial/Industrial	37.040752	35.853435	41.785346	41.677998
Tangible/Public Utility Personal	66.810000	66.710000	72.910000	72.710000
<b>Total Effective Millage by type of property</b>				
Residential/Agricultural	\$36.026835	\$34.034578	\$40.214126	\$39.980949
Commercial/Industrial	41.730752	40.543435	46.475346	46.367998
Tangible/Public Utility Personal	71.500000	71.400000	77.600000	77.400000
<b>Total Weighted Average Tax Rate</b>				
	\$40.111990	\$38.006270	\$44.173610	\$43.926090

2007	2008	2009	2010	2011	2012
\$0.714071	\$0.714648	\$0.716042	\$0.757642	\$0.758780	\$0.760500
0.713272	0.717254	0.721884	0.715580	0.709011	0.708400
1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
5.882733	5.887487	5.898968	6.241685	6.251062	6.265600
6.022327	6.055943	6.095039	6.041806	5.986337	5.981500
6.900000	6.900000	6.900000	6.900000	6.900000	6.900000
4.877246	4.881183	4.890702	5.174841	5.182616	5.194700
4.854864	4.881967	4.913481	4.870568	4.825851	4.822000
5.300000	5.300000	5.300000	5.300000	5.300000	5.300000
0.920235	0.920978	0.922774	0.976385	0.977852	0.980100
0.916012	0.921126	0.927072	0.918975	0.910538	0.909800
1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
\$32.561521	\$32.485601	\$32.543798	\$34.479989	\$34.427499	\$34.501100
38.386903	38.485804	38.717105	38.602226	38.174093	38.145600
72.510000	72.410000	72.410000	72.610000	72.510000	72.510000
\$37.251521	\$37.175601	\$37.233798	\$39.169989	\$39.117499	\$39.191100
43.076903	43.175804	43.407105	43.292226	42.864093	42.835600
77.200000	77.100000	77.100000	77.300000	77.200000	77.200000
\$40.629540	\$39.472640	\$39.322450	\$40.706750	\$40.604640	\$40.913220



**Brecksville-Broadview Heights City School District**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	2003	2004	2005	2006
<b>Overlapping Rates by Taxing District</b>				
City of Brecksville Charter Millage				
Effective Millage Rates				
Residential/Agricultural	\$8.800000	\$8.700000	\$8.700000	\$8.600000
Commercial/Industrial	8.800000	8.700000	8.700000	8.600000
Tangible/Public Utility Personal	8.800000	8.700000	8.700000	8.600000
City of Broadview Heights Voted Millage				
Effective Millage Rates				
Residential/Agricultural	6.405723	6.343977	6.330872	6.326491
Commercial/Industrial	7.003051	6.956475	6.953430	6.953219
Tangible/Public Utility Personal	9.400000	9.400000	9.400000	9.400000
Cuyahoga Valley Career Center Voted Millage				
Effective Millage Rates				
Residential/Agricultural	2.000000	2.000000	2.000000	2.000000
Commercial/Industrial	2.000000	2.000000	2.000000	2.000000
Tangible/Public Utility Personal	2.000000	2.000000	2.000000	2.000000
Cuyahoga County Voted Millage				
Effective Millage Rates				
Residential/Agricultural	14.993182	15.768175	17.263292	18.012842
Commercial/Industrial	15.426035	17.224470	18.491220	19.131353
Tangible/Public Utility Personal	17.600000	19.400000	20.300000	20.300000

- (1) The 1993 operating levy was renewed in 1992, 1998, 2003 and 2007,
- (2) The 1997 dual purpose levy was renewed in 2000, 2003, 2005, 2008 and 2012.
- (3) The 2001 operating levy was renewed in 2005.
- (4) The 2004 dual purpose levy was renewed in 2004 and 2008.

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented on S16 and S17 generated the property tax revenue received in that year.

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

Overlapping rates are those of local and county governments that apply to property owners with the School District.

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

2007	2008	2009	2010	2011	2012
\$8.600000	\$8.600000	\$8.500000	\$8.210000	\$8.210000	\$8.210000
8.600000	8.600000	8.500000	8.210000	8.210000	8.210000
8.600000	8.600000	8.500000	8.210000	8.210000	8.210000
6.272556	6.273126	6.273770	6.315657	6.315265	6.316400
6.817215	6.814665	6.817285	6.800420	6.787837	6.786000
9.400000	9.400000	9.400000	9.400000	9.400000	9.400000
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
17.832386	17.836490	19.320480	20.185761	20.676506	20.622300
18.766711	18.705333	19.706536	19.757642	20.186219	20.149500
20.200000	20.200000	20.600000	20.600000	20.900000	20.800000

**Brecksville-Broadview 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>
2002	\$36,208,640	\$33,715,941	93.12%	\$797,134	\$34,513,075	95.32%
2003	37,152,010	34,060,881	91.68	900,216	34,961,097	94.10
2004	38,248,233	35,589,899	93.04	1,183,767	36,773,666	96.14
2005	45,990,236	42,383,746	92.16	967,686	43,351,432	94.26
2006	44,380,799	42,384,877	95.50	891,109	43,275,986	97.51
2007	43,113,672	41,500,941	96.26	1,107,732	42,608,670	98.83
2008	41,008,755	39,718,905	96.86	846,301	40,565,206	98.92
2009	41,184,500	39,859,398	96.78	1,078,193	40,937,591	99.40
2010	41,105,502	39,774,274	96.76	2,041,489	41,815,763	100.02
2011	41,120,214	39,628,529	96.37	1,878,333	41,506,862	100.01

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) The 2012 information cannot be presented because all collections have not been made by June 30, 2012.
- (3) The County does not maintain delinquency information by tax year.
- (4) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and deletions which are brought on in one lump sum. Penalties and interest are included, since by Ohio Law they become part of the tax obligation.

**Brecksville-Broadview Heights City School District**

*Principal Taxpayers*

*Real Estate Tax*

*2012 and 2003*

Name of Taxpayer	2012	
	Assessed Valuation	Percent of Real Assessed Value
Cleveland Electric Illuminating Company	\$14,810,820	1.49%
Ohio Bell Telephone Company	8,461,150	0.85
The PMD Group Company, Inc.	7,334,740	0.74
Grand Bay of Brecksville	6,541,800	0.66
Cuyahoga County Port Authority	6,413,230	0.65
South Hills Limited	6,374,750	0.64
Gateway Association	4,629,870	0.48
Creekview Commons, LLC	3,961,620	0.40
VP Partners, LLC	3,892,780	0.39
Treeline Incorporated	3,779,220	0.38
<b>Total</b>	<b>\$66,199,980</b>	<b>6.68%</b>
<b>Total Real Estate Valuation</b>	<b>\$990,782,070</b>	
Name of Taxpayer	2003	
	Assessed Valuation	Percent of Real Assessed Value
Ohio Bell Telephone Company	\$8,958,500	1.10%
The PMD Group Company, Inc.	7,631,260	0.94
South Hills, Limited	7,024,790	0.86
Grand Bay of Brecksville	6,268,870	0.77
Gateway Association	4,272,040	0.53
F.C. Vineyards, L.P.	4,115,620	0.51
Cleveland Electric Illuminating Company	2,769,660	0.34
Stony Run Limited	2,723,460	0.34
Brecksville Land Development LLC	2,620,840	0.32
Boyas-Broadview	2,599,240	0.32
<b>Total</b>	<b>\$48,984,280</b>	<b>6.03%</b>
<b>Total Real Estate Valuation</b>	<b>\$812,810,500</b>	

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio

**Brecksville-Broadview Heights City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*2012 and 2003*

2012		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$14,810,820	64.77%
The East Ohio Gas Company	2,668,220	11.67
American Transmission System	795,040	3.48
Ohio Edison Company, First Energy	355,410	1.55
North Coast Gas Transmission LLC	268,020	1.17
<b>Total</b>	<b>\$18,897,510</b>	<b>82.64%</b>
<b>Total Public Utility Valuation</b>	<b>\$22,867,270</b>	
2003		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$19,008,730	66.12%
Ameritech	4,698,960	16.34
The East Ohio Gas Company	1,252,020	4.36
<b>Total</b>	<b>\$24,959,710</b>	<b>86.82%</b>
<b>Total Public Utility Valuation</b>	<b>\$28,750,440</b>	

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio

**Brecksville-Broadview Heights City School District**

*Computation of Direct and Overlapping*

*Governmental Activities Debt*

*December 31, 2011*

	Governmental Activities Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
<b>Direct:</b>			
Brecksville-Broadview Heights City School District			
General Obligation Bonds	\$11,144,108	100.00%	\$11,144,108
Refunding Notes	9,128,612	100.00	9,128,612
Energy Conservation Notes	1,340,850	100.00	1,340,850
Capital Leases	176,382	100.00	176,382
Total Direct	<u>21,789,952</u>		<u>21,789,952</u>
<b>Overlapping:</b>			
Cuyahoga County			
General Obligation Bonds	288,861,552	3.38	9,590,204
Capital Leases	14,847,331	3.38	492,931
Loans Payable	7,819,583	3.38	259,610
Regional Transit Authority			
General Obligation Bonds	142,080,000	3.38	4,717,056
Capital Lease	19,365,767	3.38	642,943
Brecksville City			
General Obligation Bonds	7,854,564	58.86	4,574,498
Special Assessment Bonds	2,851,828	58.86	1,660,905
OPWC Loans	493,759	58.86	287,565
Broadview Heights City			
General Obligation Bonds	4,823,164	40.15	1,966,404
Special Assessment Bonds	2,255,615	40.15	919,614
OWDA Loans	1,201,183	40.15	489,722
Revolving Loan	107,565	40.15	43,854
OPWC Loans	150,000	40.15	61,155
North Royalton City			
General Obligation Bonds	8,738,471	0.99	86,511
Special Assessment Bonds	1,363,530	0.99	13,499
Capital Lease Obligation	78,349	0.99	776
Police and Fire Pension	117,374	0.99	1,162
Notes Payable	15,025,000	0.99	148,748
OPWC Loans	365,484	0.99	3,618
Total Overlapping	<u>518,400,119</u>		<u>25,960,775</u>
Total	<u>\$540,190,071</u>		<u>\$47,750,727</u>

Source: Office of the Fiscal Officer, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2012 collection year.

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

General Obligation Bonded Debt					
Fiscal Year	Bonded Debt (1)	Ratio of Bonded Debt to Estimated Actual Value (2)	Bonded Debt per Capita (3)	Capital Leases	Energy Conservation Notes
2003	\$31,645,000	1.24%	\$1,049	\$504,693	\$998,000
2004	30,655,000	1.13	1,006	2,217,558	773,000
2005	29,620,000	1.06	965	1,900,886	513,000
2006	28,535,000	0.98	922	1,570,770	0
2007	18,112,088	0.57	592	1,226,631	0
2008	16,817,492	0.55	551	867,867	0
2009	15,482,896	0.50	508	528,184	0
2010	14,093,300	0.50	462	244,735	0
2011	12,648,704	0.44	383	0	0
2012	11,144,108	0.39	337	176,382	0

- (1) Although the bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of debt. Therefore, these resources are not shown as a deduction from general obligation bonded debt.
- (2) The Total Estimated Actual Value can be found on S17
- (3) The population can be found on S34
- (4) The personal income can be found on S34

Source: Brecksville-Broadview Heights City School Records

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General Debt

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Tax Anticipation Notes	Refunding Notes	Total Debt	Ratio of General Debt to Personal Income (4)	General Debt per Capita (2)
\$1,700,000	\$0	\$34,847,693	3.43%	\$1,155
865,000	0	34,510,558	3.37	1,132
0	0	32,033,886	3.10	1,043
0	0	30,105,770	2.89	973
0	9,364,776	28,703,495	2.79	938
0	9,317,544	27,002,903	2.63	884
0	9,270,311	25,281,391	2.46	829
0	9,223,078	23,561,113	2.30	772
0	9,175,845	21,824,549	1.63	660
0	9,128,612	20,449,102	1.53	619

**Brecksville-Broadview Heights City School District**

*Computation of Legal Debt Margin*

*Last Ten Fiscal Years*

	2003	2004	2005	2006
Residential/Agricultural Real Property	\$660,944,540	\$721,232,210	\$740,224,070	\$756,939,850
Commercial/Industrial Real Property	151,865,960	156,146,620	157,679,810	175,654,460
Tangible Personal Property	49,439,385	44,476,870	48,367,742	49,893,380
Public Utility Tangible	28,750,440	29,439,450	28,456,740	26,503,490
Less: Tangible Personal Property (1)	0	0	0	(49,893,380)
Less: Rail Road and Telephone Tangible Property (1)	0	0	0	(7,528,680)
<b>Total Assessed Valuation</b>	<b>\$891,000,325</b>	<b>\$951,295,150</b>	<b>\$974,728,362</b>	<b>\$951,569,120</b>
Debt Limit - 9% of Assessed Value (2)	\$80,190,029	\$85,616,564	\$87,725,553	\$85,641,221
Amount of Debt Outstanding				
General Obligation Bonds	31,644,999	30,654,999	29,620,000	28,535,000
Tax Anticipation Note	1,700,000	865,000	0	0
Energy Conservation Note	998,000	773,000	513,000	0
Manuscript Notes	0	0	0	0
Refunding Notes	0	0	0	0
Less Amount Available in Debt Service	(2,959,465)	(4,113,548)	(3,872,231)	(3,991,856)
<b>Total</b>	<b>31,383,534</b>	<b>28,179,451</b>	<b>26,260,769</b>	<b>24,543,144</b>
Exemptions:				
Tax Anticipation Note	(1,700,000)	(865,000)	0	0
Energy Conservation Note	(998,000)	(773,000)	(513,000)	0
Amount of Debt Subject to Limit	28,685,534	26,541,451	25,747,769	24,543,144
Overall Debt Margin	\$51,504,495	\$59,075,113	\$61,977,784	\$61,098,077
Legal Debt Margin as a Percentage of Debt Limit	64.23%	69.00%	70.65%	71.34%
Unvoted Legal Debt Limit - .10% of Assessed Value (2)	\$891,000	\$951,295	\$974,728	\$951,569
Amount of Debt Subject to Limit	0	0	0	0
Unvoted Debt Margin	891,000	951,295	974,728	951,569
Additional Limit for Unvoted Energy Conservation Notes:				
.9% of Assessed Value	8,019,003	8,561,656	8,772,555	8,564,122
Energy Conservation Notes	0	0	0	0
Additional Unvoted Debt Margin	\$8,019,003	\$8,561,656	\$8,772,555	\$8,564,122
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%

**Source:** Cuyahoga County Fiscal Officer and School District Financial Records

(1) HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude 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.

2007	2008	2009	2010	2011	2012
\$830,872,250	\$843,748,880	\$845,845,240	\$802,437,560	\$804,129,100	\$803,769,400
192,726,840	178,610,430	178,211,300	182,296,230	183,402,490	187,012,670
37,939,812	14,510,280	7,570,785	0	0	0
25,910,310	19,419,820	19,925,640	20,818,990	21,354,050	22,867,270
(37,939,812)	(14,510,280)	(7,570,785)	0	0	0
(6,268,170)	(4,090,320)	(2,586,400)	0	0	0
<u>\$1,043,241,230</u>	<u>\$1,037,688,810</u>	<u>\$1,041,395,780</u>	<u>\$1,005,552,780</u>	<u>\$1,008,885,640</u>	<u>\$1,013,649,340</u>
\$93,891,711	\$93,391,993	\$93,725,620	\$90,499,750	\$90,799,708	\$91,228,441
18,190,000	16,890,000	15,550,000	14,155,000	12,705,000	11,195,000
0	0	0	0	0	0
0	0	1,948,670	1,748,670	1,540,850	1,340,850
400,000	300,000	220,000	129,000	56,000	323,005
8,920,000	8,920,000	8,920,000	8,920,000	8,920,000	8,920,000
(3,454,486)	(3,923,000)	(3,928,728)	(4,063,244)	(4,336,422)	(4,408,403)
24,055,514	22,187,000	22,709,942	20,889,426	18,885,428	17,370,452
0	0	0	0	0	0
0	0	(1,948,670)	(1,748,670)	(1,540,850)	(1,340,850)
24,055,514	22,187,000	20,761,272	19,140,756	17,344,578	16,029,602
<u>\$69,836,197</u>	<u>\$71,204,993</u>	<u>\$72,964,348</u>	<u>\$71,358,994</u>	<u>\$73,455,130</u>	<u>\$75,198,839</u>
74.38%	76.24%	77.85%	78.85%	80.90%	82.43%
\$1,043,241	\$1,037,689	\$1,041,396	\$1,005,553	\$1,008,886	\$1,013,649
0	0	0	0	0	0
1,043,241	1,037,689	1,041,396	1,005,553	1,008,886	1,013,649
9,389,171	9,339,199	9,372,562	9,049,975	9,079,971	9,122,844
0	0	0	0	0	0
<u>\$9,389,171</u>	<u>\$9,339,199</u>	<u>\$9,372,562</u>	<u>\$9,049,975</u>	<u>\$9,079,971</u>	<u>\$9,122,844</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**Brecksville-Broadview Heights City School District**

*Election History - Bond Issues*

*For the Years 1954 - 2012*

Election Date	Purpose	Amount	Results	Percent Favorable
November 2, 1954	Construct Highland Drive	\$750,000	Passed	58.90%
November 6, 1956	New addition	180,000	Passed	63.00
November 5, 1957	Construct Senior High	1,400,000	Failed	48.50
March 4, 1958	Construct Senior High	1,400,000	Failed	46.00
November 4, 1958	Construct Senior High	1,100,000	Passed	55.60
November 8, 1960	Construct Chippewa	900,000	Passed	53.10
May 7, 1963	Addition - Jr/Sr High	120,000	Failed	42.10
November 5, 1963	Addition - Jr/Sr High	1,200,000	Passed	58.50
May 4, 1965	Construct new elementary	975,000	Failed	40.30
November 2, 1965	Construct Hilton	1,050,000	Passed	56.50
November 5, 1968	Addition - High School	2,030,000	Passed	57.10
November 4, 1975	Construct swimming pool	875,000	Failed	28.40
November 8, 1977	Remodel Jr. High	5,950,000	Failed	41.40
November 8, 1977	Construct swimming pool	980,000	Failed	34.40
June 3, 1980	Renovate Jr. High	1,514,000	Passed	53.20
June 3, 1980	Construct auxiliary gym at hs	484,000	Failed	45.60
October 7, 1980	High School gymnasium	484,000	Failed	47.70
December 8, 1981	Gym/Outdoor Athletic facilities HS	1,495,000	Failed	48.10
November 5, 1985	Complete Stadium Project HS	1,350,000	Passed	53.30
November 6, 1990	Construct/renovate all schools, Blossom School and transportation facility; educational technology	10,500,000	Failed	N/A
May 7, 1991	Construct/renovate all schools, build new grades 5-6 building, technology, improvements at transportation facility	13,757,000	Failed	45.80
November 5, 1991	Construct/renovate all schools, build new grades 5-6 building, technology, improvements at transportation facility	13,757,000	Failed	48.70
February 4, 1992	Construct/renovate all schools, build new grades 5-6 building, technology, improvements at transportation facility	13,757,000	Failed	47.90
November 8, 1994	Construct new high school and improvements to other schools	36,000,000	Passed	51.00

Source: Brecksville-Broadview Heights City School Records

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**Brecksville-Broadview Heights City School District**

*Demographic and Economic Statistics*

*Last Ten Years*

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<u>Year</u>	<u>Estimated Population</u>	<u>Total Personal Income</u>	<u>Personal Income Per Capita</u>	<u>Median Household Income</u>	<u>Median Age</u>
2003	30,179	\$1,015,191,381	\$33,639	\$66,574	41.65
2004	30,486	1,025,518,554	33,639	66,574	41.65
2005	30,708	1,032,986,412	33,639	66,574	41.65
2006	30,942	1,040,857,938	33,639	66,574	41.65
2007	30,587	1,028,916,093	33,639	66,574	41.65
2008	30,532	1,027,065,948	33,639	66,574	41.65
2009	30,500	1,025,989,500	33,639	66,574	41.65
2010	30,500	1,025,989,500	33,639	66,574	41.65
2011	33,056	1,335,958,240	40,415	88,358	45.70
2012	33,056	1,335,958,240	40,415	88,358	45.70

Source: Estimated figures from the U.S. Census Bureau

Median Value of Residential Property	Cuyahoga County Unemployment Rate	Total Assessed Property Value
\$196,850	6.7%	\$891,000,325
196,850	6.6	951,295,150
196,850	5.9	974,728,362
196,850	5.6	1,008,991,180
196,850	5.5	1,087,449,212
196,850	5.7	1,056,289,410
196,850	8.6	1,051,552,965
196,850	9.4	1,005,552,780
215,800	8.6	1,008,885,640
215,800	7.3	1,013,649,340

**Brecksville-Broadview Heights City School District**

*Principal Employers  
2011 (1) and 2005 (2)*

<b>2011</b>			
Employer	City	Nature of Business or Activity	Number of Employees
AT&T/Ohio Bell	Brecksville	Communication Services	1,195
Defense Finance	Brecksville	Financial Services	1,111
PNC/National City Corporation	Brecksville	Banking Services	952
Lubrizol Corporation	Brecksville	Chemical Technology	834
First Energy/Illuminating Company	Breksville	Electric Utility	444
Brecksville-Broadview Heights Board of Education	Brecksville/ Broadview Heights	Public Education	420
House of LaRose	Brecksville	Beverage Distributor	328
Ryan Homes Incorporated	Brecksville	Construction	212
Curtiss-Wright Flow Control	Brecksville	Manufacturing	189
Cuyahoga Valley Joint Vocational School	Brecksville	Vocational Education	187
<b>Total</b>			<b>5,872</b>
Total Employment within the School District			n/a

<b>2005 (2)</b>			
Employer	City	Nature of Business or Activity	Number of Employees
Department of Veteran Affairs	Brecksville	Medical Center	1,326
Ameritech/SBC	Brecksville	Communication Services	877
National City Corporation	Brecksville	Banking Services	834
B.F. Goodrich Company	Brecksville	Chemical Firm	529
Brecksville-Broadview Heights Board of Education	Brecksville/ Broadview Heights	Public Education	497
House of LaRose	Brecksville	Beverage Distribution	310
Curtiss-Wright Flow Control	Brecksville	Manufacturing	165
City of Brecksville	Brecksville	Municipal Government	141
Cuyahoga Valley Joint Vocational School	Brecksville	Vocational Education	133
Regional Income Tax Agency	Brecksville	Tax Collections	132
<b>Total</b>			<b>4,944</b>
Total Employment within the School District			n/a

**Source:** Cities of Brecksville and Broadview Heights, Ohio

(1) Information for 2012 is not available  
n/a - Information not available

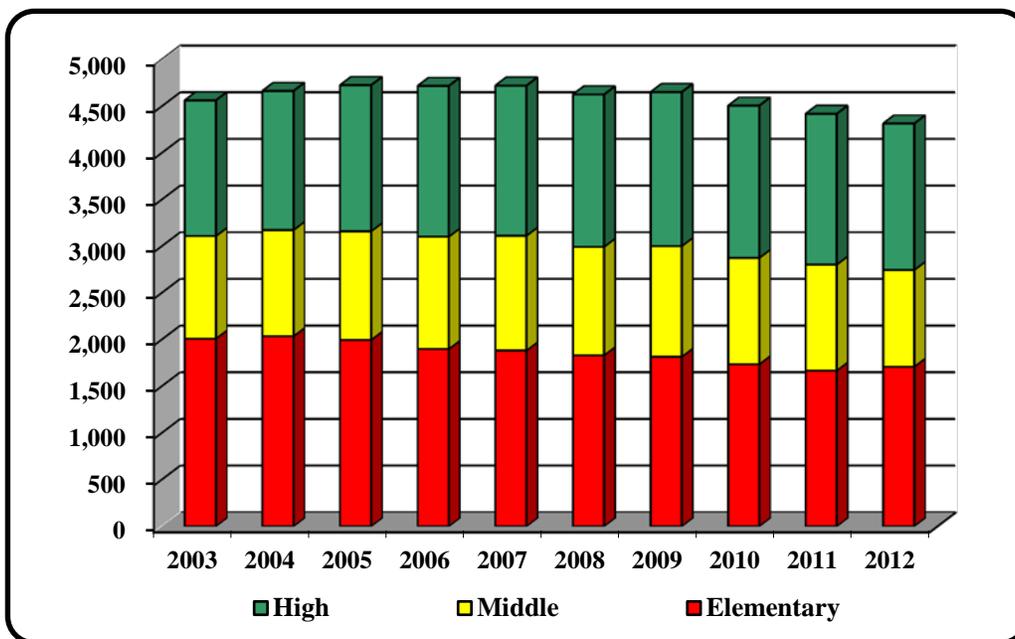
(2) Information prior to 2005 is not available

## Brecksville-Broadview Heights City School District

### *Enrollment Statistics*

### *Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle School	High School	Total
2003	2,011	1,099	1,455	4,565
2004	2,037	1,138	1,491	4,666
2005	1,998	1,164	1,566	4,728
2006	1,900	1,204	1,616	4,720
2007	1,884	1,230	1,609	4,723
2008	1,833	1,162	1,633	4,628
2009	1,817	1,186	1,651	4,654
2010	1,737	1,139	1,632	4,508
2011	1,669	1,136	1,616	4,421
2012	1,710	1,036	1,570	4,316



Source: Brecksville-Broadview Heights City School Records

**Brecksville-Broadview Heights City School District***Building Statistics by Function/Program**Last Nine Fiscal Years (1)*

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Chippewa Elementary School</b>				
Constructed in 1962				
Total Building Square Footage	40,600	40,600	40,600	40,600
Media Center Square Footage	2,535	2,535	2,535	2,535
Cafeteria and Gymnasium Square Footage	2,535	2,535	2,535	2,535
Enrollment Grades K - 3	418	389	417	430
Student Capacity	325	325	325	325
Regular Instruction Classrooms	17	17	17	17
Regular Instruction Teachers	22	21	21	21
Special Instruction Classrooms	3	3	3	3
Special Instruction Teachers	3	3	3	3
<b>Highland Drive Elementary School</b>				
Constructed in 1953				
Addition in 1957				
Total Building Square Footage	44,000	44,000	44,000	44,000
Media Center Square Footage	840	840	840	840
Cafeteria and Gymnasium Square Footage	3,200	3,200	3,200	3,200
Enrollment Grades K - 3	364	349	363	375
Student Capacity	350	350	350	350
Regular Instruction Classrooms	16	16	16	16
Regular Instruction Teachers	22	22	22	22
Special Instruction Classrooms	6	6	6	6
Special Instruction Teachers	6	6	6	6
<b>Hilton Elementary School</b>				
Constructed in 1967				
Total Building Square Footage	43,000	43,000	43,000	43,000
Media Center Square Footage	1,200	1,200	1,200	1,200
Cafeteria and Gymnasium Square Footage	2,700	2,700	2,700	2,700
Kitchen Square Footage	1,100	1,100	1,100	1,100
Enrollment Grades K - 3	488	485	404	398
Student Capacity	348	348	348	348
Regular Instruction Classrooms	18	18	18	18
Regular Instruction Teachers	24	24	24	24
Special Instruction Classrooms	1	1	1	1
Special Instruction Teachers	2	2	2	2

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
40,600	40,600	40,600	40,600	40,600
2,535	2,535	2,535	2,535	2,535
2,535	2,535	2,535	2,535	2,535
430	389	386	369	369
325	325	325	325	325
16	16	16	16	16
21	21	22	22	20
3	3	3	3	3
2	2	3	3	3
44,000	44,000	44,000	44,000	44,000
840	840	840	840	840
3,200	3,200	3,200	3,200	3,200
375	356	378	358	351
350	350	350	350	350
16	16	16	16	16
22	22	20	20	16
6	6	6	6	6
7	6	6	6	3
43,000	43,000	43,000	43,000	43,000
1,200	1,200	1,200	1,200	1,200
2,700	2,700	2,700	2,700	2,700
1,100	1,100	1,100	1,100	1,100
398	364	345	316	357
348	348	348	348	348
18	18	18	18	15
24	22	18	18	18
2	2	2	2	5
4	3	2	2	8

(continued)

**Brecksville-Broadview Heights City School District**

*Building Statistics by Function/Program (continued)*

*Last Nine Fiscal Years (1)*

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Central School</b>				
Constructed in 1915				
Additions in 1929, 1950, 1964, 1981				
Total Building Square Footage	73,400	73,400	73,400	73,400
Media Center Square Footage	2,800	2,800	2,800	2,800
Cafeteria Square Footage	2,230	2,230	2,230	2,230
Gymnasiums (2) Square Footage	6,600	6,600	6,600	6,600
Enrollment Grades 4 and 5	733	738	716	681
Student Capacity	590	590	590	590
Regular Instruction Classrooms	27	27	27	27
Regular Instruction Teachers	41	43	43	43
Special Instruction Classrooms	3	3	3	3
Special Instruction Teachers	7	6	6	6
<b>Middle School</b>				
Constructed in 1960				
Additions in 1965, 1971, 1986				
Total Building Square Footage	176,750	176,750	176,750	176,750
Auditorium Square Footage	15,200	15,200	15,200	15,200
Media Center Square Footage	5,000	5,000	5,000	5,000
Cafeteria Square Footage	7,800	7,800	7,800	7,800
Gymnasium Square Footage	10,000	10,000	10,000	10,000
Enrollment Grades 6 - 8	1,138	1,164	1,204	1,176
Enrollment Preschool	34	37	37	54
Student Capacity	1,219	1,219	1,219	1,219
Regular Instruction Classrooms	48	49	49	49
Regular Instruction Teachers	60	61	61	61
Special Instruction Classrooms	4	4	4	4
Special Instruction Teachers	10	11	11	11
<b>High School</b>				
Constructed in 1997				
Total Building Square Footage	299,800	299,800	299,800	299,800
Auditorium Square Footage	16,000	16,000	16,000	16,000
Media Center Square Footage	51,000	51,000	51,000	51,000
Kitchen and Cafeteria Square Footage	14,500	14,500	14,500	14,500
Gymnasiums (2) Square Footage	21,700	21,700	21,700	21,700
Enrollment - Grades 9 - 12	1,491	1,566	1,616	1,609
Student Capacity	1,817	1,817	1,817	1,817
Regular Instruction Classrooms	66	66	66	66
Regular Instruction Teachers	80	80	80	80
Special Instruction Classrooms	7	7	7	7
Special Instruction Teachers	8	8	8	8
Vocational Instruction Classrooms	4	4	4	4
Vocational Instruction Teachers	3	3	3	3

(1) Information prior to 2004 is not available.

Source: Brecksville-Broadview Heights City School Records

2008	2009	2010	2011	2012
73,400	73,400	73,400	73,400	73,400
2,800	2,800	2,800	2,800	2,800
2,230	2,230	2,230	2,230	2,230
6,600	6,600	6,600	6,600	6,600
681	708	628	626	633
590	590	590	590	590
27	27	27	27	27
38	38	35	35	37
3	3	3	3	3
7	9	9	9	6
176,750	176,750	176,750	176,750	176,750
15,200	15,200	15,200	15,200	15,200
5,000	5,000	5,000	5,000	5,000
7,800	7,800	7,800	7,800	7,800
10,000	10,000	10,000	10,000	10,000
1,176	1,186	1,085	1,068	1,036
54	54	54	68	0
1,219	1,219	1,219	1,219	1,219
49	49	49	49	49
62	63	54	54	54
4	4	4	4	4
17	17	15	15	11
299,800	299,800	299,800	299,800	299,800
16,000	16,000	16,000	16,000	16,000
51,000	51,000	51,000	51,000	51,000
14,500	14,500	14,500	14,500	14,500
21,700	21,700	21,700	21,700	21,700
1,609	1,651	1,632	1,616	1,570
1,817	1,817	1,817	1,817	1,817
66	66	66	66	66
80	78	78	78	71
7	7	7	7	7
8	10	10	10	11
4	4	4	4	4
3	3	2	2	2

**Brecksville-Broadview Heights City School District**

*Per Pupil Cost*

*Last Ten Fiscal Years*

Fiscal Year	Student Enrollment		General Governmental	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost
2003	4,565	2.82 %	\$42,329,746	\$9,273
2004	4,666	2.21	43,779,369	9,383
2005	4,728	1.33	44,500,911	9,412
2006	4,720	(0.17)	47,348,849	10,032
2007	4,723	0.06	50,142,138	10,617
2008	4,628	(0.02)	52,600,083	11,366
2009	4,654	0.01	54,833,623	11,782
2010	4,508	(0.03)	56,645,284	12,566
2011	4,421	(0.02)	53,509,491	12,103
2012	4,316	(0.02)	51,581,188	11,951

(1) Debt Service totals have been excluded.

Source: Brecksville-Broadview Heights City School Records

Governmental Activities		Food Service Operations		
Total Expenses (1)	Per Pupil Cost	Number of Lunches Served	Percentage of Free Lunches	Percentage of Reduced Lunches
\$41,739,485	\$9,143	298,820	6.68 %	2.97 %
43,737,246	9,374	309,811	7.33	3.17
44,806,267	9,477	311,072	7.23	3.36
48,540,927	10,284	315,725	8.66	3.47
50,336,525	10,658	309,125	8.30	4.18
53,350,549	11,528	294,049	9.98	5.77
55,439,112	11,912	272,765	12.78	6.85
55,666,313	12,348	268,126	15.65	7.29
55,509,822	12,556	273,512	16.35	5.99
53,139,478	12,312	273,489	18.55	6.75

**Brecksville-Broadview Heights City School District**

*Attendance and Graduation Rates*

*Last Nine Fiscal Years*

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<u>Fiscal Year</u>	<u>Brecksville- Broadview Heights Attendance Rate</u>	<u>State Average</u>	<u>Brecksville- Broadview Heights Graduation Rate</u>	<u>State Average</u>
2003	95.70%	94.50%	98.30%	83.90%
2004	95.90	94.50	95.40	84.30
2005	95.80	94.30	97.70	85.90
2006	95.80	94.10	97.90	86.20
2007	96.10	93.00	97.00	90.00
2008	96.90	93.00	99.50	90.00
2009	96.00	93.00	98.50	90.00
2010	96.00	94.30	98.50	84.60
2011	95.90	93.00	98.70	90.00

Note: Fiscal year 2012 was not available on ODE pending outcome of the enrollment audits in some Ohio school districts.

Source: Ohio Department of Education Local Report Cards

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**Brecksville-Broadview Heights City School District**

*School District Employees by Function/Program*

*Last Ten Fiscal Years*

<b>Function/Program</b>	2003	2004	2005	2006	2007
<b>Regular Instruction</b>					
Elementary Classroom Teachers	85.00	89.00	89.00	90.00	90.00
Middle School Classroom Teachers	59.00	60.00	61.00	61.00	61.00
High School Classroom Teachers	81.00	83.00	80.00	80.00	80.00
<b>Special Instruction</b>					
Preschool Teachers	3.00	3.00	3.00	3.00	5.00
Elementary Classroom Teachers	15.00	17.00	17.00	17.00	16.00
Gifted Education Teachers	3.00	3.00	1.00	2.00	3.00
Middle School Classroom Teachers	8.00	10.00	11.00	15.00	12.00
High School Classroom Teachers	7.00	8.00	8.00	10.00	11.00
<b>Vocational Instruction</b>					
High School Classroom Teachers	3.00	3.00	3.00	3.00	2.00
<b>Pupil Support Services</b>					
Guidance Counselors	12.00	12.00	12.00	13.00	13.00
Librarians	1.00	1.00	1.00	1.00	1.00
Psychologists	7.00	5.00	5.00	4.00	4.00
Speech & Language Pathologists	8.00	8.00	8.00	7.00	7.00
<b>Instructional Support Services</b>					
Educational Assistants	40.00	36.00	31.00	40.00	35.00
Special Education Assistants	29.00	48.00	47.00	53.00	50.00
Technicians	1.00	2.00	1.00	2.00	2.00
Clerical	31.00	31.00	26.00	28.00	28.00
<b>Administration</b>					
Elementary	4.50	5.00	5.00	5.00	5.00
Middle School	2.50	2.50	2.50	3.00	3.00
High School	3.50	3.50	3.50	3.50	3.50
Districtwide	11.00	11.00	11.00	11.00	11.00
Central Office Support	6.00	6.00	6.00	10.00	10.00
<b>Operation of Plant</b>					
Custodians	36.00	35.00	36.00	37.00	37.00
Maintenance	6.00	6.00	6.00	6.00	6.00
<b>Pupil Transportation</b>					
Bus Drivers	43.00	44.00	44.00	46.00	47.00
Bus Aides	10.00	8.00	9.00	8.00	7.00
Mechanics	3.00	3.00	3.00	3.00	3.00
<b>Food Service Program</b>					
Administration/Clerical	2.00	2.00	2.00	2.00	2.00
Elementary Cooks	18.00	18.00	14.00	13.00	14.00
Middle School Cooks	11.00	11.00	10.00	8.00	10.00
High School Cooks	18.00	17.00	11.00	11.00	11.00
Totals	<u>567.50</u>	<u>591.00</u>	<u>567.00</u>	<u>595.50</u>	<u>589.50</u>

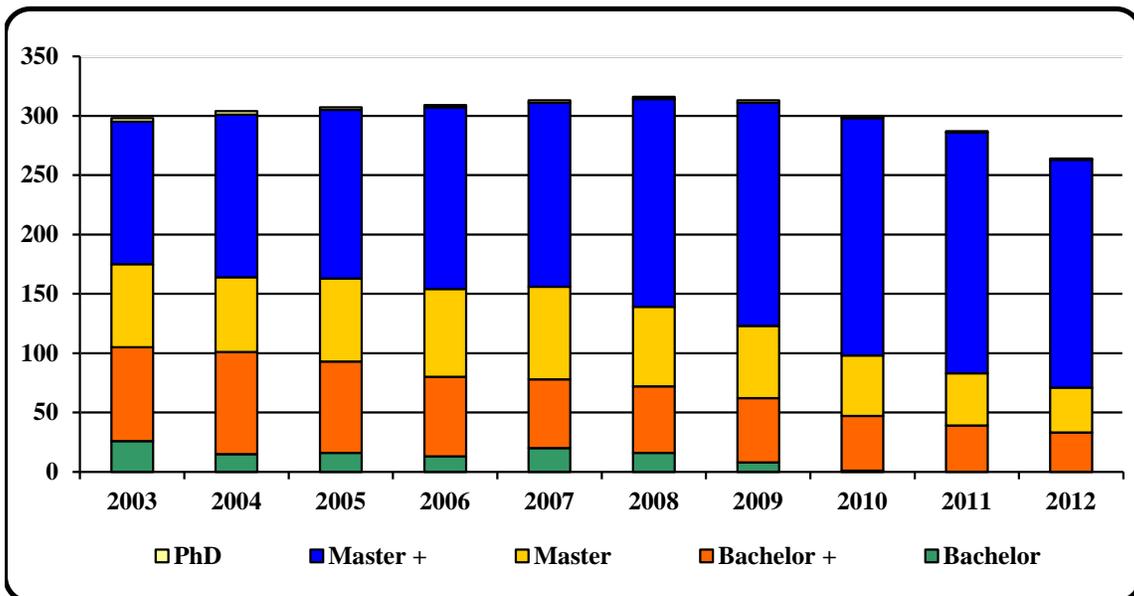
Method: Using 1.0 for each full-time employee and .50 for each part-time and seasonal employee at fiscal year end.

Source: Brecksville-Broadview Heights City School Records

2008	2009	2010	2011	2012
91.00	91.00	95.00	91.00	91.00
62.00	60.00	54.00	54.00	54.00
81.00	79.00	78.00	71.00	71.00
5.00	5.00	5.00	5.00	5.00
20.00	20.00	20.00	15.00	15.00
2.00	2.00	2.00	2.00	2.00
17.00	18.00	10.00	11.00	11.00
11.00	11.00	10.00	11.00	11.00
2.00	2.00	2.00	2.00	1.50
12.00	12.00	11.00	11.00	11.00
1.00	1.00	1.00	1.00	1.00
5.00	4.00	4.00	4.50	4.50
7.00	8.00	7.50	7.50	7.50
37.00	37.00	34.00	37.00	33.00
58.00	68.00	48.00	63.00	53.00
2.00	2.00	2.00	2.00	2.00
28.00	28.00	25.00	24.00	18.00
5.00	5.00	4.50	4.00	4.00
3.00	3.00	3.00	3.00	2.50
3.50	3.50	3.50	3.50	3.50
11.00	11.00	11.00	11.00	11.00
10.00	10.00	10.00	10.00	10.00
40.00	40.00	37.00	34.00	31.00
7.00	7.00	7.00	6.00	6.00
46.00	46.00	45.00	41.00	41.00
9.00	8.00	6.00	8.00	8.00
3.00	3.00	3.00	3.00	2.50
2.00	2.00	2.00	2.00	2.00
12.00	13.00	13.00	13.00	13.00
10.00	10.00	11.00	10.00	10.00
12.00	13.00	13.00	13.00	13.00
<u>614.50</u>	<u>622.50</u>	<u>577.50</u>	<u>573.50</u>	<u>549.00</u>

**Brecksville-Broadview Heights City School District**  
*Full-Time Equivalent Certified School District Employees by Education*  
*Last Ten Fiscal Years*

Degree	2003	2004	2005	2006	2007
Bachelor	26	15	16	13	20
Bachelor +9	24	19	17	9	8
Bachelor +18	13	26	23	19	14
Bachelor +30	42	41	37	39	36
Master	70	63	70	74	78
Master +9	31	36	38	40	36
Master +18	38	38	32	37	37
Master +30	11	19	27	28	31
Master +42	40	44	45	48	51
PhD	3	3	2	2	2
<b>Total</b>	<b>298</b>	<b>304</b>	<b>307</b>	<b>309</b>	<b>313</b>



Source: Brecksville-Broadview Heights City School Records

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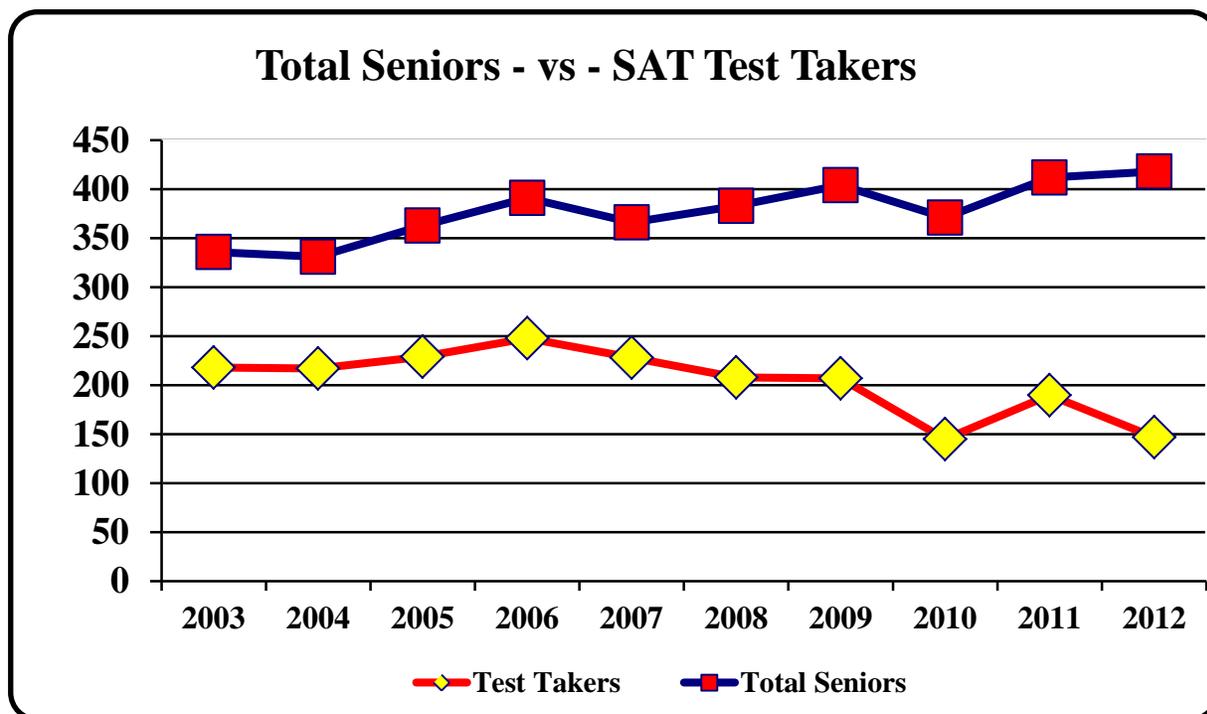
<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
16	8	1	0	0
4	7	2	1	0
10	9	5	2	2
42	38	39	36	31
67	61	51	44	38
42	43	37	32	29
37	39	42	46	47
31	35	34	29	30
65	71	87	96	86
<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>
<u><u>316</u></u>	<u><u>313</u></u>	<u><u>300</u></u>	<u><u>287</u></u>	<u><u>264</u></u>

**Brecksville-Broadview Heights City School District**

*SAT Composite Scores*

*Last Ten School Years*

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Brecksville-Broadview Heights Verbal	Ohio Verbal	National Verbal
2003	218	336	64.88	544	536	507
2004	217	331	65.56	550	538	508
2005	229	363	63.09	554	539	508
2006	248	391	63.43	544	535	503
2007	228	366	62.30	541	536	502
2008	208	383	54.31	536	534	502
2009	207	404	51.24	563	560	502
2010	145	371	39.08	540	538	501
2011	190	412	46.12	565	539	497
2012	147	418	35.17	557	543	496



(1) SAT writing tests were not conducted prior to 2006.

Source: High School Guidance Office,  
Brecksville-Broadview Heights City School District

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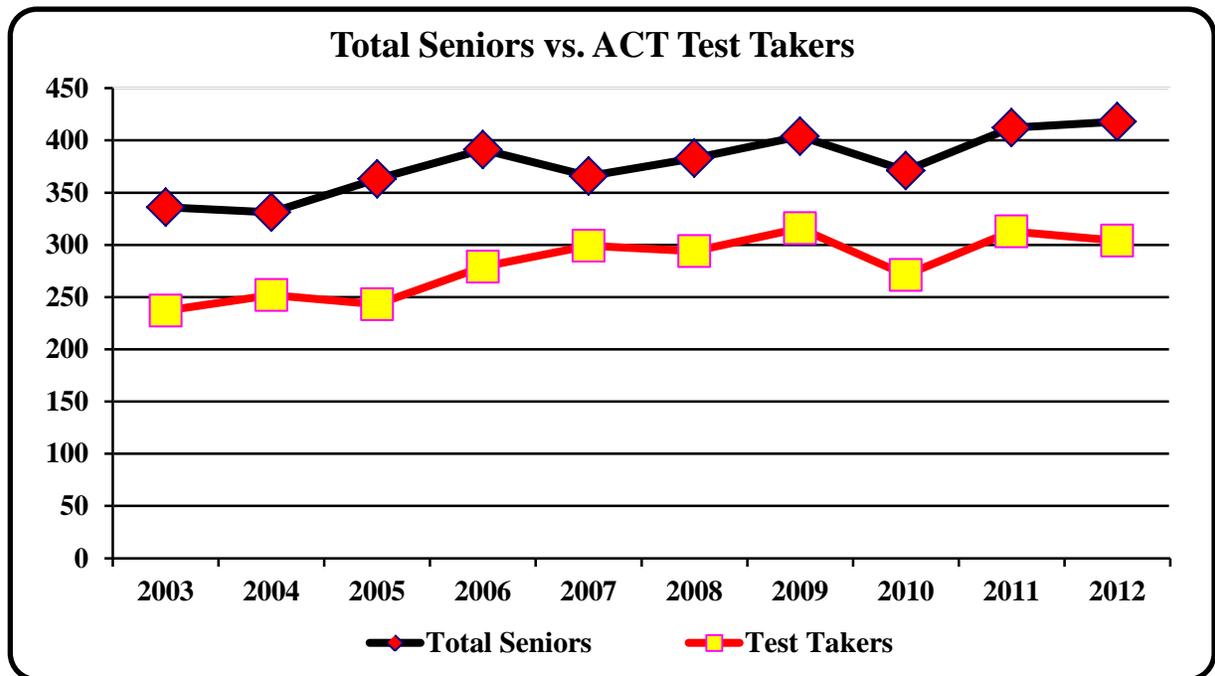
Brecksville- Broadview Heights Math	Ohio Math	National Math	Broadview Heights Writing	Ohio Writing	National Writing
560	541	519	N/A	N/A	N/A
565	542	518	N/A	N/A	N/A
563	543	520	N/A	N/A	N/A
557	544	518	528	521	497
555	542	515	526	522	464
562	544	515	526	521	494
599	566	515	534	559	494
551	548	516	529	522	492
575	545	514	543	522	489
575	552	514	543	525	488

**Brecksville-Broadview Heights City School District**

*ACT Composite Scores*

*Last Ten School Years*

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Brecksville-Broadview Heights Composite	Ohio Composite	National Composite
2003	237	336	70.54	23.4	21.4	20.8
2004	252	331	76.13	23.6	21.4	20.9
2005	243	363	66.94	24.4	21.4	20.9
2006	279	391	71.36	24.2	21.5	21.1
2007	299	366	81.69	23.9	21.6	21.2
2008	294	383	76.76	24.1	21.7	21.1
2009	316	404	78.22	25.1	21.7	21.1
2010	271	371	73.05	24.5	21.8	21.0
2011	313	412	75.97	24.9	21.8	21.1
2012	304	418	72.73	24.6	21.8	21.1



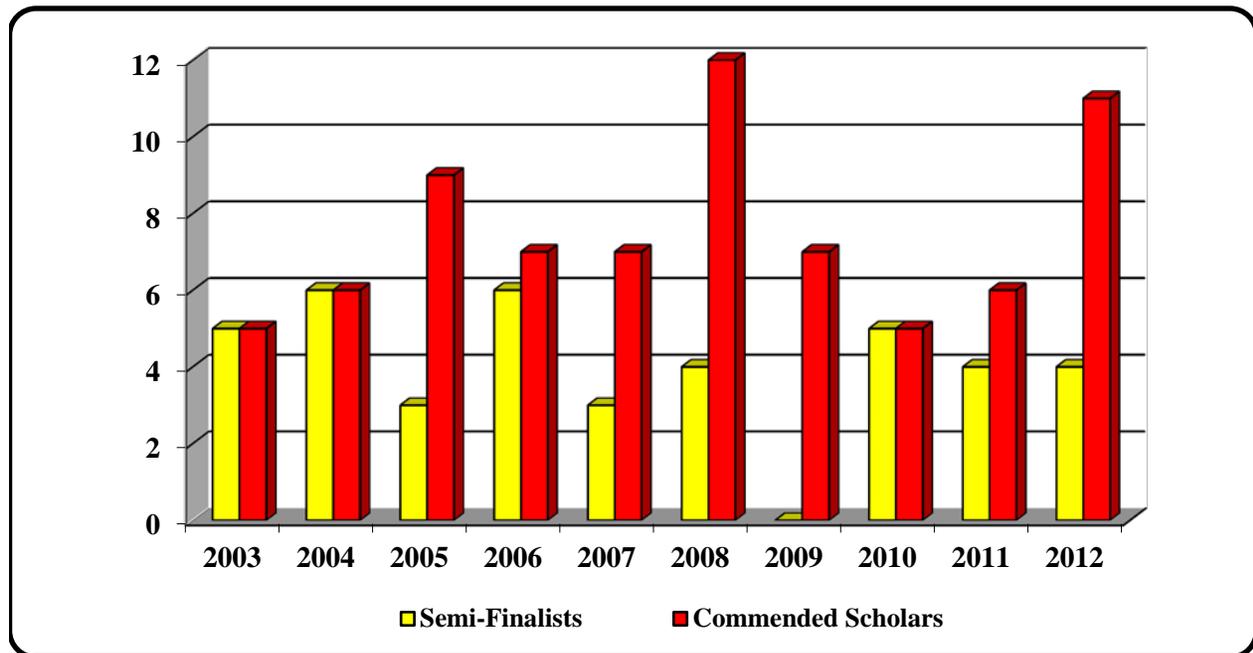
Source: High School Guidance Office,  
Brecksville-Broadview Heights City School District

**Brecksville-Broadview Heights City School District**

*National Merit Scholarship Program*

*Last Ten School Years*

<u>School Year</u>	<u>Semi-Finalists</u>	<u>Commended Scholars</u>	<u>Total</u>
2003	5	5	10
2004	6	6	12
2005	3	9	12
2006	6	7	13
2007	3	7	10
2008	4	12	16
2009	0	7	7
2010	5	5	10
2011	5	5	10
2012	4	10	14



Source: High School Guidance Office  
 Brecksville-Broadview Heights City School District

**Brecksville-Broadview Heights City School District**

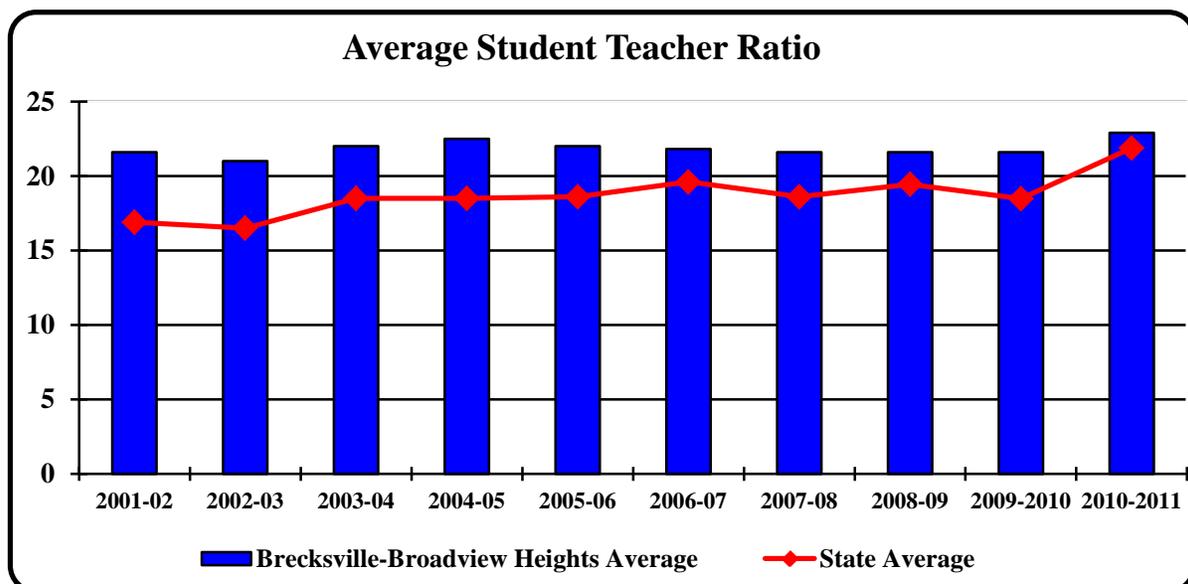
*Average Number of Students per Teacher*

*Last Ten School Years*

School Year	Brecksville-Broadview Heights Average	State Average
2001 - 2002	21.6	16.9
2002 - 2003	21.0	16.5
2003 - 2004	22.0	18.5
2004 - 2005	22.5	18.5
2005 - 2006	22.0	18.6
2006 - 2007	21.8	19.6
2007 - 2008	21.6	18.6
2008 - 2009	21.6	19.44
2009 - 2010	21.6	18.47
2010 - 2011	22.9	21.87

Note: Fiscal year 2012 information was unavailable at the time of publication.

Source: Ohio Department of Education

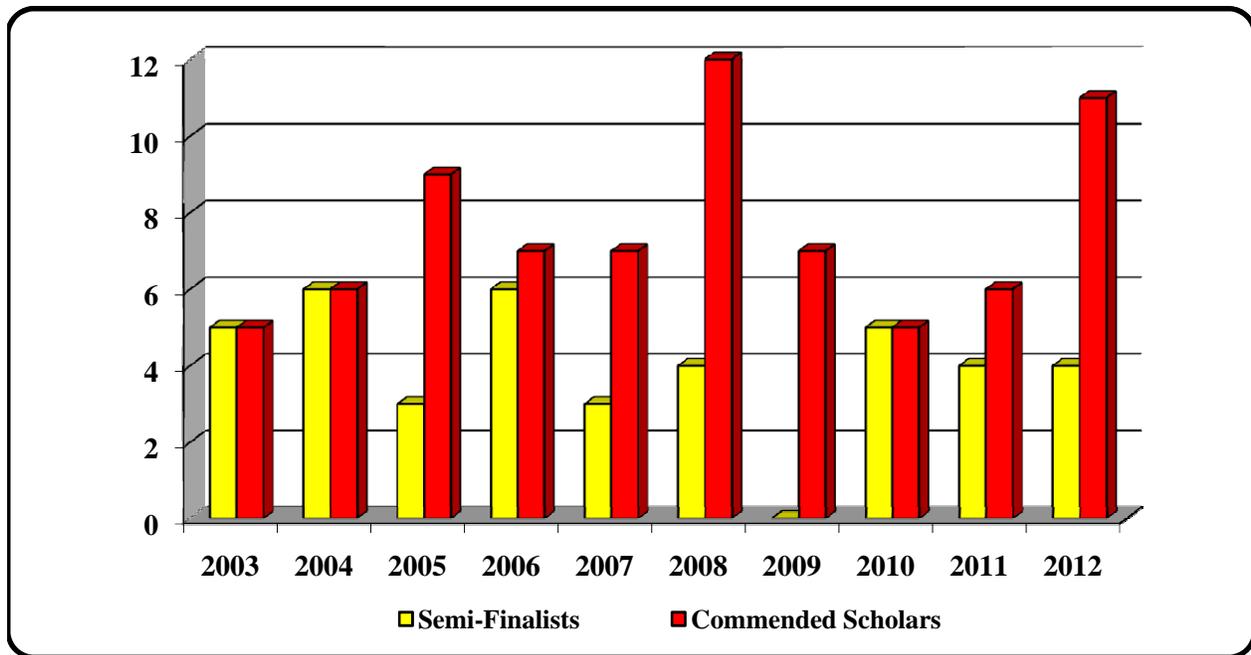


**Brecksville-Broadview Heights City School District**

*National Merit Scholarship Program*

*Last Ten School Years*

<u>School Year</u>	<u>Semi-Finalists</u>	<u>Commended Scholars</u>	<u>Total</u>
2003	5	5	10
2004	6	6	12
2005	3	9	12
2006	6	7	13
2007	3	7	10
2008	4	12	16
2009	0	7	7
2010	5	5	10
2011	4	6	10
2012	4	11	15



Source: High School Guidance Office  
 Brecksville-Broadview Heights City School District

**Brecksville-Broadview Heights City School District**

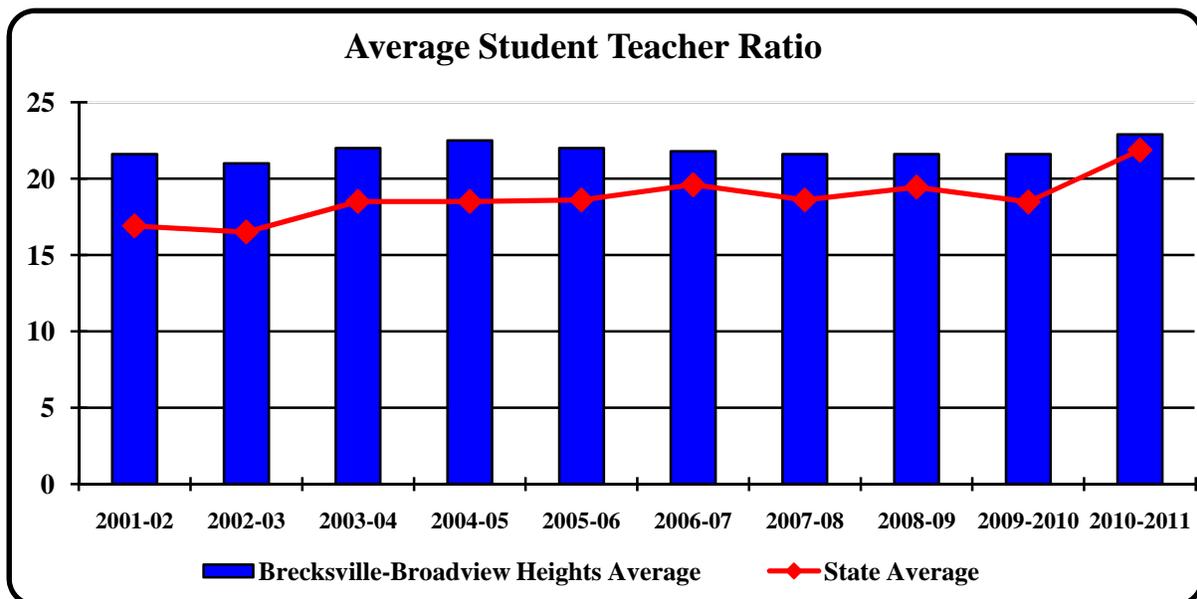
*Average Number of Students per Teacher*

*Last Ten School Years*

<u>School Year</u>	<u>Brecksville- Broadview Heights Average</u>	<u>State Average</u>
2002 - 2003	21.0	16.5
2003 - 2004	22.0	18.5
2004 - 2005	22.5	18.5
2005 - 2006	22.0	18.6
2006 - 2007	21.8	19.6
2007 - 2008	21.6	18.6
2008 - 2009	21.6	19.44
2009 - 2010	21.6	18.47
2010 - 2011	22.9	21.87

Note: Fiscal year 2012 information was unavailable at the time of publication.

Source: Ohio Department of Education





# Dave Yost • Auditor of State

**BRECKSVILLE-BROADVIEW 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  
FEBRUARY 26, 2013**