



**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2001**



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

---

**STATE OF OHIO**



**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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Berea City School District  
Cuyahoga County

Schedule of Federal Awards Expenditures  
For the Year Ended June 30, 2001 (1)

Federal Grantor / Pass Through Grantor / Program Title	Pass Through Entity Number	Federal CFDA Number	Program Award Amount	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. Department of Agriculture</b>							
<i>Passed Through Ohio Department of Education</i>							
Nutrition Cluster:							
Food Distribution Program (2)	Not Available	10.550	N / A		\$81,435		\$81,435
National School Breakfast Program	043612-05 / PU 00	10.553	N / A	\$4,847		\$4,847	
	043612-05 / PU 01	10.553	N / A	10,614		10,614	
National School Lunch Program	043612-03 / PU 00	10.555	N / A	77,237		77,237	
	043612-03 / PU 01	10.555	N / A	215,907		215,907	
Total U.S. Department of Agriculture - Nutrition Cluster				308,605	81,435	308,605	81,435
<b>U.S. Department of Education</b>							
<i>Passed Through Ohio Department of Education</i>							
Education Economic Security Act	043612-MS-S1-99C	84.281	0	(169)		20,413	
	043612-MS-S1-00		24,420	17,094		18,589	
	043612-MS-S1-01		22,596	20,336		11,516	
Total Economic Security Programs				47,016	37,261	50,518	
Special Education Cluster							
Special Education Grants to States	043612-6B-SF-00P	84.027	562,485	(215)		40,352	
Assistance of Handicapped Children (Title VI B)	043612-6B-SF-01P		623,285	623,285		558,022	
Special Education - Preschool Grant	043612-PG-S1-00P	84.173	36,855	2,290		2,685	
	043612-PG-S1-01P		38,691	38,691		33,271	
Total Special Education Cluster				1,261,316	664,051	634,331	

Continued

Grants to Local Education Agencies	043612-C1-S1-99C	84.010	288,610	34,332	3,567
ESEA Title I	043612-C1-S1-00C		37,411	0	37,411
	043612-C1-S1-01		287,937	266,604	269,710
Total Grants to Local Education Agencies - ESEA Title I			613,958	300,936	310,688
Chapter II Consolidation of Federal Programs For Elementary and Secondary Education	043612-C2-S1-99C	84.298	0	(100)	5,910
Innovative Education Program Strategy	043612-C2-S1-01		44,503	44,503	37,747
Total Chapter II Programs			44,503	44,403	54,431
Title VI R Consolidation of Federal Programs For Elementary Class Size Reduction	043612-CR-S1-2000	84.340	0	0	7,169
	043612-CR-S1-2001		82,483	73,525	77,049
Total Title VI R Programs			82,483	73,525	84,218
Drug Free Schools	043612-DR-S1-99C	84.186	0	(2,000)	0
	043612-DR-S1-00		33,796	4,521	8,849
	043612-DR-S1-01		33,219	29,897	17,948
Total Drug Free Schools			67,015	32,418	26,797
Emergency Immigrant Education Program	043612-EI-S1-00	84.162	2,320	0	589
	043612-EI-S1-01		3,050	3,050	2,775
Total Emergency Immigrant Education Program			5,370	3,050	3,364
Technical Literacy Challenge Fund	043612-TF-24-00P	84.318	0	(13)	1,032
	043612-TF-25-00P		25,000	(607)	24,393
	043612-TF-VM-00P		0	4,396	4,658
Total Technical Literacy Challenge Funds			25,000	3,776	30,083
Total U.S. Department of Education			2,146,661	1,159,420	1,194,429

**Corporation For National and Community Services**

*Passed Through Ohio Department of Education*

Learn and Service America Planning Grant	043612-SV-S3-99	94.004	0	0	0
	043612-SV-S3-00		0	0	0
	043612-SV-S3-01		11,500	11,500	7,497
Total Corporation For National and Community Service			11,500	11,500	7,497
			<u>\$2,158,161</u>	<u>\$1,479,525</u>	<u>\$81,435</u>
Total Federal Financial Assistance					<u>\$1,510,530</u>
					<u>\$81,435</u>

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

(2) Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and distributed. Monies are commingled with State of Ohio grants. It is assumed federal monies are expended first. At June 30, 2001, the District had no significant food commodities in inventory.

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**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

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

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

We have audited the financial statements of the Berea City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2001, and have issued our report thereon dated November 26, 2001, wherein we noted the District restated total net assets for governmental activities. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated November 26, 2001.

Berea City School District  
Cuyahoga County  
Report on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

**Jim Petro**  
Auditor of State

November 26, 2001



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

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

**Compliance**

We have audited the compliance of the Berea City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

**Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated November 26, 2001.

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

We have audited the basic financial statements of the District as of and for the year ended June 30, 2001, and have issued our report thereon dated November 26, 2001, wherein we noted the District restated total net assets for governmental activities. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

**Jim Petro**  
Auditor of State

November 26, 2001

**BEREA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY  
JUNE 30, 2001**

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

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Nutrition Cluster, CFDA 10.550, 10.553 & 10.555 Class Size Reduction CFDA 84.340
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type AIB 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



**Berea  
City  
School  
District**

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



**Tom Williams  
Midpark High School  
Art Instructor : Fred Graff**



# INTRODUCTORY SECTION



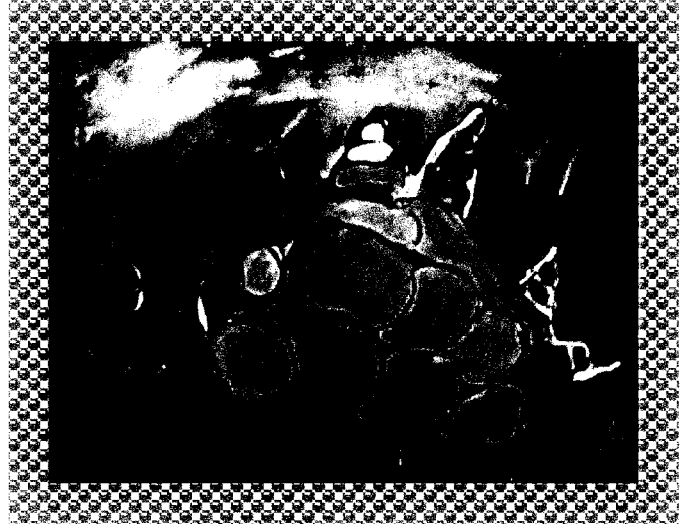
Kayla Costanzo  
Brookpark Memorial Elementary School  
Art Instructor: Jeanne Heywood



# Berea, Ohio City School District

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

Angela Holecko  
Big Creek Elementary School  
Art Instructor: Kathy Jadud



Brittany Fried  
Midpark High School  
Art Instructor: Fred Graff

Issued by: **Treasurer's Office**  
**William Bornhauser, Treasurer**  
**Dale Cummins, Assistant Treasurer**

**Berea City School District**  
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November 26, 2001

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

We are pleased to submit to you the eleventh Comprehensive Annual Financial Report (CAFR) of Berea City School District. This CAFR, which includes an opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School District. This report will provide the taxpayers of Berea City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to the Cuyahoga County Public Library, major taxpayers, financial rating services and other interested parties.

The comprehensive annual financial report is presented in three sections as follows:

1. The Introductory Section, which contains a Table of Contents, Letter of Transmittal, Government Finance Officer's Association (GFOA) Certificate of Achievement, List of Principal Officials and an Organizational Chart of the School District.
2. The Financial Section, which begins with the Report of Independent Accountants, and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules providing detailed information relative to the Basic Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends and the fiscal capacity of Berea City School District.

### **School District Organization**

Berea City School District is one of the 612 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District provides education to 7,809 students in grades kindergarten through twelfth. Additionally, the School District provides preschool, after school, adult and community education services to a large number of students. Berea City School District is located in northeastern Ohio, approximately twelve miles southwest of downtown Cleveland. Berea City School District includes the cities of Brook Park and Middleburg Heights, most of the City of Berea and small portions of the cities of Olmsted Falls and Cleveland.

**Berea  
City  
School  
District**

*Berea  
Brook Park  
Middleburg  
Heights*

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

*William Bornhauser  
Treasurer*

*390 Fair Street  
Berea, Ohio 44017-2308  
(440) 243-6000*

*Fax (440) 243-5522*

*E-Mail: bbornhauser@berea.k12.oh.us*

When first settled, Middleburgh Township was one community. The first school in Middleburgh Township was in Ephriam Vaughan's log house in the year 1822. In the 1830's, Middleburgh Township dissolved into three distinct political entities; Berea, Brookpark and Middleburg Heights.

In 1853, a law was enacted which created a local township board of education comprised of three directors. The responsibility of these directors was to hire teachers and to maintain school property. This system was followed until 1904, when rural schools were placed under a five-member township board of education who could hire a superintendent to oversee all of the sub-districts in the township.

The School District used the name "Berea" because of the size of the city in earlier days when Brook Park and Middleburg Heights were too small to support a complete school system. Today, the Berea Public School System stands unique as the common bond between Berea, Brook Park and Middleburg Heights.

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

### **Reporting Entity**

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

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

### **Economic Condition and Outlook**

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

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

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

Also located within this portion of the School District is United Parcel Service, Incorporated, which employs approximately 1,100 employees and Southwest General Hospital, which employs approximately 1,700 employees.

## **Major Initiatives**

***For the Year*** Berea City School District has a guardedly optimistic outlook for the future. The voters approved an additional 5.9 mill continuing operating levy in May 1999. Collection began in January 2000. The last operating levy was passed in 1993. The real property tax system in Ohio does not permit school districts to receive additional tax revenue solely as a result of reassessment or appraisal. As a result, real property tax revenue increases very little. The primary means of increasing revenue for Berea City School District is through an additional operating levy, requiring voter approval.

Further indicating voter support, a 1.0 mill continuing permanent improvement levy was passed in November 1996. Beginning collection in January 1997, this levy is allowing the School District to address ongoing facility needs. The annual revenue from this levy, approximately \$1.8 million, almost equals the depreciation expense of the District.

State funding, specifically funding for general operations, remains unclear for future years. In March 1997, the Ohio Supreme Court ruled the present system of funding Ohio schools to be unconstitutional. The State legislature was directed to adequately fund schools without reducing funds to tax dependent schools such as Berea City Schools. In May 2000 the Ohio Supreme Court reviewed the State's efforts since 1997 and indicated the State had not met the constitutional requirements. However, most recent effort by the Ohio Legislature and Governor during 2001 has been considered constitutional by the Ohio Supreme Court if certain additional funding requirements are met. Berea City School District will not see additional revenue as a result of this state funding system.

### ***Primary accomplishments for 2001 were as follows:***

#### ***Financial***

Net assets increased \$.7 million in Governmental Activities as the full effect of the 5.9 mill levy was realized.

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

Received the Certificate of Excellence in Financial Reporting from the Government Finance Officer's Association (GFOA), for the tenth consecutive year. Prepared the fiscal 2000 CAFR following the new reporting model specified by the Governmental Accounting Standards Board for the second consecutive year.

Successfully negotiated all new employee contracts with Berea Federation of Teachers (BFT), Ohio Association of Public School Employees (OAPSE) and the District administrators with base salary increases of 3-3.3%.

#### ***Instruction***

Completed an extensive Attendance Area Study that provides ways to balance the District's individual building attendance area at all levels.

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

Successful implementation of the Middle School “Success” Program for at risk students.

### ***Community***

BCS-TV’s “A Community of Learning” received its second national Telly Award.

Adult Education offered a selection of over 213 classes, 23% of which were completely new to the program.

The Community Educational Foundation expanded its grants to students and staff for education and instructional programs and expanded its endowment.

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

### ***Specific goals for 2002 are:***

#### ***Financial***

Receive voter approval for additional operating funds to stabilize District Governmental Activity funding for four to five years.

Receive the Government Finance Officer’s Association (GFOA) Distinguished Budget Award for the 2002 appropriation.

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

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

Receive the Certificate of Excellence in Financial Reporting for the School District’s 2001 Comprehensive Annual Financial Report based on the new reporting model for the third year.

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

#### ***Instruction***

Increase met targets for proficiency test standards in grades 4, 8, 10 and 12 from 16 to 21 of the 27 state of Ohio standards.

Assure new staff, over 60 members, are successful through the District mentoring and staff development programs despite limited resources.

Complete the final phases of library renovation projects and continue District energy savings projects.

***Service Efforts*** There are currently twenty-eight members on the School District’s Business Advisory Council (the Council). The overall focus of the Council is to establish a trusting relationship between business and school communities, where both parties gain additional information and skills. The Council has four subcommittees to help in promoting school/business involvement: the Learning Integrating



Networking Communicating (LINC) Team, which works to bring interested staff and business members together; a membership subcommittee to promote partnerships within the business community; a communications subcommittee to provide ongoing publicity and information; and a student subcommittee to involve students in planning business involvement.

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

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

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

## **Financial Information**

*Internal Accounting and Budgetary Control* In developing the School District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The School District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District adopts the permanent appropriation measure in September.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the site administrator, Assistant Superintendent or appropriate central office director and be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriations are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date.

Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on line inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

The basis of accounting and the various funds and account groups utilized by Berea City Schools are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

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

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

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

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

As part of this new reporting model, management is responsible for preparing a Discussion and Analysis of the School District. This discussion follows this letter of transmittal, providing an assessment of the School District's finances for 2001 and the outlook for the future. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

**Financial Highlights - Internal Service Fund** The only internal service fund carried on the financial records of the School District is related to self-insurance. This fund accounts for the revenues and expenses related to the provision of dental and vision and medical benefits to School District employees. Effective October 1, 1997 the School District implemented a medical self-insurance program. The internal service fund had net assets of (\$226,633) at June 30, 2001, compared with net assets of (\$34,364) at June 30, 2000, reflecting a net decrease of \$192,269.

**Financial Highlights - Fiduciary Funds** The trust fund carried on the financial records of the School District is a private purpose trust fund that has net assets totaling \$13,301 at June 30, 2001.

## **Cash Management**

The Board pursues an aggressive cash management program by expediting the receipt of revenues and prudently depositing and investing available cash balances. The cash management program is beneficial because of access to daily balances which enables the Board to maintain minimum balance accounts and invest to the maximum extent. The total amount of interest earned was \$1,068,735 for the year ended June 30, 2001, \$977,383 being credited directly to the general fund.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation as well by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must be equal to at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

During fiscal year 2001, investments were limited to Federal Home Loan Bank Notes and Bonds, Federal Home Loan Mortgage Notes, Federal National Mortgage Association Notes, Certificates of Deposit, overnight Repurchase Agreements, Victory Money Market mutual fund and STAR Ohio.

### **Risk Management**

The School District manages the dental/vision benefits for its employees on a self-insured basis. A third party administrator processes and pays the claims. Because the maximum payment per participant is limited in both the dental and vision plans, no individual or aggregate stop-losses are necessary. During 1997, the School District converted its fully insured health insurance plan to a self-insured plan. The School District funds the plan by charging each appropriate fund premium amounts per employee.

The School District uses the State Workers' Compensation plan and pays the premium based on a rate per \$100 of salaries. The School District is a member of Ohio School Boards Association Workers' Compensation Group Rating Program. The projected savings show a ten percent reduction in the workers' compensation premium.

The School District contracts for general liability insurance with a \$5,000,000 limit and a \$250 deductible. The School District also carries a single occurrence \$2,000,000 limit for professional liability, \$5,000,000 aggregate and no deductible.

### **Independent Audit**

State statutes require the School District to be subjected to an annual examination by an independent auditor. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the School District's financial statements as of June 30, 2001. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Pursuant to statute, the State prescribed a uniform accounting system to standardize accounting classification and financial reporting for all school districts in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

### **Awards**

***GFOA Certificate of Achievement*** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Berea City School District for its comprehensive annual financial report for the year ended June 30, 2000.

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

**Outstanding Achievements** Berea City School District is proud to have both staff and students receive State and national recognition for their accomplishments. Since 1984, 28 students have been named National Merit finalists, and 32 more students were semi-finalists. The United States Department of Education has recognized Berea High School as one of the best high schools in the nation. Brookpark Memorial and Riveredge Elementary School have been selected as two of Ohio's Hall of Fame Schools. Several teachers have received national recognition as recipients of the "Presidential Award for Excellence in Science and Mathematics Teaching."

### **Acknowledgments**

This Comprehensive Annual Financial Report represents one of the first school district's in the United States to report its finances based upon the new financial reporting model. The goal is to continuously improve our financial accountability to our citizens.

Each year we take time to recognize an individual who has contributed much to the well being of the School District. This year we would like to single out Dale Cummins, the School District's Assistant Treasurer. She has worked long and hard to make this document a reality.

Finally, our thanks is extended to the Board of Education where the commitment to excellence begins. As pianist Keith Jarrett has said, "The only standards worth having are the highest."

Respectfully submitted,



William Bornhauser  
Treasurer



Dr. James V. Connell  
Superintendent

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Berea, Ohio City School  
District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2000

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.



*James D. Arave*  
President

*Jeffrey L. Esser*  
Executive Director

**Berea City School District  
Principal Officials**

**Board of Education**

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

**Treasurer**

Mr. William Bornhauser

**Administration**

Dr. James V. Connell ..... Superintendent  
Mr. Derran Wimer..... Assistant Superintendent  
Mrs. Jennie Adams..... Director, Pupil Personnel  
Mrs. Nancy Braford ..... Director, School/Community Relations  
Mr. Kenneth Clickenger..... Director, Business Services  
Mr. Kevin Jaynes ..... Director, Information Technology  
Mr. Gary Puntel..... Director, Personnel and Employee Relations  
Mrs. Cheryl Schoffman..... Director, Curriculum and Instruction

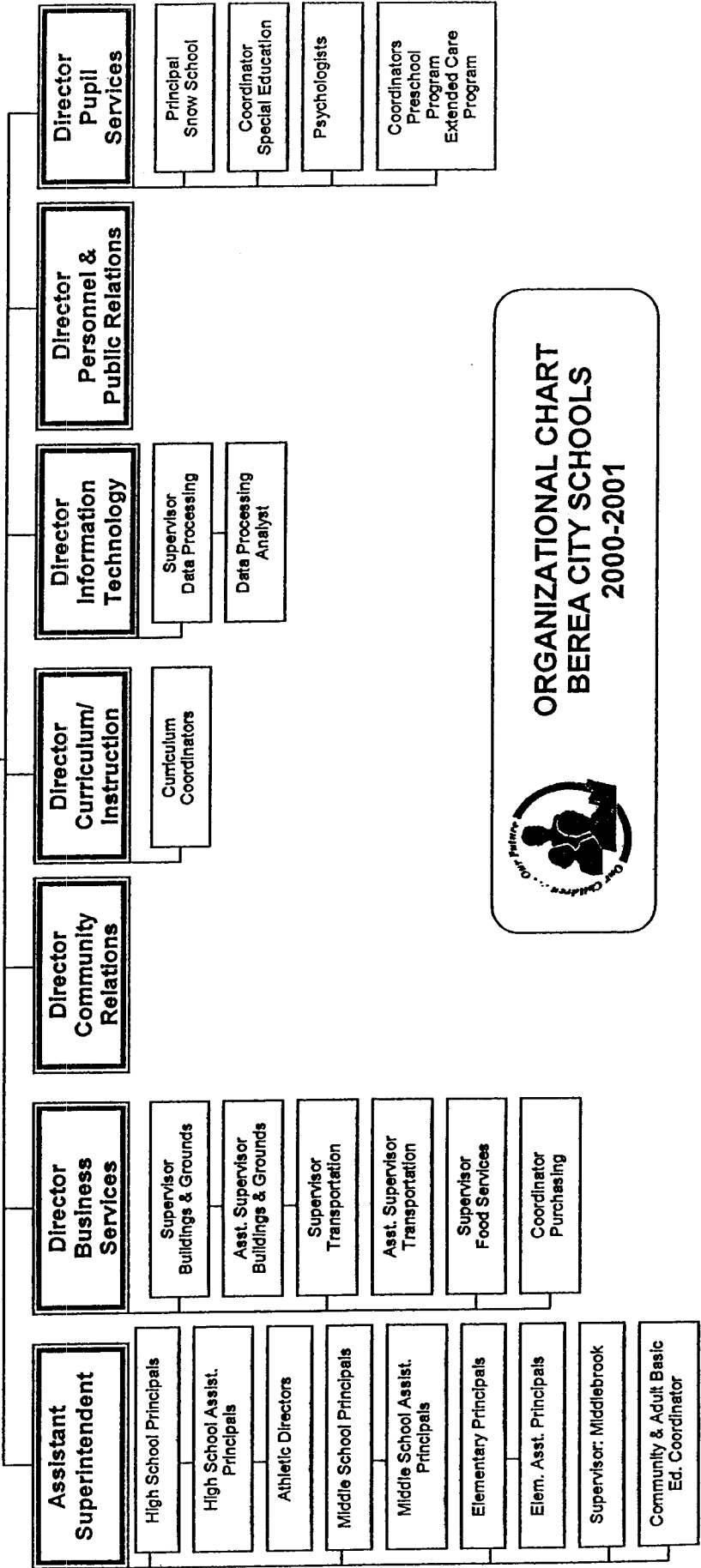
# RESIDENTS OF THE DISTRICT

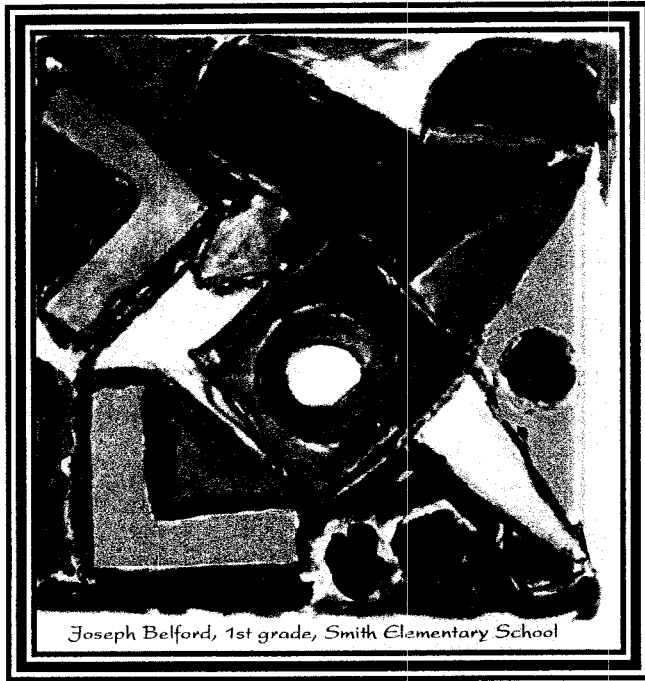
## BOARD OF EDUCATION

**Treasurer**

**Superintendent**

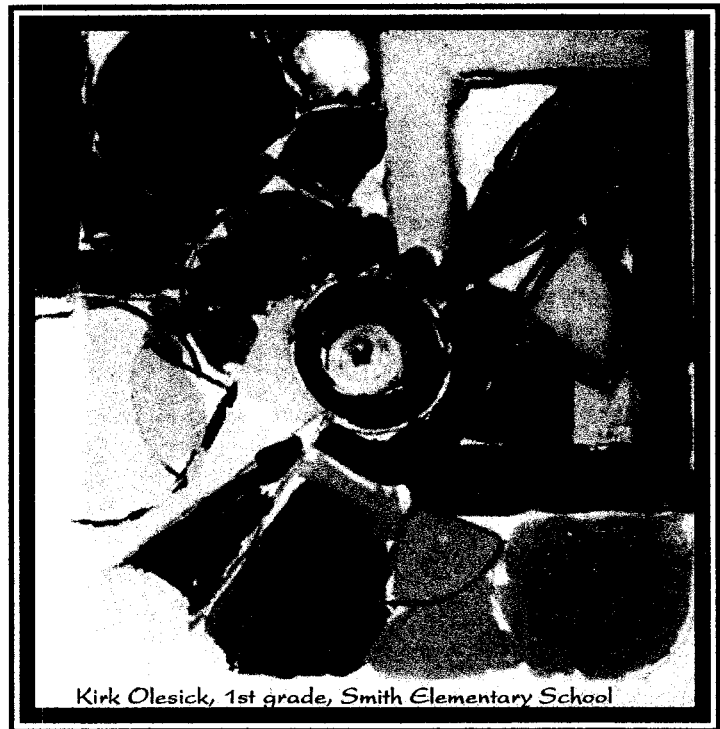
City/County Personnel  
assigned to BCSD





Joseph Belford  
Smith Elementary School  
Art Instructor: Dianne Kotrlik

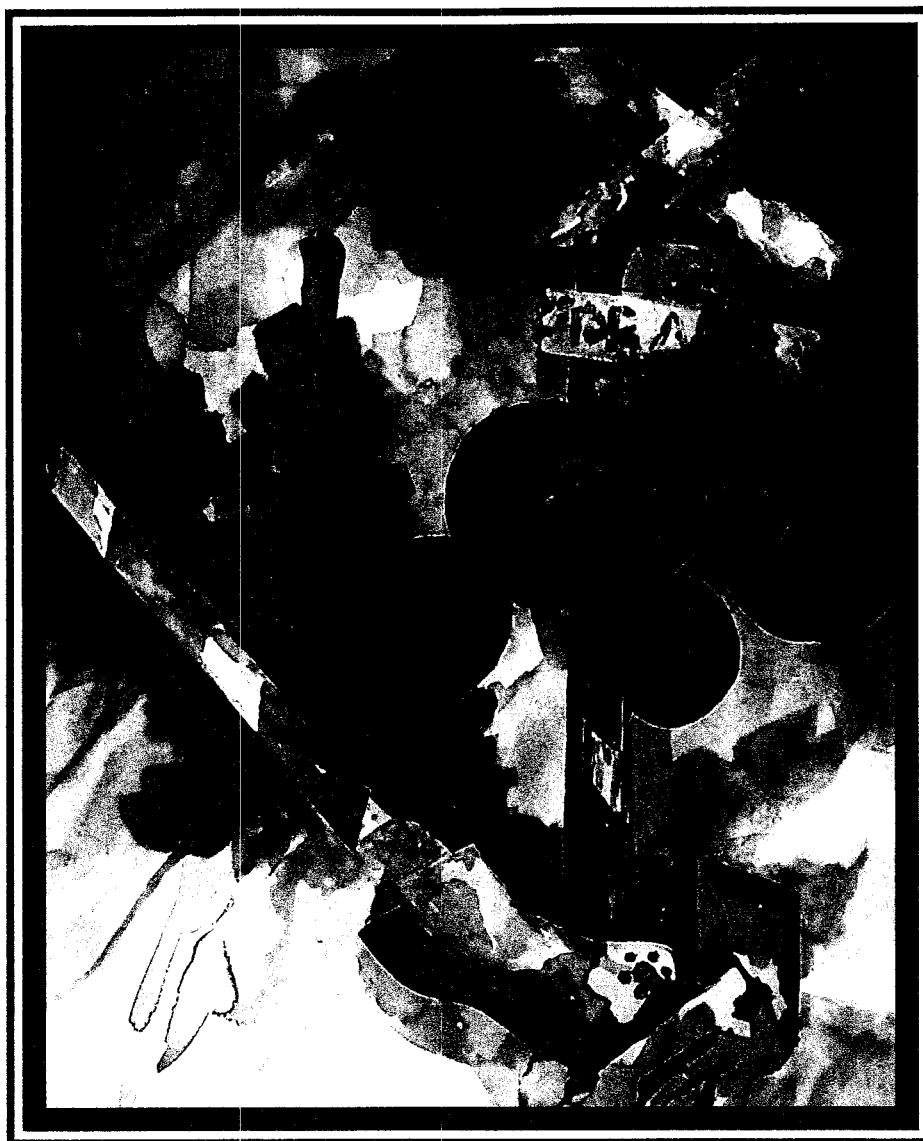
Kirk Olesick  
Smith Elementary School  
Art Instructor: Dianne Kotrlik



Kirk Olesick, 1st grade, Smith Elementary School



# FINANCIAL SECTION



Phil Fried  
Midpark High School  
Art Instructor: Fred Graff

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Bldg  
615 W Superior Ave  
Floor 12  
Cleveland OH 44113 - 1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
www.auditor.state.oh.us

## REPORT OF INDEPENDENT ACCOUNTANTS

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

We have audited the accompanying basic financial statements of the Berea City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2001, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Berea City School District, Cuyahoga County, Ohio, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the District restated total net assets for governmental activities.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2001 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

We performed our audit to form an opinion on the basic financial statements of the District, taken as a whole. The combining and individual fund statements and schedules listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

**Jim Petro**  
Auditor of State

November 26, 2001

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2001*  
*Unaudited*

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The discussion and analysis of Berea City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2001. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2001 are as follows:

*Overall:*

Total net assets increased \$.7 million, all of the increase in Governmental Activities.

Total revenue increased to \$75.1 million from \$65.7 million in 2000, an increase of \$9.4 million, virtually all in Governmental Activities.

Total program expenses were \$74.4 million, up from \$67.9 million in 2000. Virtually all of this change was also in Governmental Activities.

Outstanding debt decreased to \$12.1 million from \$13.0 million in 2000 and \$14.8 million in 1999.

*Governmental Activities:*

Liabilities decreased \$1.0 million from 2000, as did total assets by \$.3 million.

While total revenue increased from \$62.8 million in 2000 to \$72 million in 2001, program expenses increased from \$65.3 million to \$71.3 million.

The increase in program expenses primarily occurred in Instruction, where expenses increased from \$34.7 in 2000 to \$37.4 in 2001; Pupil and Instructional Support Services expenses increased from \$9.3 million in 2000 to \$10.4 million in 2001. Central Support Services increased from \$1.1 million to \$2.6 million due to recognition of severance expenses. Administration, Fiscal and Business Services increased from \$5.7 million in 2000 to \$6.3 million in 2001.

*Business-Type Activities:*

Program revenues increased \$.1 million for Business Activities, a 3.4% increase. Expenses increased as well.

Days cash for all Business-Type Activities declined to 113 operating days for business activities from 134 in 2000 and 140 in 1999.

Net assets in the Adult and Community Education program continued to decrease.

The Food Service program continued its history of solid financial performance, maintaining its net assets as revenues slightly exceeded expenses.

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2001*  
*Unaudited*

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

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

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

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

*Statement of Net Assets and the Statement of Activities*

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2001?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- Governmental Activities – Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District's adult and community education, food service and uniform school supplies programs are reported as business activities.

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

*Fund Financial Statements*

The analysis of the School District's major funds begins on page 22. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude

**Berea City School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2001  
Unaudited

of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, debt service fund and the permanent improvement capital projects fund.

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

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

**The School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2001 compared to the two prior years:

Table 1.  
Net Assets  
(In Millions)

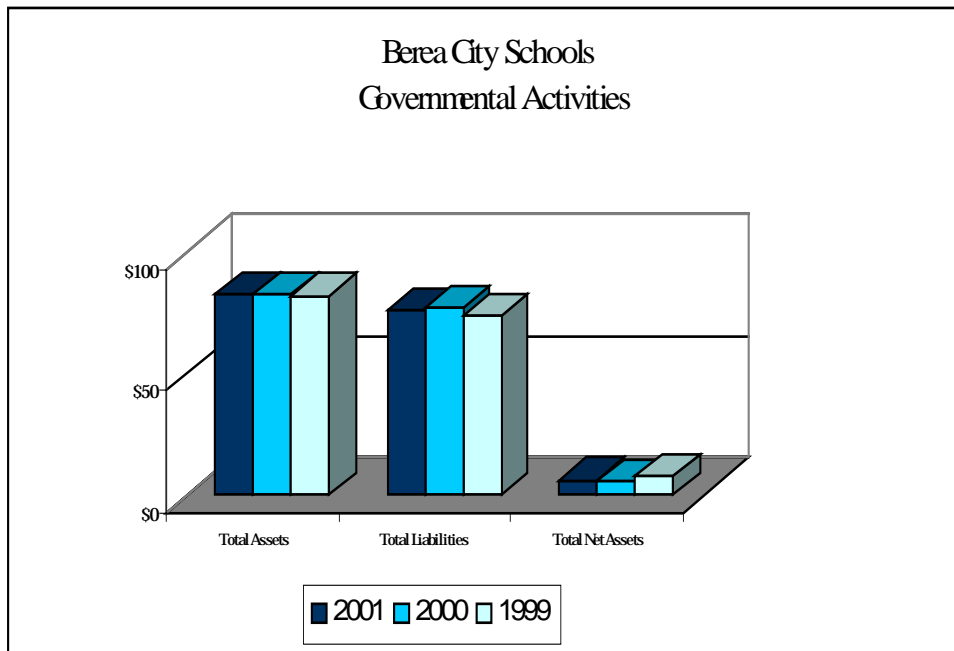
	<i>Governmental Activities</i>			<i>Business -Type Activities</i>			<i>Totals</i>		
	2001	2000	1999	2001	2000	1999	2001	2000	1999
<i>Assets</i>									
Current and Other Assets	\$ 62.7	\$ 62.5	\$ 61.2	\$ 1.1	\$ 1.2	\$ 1.3	\$ 63.8	\$ 63.7	\$ 62.5
Capital Assets	<u>20.2</u>	<u>20.7</u>	<u>21.3</u>	<u>0.3</u>	<u>0.2</u>	<u>0.2</u>	<u>20.5</u>	<u>20.9</u>	<u>21.5</u>
<i>Total Assets</i>	<u>82.9</u>	<u>83.2</u>	<u>82.5</u>	<u>1.4</u>	<u>1.4</u>	<u>1.5</u>	<u>84.3</u>	<u>84.6</u>	<u>84.0</u>
<i>Liabilities</i>									
Long Term Liabilities	(20.5)	(19.9)	(22.3)	(0.1)	(0.1)	(0.1)	(20.6)	(20.0)	(22.4)
Other Liabilities	<u>(56.1)</u>	<u>(57.7)</u>	<u>(52.2)</u>	<u>(0.2)</u>	<u>(0.2)</u>	<u>(0.2)</u>	<u>(56.3)</u>	<u>(57.9)</u>	<u>(52.4)</u>
<i>Total Liabilities</i>	<u>(76.6)</u>	<u>(77.6)</u>	<u>(74.5)</u>	<u>(0.3)</u>	<u>(0.3)</u>	<u>(0.3)</u>	<u>(76.9)</u>	<u>(77.9)</u>	<u>(74.8)</u>
<i>Net Assets</i>									
Invested in Capital Assets									
Net of Debt	8.0	7.7	7.5	0.3	0.2	0.2	8.3	7.9	7.7
Restricted	3.4	2.9	2.8	-	-	-	3.4	2.9	2.8
Unrestricted (deficit)	<u>(5.1)</u>	<u>(5.0)</u>	<u>(2.3)</u>	<u>0.8</u>	<u>0.9</u>	<u>1.0</u>	<u>(4.3)</u>	<u>(4.1)</u>	<u>(1.3)</u>
<i>Total Net Assets</i>	<u>\$ 6.3</u>	<u>\$ 5.6</u>	<u>\$ 8.0</u>	<u>\$ 1.1</u>	<u>\$ 1.1</u>	<u>\$ 1.2</u>	<u>\$ 7.4</u>	<u>\$ 6.7</u>	<u>\$ 9.2</u>

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2001*  
*Unaudited*

**Governmental Activities**

Graph 1.  
 Net Assets Governmental Activities  
 (In Millions)

	<i>Governmental Activities</i>		
	<u>2001</u>	<u>2000</u>	<u>1999</u>
Total Assets	\$82.9	\$83.2	\$82.5
Total Liabilities	<u>76.6</u>	<u>77.6</u>	<u>74.5</u>
Total Net Assets	<u>\$6.3</u>	<u>\$5.6</u>	<u>\$8.0</u>



Total assets decreased by \$.3 million. Taxes receivable totaled \$54.3 million; of this amount \$48.2 million is offset as deferred revenue, revenue to be used in future periods. Taxes receivable and deferred revenue increased from 2000 due to the passage of a new levy in May of 1999. Collections from this levy began in 2000. However, full collection of this new 5.9 levy, yielding \$7.2 million annually, did not occur until fiscal 2001. Cash increased from \$4.4 million in 2000 to \$5.7 million in 2001.

Liabilities for Governmental Activities decreased by \$1 million, \$2.1 million since 1999. This decrease for 2001 was primarily the result of decreased deferred revenue of \$1.9 million, primarily offset by an increase in long-term liabilities of \$.5 million.

The net impact was an increase in net assets of \$.7 million. The increase occurred in investment in capital assets and restricted assets.

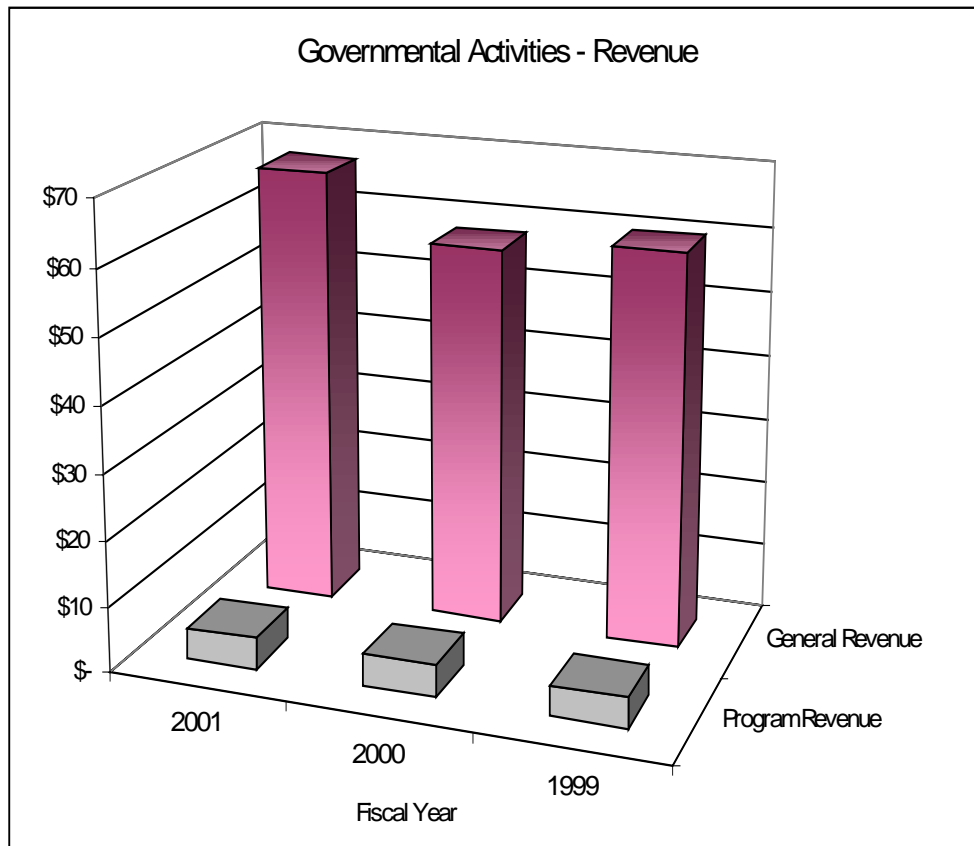


**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2001*  
*Unaudited*

While program revenue decreased for Governmental Activities from \$4.9 million to \$4.6 million, the vast majority of revenue supporting Governmental Activities is general revenue. General revenue increased in 2001 from \$57.9 million in 2000 to \$67.4 million in 2001. General revenue comprised 94% of revenue supporting Governmental Activities. The primary source of the increase was property taxes. Full collection of the levy passed in 1999 accounted for the increase. Taxes comprised \$53.6 million of general revenue in 2001, compared to \$45.8 million in 2000 and \$47.7 million in 1999.

Graph 2.  
 Revenue For Governmental Activities  
 (In Millions)

	<u>2001</u>	<u>2000</u>	<u>1999</u>
Program Revenue	\$4.6	\$4.9	\$ 4.6
General Revenue	67.4	57.9	59.9

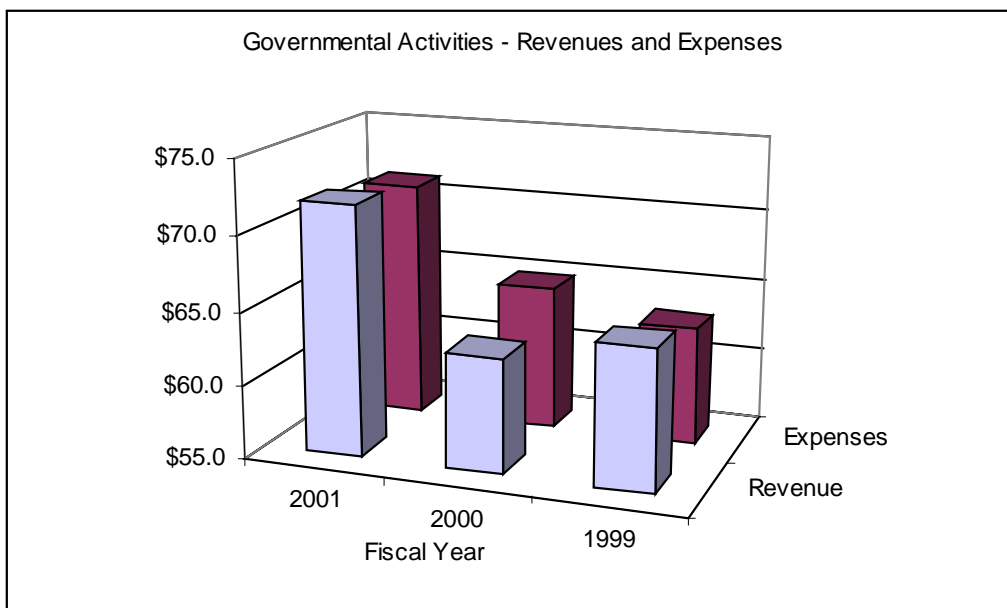


**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2001*  
*Unaudited*

Program expense increased from \$63 million in 1999 to \$65.3 million in 2000, and then to \$71.3 million in 2001.

Graph 3.  
 Revenues and Expenses For Governmental Activities  
*(In Millions)*

<i>Governmental Activities</i>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Revenue	\$72.0	\$62.8	\$ 64.5
Expenses	71.3	65.3	63.0



Much of this increase was in instruction and pupil and instructional staff support. Increased staff salaries and benefit costs, severance payments as well as increased instructional materials account for much of the increase. Instructional costs increased \$2.7 million. Of this amount \$1.2 million was due to increased salaries, \$.5 million was due to increased benefit costs, and \$.5 million was due to increased severance costs, and \$.5 million was due to increased expenses for classroom materials and supplies. When combined with pupil and instructional staff support these categories make up 69% of expenses.

**Berea City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2001*  
*Unaudited*

Table 2 shows the changes in net assets for fiscal year 2001 for Governmental Activities compared to the two prior years.

Table 2.  
 Change In Net Assets For Governmental Activities  
 (In Millions)

	<u>2001</u>	<u>2000</u>	<u>1999</u>
<b>Revenues</b>			
<i>Program Revenues:</i>			
Charges For Services and Sales	\$ 1.8	\$ 2.2	\$ 1.7
Operating Grants	2.5	2.5	2.1
Capital Grants and Contributions	0.3	0.2	0.8
<i>General Revenue:</i>			
Property Taxes	53.6	45.8	47.7
Grants and Entitlements	12.6	11.1	11.2
Other	<u>1.2</u>	<u>1.0</u>	<u>1.0</u>
<b>Total Revenue</b>	<u>72.0</u>	<u>62.8</u>	<u>64.5</u>
<b>Program Expenses</b>			
Instruction	\$ 37.4	\$ 34.7	\$ 34.4
<i>Support Services:</i>			
Pupil and Instructional Staff	10.4	9.3	9.0
<i>Board of Education, Administration</i>			
Fiscal and Business	6.3	5.7	5.8
Operation and Maintenance of Plant	8.5	8.5	7.5
Pupil Transportation	3.1	3.2	2.6
Central	2.6	1.1	1.0
Non-Instructional Services	0.7	0.6	0.6
Extracurricular Services	1.5	1.4	1.3
Interest and Fiscal Changes	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>
<b>Total Expenses</b>	<u>71.3</u>	<u>65.3</u>	<u>63.0</u>
 <b>Increase (Decrease) In Net Assets</b>	 <u>\$ 0.7</u>	 <u>\$ (2.5)</u>	 <u>\$ 1.5</u>

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

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Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service. Property taxes made up 74 percent of revenues for governmental activities for Berea City School District in fiscal year 2001, a slight increase from prior years.

Interest expense was \$.8 million, 1.1 percent of expenses. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

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.

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

	<u>2001</u>		<u>2000</u>		<u>1999</u>	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 37.4	\$ 35.2	\$ 34.7	\$ 32.3	\$ 34.4	\$ 31.9
Support Services						
Pupil and Instructional Staff	10.4	9.5	9.3	8.4	9.0	8.2
Board of Education, Administration, Fiscal and Business	6.3	6.2	5.7	5.5	5.8	5.7
Operation and Maintenance of Plant	8.5	8.3	8.5	8.3	7.5	7.3
Pupil Transportation	3.1	3.0	3.2	3.1	2.6	2.5
Central	2.6	2.6	1.1	1.1	1.0	0.9
Operation of Non-Instructional Services	0.7	0.0	0.6	-	0.6	0.1
Extracurricular Activities	1.5	1.1	1.4	1.0	1.3	1.0
Interest and Fiscal Charges	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>	<u>0.8</u>
Total Expenses	<u>\$ 71.3</u>	<u>\$ 66.7</u>	<u>\$ 65.3</u>	<u>\$ 60.5</u>	<u>\$ 63.0</u>	<u>\$ 58.4</u>

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

***Business-Type Activities***

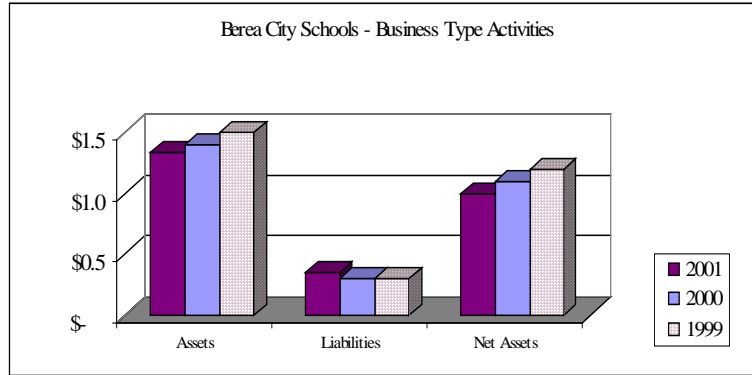
Business-type activities include food service, uniform school supply and adult/community education. The adult/community education program has three components: community education programs, preschool and after school programs.

Overall net assets remained similar to 2001, however the unrestricted net assets declined to \$.8 million from \$.9 million in 2000 and \$1.0 million in 1999. Cash has declined from \$1.1 million in 1999 to slightly less than \$1.0

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million for 2001. Overall, however, “days cash” is 113, in excess of management’s goal of 90 days. Only program revenues support business-type activities.

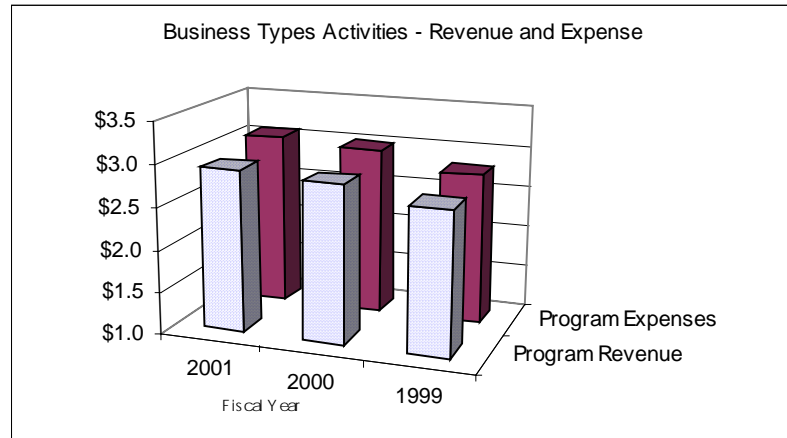
Graph 4.  
 Net Assets Business Type Activities  
*(In Millions)*



	<u>2001</u>	<u>2000</u>	<u>1999</u>
Assets	\$1.4	\$1.4	\$1.5
Liabilities	0.3	0.3	0.3
Net Assets	1.1	1.1	1.2

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

	<u>2001</u>	<u>2000</u>	<u>1999</u>
Program Revenue	\$3.0	\$2.9	\$2.7
Program Expenses	3.1	3.0	2.8

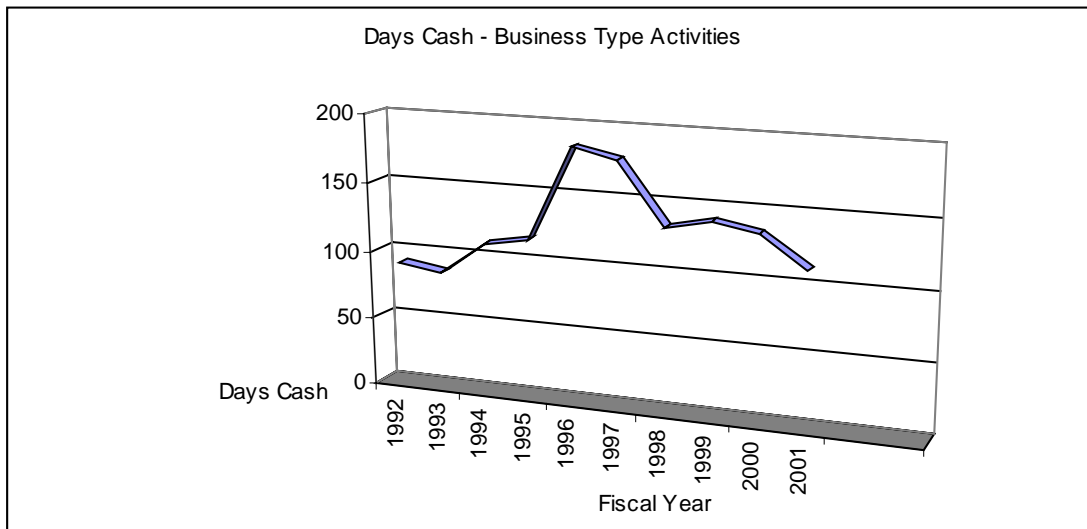


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Graph 6.  
 Days Cash Business-Type Activities

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
Days Cash (1992 - 1996)	91	86	110	116	85
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Days Cash (1997 - 2001)	178	134	140	134	113



The food service program increased prices minimally for 2001. The increased revenue continued to cover expenses for the year and net assets increased slightly. Due to careful management, expenses remained the same as 2000. The community education program had a \$.1 million decrease in net assets again for 2001. Management is carefully reviewing this program to assure the program remains self-supporting. Changes have been made in fees, staffing and salary increases to assure the program is self-supporting. There is no intent to use general revenues to support this program.

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

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

<i>Business Type Activities</i>	<i>Food Service</i>			<i>Uniform School Supply</i>			<i>Adult and Community Education</i>			<i>Total Business - Type Activities</i>		
	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Program Revenues												
Charges For Service and Sales	\$ 1.6	\$ 1.6	\$ 1.5	\$ 0.1	\$ 0.1	\$ 0.1	0.9	0.9	0.8	\$ 2.6	\$ 2.6	\$ 2.4
Operating Grants and Contributions	0.4	0.3	0.4							0.4	0.3	0.4
Total Program Revenue	2.0	1.9	1.9	0.1	0.1	0.1	0.9	0.9	0.8	3.0	2.9	2.8
Program Expenses	<u>2.0</u>	<u>1.9</u>	<u>1.9</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>1.0</u>	<u>1.0</u>	<u>0.9</u>	<u>3.1</u>	<u>3.0</u>	<u>2.9</u>
Increase (Decrease) In Net Assets	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>

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

Information about the School District's major funds starts on page 22. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$70.5 million and expenditures of \$70.0 million. The net change in fund balance for the year was most significant in the General Fund, where the General Fund unreserved deficit went from \$3.6 million in 2000 to \$4.9 million for 2001. Reserves increased from \$5.4 million to \$6.5 million accounting for much of the increase.

***General Fund Budgeting Highlights***

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

During the course of fiscal 2001 the School District amended its general fund budget numerous times, none significant. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, budget basis revenue was \$62.9 million, below original budget estimates of \$63.5 million. Of this \$.6 million difference, tax revenue was \$1.0 million below original estimates, partly offset by intergovernmental revenue \$.3 million above original estimate.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$65.7 million, \$2.9 million above revenues.

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**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal 2001 the School District had \$20.4 million invested in land, buildings, equipment and textbooks, \$20.2 million in governmental activities.

Table 5 shows fiscal 2001 balances compared to the prior two years:

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

	<i>Governmental Activities</i>			<i>Business-Type Activities</i>			<i>Total</i>		
	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Land & Improvements	\$ 2.4	\$ 2.6	\$ 2.7	-	-	-	\$ 2.4	\$ 2.6	\$ 2.7
Buildings & Improvements	14.9	14.9	15.0	-	-	-	14.9	14.9	15.0
Furniture & Equipment	1.5	1.7	1.8	\$ 0.3	\$ 0.2	\$ 0.2	1.7	1.9	2.0
Vehicles	0.9	0.9	0.9	-	-	-	0.9	0.9	0.9
Textbooks	0.5	0.6	0.9	-	-	-	0.5	0.6	0.9
Total	<u>\$ 20.2</u>	<u>\$ 20.7</u>	<u>\$ 21.3</u>	<u>\$ 0.3</u>	<u>\$ 0.2</u>	<u>\$ 0.2</u>	<u>\$ 20.4</u>	<u>\$ 20.9</u>	<u>\$ 21.5</u>

The decrease in capital assets is due to recognizing \$1.9 million in depreciation expense for 2001, offset by \$2.3 million in acquisitions. These acquisitions were distributed among building improvements and construction in progress. The District also retired \$.2 million in assets (net of depreciation). The District continued its ongoing commitment to maintaining and improving its fixed assets.

For fiscal year 1999, a change in Ohio law required school districts to set aside two percent of certain revenues for capital improvements and an additional two- percent for textbooks; this amount was increased to three percent beginning in fiscal 2000. For fiscal year 2001, this amounted to \$1.5 million for each set aside. For fiscal year 2001 the School District had qualifying disbursements or offsets exceeding these requirements for capital improvements. For 2000 the District deferred a portion of this amount for textbooks. Thus the required amount increased for 2001 by the deferred amount plus the \$1.5 million requirement. For 2001, \$.9 million of this requirement has not yet been met and appears as a reservation of fund balance for 2001.

**Debt**

At June 30, 2001 the School District had \$12.1 million in bonds, \$.4 million due within one year.



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

Table 6.  
 Outstanding Debt At June 30  
 Governmental Activities  
 (In Millions)

	<u>2001</u>	<u>2000</u>	<u>1999</u>
<i>General Obligation Bonds:</i>			
1993 School Improvement	\$ 12.1	\$ 12.6	\$ 13.0
<i>Notes Payable:</i>			
1997 Tax Anticipation	0.0	0.4	0.9
1999 Energy Conservation	<u>0.0</u>	<u>0.0</u>	<u>0.9</u>
 Total	 <u>\$ 12.1</u>	 <u>\$ 13.0</u>	 <u>\$ 14.8</u>

The 1999 energy conservation note was issued to replace heating systems and lighting systems at one high school. It was repaid in June 2000, from the General Fund.

The 1997 tax anticipation note was issued to allow the School District to undertake several key projects following passage of a 1.0 mill permanent improvement levy in November 1996. The note was fully repaid in fiscal 2001.

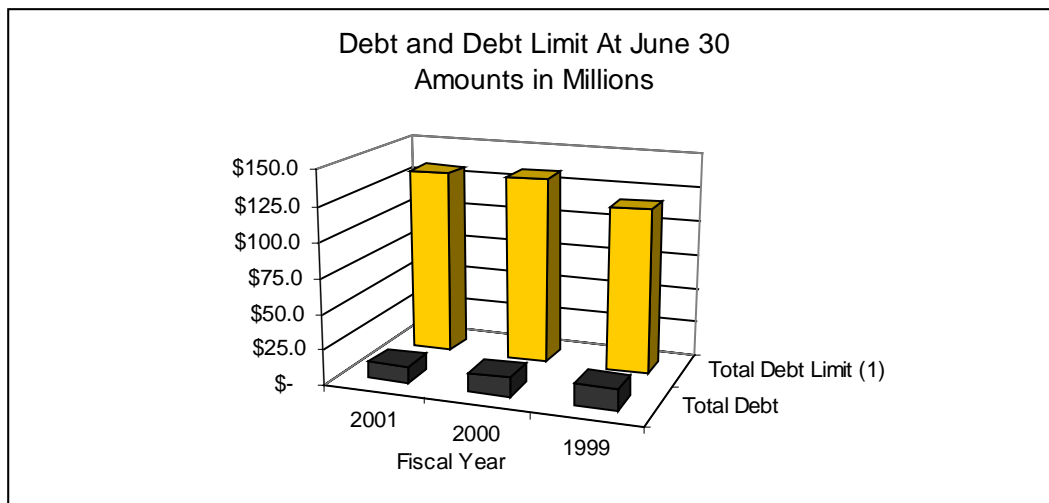
In 1993 the School District passed a 1.0 mill bond issue, providing \$14.6 million for facility improvements including community facilities for each high school, library expansions and improvements in most buildings and other improvements.

At June 30, 2001, the School District's overall legal debt margin was \$122.1 million with an unvoted debt margin of \$1.5 million. The debt is well within permissible limits. The School District maintains an A-1 bond rating.

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

	<u>2001</u>	<u>2000</u>	<u>1999</u>
Total Debt	\$ 12.1	\$ 13.1	\$ 14.8
Total Debt Limit (1)	133.4	133.8	117.8



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

**Current Financial Related Activities**

Berea City School District is strong financially. As the preceding information shows, the School District heavily depends on its property taxpayers. With the passage of a 5.9 mill operating levy and collection beginning January 2000 the School District has been able to continue its education programs. However, financially the future is not without challenges.

While the School District was successful in increasing its tax revenue base by \$7.2 million annually, this increase is a one-time increase. State law fixes the amount of this increase, forcing it to remain nearly constant. Thus management must diligently plan expenses, staying carefully within the School District's three-year plan.

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

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The State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational system, one that was neither “adequate” nor “equitable.” Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. In May of 2000, the Ohio Supreme Court again ruled that, while the State had made some progress, the current funding system for schools is far too dependent on property taxes which are inherently not “equitable” nor “adequate”. The Court directed the Governor and the legislature to address the fundamental issues creating the inequities. In 2001, the Ohio legislature crafted a school-funding program to address the Court’s concerns. The Court has found this funding program affecting fiscal 2002-2003 to meet its constitution standards. Virtually, no additional state revenue will be available to Berea City School District. Thus, both taxes and state revenue are fixed or declining.

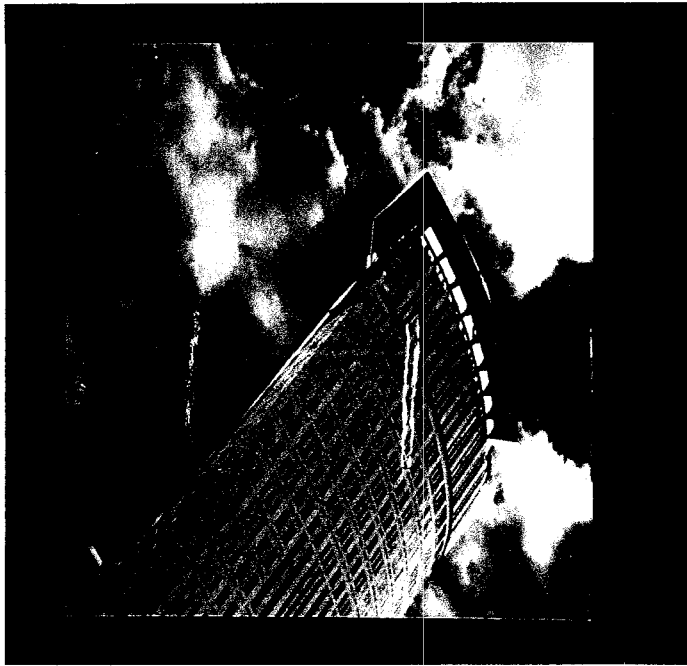
This scenario requires management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

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

In addition, the School District’s system of budgeting and internal controls is well regarded. All of the School District’s financial abilities will be needed to meet the challenges of the future.

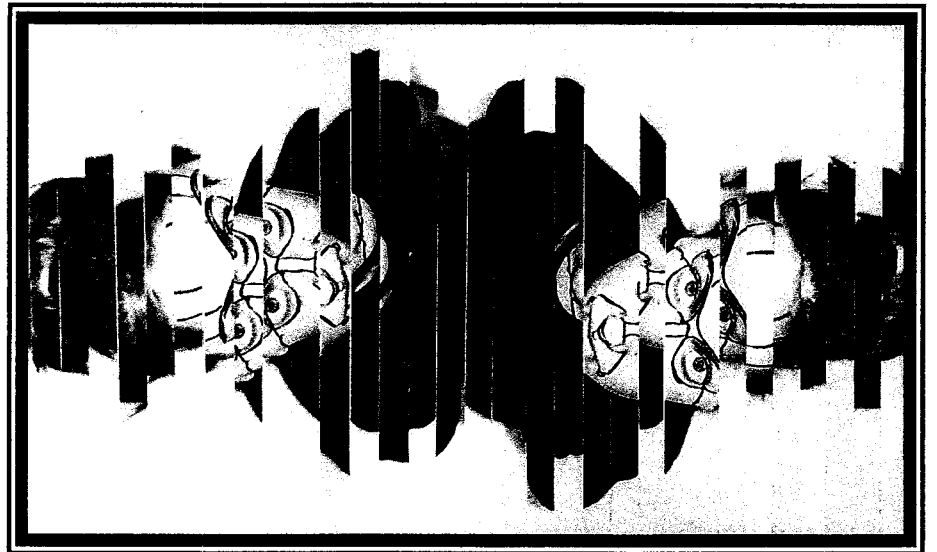
**Contacting the School District’s Financial Management**

This financial report is designed to provide our citizen’s, taxpayers, and investors and creditors with a general overview of the School District’s finances and to show the School District’s accountability for the money it receives. If you have questions about this report or need additional financial information contact Bill Bornhauser, Treasurer at Berea City School District, 390 Fair Street, Berea, Ohio 44017. Or e-mail at [bbornhauser@berea.k12.oh.us](mailto:bbornhauser@berea.k12.oh.us).



Amanda Kryzwicki  
Midpark High School  
Art Instructor: Monica McMullen

Charlene Cowler  
Midpark High School  
Art Instructor: Monica McMullen



**Berea City School District***Statement of Net Assets**June 30, 2001*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$6,848,354	\$963,308	\$7,811,662
Cash and Cash Equivalents:			
With Fiscal Agents	1,422	0	1,422
With Escrow Agents	103,351	0	103,351
Receivables:			
Taxes	54,277,323	0	54,277,323
Accounts	57,512	27,072	84,584
Intergovernmental	1,060,389	47,331	1,107,720
Accrued Interest	45,567	0	45,567
Prepaid Items	26,295	0	26,295
Inventory Held for Resale	0	37,726	37,726
Materials and Supplies			
Inventory	270,002	42,310	312,312
Nondepreciable Capital Assets	956,092	0	956,092
Depreciable Capital Assets, Net	19,223,395	271,448	19,494,843
<i>Total Assets</i>	<u>82,869,702</u>	<u>1,389,195</u>	<u>84,258,897</u>
<b>Liabilities</b>			
Accounts Payable	857,859	14,781	872,640
Contracts Payable	6,900	60,932	67,832
Accrued Wages	3,950,789	36,044	3,986,833
Retainage Payable	103,951	5,298	109,249
Intergovernmental Payable	2,158,888	80,608	2,239,496
Deferred Revenue	48,247,113	12,983	48,260,096
Matured Interest Payable	1,422	0	1,422
Accrued Interest Payable	29,480	0	29,480
Claims Payable	726,264	0	726,264
Long-Term Liabilities:			
Due Within One Year	2,355,652	6,738	2,362,390
Due Within More Than One Year	18,083,969	131,001	18,214,970
<i>Total Liabilities</i>	<u>76,522,287</u>	<u>348,385</u>	<u>76,870,672</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	8,034,487	271,448	8,305,935
Restricted for:			
Capital Projects	1,973,385	0	1,973,385
Debt Service	856,742	0	856,742
Other Purposes	561,062	0	561,062
Unrestricted (Deficit)	(5,078,261)	769,362	(4,308,899)
<i>Total Net Assets</i>	<u>\$6,347,415</u>	<u>\$1,040,810</u>	<u>\$7,388,225</u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2001

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
Instruction:				
Regular	\$31,242,817	\$261,665	\$513,002	\$274,690
Special	5,517,738	669,364	332,058	0
Vocational	512,130	0	0	0
Adult/Continuing	56,377	0	38,826	0
Support Services:				
Pupil	3,719,957	3,526	280,187	0
Instructional Staff	6,649,772	102,104	508,006	0
Board of Education	41,286	0	0	0
Administration	3,887,006	0	66,537	0
Fiscal	1,333,261	0	0	0
Business	1,094,132	122,591	0	0
Operation and Maintenance of Plant	8,533,754	212,855	0	0
Pupil Transportation	3,085,916	31,300	1,603	61,476
Central	2,602,684	0	30,964	12,127
Operation of Non-Instructional				
Services	744,017	20,757	698,617	0
Extracurricular Activities	1,523,604	359,102	56,855	0
Intergovernmental	262	0	0	0
Interest and Fiscal Charges	755,802	0	0	0
<i>Total Governmental Activities</i>	<u>71,300,515</u>	<u>1,783,264</u>	<u>2,526,655</u>	<u>348,293</u>
<b>Business-Type Activities</b>				
Food Service	2,005,686	1,608,963	409,802	0
Uniform School Supplies	62,068	60,908	0	0
Adult and Community Education	1,014,470	901,679	0	0
<i>Total Business-Type Activities</i>	<u>3,082,224</u>	<u>2,571,550</u>	<u>409,802</u>	<u>0</u>
<b>Totals</b>	<u><u>\$74,382,739</u></u>	<u><u>\$4,354,814</u></u>	<u><u>\$2,936,457</u></u>	<u><u>\$348,293</u></u>

**General Revenues**

Property Taxes Levied for:

General Purposes

Debt Service

Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Payment in Lieu of Taxes

Investment Earnings

Gain on Sale of Capital Assets

Miscellaneous

*Total General Revenues*

Change in Net Assets

*Net Assets Beginning of Year (Restated - See Note 3)*

*Net Assets End of Year*

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$30,193,460)	\$0	(\$30,193,460)
(4,516,316)	0	(4,516,316)
(512,130)	0	(512,130)
(17,551)	0	(17,551)
(3,436,244)	0	(3,436,244)
(6,039,662)	0	(6,039,662)
(41,286)	0	(41,286)
(3,820,469)	0	(3,820,469)
(1,333,261)	0	(1,333,261)
(971,541)	0	(971,541)
(8,320,899)	0	(8,320,899)
(2,991,537)	0	(2,991,537)
(2,559,593)	0	(2,559,593)
(24,643)	0	(24,643)
(1,107,647)	0	(1,107,647)
(262)	0	(262)
(755,802)	0	(755,802)
<u>(66,642,303)</u>	<u>0</u>	<u>(66,642,303)</u>
0	13,079	13,079
0	(1,160)	(1,160)
0	(112,791)	(112,791)
<u>0</u>	<u>(100,872)</u>	<u>(100,872)</u>
<u>(66,642,303)</u>	<u>(100,872)</u>	<u>(66,743,175)</u>
50,730,052	0	50,730,052
1,170,571	0	1,170,571
1,725,658	0	1,725,658
12,552,799	0	12,552,799
161,837	0	161,837
1,009,744	33,898	1,043,642
20,000	0	20,000
36,442	100	36,542
<u>67,407,103</u>	<u>33,998</u>	<u>67,441,101</u>
764,800	(66,874)	697,926
<u>5,582,615</u>	<u>1,107,684</u>	<u>6,690,299</u>
<u>\$6,347,415</u>	<u>\$1,040,810</u>	<u>\$7,388,225</u>

**Berea City School District**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2001*

	General	Debt Service	Permanent Improvement Capital Projects
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,780,017	\$739,871	\$1,865,011
Cash and Cash Equivalents:			
With Fiscal Agents	0	1,422	0
With Escrow Agents	0	0	14,471
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	1,223,789	0	0
Receivables:			
Taxes	51,379,398	1,167,284	1,730,641
Accounts	54,195	0	0
Intergovernmental	1,006,344	0	0
Accrued Interest	45,567	0	0
Interfund Receivable	11,455	0	0
Prepaid Items	26,295	0	0
Materials and Supplies Inventory	270,002	0	0
<i>Total Assets</i>	<u>\$55,797,062</u>	<u>\$1,908,577</u>	<u>\$3,610,123</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$596,506	\$0	\$184,861
Contracts Payable	0	0	6,900
Accrued Wages	3,914,972	0	0
Retainage Payable	0	0	15,071
Interfund Payable	0	0	0
Intergovernmental Payable	1,489,306	0	0
Deferred Revenue	48,000,010	1,052,629	1,579,068
Matured Interest Payable	0	1,422	0
Special Termination Benefit Payable	209,719	0	0
<i>Total Liabilities</i>	<u>54,210,513</u>	<u>1,054,051</u>	<u>1,785,900</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	1,489,623	0	627,824
Reserved for Textbooks	888,800	0	0
Reserved for Inventory	270,002	0	0
Reserved for Unclaimed Monies	19,439	0	0
Reserved for Property Taxes	3,449,382	102,535	124,483
Reserved for Budget Stabilization	334,989	0	0
General Fund (Deficit)	(4,865,686)	0	0
Special Revenue Funds	0	0	0
Debt Service Fund	0	751,991	0
Capital Projects Funds	0	0	1,071,916
<i>Total Fund Balances</i>	<u>1,586,549</u>	<u>854,526</u>	<u>1,824,223</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$55,797,062</u>	<u>\$1,908,577</u>	<u>\$3,610,123</u>

See accompanying notes to the basic financial statements



**Berea City School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2001*

Other Governmental Funds	Total Governmental Funds		
		<b>Total Governmental Fund Balances</b>	<b>\$4,913,491</b>
		<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
\$743,352	\$5,128,251	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	20,179,487
0	1,422		
88,880	103,351		
0	1,223,789	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	
0	54,277,323	Taxes	1,444,136
0	54,195	Intergovernmental	18,364
54,045	1,060,389	Tuition and Fees	926,199
0	45,567	Rental	14,259
0	11,455	Total	2,402,958
0	26,295		
0	270,002	An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	(226,633)
<u>\$886,277</u>	<u>\$62,202,039</u>		
\$76,492	\$857,859	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
0	6,900	General Obligation Bonds	12,145,000
35,817	3,950,789	Compensated Absences	6,727,203
88,880	103,951	Special Termination Benefit Payable	1,357,699
11,455	11,455	Intergovernmental Payable	662,506
7,076	1,496,382	Accrued Interest Payable	29,480
18,364	50,650,071	Total	(20,921,888)
0	1,422		
0	209,719		
<u>238,084</u>	<u>57,288,548</u>	<i>Net Assets of Governmental Activities</i>	<u>\$6,347,415</u>
184,434	2,301,881		
0	888,800		
0	270,002		
0	19,439		
0	3,676,400		
0	334,989		
0	(4,865,686)		
442,306	442,306		
0	751,991		
<u>21,453</u>	<u>1,093,369</u>		
<u>648,193</u>	<u>4,913,491</u>		
<u>\$886,277</u>	<u>\$62,202,039</u>		

**Berea City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2001*

	General	Debt Service	Permanent Improvement Capital Projects
<b>Revenues</b>			
Taxes	\$49,364,164	\$1,138,875	\$1,679,106
Intergovernmental	12,334,381	134,343	166,873
Interest	977,383	0	0
Tuition and Fees	910,721	0	0
Extracurricular Activities	29,078	0	0
Payment in Lieu of Taxes	161,837	0	0
Rentals	213,429	0	0
Charges for Services	22,779	0	0
Contributions and Donations	7,015	0	0
Miscellaneous	27,687	0	0
<i>Total Revenues</i>	<u>64,048,474</u>	<u>1,273,218</u>	<u>1,845,979</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	29,210,748	0	0
Special	5,076,611	0	0
Vocational	533,760	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	3,422,757	0	0
Instructional Staff	5,906,816	0	0
Board of Education	41,286	0	0
Administration	3,601,440	0	0
Fiscal	1,307,890	0	0
Business	1,082,213	0	0
Operation and Maintenance of Plant	8,404,779	0	0
Pupil Transportation	3,198,157	0	0
Central	1,317,907	0	0
Operation of Non-Instructional Services	6,475	0	0
Extracurricular Activities	1,164,988	0	0
Capital Outlay	0	0	1,021,416
Intergovernmental	0	0	0
Debt Service:			
Principal Retirement	0	410,000	0
Interest and Fiscal Charges	0	734,826	22,114
<i>Total Expenditures</i>	<u>64,275,827</u>	<u>1,144,826</u>	<u>1,043,530</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(227,353)</u>	<u>128,392</u>	<u>802,449</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	0	0	150,000
Operating Transfers In	0	0	0
Operating Transfers Out	(7,400)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(7,400)</u>	<u>0</u>	<u>150,000</u>
<i>Net Change in Fund Balances</i>	(234,753)	128,392	952,449
<i>Fund Balances Beginning of Year</i>	1,787,308	726,134	871,774
Increase in Reserve for Inventory	33,994	0	0
<i>Fund Balances End of Year</i>	<u>\$1,586,549</u>	<u>\$854,526</u>	<u>\$1,824,223</u>

See accompanying notes to the basic financial statements

**Berea City School District**  
*Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Fiscal Year Ended June 30, 2001*

Other Governmental Funds	Total Governmental Funds	Net Change in Fund Balances - Total Governmental Funds	\$735,017
\$0	\$52,182,145	<b>Amounts reported for governmental activities in the statement of activities are different because</b>	
2,598,697	15,234,294	Governmental funds report capital outlays as expenditures.	
28,602	1,005,985	However, in the statement of activities, the cost of those	
324	911,045	assets is allocated over their estimated useful lives as	
500,147	529,225	depreciation expense. This is the amount by which depreciation	
0	161,837	exceeded capital outlay in the current period.	
0	213,429	Fixed Assets Additions	1,529,347
0	22,779	Current Year Depreciation	<u>(1,888,029)</u>
200,455	207,470	Total	
41,619	69,306	(358,682)	
3,369,844	70,537,515	Governmental funds only report the disposal of assets to the	
		extent proceeds are received from the sale. In the statement	
		of activities, a gain or loss is reported for each disposal. This	
		is the amount of the loss on the disposal of fixed assets.	
		Proceeds From Sale of Capital Assets	(150,000)
707,638	29,918,386	Gain on Disposal of Capital Assets	20,000
327,746	5,404,357	Loss on Disposal of Capital Assets	<u>(55,948)</u>
0	533,760	Total	
56,377	56,377	(185,948)	
267,947	3,690,704	Revenues in the statement of activities that do not provide current	
663,215	6,570,031	financial resources are not reported as revenues in the funds.	
0	41,286	Taxes	1,444,136
66,740	3,668,180	Accounts	(12,110)
0	1,307,890	Intergovernmental	<u>84,450</u>
0	1,082,213	Total	
0	8,404,779	1,516,476	
1,373	3,199,530	Repayment of bond principal is an expenditure in the	
12,798	1,330,705	governmental funds, but the repayment reduces long-term	
774,654	781,129	liabilities in the statement of net assets.	
379,454	1,544,442	410,000	
230,111	1,251,527	In the statement of activities, interest is accrued on	
262	262	outstanding bonds, whereas in governmental funds, an	
0	410,000	interest expenditure is reported when due.	
0	756,940	1,138	
3,488,315	69,952,498	Some expenses reported in the statement of activities,	
(118,471)	585,017	such as compensated absences and intergovernmental	
		payable which represents contractually required pension	
		contributions, do not require the use of current financial	
		resources and therefore are not reported as expenditures	
		in governmental funds.	
0	150,000	Intergovernmental Payable	(14,444)
7,400	7,400	Compensated Absences Payable	(987,283)
0	(7,400)	Special Termination Benefit Payable	(193,199)
7,400	150,000	Change in Inventory	<u>33,994</u>
		Total	
(111,071)	735,017	(1,160,932)	
759,264	4,144,480	The internal service fund used by management to charge	
0	33,994	the costs of insurance to individual funds is not reported in	
\$648,193	\$4,913,491	the district-wide statement of activities. Governmental fund	
		expenditures and the related internal service fund revenues	
		are eliminated. The net revenue (expense) of the internal	
		service fund is allocated among the governmental activities.	
		(192,269)	
		<i>Change in Net Assets of Governmental Activities</i>	
		<u>\$764,800</u>	

**Berea City School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Favorable (Unfavorable)
<b>Revenues</b>				
Taxes	\$49,264,021	\$48,116,326	\$48,261,774	\$145,448
Intergovernmental	12,027,420	12,334,372	12,334,381	9
Interest	928,000	874,784	888,007	13,223
Tuition and Fees	822,075	911,453	948,609	37,156
Extracurricular Activities	33,000	30,014	29,980	(34)
Payment in Lieu of Taxes	82,000	135,845	135,845	0
Rentals	325,000	207,093	214,715	7,622
Charges for Services	0	37,217	37,217	0
Contributions and Donations	5,000	7,015	7,015	0
Miscellaneous	0	32,375	27,528	(4,847)
<i>Total Revenues</i>	63,486,516	62,686,494	62,885,071	198,577
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	28,460,713	29,956,030	29,934,259	21,771
Special	5,135,960	5,197,999	5,197,225	774
Vocational	589,414	537,707	536,523	1,184
Support Services:				
Pupil	3,384,385	3,499,574	3,484,017	15,557
Instructional Staff	5,920,508	6,167,075	6,134,260	32,815
Board of Education	29,834	43,358	42,709	649
Administration	3,502,761	3,595,184	3,592,984	2,200
Fiscal	1,342,729	1,312,302	1,310,168	2,134
Business	1,309,809	1,304,849	1,291,493	13,356
Operation and Maintenance of Plant	8,303,894	8,562,127	8,559,774	2,353
Pupil Transportation	3,227,568	3,319,912	3,318,456	1,456
Central	1,334,436	1,181,802	1,178,294	3,508
Operation of Non-Instructional Services	14,730	6,475	6,475	0
Extracurricular Activities	1,023,327	1,157,182	1,154,915	2,267
<i>Total Expenditures</i>	63,580,068	65,841,576	65,741,552	100,024
<i>Excess of Revenues Under Expenditures</i>	(\$93,552)	(\$3,155,082)	(\$2,856,481)	\$298,601

(continued)

**Berea City School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Other Financing Sources (Uses)</b>				
Advances In	\$5,000	\$8,100	\$8,100	\$0
Advances Out	(5,000)	(11,455)	(11,455)	0
Operating Transfers Out	(7,400)	(7,400)	(7,400)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(7,400)</u>	<u>(10,755)</u>	<u>(10,755)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(100,952)	(3,165,837)	(2,867,236)	298,601
<i>Fund Balance Beginning of Year</i>	2,231,560	2,231,560	2,231,560	0
Prior Year Encumbrances Appropriated	<u>1,604,803</u>	<u>1,604,803</u>	<u>1,604,803</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,735,411</u></u>	<u><u>\$670,526</u></u>	<u><u>\$969,127</u></u>	<u><u>\$298,601</u></u>

See accompanying notes to the basic financial statements.

**Berea City School District**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*June 30, 2001*

	Business-Type Activities -	
	Food Service	Uniform School Supplies
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$760,258	\$36,702
Receivables:		
Accounts	23,052	0
Intergovernmental	47,331	0
Inventory Held for Resale	31,933	5,793
Materials and Supplies Inventory	42,310	0
<i>Total Current Assets</i>	904,884	42,495
Capital Assets, Net	263,182	0
<i>Total Assets</i>	1,168,066	42,495
<b>Liabilities</b>		
Accounts Payable	9,222	0
Contract Payable	60,932	0
Accrued Wages	10,147	0
Retainage Payable	5,298	0
Compensated Absences Payable	2,945	0
Intergovernmental Payable	44,007	0
Deferred Revenue	12,983	0
Claims Payable	0	0
<i>Total Current Liabilities</i>	145,534	0
Long-Term Liabilities:		
Compensated Absences Payable	89,208	0
<i>Total Liabilities</i>	234,742	0
<b>Net Assets</b>		
Invested in Capital Assets	263,182	0
Unrestricted	670,142	42,495
<i>Total Net Assets (Deficit)</i>	\$933,324	\$42,495

See accompanying notes to the basic financial statements

<u>Enterprise Funds</u>		
<u>Adult and Community Education</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$166,348	\$963,308	\$496,314
4,020	27,072	3,317
0	47,331	0
0	37,726	0
0	42,310	0
170,368	1,117,747	499,631
8,266	271,448	0
178,634	1,389,195	499,631
5,559	14,781	0
0	60,932	0
25,897	36,044	0
0	5,298	0
3,793	6,738	0
36,601	80,608	0
0	12,983	0
0	0	726,264
71,850	217,384	726,264
41,793	131,001	0
113,643	348,385	726,264
8,266	271,448	0
56,725	769,362	(226,633)
<u>\$64,991</u>	<u>\$1,040,810</u>	<u>(\$226,633)</u>

**Berea City School District**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2001*

	Business-Type Activities -	
	Food Service	Uniform School Supplies
<b>Operating Revenues</b>		
Tuition	\$0	\$0
Sales	1,608,963	60,908
Charges for Services	0	0
Miscellaneous	100	0
<i>Total Operating Revenues</i>	<u>1,609,063</u>	<u>60,908</u>
<b>Operating Expenses</b>		
Salaries	824,658	0
Fringe Benefits	249,405	0
Purchased Services	35,555	0
Materials and Supplies	336,770	0
Cost of Sales	527,095	62,068
Depreciation	32,203	0
Claims	0	0
Other	0	0
<i>Total Operating Expenses</i>	<u>2,005,686</u>	<u>62,068</u>
<i>Operating Loss</i>	<u>(396,623)</u>	<u>(1,160)</u>
<b>Non-Operating Revenues</b>		
Donated Commodities	81,435	0
Interest	33,898	0
Operating Grants	328,367	0
<i>Total Non-Operating Revenues</i>	<u>443,700</u>	<u>0</u>
<i>Change in Net Assets</i>	47,077	(1,160)
<i>Net Assets (Deficit) Beginning of Year</i>	<u>886,247</u>	<u>43,655</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$933,324</u>	<u>\$42,495</u>

See accompanying notes to the basic financial statements



Enterprise Funds		Governmental
Adult and Community Education	Total	Activities - Internal Service Fund
\$901,679	\$901,679	\$0
0	1,669,871	0
0	0	5,534,259
0	100	0
901,679	2,571,650	5,534,259
627,313	1,451,971	0
198,962	448,367	0
99,427	134,982	582,498
83,101	419,871	0
0	589,163	0
1,071	33,274	0
0	0	5,172,188
4,596	4,596	0
1,014,470	3,082,224	5,754,686
(112,791)	(510,574)	(220,427)
0	81,435	0
0	33,898	28,158
0	328,367	0
0	443,700	28,158
(112,791)	(66,874)	(192,269)
177,782	1,107,684	(34,364)
\$64,991	\$1,040,810	(\$226,633)

**Berea City School District**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Fiscal Year Ended June 30, 2001

	Business-Type Activities -	
	Food Service	Uniform School Supplies
<b>Increase (Decrease) in Cash and Cash Equivalents</b>		
<b>Cash Flows from Operating Activities</b>		
Cash Received from Customers	\$1,588,854	\$60,908
Cash Received from Other Funds	0	0
Other Cash Receipts	100	0
Cash Payments to Employees for Services	(815,283)	0
Cash Payments for Employee Benefits	(246,955)	0
Cash Payments for Goods and Services	(856,449)	(57,448)
Cash Payments for Claims	0	0
Other Cash Payments	0	0
<i>Net Cash Provided by (Used in) Operating Activities</i>	(329,733)	3,460
<b>Cash Flows from Noncapital Financing Activities</b>		
Operating Grants Received	281,036	0
<b>Cash Flows from Capital and Related Financing Activities</b>		
Payments for Capital Acquisitions	(6,405)	0
<b>Cash Flows from Investing Activities</b>		
Interest on Investments	33,898	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(21,204)	3,460
<i>Cash and Cash Equivalents Beginning of Year</i>	781,462	33,242
<i>Cash and Cash Equivalents End of Year</i>	\$760,258	\$36,702

<u>Enterprise Funds</u>		
<u>Adult and Community Education</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$899,771	\$2,549,533	\$0
0	0	5,533,193
0	100	0
(641,997)	(1,457,280)	0
(203,501)	(450,456)	0
(172,324)	(1,086,221)	(582,498)
0	0	(5,163,049)
<u>(4,596)</u>	<u>(4,596)</u>	<u>0</u>
(122,647)	(448,920)	(212,354)
0	281,036	0
(4,745)	(11,150)	0
<u>0</u>	<u>33,898</u>	<u>28,158</u>
(127,392)	(145,136)	(184,196)
<u>293,740</u>	<u>1,108,444</u>	<u>680,510</u>
<u>\$166,348</u>	<u>\$963,308</u>	<u>\$496,314</u>

(continued)

**Berea City School District**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Fiscal Year Ended June 30, 2001

	Business-Type Activities -	
	Food Service	Uniform School Supplies
<b>Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities</b>		
Operating Loss	(\$396,623)	(\$1,160)
Adjustments:		
Depreciation	32,203	0
Donated Commodities Used During Year	81,435	0
(Increase) Decrease in Assets:		
Accounts Receivable	(20,109)	0
Inventory Held for Resale	7,465	4,620
Materials and Supplies Inventory	(15,583)	0
Increase (Decrease) in Liabilities:		
Accounts Payable	(30,146)	0
Accrued Wages	5,680	0
Compensated Absences Payable	3,695	0
Intergovernmental Payable	2,250	0
Claims Payable	0	0
	<u>(\$329,733)</u>	<u>\$3,460</u>
<i>Net Cash Provided by (Used in) Operating Activities</i>	<u>(\$329,733)</u>	<u>\$3,460</u>

See accompanying notes to the basic financial statements

<u>Enterprise Funds</u>			
<u>Adult and Community Education</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>	
(\$112,791)	(\$510,574)	(\$220,427)	
1,071	33,274	0	
0	81,435	0	
(1,908)	(22,017)	(1,066)	
0	12,085	0	
0	(15,583)	0	
37	(30,109)	0	
(3,121)	2,559	0	
(11,563)	(7,868)	0	
5,628	7,878	0	
0	0	9,139	
<u>(\$122,647)</u>	<u>(\$448,920)</u>	<u>(\$212,354)</u>	

**Berea City School District**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*June 30, 2001*

	Private Purpose Trust	
	Scholarship	Agency
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$13,301	\$143,184
<b>Liabilities</b>		
Undistributed Monies	0	\$12,507
Due to Students	0	130,677
<i>Total Liabilities</i>	0	\$143,184
<b>Net Assets</b>		
Held in Trust for Scholarships	13,301	
<i>Total Net Assets</i>	\$13,301	

See accompanying notes to the basic financial statements

**Berea City School District**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Funds*  
*For the Fiscal Year Ended June 30, 2001*

	Private Purpose Trust
	Scholarship
<b>Additions</b>	
Interest	\$694
<b>Deductions</b>	580
<i>Change in Net Assets</i>	114
<i>Net Assets Beginning of Year</i>	13,187
<i>Net Assets End of Year</i>	\$13,301

See accompanying notes to the basic financial statements

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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

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

The School District operates under a locally-elected five-member Board form of government and provides educational services as mandated by the State and/or federal agencies. This Board of Education controls the School District's eleven instructional/support facilities staffed by 407 classified employees, 524 certificated full-time personnel, and 64 administrators who provide services to 7,809 students and other community members.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Berea City School District, this includes general operations, food service, preschool, community services, and student related activities of the School District. The following activity is also included within the reporting entity.

***Nonpublic Schools*** Within the School District boundaries, St. Mary's, St. Bartholomew's and St. Adalbert are operated through the Catholic diocese. The Greater Cleveland Christian School, Scribes and Scribblers, Lewis Little Folks and Family Life Center are also within School District boundaries. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed by the School District on behalf of the nonpublic schools by the Treasurer of the School District, as directed by the nonpublic schools. These transactions are reported as a governmental activity of the School District.

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

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

***Cities of Berea, Middleburg Heights and Brook Park*** The city governments of Berea, Middleburg Heights and Brook Park are separate bodies politic and corporate. An elected mayor and council administer the provision of traditional city services. Council acts as the taxing and budgeting authority.

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

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



**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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The School District is associated with three jointly governed organizations and one public entity risk pool. These organizations are presented in Note 17 to the financial statements. These organizations are:

Jointly Governed Organizations:

Polaris Career Center  
Educational Community Foundation  
Ohio Schools' Council

Public Entity Risk Pool:

Ohio School Boards Association Workers' Compensation Group Rating Program

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

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

### ***A. Fund Accounting***

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental, proprietary and fiduciary.

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

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

***Debt Service Fund*** The debt service fund is used to account for the accumulation of resources received from property taxes for the payment of school improvement general obligation bond and note principal, interest and related costs.

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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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

**Proprietary Funds** Proprietary funds focus on the determination of the changes in net assets, financial position and cash flows and are classified as either enterprise or internal service.

**Enterprise Funds** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District's major enterprise funds are:

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

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

**Adult and Community Education Fund** This fund accounts for educational opportunities offered on a tuition basis to preschoolers, youths and adults living within the community.

**Internal Service Funds** Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District, or to other governments, on a cost reimbursement basis. The only internal service fund of the School District accounts for a self-insurance program which provides medical, dental and vision benefits to employees.

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

***B. Basis of Presentation***

**Government-wide Financial Statements** The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School District and for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

***Fund Financial Statements*** Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

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

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

Fiduciary funds are reported using the economic resources measurement focus.

***C. Basis of Accounting***

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

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

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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

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

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

Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2001, but which were levied to finance fiscal year 2001 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 fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

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

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

Cash received by the School District is pooled for investment purposes. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements. The School District utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the financial statements as "cash and cash equivalents with fiscal agent". The School District also utilizes an escrow agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as "cash and cash equivalents with escrow agents" and represents deposits or short-term investments in certificates of deposit.

During fiscal year 2001, investments were limited to Federal Home Loan Bank Bonds, Federal Farm Credit Discount Notes, Federal Home Loan Mortgage Notes, Federal National Mortgage Notes, Certificates of Deposit, overnight Repurchase Agreements, Victory Money Market mutual fund and STAR Ohio.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

Berea City School District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2001. 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 share price, which is the price the investment could be sold for on June 30, 2001.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2001 amounted to \$977,383, which includes \$329,750 assigned from other School District funds.

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

***E. Restricted Assets***

Restricted assets represent cash and cash equivalents and other current assets whose use is limited by legal requirements. Restricted assets in the General Fund include amounts required by statute to be set-aside for the purchase of textbooks and other instructional material and the creation of a reserve for budget stabilization. See Note 19 for additional information regarding set-asides.

***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2001, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***G. Inventory***

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

***H. Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	30 years	N/A
Buildings and Improvements	10 - 30 years	N/A
Furniture and Equipment	5 - 10 years	12 years
Vehicles	10 years	N/A
Textbooks	5 years	N/A

***I. Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

***J. Compensated Absences***

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

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

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgements, the noncurrent portion of capital leases, compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements when due.

***L. Fund Balance Reserves***

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, textbooks, inventories of supplies and materials, unclaimed monies, property taxes, and budget stabilization.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The reserve for budget stabilization represents money required to be set-aside by statute to protect against cyclical changes in revenues and expenditures. Under Ohio law, unclaimed money must be held for five years before it becomes available for appropriation. Money not yet held for the five year period is presented as reserved.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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***M. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

***N. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are tuition for adult education classes, sales for food service and uniform school supplies, and charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

***O. Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of fixed assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***P. Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

***Q. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2001.



**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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***R. Estimates***

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

***S. Budgetary Data***

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue, are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2001.

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

**Note 3 – Changes in Accounting Principles and Restatement of Fund Balance**

***Changes in Accounting Principles*** For fiscal year 2001, the School District has implemented GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues", (GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus") GASB Statement No. 38, "Certain Financial Statement Note Disclosures." At June 30, 2000, there was no effect on fund balance as a result of implementing GASB Statements 36, 37 and 38.

***Restatement of Net Assets*** During fiscal year 2001 it was determined that capital assets were overstated at June 30, 2000 by \$304,635. This restatement decreased net assets of governmental activities from \$5,887,250 to \$5,582,615. The District determined not to recognize residual value.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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**Note 4 – Fund Deficits**

Fund balances/net assets at June 30, 2001 included the following individual fund deficits:

	<u>Deficit</u>
Special Revenue Fund	
Title VIR	(8,958)
Internal Service Fund	(226,633)

The deficits in the special revenue funds resulted from adjustments for accrued liabilities. The deficit in the internal service fund resulted from an adjustment for accrued liabilities. Sufficient revenues were collected within available period to cover deficits. Starting July 2001, the amounts charged to maintain the self-insurance fund balance were increased by 12 percent. The general fund is liable for any deficit in these funds and will provide operating transfers when cash is required, not when accruals occur.

**Note 5 - Budgetary Basis of Accounting**

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the fund liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.
5. Principal and interest payments on notes and the corresponding revenues are reported in the bond retirement fund (budget) rather than in the general fund (GAAP).

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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

	Net Change in Fund Balance General
GAAP Basis	(\$234,753)
Net Adjustment for Revenue Accruals	(1,004,565)
Advance In	8,100
Fair Value Adjustment for Investments	(12,310)
Unrecorded Cash	(146,528)
Net Adjustment for Expenditure Accruals	537,205
Advance Out	(11,455)
Adjustment for Encumbrances	<u>(2,002,930)</u>
Budget Basis	<u><u>(\$2,867,236)</u></u>

**Note 6 - Property Taxes**

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2001 for real and public utility property taxes represents collections of calendar 2000 taxes. Property tax payments received during calendar 2001 for tangible personal property (other than public utility property) is for calendar 2001 taxes.

2001 real property taxes are levied after April 1, 2001, on the assessed value as of January 1, 2001, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 2001 public utility property taxes became a lien December 31, 2000, are levied after April 1, 2001 and are collected in 2002 with real property taxes.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

2001 tangible personal property taxes are levied after April 1, 2000, on the value as of December 31, 2000. Collections are made in 2001. Tangible personal property assessments are twenty-five percent of true value.

The assessed values upon which the fiscal year 2001 taxes were collected are:

	2000 Second- Half Collections		2001 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/ Residential and Other Real Estate	\$1,027,815,310	77.40%	\$1,197,553,870	80.78%
Public Utility Personal	55,967,350	4.21	49,875,840	3.36
Tangible Personal Property	244,299,461	18.39	235,165,084	15.86
Total	\$1,328,082,121	100.00%	\$1,482,594,794	100.00%
Tax rate per \$1,000 of assessed valuation	\$63.90		\$63.80	

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30. This year, the June 2000 tangible personal property tax settlement was not received until July of 2001.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including Berea City School District. The County Auditor periodically remits to the School District its portion of the taxes. Second-half real property tax payments collected by the County by June 30, 2001, are available to finance fiscal year 2001 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2001 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 were levied to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current year operations. The amount available as an advance is recognized as revenue.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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The amount available as an advance at June 30, 2001, was \$3,676,400. \$3,449,382 was available to the general fund, \$102,535 for the bond retirement fund and \$124,483 for the permanent improvement fund.

**Note 7- Deposits and Investment**

State statutes classify monies held by the School District into three categories.

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

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

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

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

Interim monies are to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

**Undeposited Cash** At year-end, the School District's had \$16,165 in undeposited cash on hand which is included as part of "equity in pooled cash and cash equivalents."

**Deposits** At year-end, the carrying amount of the School District's deposits was \$292,546 and the bank balance was \$1,216,306. \$328,748 of the bank balance was covered by federal depository insurance and \$887,558 was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

**Investments** The School District's investments are required to be categorized to give an indication of the level of risk assumed by the School District at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments for which securities are held by the counterparty's trust department or an agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. Investments in the Victory Money Market Mutual Fund and in STAR Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

	1	Category 2	3	Fair Value
Federal Home Loan Bank Bonds	\$505,700	\$300,210	\$499,450	\$1,305,360
Federal Home Loan Mortgage Notes	0	904,340	500,600	1,404,940
Federal National Mortgage Association Notes	0	0	753,225	753,225
Victory Money Market Mutual Fund				728,732
Investment in State Treasurer's Investment Pool				3,571,952
<b>Total</b>	<b>\$505,700</b>	<b>\$1,204,550</b>	<b>\$1,753,275</b>	<b>\$7,764,209</b>

The classification of cash and cash equivalents, and investments on the basic financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the basic financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement 9	\$8,072,920	\$0
Undeposited Cash	(16,165)	
Investments which are part of a cash management pool:		
Federal Home Loan Bank Bonds	(1,305,360)	1,305,360
Federal Home Loan Mortgage Notes	(1,404,940)	1,404,940
Federal National Mortgage Association Notes	(753,225)	753,225
Victory Money Market Mutual Fund	(728,732)	728,732
Investment in State Treasurer's Investment Pool	(3,571,952)	3,571,952
GASB Statement 3	<u>\$292,546</u>	<u>\$7,764,209</u>

**Note 8 - Interfund Transactions**

The General fund reported an interfund receivable at June 30, 2001 of \$11,455. The Title VI-R special revenue fund had an interfund payable of \$8,958 and the Title I fund had an interfund payable of \$2,497.

The General fund reported a transfer out at June 30, 2001 of \$7,400. The District Managed Student Activities fund had a transfer in of the same amount. The transfer represents the collection of student participation fees for athletics.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2001

**Note 9 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2001, was as follows:

	Balance 6/30/00	Additions	Deductions	Balance 6/30/01
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,086,092	\$0	(\$130,000)	\$956,092
Construction in Progress	345,040	341,458	(686,498)	0
<i>Total Capital Assets, not being depreciated</i>	<u>\$1,431,132</u>	<u>\$341,458</u>	<u>(\$816,498)</u>	<u>\$956,092</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	\$2,234,063	\$0	\$0	\$2,234,063
Buildings and Improvements	42,234,376	686,498	0	42,920,874
Furniture and Equipment	11,530,583	470,285	(62,761)	11,938,107
Vehicles	3,291,908	452,343	(293,776)	3,450,475
Textbooks	6,699,514	265,261	0	6,964,775
<i>Total Capital Assets, being depreciated</i>	<u>\$65,990,444</u>	<u>\$1,874,387</u>	<u>(\$356,537)</u>	<u>\$67,508,294</u>
Less Accumulated Depreciation:				
Land Improvements	(\$745,625)	(\$74,469)	\$0	(\$820,094)
Buildings and Improvements	(27,286,229)	(734,191)	0	(28,020,420)
Furniture and Equipment	(10,003,461)	(520,233)	62,761	(10,460,933)
Vehicles	(2,540,214)	(223,516)	237,828	(2,525,902)
Textbooks	(6,121,930)	(335,620)	0	(6,457,550)
Total Accumulated Depreciation	<u>(46,697,459)</u>	<u>(1,888,029)*</u>	<u>300,589</u>	<u>(48,284,899)</u>
Governmental Activities Capital Assets, Net	<u>\$20,724,117</u>	<u>\$327,816</u>	<u>(\$872,446)</u>	<u>\$20,179,487</u>
<b>Business-Type Activities</b>				
Furniture and Equipment	\$709,412	\$77,380	\$0	\$786,792
Less Accumulated Depreciation	<u>(482,070)</u>	<u>(33,274)</u>	<u>0</u>	<u>(515,344)</u>
Business-Type Activities Capital Assets, Net	<u>\$227,342</u>	<u>\$44,106</u>	<u>\$0</u>	<u>\$271,448</u>



**Berea City School District**  
*Notes to the Basic Financial Statements*  
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\* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,015,256
Special	101,258
Vocational	9,365
Support Services:	
Pupil	47,352
Instructional Staff	127,421
Administration	79,412
Fiscal	10,139
Business	26,048
Operation and Maintenance of Plant	115,983
Pupil Transportation	288,850
Central	37,331
Operation of Non-Instructional Services	15,452
Extracurricular Activities	14,162
	<hr/>
Total Depreciation Expense	\$1,888,029
	<hr/> <hr/>

## **Note 10 – Receivables**

Receivables at June 30, 2001, consisted of taxes, accounts (rent and student fees), intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the non-payment of taxes, the stable condition of state programs and the current fiscal year guarantee of federal funds.

## **Note 11 - Risk Management**

### ***A. Property and Liability***

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2001, the School District contracted with Hoffman Insurance Agency for property and general liability insurance. Hoffman Insurance Agency also covers boiler and machinery with a \$5,000,000 single occurrence limit and a \$250 deductible.

Professional liability is protected by Nationwide Insurance with a \$2,000,000 single occurrence limit, a \$5,000,000 aggregate and no deductible. Vehicles are also covered by Nationwide Insurance and hold a \$50 deductible for comprehensive and a \$250 deductible for collision. Automobile liability has a \$2,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past ten years. There have been no significant reductions in insurance coverage from the prior year.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

***B. Workers' Compensation***

For fiscal year 2001 the School District participated in the Ohio School Board Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Company provides administrative, cost control and actuarial services to the GRP.

***C. Employee Medical Benefits***

The School District operates and manages employee dental and vision benefits on a self-insured basis. Commencing October 1, 1997 the School District converted its fully-insured medical insurance program to a self-insured basis. The dental and vision program limits total expenditures for any covered individual in a calendar year, therefore there is no individual or aggregate stop-loss maintained. Medical Mutual of Ohio provides claim review and processing.

The School District maintains stop-loss coverage for its medical insurance program. Aggregate stop loss is maintained at 115 percent of expected claims. The aggregate stop-loss was not met in 2001. Medical Mutual of Ohio provides claim review and processing for the medical insurance program as well.

The claims liability at June 30, 2001 was estimated by the third party administrator to be \$726,264 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in fiscal year 2000 and 2001 were:

	Balance Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
2000	\$644,252	\$4,774,926	\$4,702,053	\$717,125
2001	\$717,125	\$5,172,188	\$5,163,049	\$726,264

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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**Note 12 - Defined Benefit Pension Plans**

***A. School Employees Retirement System***

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 N. Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2001, 4.2 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2000, 5.5 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$520,553, \$647,894 and \$873,246, respectively; 49.98 percent has been contributed for fiscal year 2001 and 100 percent for fiscal years 2000 and 1999. \$260,375, represents the unpaid contribution for fiscal year 2001.

***B. State Teachers Retirement System***

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371.

For the fiscal year ended June 30, 2000, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 9.5 percent was the portion used to fund pension obligations. For fiscal year 2000, the portion used to fund pension obligations was 6 percent. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$3,031,631, \$1,800,931 and \$1,706,603, respectively; 81.10 percent has been contributed for fiscal year 2001 and 100 percent for fiscal years 2000 and 1999. \$573,125 represents the unpaid contribution for fiscal year 2001.

***C. Social Security System***

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2001, one of the members of the Board of Education has elected Social Security. The Board's liability is 6.2 percent of wages paid.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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**Note 13- Postemployment Benefits**

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

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2001, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$1,436,035 for fiscal year 2001.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2000, (the latest information available) the balance in the Fund was \$3.419 billion. For the year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000 and STRS had 99,011 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2001, employer contributions to fund health care benefits were 9.80 percent of covered payroll, an increase of 1.3 percent from fiscal year 2000. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2001 fiscal year equaled \$1,319,186.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2000 (the latest information available), were \$140,696,340 and the target level was \$211 million. At June 30, 2000, SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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**Note 14 - Other Employee Benefits**

***A. Compensated Absences***

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

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum. Upon retirement, payment is made for one fourth of the total sick leave accumulation, up to a maximum accumulation of 90 days for classified employees and 95 days for certified employees. An employee receiving such payment must meet the retirement provisions set by STRS or SERS.

***B. Early Retirement Incentive***

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

***C. Health and Life Insurance***

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

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

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Medical Life Insurance Company. The amounts provided equal the employee's annual salary or are provided in an amount of \$10,000 or \$20,000.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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**Note 15 - Long - Term Liabilities**

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

	<u>6/30/00</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/01</u>	<u>One Year</u>
1993 School Improvement	\$12,555,000	\$0	\$410,000	\$12,145,000	\$430,000
1997 Tax Anticipation Note	450,000	0	450,000	0	0
Compensated Absences	5,739,920	1,841,628	854,345	6,727,203	1,715,933
Early Retirement Incentive	<u>1,164,500</u>	<u>402,918</u>	<u>0</u>	<u>1,567,418</u>	<u>209,719</u>
Total Governmental Activities Long-Term Liabilities	<u>\$19,909,420</u>	<u>\$2,244,546</u>	<u>\$1,714,345</u>	<u>\$20,439,621</u>	<u>\$2,355,652</u>
<b>Business-Type Activities</b>					
Compensated Absences	<u>\$145,607</u>	<u>\$10,083</u>	<u>\$17,951</u>	<u>\$137,739</u>	<u>\$6,738</u>

On April 1, 1993, the School District issued \$14,575,000, 5.0 - 6.5 percent general obligation bonds. These bonds were issued to fund various school improvements and will be paid from property taxes.

During fiscal year 1997, the School District issued a \$1,800,000, 4.75 percent tax anticipation note. The note was backed by the full faith and credit of Berea City School District and was paid from property taxes.

Compensated absences will be paid from the general fund, the preschool at risk special revenue fund, and the food service and the adult education enterprise funds. The early retirement incentive will be paid from the general fund.

At June 30, 2001 the School District's overall legal debt margin was \$122,143,057 with an unvoted debt margin of \$1,482,595. Principal and interest requirements to retire long-term liabilities outstanding at June 30, 2001 are as follows:

**Berea City School District**  
*Notes to the Basic Financial Statements*  
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Fiscal Year Ending June 30	General Obligation Bonds		Total
	Principal	Interest	
2002	\$430,000	\$707,526	\$1,137,526
2003	450,000	678,927	1,128,927
2004	575,000	642,739	1,217,739
2005	595,000	598,864	1,193,864
2006	620,000	553,302	1,173,302
2007 - 2011	3,480,000	2,076,254	5,556,254
2012 - 2016	4,080,000	958,127	5,038,127
2017 - 2018	1,915,000	145,500	2,060,500
Total	<u>\$12,145,000</u>	<u>\$6,361,239</u>	<u>\$18,506,239</u>

**Note 16 - Contingencies**

**A. Grants**

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2001.

**B. Litigation**

Berea City School District is a party to legal proceedings. The School District management is of the opinion that ultimate disposition of these claims will not have a material effect on the financial condition of the School District.

**Note 17 - Jointly Governed Organizations and Public Entity Risk Pool**

**A. Jointly Governed Organizations**

Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The board of education is comprised of representatives from the board of each participating school district. The board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. Berea City School District students may attend the vocational school. Each School District's control is limited to its representation on the board.

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

The Ohio Schools' Council Association (Council) is a jointly governed organization among eighty-two school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. During fiscal year 2001 the School District paid \$37,068 to the Council. Financial information can be obtained by contacting Albert G. Vasek, the Executive Secretary/Treasurer of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the Council's electric purchase program which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school district will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

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

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

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



**Berea City School District**  
*Notes to the Basic Financial Statements*  
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**B. Public Entity Risk Pool**

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

**Note 18 - Set-Aside Calculations**

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

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

	Budget Stabilization Reserve	Capital Improvements Reserve	Textbooks Instructional Materials Reserve
Set-aside Reserve Balance as of June 30, 2000	\$334,989	(\$20,853)	\$689,415
Current year set-aside requirements	0	1,547,964	1,547,964
Qualifying Disbursements	0	1,759,321	1,348,579
Set-aside Balance Carried Forward to Future Fiscal Years	<u>\$334,989</u>	<u>(\$232,210)</u>	<u>\$888,800</u>
Set-aside Reserve Balance as of June 30, 2001	<u>\$334,989</u>	<u>\$0</u>	<u>\$888,800</u>

The School District had qualifying disbursements and offsets during the fiscal year that reduced the capital improvements set-aside amounts below zero. This amount may be carried forward to reduce future fiscal year requirements. The total reserve balance for the three set-asides at the end of the fiscal year was \$1,223,789.

**Note 19 - Subsequent Event**

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount.
- Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.

**Berea City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2001*

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Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of November 26, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

On November 2, 2001, the Court granted this motion for reconsideration. The Court may re-examine and redetermine any issue upon such reconsideration.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

**Berea City School District**

**Combining Statements and Individual Fund Schedules**

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## Berea City School District

### *Combining Statements - Nonmajor Funds*

#### *Nonmajor Special Revenue Funds*

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of the School District's nonmajor special revenue funds:

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

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

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

**District Managed Student Activities Fund** This fund accounts for gate receipts and revenues from athletic events and costs (except supplemental coaching contracts) of the School District's athletic program.

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

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

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

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

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

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

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

(continued)

## Berea City School District

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

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

**Ohio Reads Fund** This fund accounts for state grant monies intended to supplement the District's reading programs.

**Other** Smaller Special Revenue Funds operated by the School District and subsidized in part by local, state and federal monies as well as miscellaneous sources. These funds are as follows:

Educational Management Information Systems (EMIS) Fund  
Learn and Serve America Fund  
Education for Economic Security Act Fund  
School Professional Development Fund  
Emergency Immigrant Education Grant Fund  
Parent Mentor Grant Fund  
School Improvement Grant Fund  
Safe School Helpline Fund  
Title VIR Fund  
Virtual Middle School Fund  
Intervention Assistance Grant Fund

### *Nonmajor Capital Projects Funds*

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Following is a description of the nonmajor capital projects funds:

**Building Fund** This fund accounts for the 1993 school improvement bond proceeds to be used for the acquisition, construction, or improvement of capital facilities.

**School Net Fund** This fund accounts for state grant monies used to purchase computer hardware and software.

**Textbook Subsidy Fund** This fund accounts for state grant monies used to purchase textbooks.

**Raise the Bar Fund** This fund accounts for state grant monies used for technology improvements, primarily at the School District's middle schools.

**Power Up Grant Fund** This fund accounts for federal grant monies expended to make wiring in the classrooms technology ready.

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

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

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2001*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$645,451	\$97,901	\$743,352
Cash and Cash Equivalents with Escrow Agents	0	88,880	88,880
Intergovernmental Receivable	35,836	18,209	54,045
<i>Total Assets</i>	<u>\$681,287</u>	<u>\$204,990</u>	<u>\$886,277</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$63,194	\$13,298	\$76,492
Accrued Wages	35,640	177	35,817
Retainage Payable	0	88,880	88,880
Interfund Payable	11,455	0	11,455
Intergovernmental Payable	7,051	25	7,076
Deferred Revenue	18,364	0	18,364
<i>Total Liabilities</i>	<u>135,704</u>	<u>102,380</u>	<u>238,084</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	103,277	81,157	184,434
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	442,306	0	442,306
Capital Projects Funds	0	21,453	21,453
<i>Total Fund Balances</i>	<u>545,583</u>	<u>102,610</u>	<u>648,193</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$681,287</u>	<u>\$204,990</u>	<u>\$886,277</u>

**Berea City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2001*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Intergovernmental	\$2,311,880	\$286,817	\$2,598,697
Interest	24,399	4,203	28,602
Tuition and Fees	324	0	324
Extracurricular Activities	500,147	0	500,147
Contributions and Donations	200,455	0	200,455
Miscellaneous	41,619	0	41,619
<i>Total Revenues</i>	<u>3,078,824</u>	<u>291,020</u>	<u>3,369,844</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	707,638	0	707,638
Special	327,746	0	327,746
Adult/Continuing	56,377	0	56,377
Support Services:			
Pupil	267,947	0	267,947
Instructional Staff	663,215	0	663,215
Administration	66,740	0	66,740
Pupil Transportation	1,373	0	1,373
Central	12,798	0	12,798
Operation of Non-Instructional Services	774,654	0	774,654
Extracurricular Activities	379,454	0	379,454
Capital Outlay	0	230,111	230,111
Intergovernmental	262	0	262
<i>Total Expenditures</i>	<u>3,258,204</u>	<u>230,111</u>	<u>3,488,315</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(179,380)	60,909	(118,471)
<b>Other Financing Sources</b>			
Operating Transfers In	7,400	0	7,400
<i>Net Change in Fund Balance</i>	(171,980)	60,909	(111,071)
<i>Fund Balances Beginning of Year</i>	<u>717,563</u>	<u>41,701</u>	<u>759,264</u>
<i>Fund Balances End of Year</i>	<u>\$545,583</u>	<u>\$102,610</u>	<u>\$648,193</u>



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**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2001*

	Title VI-B	Auxiliary Services	Title I
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$61,340	\$35,445	\$3,252
Intergovernmental Receivable	0	0	21,333
<i>Total Assets</i>	<u>\$61,340</u>	<u>\$35,445</u>	<u>\$24,585</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$16,196	\$585
Accrued Wages	3,658	0	0
Interfund Payable	0	0	2,497
Intergovernmental Payable	2,201	222	1,708
Deferred Revenue	0	0	3,861
<i>Total Liabilities</i>	<u>5,859</u>	<u>16,418</u>	<u>8,651</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	37,331	17,976	2,667
Unreserved, Undesignated, Reported in: Special Revenue Funds (Deficit)	<u>18,150</u>	<u>1,051</u>	<u>13,267</u>
<i>Total Fund Balances (Deficit)</i>	<u>55,481</u>	<u>19,027</u>	<u>15,934</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$61,340</u>	<u>\$35,445</u>	<u>\$24,585</u>

District Managed Student Activities	Preschool At Risk	Public School Support	Local Grants	Preschool
\$129,888	\$31,951	\$138,687	\$111,249	\$5,420
0	0	0	0	0
<u>\$129,888</u>	<u>\$31,951</u>	<u>\$138,687</u>	<u>\$111,249</u>	<u>\$5,420</u>
\$4,819	\$6,186	\$3,169	\$5,379	\$689
0	17,082	0	11,141	2,652
0	0	0	0	0
0	2,392	0	0	528
0	0	0	0	0
<u>4,819</u>	<u>25,660</u>	<u>3,169</u>	<u>16,520</u>	<u>3,869</u>
12,361	8,537	10,981	5,380	320
<u>112,708</u>	<u>(2,246)</u>	<u>124,537</u>	<u>89,349</u>	<u>1,231</u>
<u>125,069</u>	<u>6,291</u>	<u>135,518</u>	<u>94,729</u>	<u>1,551</u>
<u>\$129,888</u>	<u>\$31,951</u>	<u>\$138,687</u>	<u>\$111,249</u>	<u>\$5,420</u>

(continued)

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2001*

	Peer Assistance	Teacher Development	Title VI
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$31	\$12,218	\$7,321
Intergovernmental	0	0	0
<i>Total Assets</i>	<u>\$31</u>	<u>\$12,218</u>	<u>\$7,321</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$7,908	\$1,953
Accrued Wages	0	1,107	0
Interfund Payable	0	0	0
Intergovernmental Payable	0	0	0
Deferred Revenue	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>9,015</u>	<u>1,953</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	0	0	3,592
Unreserved, Undesignated, Reported in: Special Revenue Funds (Deficit)	31	3,203	1,776
<i>Total Fund Balances (Deficit)</i>	<u>31</u>	<u>3,203</u>	<u>5,368</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$31</u>	<u>\$12,218</u>	<u>\$7,321</u>

Drug Free Schools	Ohio Reads	EMIS	Learn and Serve America	Education for Economic Security Act
\$13,032	\$5,254	\$45,064	\$8,549	\$14,651
3,285	0	0	0	2,260
<u>\$16,317</u>	<u>\$5,254</u>	<u>\$45,064</u>	<u>\$8,549</u>	<u>\$16,911</u>
\$0	\$181	\$10,695	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
3,285	0	0	0	2,260
<u>3,285</u>	<u>181</u>	<u>10,695</u>	<u>0</u>	<u>2,260</u>
15	2,606	0	0	886
<u>13,017</u>	<u>2,467</u>	<u>34,369</u>	<u>8,549</u>	<u>13,765</u>
<u>13,032</u>	<u>5,073</u>	<u>34,369</u>	<u>8,549</u>	<u>14,651</u>
<u>\$16,317</u>	<u>\$5,254</u>	<u>\$45,064</u>	<u>\$8,549</u>	<u>\$16,911</u>

(continued)

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2001*

	School Professional Development	Emergency Immigrant Education Grant	Parent Mentor Grant
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$4,070	\$385	\$10,033
Intergovernmental	0	0	0
<i>Total Assets</i>	<u>\$4,070</u>	<u>\$385</u>	<u>\$10,033</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$0	\$0
Accrued Wages	0	0	0
Interfund Payable	0	0	0
Intergovernmental Payable	0	0	0
Deferred Revenue	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	0	169	365
Unreserved, Undesignated, Reported in: Special Revenue Funds (Deficit)	4,070	216	9,668
<i>Total Fund Balances (Deficit)</i>	<u>4,070</u>	<u>385</u>	<u>10,033</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,070</u>	<u>\$385</u>	<u>\$10,033</u>

School Improvement Grant	Safe School Helpline	Title VIR	Total Nonmajor Special Revenue Funds
\$1,602	\$575	\$5,434	\$645,451
0	0	8,958	35,836
<u>\$1,602</u>	<u>\$575</u>	<u>\$14,392</u>	<u>\$681,287</u>
\$0	\$0	\$5,434	\$63,194
0	0	0	35,640
0	0	8,958	11,455
0	0	0	7,051
0	0	8,958	18,364
<u>0</u>	<u>0</u>	<u>23,350</u>	<u>135,704</u>
91	0	0	103,277
<u>1,511</u>	<u>575</u>	<u>(8,958)</u>	<u>442,306</u>
<u>1,602</u>	<u>575</u>	<u>(8,958)</u>	<u>545,583</u>
<u>\$1,602</u>	<u>\$575</u>	<u>\$14,392</u>	<u>\$681,287</u>

**Berea City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2001*

	Title VI-B	Auxiliary Services	Title I
<b>Revenues</b>			
Intergovernmental	\$623,070	\$569,488	\$287,938
Interest	0	20,757	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>623,070</u>	<u>590,245</u>	<u>287,938</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	0	0	0
Special	39,711	0	284,461
Adult/Continuing	0	0	0
Support Services:			
Pupil	191,988	0	0
Instructional Staff	227,374	0	14,575
Administration	41,101	0	863
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	91,758	649,705	12,436
Extracurricular Activities	0	0	0
Intergovernmental	0	0	0
<i>Total Expenditures</i>	<u>591,932</u>	<u>649,705</u>	<u>312,335</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	31,138	(59,460)	(24,397)
<b>Other Financing Sources</b>			
Operating Transfers In	0	0	0
<i>Net Change in Fund Balance</i>	31,138	(59,460)	(24,397)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>24,343</u>	<u>78,487</u>	<u>40,331</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$55,481</u></u>	<u><u>\$19,027</u></u>	<u><u>\$15,934</u></u>



District Managed Student Activities	Preschool At Risk	Public School Support	Local Grants	Preschool
\$0	\$238,373	\$0	\$0	\$40,981
0	0	0	3,642	0
324	0	0	0	0
315,606	0	184,541	0	0
55,658	0	26,983	117,814	0
5,382	0	36,237	0	0
<u>376,970</u>	<u>238,373</u>	<u>247,761</u>	<u>121,456</u>	<u>40,981</u>
0	124,461	97,550	120,324	0
0	0	0	210	0
0	0	0	1,625	0
3,243	11,046	951	3,759	19,560
0	88,323	141,903	13,812	4,066
0	16,514	0	0	0
0	615	13	0	0
0	0	0	0	0
0	0	0	0	13,139
363,396	0	16,058	0	0
0	0	0	0	0
<u>366,639</u>	<u>240,959</u>	<u>256,475</u>	<u>139,730</u>	<u>36,765</u>
10,331	(2,586)	(8,714)	(18,274)	4,216
7,400	0	0	0	0
17,731	(2,586)	(8,714)	(18,274)	4,216
107,338	8,877	144,232	113,003	(2,665)
<u>\$125,069</u>	<u>\$6,291</u>	<u>\$135,518</u>	<u>\$94,729</u>	<u>\$1,551</u>

(continued)

**Berea City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Peer Assistance	Teacher Development	Title VI
<b>Revenues</b>			
Intergovernmental	\$135,000	\$45,760	\$44,403
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>135,000</u>	<u>45,760</u>	<u>44,403</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	198,164	0	0
Special	0	0	0
Adult/Continuing	0	54,752	0
Support Services:			
Pupil	0	11,473	0
Instructional Staff	18,223	0	46,237
Administration	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	7,616
Extracurricular Activities	0	0	0
Intergovernmental	0	0	0
<i>Total Expenditures</i>	<u>216,387</u>	<u>66,225</u>	<u>53,853</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(81,387)	(20,465)	(9,450)
<b>Other Financing Sources</b>			
Operating Transfers In	0	0	0
<i>Net Change in Fund Balance</i>	(81,387)	(20,465)	(9,450)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>81,418</u>	<u>23,668</u>	<u>14,818</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$31</u></u>	<u><u>\$3,203</u></u>	<u><u>\$5,368</u></u>

Drug Free Schools	Ohio Reads	EMIS	Learn and Serve America	Education for Economic Security Act
\$32,418	\$84,822	\$30,964	\$11,500	\$37,261
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>32,418</u>	<u>84,822</u>	<u>30,964</u>	<u>11,500</u>	<u>37,261</u>
0	74,888	0	0	0
0	0	0	0	0
0	0	0	0	0
25,927	0	0	0	0
125	0	0	7,497	48,867
0	0	0	0	0
745	0	0	0	0
0	0	12,798	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>26,797</u>	<u>74,888</u>	<u>12,798</u>	<u>7,497</u>	<u>48,867</u>
5,621	9,934	18,166	4,003	(11,606)
0	0	0	0	0
5,621	9,934	18,166	4,003	(11,606)
7,411	(4,861)	16,203	4,546	26,257
<u>\$13,032</u>	<u>\$5,073</u>	<u>\$34,369</u>	<u>\$8,549</u>	<u>\$14,651</u>

(continued)

**Berea City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	School Professional Development	Emergency Immigrant Education Grant	Parent Mentor Grant
<b>Revenues</b>			
Intergovernmental	\$5,000	\$3,050	\$25,000
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>5,000</u>	<u>3,050</u>	<u>25,000</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	5,000	0	0
Special	0	3,364	0
Adult/Continuing	0	0	0
Support Services:			
Pupil	0	0	0
Instructional Staff	930	0	17,335
Administration	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Intergovernmental	0	0	0
<i>Total Expenditures</i>	<u>5,930</u>	<u>3,364</u>	<u>17,335</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(930)	(314)	7,665
<b>Other Financing Sources</b>			
Operating Transfers In	0	0	0
<i>Net Change in Fund Balance</i>	(930)	(314)	7,665
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>5,000</u>	<u>699</u>	<u>2,368</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$4,070</u></u>	<u><u>\$385</u></u>	<u><u>\$10,033</u></u>

School Improvement Grant	Safe School Helpline	Title VIR	Virtual Middle School	Intervention Assistance Grant	Total Nonmajor Special Revenue Funds
\$0	\$8,421	\$73,525	\$0	\$14,906	\$2,311,880
0	0	0	0	0	24,399
0	0	0	0	0	324
0	0	0	0	0	500,147
0	0	0	0	0	200,455
0	0	0	0	0	41,619
0	8,421	73,525	0	14,906	3,078,824
0	0	67,687	4,658	14,906	707,638
0	0	0	0	0	327,746
0	0	0	0	0	56,377
0	0	0	0	0	267,947
23,398	0	10,550	0	0	663,215
0	8,262	0	0	0	66,740
0	0	0	0	0	1,373
0	0	0	0	0	12,798
0	0	0	0	0	774,654
0	0	0	0	0	379,454
0	0	0	262	0	262
23,398	8,262	78,237	4,920	14,906	3,258,204
(23,398)	159	(4,712)	(4,920)	0	(179,380)
0	0	0	0	0	7,400
(23,398)	159	(4,712)	(4,920)	0	(171,980)
25,000	416	(4,246)	4,920	0	717,563
\$1,602	\$575	(\$8,958)	\$0	\$0	\$545,583

**Berea City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2001*

	Building	School Net	Textbook Subsidy
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$74,555	\$187	\$14,660
Cash and Cash Equivalents with Escrow Agents	88,880	0	0
Intergovernmental Receivable	0	12,000	0
<i>Total Assets</i>	<u>\$163,435</u>	<u>\$12,187</u>	<u>\$14,660</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$12,000	\$923
Accrued Wages	0	0	0
Retainage Payable	88,880	0	0
Intergovernmental Payable	0	0	0
<i>Total Liabilities</i>	<u>88,880</u>	<u>12,000</u>	<u>923</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	66,121	0	13,736
Unreserved, Undesignated, Reported in:			
Capital Projects Funds	8,434	187	1
<i>Total Fund Balances</i>	<u>74,555</u>	<u>187</u>	<u>13,737</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$163,435</u>	<u>\$12,187</u>	<u>\$14,660</u>

Network Connectivity	Interactive Video Lab	Total Nonmajor Capital Projects Funds
\$1,499	\$7,000	\$97,901
0	0	88,880
0	6,209	18,209
<u>\$1,499</u>	<u>\$13,209</u>	<u>\$204,990</u>
\$0	\$375	\$13,298
0	177	177
0	0	88,880
0	25	25
<u>0</u>	<u>577</u>	<u>102,380</u>
1,300	0	81,157
199	12,632	21,453
<u>1,499</u>	<u>12,632</u>	<u>102,610</u>
<u>\$1,499</u>	<u>\$13,209</u>	<u>\$204,990</u>

**Berea City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2001*

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	Building	School Net	Textbook Subsidy
<b>Revenues</b>			
Intergovernmental	\$0	\$75,794	\$0
Interest	4,203	0	0
<i>Total Revenues</i>	4,203	75,794	0
<b>Expenditures</b>			
Capital Outlay	0	76,918	10,015
<i>Net Change in Fund Balances</i>	4,203	(1,124)	(10,015)
<i>Fund Balances (Deficit) Beginning of Year</i>	70,352	1,311	23,752
<i>Fund Balances End of Year</i>	\$74,555	\$187	\$13,737



Raise the Bar	Power Up Grant	Network Connectivity	Interactive Video Lab	Total Nonmajor Capital Projects Funds
\$0	\$197,814	\$0	\$13,209	\$286,817
0	0	0	0	4,203
0	197,814	0	13,209	291,020
25,013	115,048	2,540	577	230,111
(25,013)	82,766	(2,540)	12,632	60,909
25,013	(82,766)	4,039	0	41,701
\$0	\$0	\$1,499	\$12,632	\$102,610

**Berea City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Fiscal Year Ended June 30, 2001*

	Balance 6-30-00	Additions	Reductions	Balance 6-30-01
<b><i>Student Activities</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$110,693	\$227,948	\$207,964	\$130,677
<i>Total Assets</i>	<u>\$110,693</u>	<u>\$227,948</u>	<u>\$207,964</u>	<u>\$130,677</u>
<b>Liabilities</b>				
Due to Students	\$110,693	\$227,948	\$207,964	\$130,677
<i>Total Liabilities</i>	<u>\$110,693</u>	<u>\$227,948</u>	<u>\$207,964</u>	<u>\$130,677</u>
<b><i>Employee Benefits</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$13,322	\$63,776	\$69,600	\$7,498
<i>Total Assets</i>	<u>\$13,322</u>	<u>\$63,776</u>	<u>\$69,600</u>	<u>\$7,498</u>
<b>Liabilities</b>				
Undistributed Monies	\$13,322	\$63,776	\$69,600	\$7,498
<i>Total Liabilities</i>	<u>\$13,322</u>	<u>\$63,776</u>	<u>\$69,600</u>	<u>\$7,498</u>
<b><i>Staff Services</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,679	\$16,111	\$13,781	\$5,009
<i>Total Assets</i>	<u>\$2,679</u>	<u>\$16,111</u>	<u>\$13,781</u>	<u>\$5,009</u>
<b>Liabilities</b>				
Undistributed Monies	\$2,679	\$16,111	\$13,781	\$5,009
<i>Total Liabilities</i>	<u>\$2,679</u>	<u>\$16,111</u>	<u>\$13,781</u>	<u>\$5,009</u>

(continued)

**Berea City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Balance</u> 6-30-00	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> 6-30-01
<i>All Agency Funds</i>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$126,694</u>	<u>\$307,835</u>	<u>\$291,345</u>	<u>\$143,184</u>
<i>Total Assets</i>	<u><u>\$126,694</u></u>	<u><u>\$307,835</u></u>	<u><u>\$291,345</u></u>	<u><u>\$143,184</u></u>
<b>Liabilities</b>				
Undistributed Monies	16,001	79,887	83,381	12,507
Due to Students	<u>110,693</u>	<u>227,948</u>	<u>207,964</u>	<u>130,677</u>
<i>Total Liabilities</i>	<u><u>\$126,694</u></u>	<u><u>\$307,835</u></u>	<u><u>\$291,345</u></u>	<u><u>\$143,184</u></u>

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**Berea City School District**

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

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Taxes	\$49,264,021	\$48,116,326	\$48,261,774	\$145,448
Intergovernmental	12,027,420	12,334,372	12,334,381	9
Interest	928,000	874,784	888,007	13,223
Tuition and Fees	822,075	911,453	948,609	37,156
Extracurricular Activities	33,000	30,014	29,980	(34)
Payment in Lieu of Taxes	82,000	135,845	135,845	0
Rentals	325,000	207,093	214,715	7,622
Charges for Services	0	37,217	37,217	0
Contributions and Donations	5,000	7,015	7,015	0
Miscellaneous	0	32,375	27,528	(4,847)
<i>Total Revenues</i>	<u>63,486,516</u>	<u>62,686,494</u>	<u>62,885,071</u>	<u>198,577</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	18,931,465	19,610,332	19,609,711	621
Fringe Benefits	7,233,975	7,696,874	7,695,911	963
Purchased Services	1,226,425	1,110,212	1,106,592	3,620
Materials and Supplies	922,195	1,342,335	1,327,946	14,389
Capital Outlay - New	140,323	130,937	130,469	468
Capital Outlay - Replacement	6,030	9,765	9,010	755
Other	300	55,575	54,620	955
<b>Total Regular</b>	<u>28,460,713</u>	<u>29,956,030</u>	<u>29,934,259</u>	<u>21,771</u>
Special:				
Salaries and Wages	3,589,040	3,751,240	3,751,231	9
Fringe Benefits	1,391,390	1,317,940	1,317,940	0
Purchased Services	99,258	62,488	62,429	59
Materials and Supplies	27,201	33,962	33,533	429
Capital Outlay - New	28,071	31,469	31,195	274
Capital Outlay - Replacement	1,000	900	897	3
<b>Total Special</b>	<u>\$5,135,960</u>	<u>\$5,197,999</u>	<u>\$5,197,225</u>	<u>\$774</u>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Vocational:				
Salaries and Wages	\$464,485	\$396,250	\$395,693	\$557
Fringe Benefits	123,480	136,380	136,350	30
Purchased Services	551	3,619	3,304	315
Materials and Supplies	898	1,458	1,176	282
<b>Total Vocational</b>	<b>589,414</b>	<b>537,707</b>	<b>536,523</b>	<b>1,184</b>
<b>Total Instruction</b>	<b>34,186,087</b>	<b>35,691,736</b>	<b>35,668,007</b>	<b>23,729</b>
Support Services:				
Pupil:				
Salaries and Wages	1,954,134	2,014,134	2,014,122	12
Fringe Benefits	625,479	615,479	615,082	397
Purchased Services	720,185	776,044	775,636	408
Materials and Supplies	61,590	71,552	56,852	14,700
Capital Outlay - New	21,997	22,290	22,250	40
Capital Outlay - Replacement	1,000	0	0	0
Other	0	75	75	0
<b>Total Pupil</b>	<b>3,384,385</b>	<b>3,499,574</b>	<b>3,484,017</b>	<b>15,557</b>
Instructional Staff:				
Salaries and Wages	3,311,663	3,759,733	3,759,501	232
Fringe Benefits	1,367,911	1,292,139	1,292,057	82
Purchased Services	729,679	698,183	677,494	20,689
Materials and Supplies	137,476	145,520	134,820	10,700
Capital Outlay - New	110,322	45,851	45,558	293
Capital Outlay - Replacement	260,757	223,249	222,932	317
Other	2,700	2,400	1,898	502
<b>Total Instructional Staff</b>	<b>5,920,508</b>	<b>6,167,075</b>	<b>6,134,260</b>	<b>32,815</b>
Board of Education:				
Salaries and Wages	4,800	4,800	4,800	0
Fringe Benefits	800	800	538	262
Purchased Services	13,220	28,694	28,314	380
Materials and Supplies	400	200	199	1
Other	10,614	8,864	8,858	6
<b>Total Board of Education</b>	<b>\$29,834</b>	<b>\$43,358</b>	<b>\$42,709</b>	<b>\$649</b>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Administration:</b>				
Salaries and Wages	\$2,255,391	\$2,305,291	\$2,305,216	\$75
Fringe Benefits	827,650	859,800	859,514	286
Purchased Services	365,267	374,027	373,141	886
Materials and Supplies	38,035	30,011	29,919	92
Capital Outlay - New	4,726	15,195	14,431	764
Capital Outlay - Replacement	3,500	4,707	4,610	97
Other	8,192	6,153	6,153	0
<b>Total Administration</b>	<b>3,502,761</b>	<b>3,595,184</b>	<b>3,592,984</b>	<b>2,200</b>
<b>Fiscal:</b>				
Salaries and Wages	378,850	358,850	358,825	25
Fringe Benefits	141,960	149,760	149,713	47
Purchased Services	58,552	54,078	53,813	265
Materials and Supplies	17,516	12,006	11,603	403
Capital Outlay - New	2,500	835	0	835
Capital Outlay - Replacement	3,250	3,915	3,899	16
Other	740,101	732,858	732,315	543
<b>Total Fiscal</b>	<b>1,342,729</b>	<b>1,312,302</b>	<b>1,310,168</b>	<b>2,134</b>
<b>Business:</b>				
Salaries and Wages	189,920	187,920	187,769	151
Fringe Benefits	75,505	82,705	82,691	14
Purchased Services	591,742	555,547	555,417	130
Materials and Supplies	250,948	313,506	302,217	11,289
Capital Outlay - New	83,339	46,738	46,295	443
Capital Outlay - Replacement	52,755	77,675	76,761	914
Other	65,600	40,758	40,343	415
<b>Total Business</b>	<b>1,309,809</b>	<b>1,304,849</b>	<b>1,291,493</b>	<b>13,356</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries and Wages	3,821,007	3,942,207	3,942,130	77
Fringe Benefits	1,268,755	1,241,636	1,241,592	44
Purchased Services	2,477,846	2,698,748	2,698,645	103
Materials and Supplies	459,055	448,293	447,493	800
Capital Outlay - New	93,597	45,402	44,471	931
Capital Outlay - Replacement	157,160	170,340	170,187	153
Other	26,474	15,501	15,256	245
<b>Total Operation and Maintenance of Plant</b>	<b>\$8,303,894</b>	<b>\$8,562,127</b>	<b>\$8,559,774</b>	<b>\$2,353</b>

(continued)



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Favorable (Unfavorable)
<b>Pupil Transportation:</b>				
Salaries and Wages	\$1,754,923	\$1,956,900	\$1,956,813	\$87
Fringe Benefits	487,250	435,320	435,225	95
Purchased Services	168,415	169,784	169,509	275
Materials and Supplies	383,755	321,583	321,373	210
Capital Outlay - New	10,000	0	0	0
Capital Outlay - Replacement	421,475	435,575	434,986	589
Other	1,750	750	550	200
<b>Total Pupil Transportation</b>	<u>3,227,568</u>	<u>3,319,912</u>	<u>3,318,456</u>	<u>1,456</u>
<b>Central:</b>				
Salaries and Wages	544,256	535,250	534,578	672
Fringe Benefits	200,620	219,335	218,546	789
Purchased Services	312,975	250,066	249,121	945
Materials and Supplies	66,865	19,494	19,084	410
Capital Outlay - New	190,965	154,303	154,054	249
Capital Outlay - Replacement	18,500	3,249	2,806	443
Other	255	105	105	0
<b>Total Central</b>	<u>1,334,436</u>	<u>1,181,802</u>	<u>1,178,294</u>	<u>3,508</u>
<b>Total Support Services</b>	<u>28,355,924</u>	<u>28,986,183</u>	<u>28,912,155</u>	<u>74,028</u>
<b>Community Services:</b>				
Fringe Benefits	10,230	0	0	0
Other	4,500	6,475	6,475	0
<b>Total Operation of Non-Instructional Services</b>	<u>14,730</u>	<u>6,475</u>	<u>6,475</u>	<u>0</u>
<b>Extracurricular Activities:</b>				
<b>Academic and Subject Oriented Activities:</b>				
Salaries and Wages	0	171,900	171,892	8
Fringe Benefits	0	65,920	65,919	1
<b>Total Academic and Subject Oriented Activities</b>	<u>0</u>	<u>237,820</u>	<u>237,811</u>	<u>9</u>
<b>Occupational Oriented Activities:</b>				
Salaries and Wages	0	4,830	4,826	4
Fringe Benefits	0	1,300	1,229	71
<b>Total Occupational Oriented Activities</b>	<u>\$0</u>	<u>\$6,130</u>	<u>\$6,055</u>	<u>\$75</u>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Sports Oriented Activities				
Salaries and Wages	\$769,110	\$583,280	\$582,572	\$708
Fringe Benefits	168,920	186,900	186,667	233
Purchased Services	32,832	12,246	11,861	385
Materials and Supplies	10,000	1,600	1,379	221
Capital Outlay - New	24,756	23,686	23,184	502
Capital Outlay - Replacement	17,709	14,709	14,594	115
<b>Total Sports Oriented Activities</b>	<b>1,023,327</b>	<b>822,421</b>	<b>820,257</b>	<b>2,164</b>
School and Public Service				
Co-Curricular Activities:				
Salaries and Wages	0	73,456	73,440	16
Fringe Benefits	0	17,355	17,352	3
<b>Total School and Public Service</b>				
Co-Curricular Activities	0	90,811	90,792	19
<b>Total Extracurricular Activities</b>	<b>1,023,327</b>	<b>1,157,182</b>	<b>1,154,915</b>	<b>2,267</b>
<i>Total Expenditures</i>	<i>63,580,068</i>	<i>65,841,576</i>	<i>65,741,552</i>	<i>100,024</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(93,552)</i>	<i>(3,155,082)</i>	<i>(2,856,481)</i>	<i>298,601</i>
<b>Other Financing Sources (Uses)</b>				
Advances In	5,000	8,100	8,100	0
Advances Out	(5,000)	(11,455)	(11,455)	0
Operating Transfers Out	(7,400)	(7,400)	(7,400)	0
<b>Total Other Financing Sources (Uses)</b>	<b>(7,400)</b>	<b>(10,755)</b>	<b>(10,755)</b>	<b>0</b>
<i>Net Change in Fund Balance</i>	<i>(100,952)</i>	<i>(3,165,837)</i>	<i>(2,867,236)</i>	<i>298,601</i>
<i>Fund Balance Beginning of Year</i>	<i>2,231,560</i>	<i>2,231,560</i>	<i>2,231,560</i>	<i>0</i>
Prior Year Encumbrances Appropriated	1,604,803	1,604,803	1,604,803	0
<b>Fund Balance End of Year</b>	<b>\$3,735,411</b>	<b>\$670,526</b>	<b>\$969,127</b>	<b>\$298,601</b>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$623,285	\$623,070	\$623,070	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Materials and Supplies	20,000	26,797	26,504	293
Capital Outlay - New	9,545	11,143	11,088	55
Total Instruction	29,545	37,940	37,592	348
Support Services:				
Pupil:				
Salaries and Wages	89,442	94,442	81,899	12,543
Fringe Benefits	19,392	19,392	16,623	2,769
Purchased Services	152,910	145,575	139,149	6,426
Capital Outlay - New	2,416	0	0	0
Total Pupil	264,160	259,409	237,671	21,738
Instructional Staff:				
Salaries and Wages	220,160	227,410	227,410	0
Administration:				
Salaries and Wages	38,094	38,151	36,655	1,496
Fringe Benefits	5,128	5,127	4,700	427
Total Administration	43,222	43,278	41,355	1,923
Total Support Services	\$527,542	\$530,097	\$506,436	\$23,661

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VI-B Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Operation of Non-Instructional Services:				
Community Services:				
Operation of Non-Instructional Services				
Community Services:				
Salaries and Wages	\$91,676	\$91,676	\$91,676	\$0
Total Community Services	<u>91,676</u>	<u>91,676</u>	<u>91,676</u>	<u>0</u>
<i>Total Expenditures</i>	<u>648,763</u>	<u>659,713</u>	<u>635,704</u>	<u>24,009</u>
<i>Net Change in Fund Balance</i>	(25,478)	(36,643)	(12,634)	24,009
<i>Fund Balance (Deficit) at</i>				
<i>Fund Balance Beginning of Year</i>	29,630	29,630	29,630	0
Residual Equity Transfers		0	0	0
Prior Year Encumbrances Appropriated	7,013	7,013	7,013	0
<i>Fund Balance End of Year</i>	<u>\$11,165</u>	<u>\$0</u>	<u>\$24,009</u>	<u>\$24,009</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Auxiliary Services Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$513,500	\$569,488	\$569,488	\$0
Interest	9,500	20,757	20,757	0
<i>Total Revenues</i>	<u>523,000</u>	<u>590,245</u>	<u>590,245</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Operation of Non-Instructional Services				
Community Services:				
Salaries and Wages	34,500	39,232	39,090	142
Fringe Benefits	11,000	14,004	14,004	0
Purchased Services	284,018	280,800	280,753	47
Materials and Supplies	276,992	247,264	246,362	902
Capital Outlay - New	21,194	132,155	131,973	182
Capital Outlay - Replacement	1,800	13,168	13,168	0
<i>Total Expenditures</i>	<u>629,504</u>	<u>726,623</u>	<u>725,350</u>	<u>1,273</u>
<i>Net Change in Fund Balance</i>	(106,504)	(136,378)	(135,105)	1,273
<i>Fund Balance Beginning of Year</i>	44,348	44,348	44,348	0
Prior Year Encumbrances Appropriated	92,030	92,030	92,030	0
<i>Fund Balance End of Year</i>	<u>\$29,874</u>	<u>\$0</u>	<u>\$1,273</u>	<u>\$1,273</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$321,514	\$306,583	\$306,583	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	201,762	223,775	223,775	0
Fringe Benefits	50,934	54,425	54,425	0
Purchased Services	8,045	3,268	3,268	0
Materials and Supplies	16,243	5,966	5,966	0
Capital Outlay - New	4,839	184	184	0
Total Instruction	281,823	287,618	287,618	0
Support Services:				
Instructional Staff:				
Salaries and Wages	13,678	11,034	11,034	0
Fringe Benefits	3,127	1,304	1,304	0
Purchased Services	1,143	0	0	0
Materials and Supplies	411	257	257	0
Capital Outlay - New	274	428	428	0
Total Instructional Staff	18,633	13,023	13,023	0
Administration:				
Purchased Services	0	863	863	0
Total Support Services	18,633	13,886	13,886	0
Operation of Non-Instructional Services				
Community Services:				
Salaries and Wages	20,785	10,025	10,025	0
Fringe Benefits	5,133	2,411	2,411	0
Total Operation of Non-Instructional Services	25,918	12,436	12,436	0
<i>Total Expenditures</i>	\$326,374	\$313,940	\$313,940	\$0

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title I Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<i>Excess of Revenues Under Expenditures</i>	(\$4,860)	(\$7,357)	(\$7,357)	\$0
<b>Other Financing Uses</b>				
Advances In	<u>0</u>	<u>2,497</u>	<u>2,497</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(4,860)	(4,860)	(4,860)	0
<i>Fund Balance Beginning of Year</i>	2,785	2,785	2,785	0
Residual Equity Transfers		0	0	0
Prior Year Encumbrances Appropriated	<u>2,075</u>	<u>2,075</u>	<u>2,075</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*District Managed Student Activities Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Favorable (Unfavorable)
<b>Revenues</b>				
Tuition and Fees	\$0	\$324	\$324	\$0
Extracurricular Activities	285,900	315,606	315,606	0
Contributions and Donations	47,000	55,658	55,658	0
Miscellaneous	2,000	5,382	5,382	0
<i>Total Revenues</i>	<u>334,900</u>	<u>376,970</u>	<u>376,970</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	100	0	0	0
Support Services:				
Pupil:				
Materials and Supplies	3,400	3,243	3,243	0
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	0	450	450	0
Purchased Services	17,500	32,521	23,051	9,470
Materials and Supplies	65,385	54,231	53,493	738
Capital Outlay - New	8,000	12,855	4,693	8,162
Other	1,300	1,196	237	959
Total Academic and Subject Oriented Activities	<u>92,185</u>	<u>101,253</u>	<u>81,924</u>	<u>19,329</u>
Sports Oriented Activities:				
Salaries and Wages	10,000	9,996	9,996	0
Purchased Services	70,000	77,995	77,792	203
Materials and Supplies	170,216	198,551	197,950	601
Capital Outlay - New	5,000	11,816	8,636	3,180
Capital Outlay - Replacement	0	1,757	1,757	0
Other	1,000	738	208	530
Total Sports Oriented Activities	<u>256,216</u>	<u>300,853</u>	<u>296,339</u>	<u>4,514</u>
Total Extracurricular Activities	<u>348,401</u>	<u>402,106</u>	<u>378,263</u>	<u>23,843</u>
<i>Total Expenditures</i>	<u>\$351,901</u>	<u>\$405,349</u>	<u>\$381,506</u>	<u>\$23,843</u>



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*District Managed Student Activities Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<i>Excess of Revenues Under Expenditures</i>	(\$17,001)	(\$28,379)	(\$4,536)	\$23,843
<b>Other Financing Sources</b>				
Operating Transfers In	7,400	7,400	7,400	0
<i>Net Change in Fund Balance</i>	(9,601)	(20,979)	2,864	23,843
<i>Fund Balance Beginning of Year</i>	100,496	100,496	100,496	0
Prior Year Encumbrances Appropriated	9,601	9,601	9,601	0
<i>Fund Balance End of Year</i>	\$100,496	\$89,118	\$112,961	\$23,843

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Preschool at Risk Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Favorable (Unfavorable)
<b>Revenues</b>				
Intergovernmental	\$218,568	\$238,373	\$238,373	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	92,000	87,720	71,220	16,500
Fringe Benefits	28,250	37,405	37,405	0
Materials and Supplies	1,000	9,656	9,656	0
Capital Outlay - New	4,560	10,712	9,893	819
Total Instruction	125,810	145,493	128,174	17,319
Support Services:				
Pupil:				
Purchased Services	11,460	11,046	11,046	0
Instructional Staff:				
Salaries and Wages	62,000	71,945	71,945	0
Fringe Benefits	15,218	16,320	16,320	0
Total Instructional Staff	77,218	88,265	88,265	0
Administration:				
Salaries and Wages	5,500	12,528	12,528	0
Fringe Benefits	1,500	2,120	2,120	0
Purchased Services	400	0	0	0
Materials and Supplies	600	676	676	0
Total Administration	8,000	15,324	15,324	0
Operation and Maintenance of Plant:				
Purchased Services	100	0	0	0
Pupil Transportation:				
Salaries and Wages	\$600	\$615	\$615	\$0

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Preschool at Risk Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Favorable (Unfavorable)
Central:				
Purchased Services	\$565	\$0	\$0	\$0
Total Support Services	97,943	115,250	115,250	0
<i>Total Expenditures</i>	<u>223,753</u>	<u>260,743</u>	<u>243,424</u>	<u>17,319</u>
<i>Net Change in Fund Balance</i>	(5,185)	(22,370)	(5,051)	17,319
<i>Fund Balance Beginning of Year</i>	17,185	17,185	17,185	0
Prior Year Encumbrances Appropriated	5,185	5,185	5,185	0
<i>Fund Balance End of Year</i>	<u>\$17,185</u>	<u>\$0</u>	<u>\$17,319</u>	<u>\$17,319</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		(Unfavorable)
<b>Revenues</b>				
Extracurricular Activities	\$160,000	\$184,541	\$184,541	\$0
Contributions and Donations	22,000	26,983	26,983	0
Miscellaneous	8,000	36,132	36,237	105
<i>Total Revenues</i>	<u>190,000</u>	<u>247,656</u>	<u>247,761</u>	<u>105</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Fringe Benefits	513	3,675	3,059	616
Purchased Services	6,080	12,884	10,569	2,315
Materials and Supplies	52,233	92,380	68,234	24,146
Capital Outlay - New	3,063	2,857	1,657	1,200
Capital Outlay - Replacement	1,000	4,883	4,694	189
Other	0	11,594	10,600	994
Total Regular	<u>62,889</u>	<u>128,273</u>	<u>98,813</u>	<u>29,460</u>
Special:				
Materials and Supplies	0	179	0	179
Total Instruction	<u>62,889</u>	<u>128,452</u>	<u>98,813</u>	<u>29,639</u>
Support Services:				
Pupil:				
Materials and Supplies	1,500	1,582	951	631
Total Pupil	<u>1,500</u>	<u>1,582</u>	<u>951</u>	<u>631</u>
Instructional Staff:				
Salaries and Wages	0	140	140	0
Purchased Services	9,933	13,221	7,900	5,321
Materials and Supplies	95,901	182,603	139,654	42,949
Capital Outlay - New	4,200	11,922	1,114	10,808
Capital Outlay - Replacement	1,800	5,097	1,443	3,654
Other	3,500	4,243	3,016	1,227
Total Instructional Staff	<u>\$115,334</u>	<u>\$217,226</u>	<u>\$153,267</u>	<u>\$63,959</u>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Public School Support Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Pupil Transportation:				
Purchased Services	\$0	\$342	\$89	\$253
Total Support Services	116,834	219,150	154,307	64,843
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Materials and Supplies	0	100	96	4
School and Public Service Co-Curricular Activities:				
Purchased Services	2,258	5,415	683	4,732
Materials and Supplies	15,000	18,176	14,905	3,271
Capital Outlay - New	100	0	0	0
Other	0	99	0	99
Total School and Public Service Co-Curricular Activities	17,358	23,690	15,588	8,102
Total Extracurricular Activities	17,358	23,790	15,684	8,106
<i>Total Expenditures</i>	197,081	371,392	268,804	102,588
<i>Net Change in Fund Balance</i>	(7,081)	(123,736)	(21,043)	102,693
<i>Fund Balance Beginning of Year</i>	139,245	139,245	139,245	0
Prior Year Encumbrances Appropriated	7,081	7,081	7,081	0
<i>Fund Balance End of Year</i>	<u>\$139,245</u>	<u>\$22,590</u>	<u>\$125,283</u>	<u>\$102,693</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Local Grants Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Interest	\$2,900	\$3,642	\$3,642	\$0
Contributions and Donations	77,000	148,748	148,748	0
Miscellaneous	1,000	0	0	0
<i>Total Revenues</i>	<i>80,900</i>	<i>152,390</i>	<i>152,390</i>	<i>0</i>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	54,342	44,510	43,911	599
Fringe Benefits	5,000	611	272	339
Purchased Services	14,562	20,961	16,817	4,144
Materials and Supplies	21,210	22,330	15,321	7,009
Capital Outlay - New	24,682	48,381	47,757	624
Other	2,400	0	0	0
Total Regular	122,196	136,793	124,078	12,715
Special:				
Salaries and Wages	0	800	0	800
Materials and Supplies	63	819	425	394
Total Special	63	1,619	425	1,194
Vocational:				
Purchased Services	0	8,300	0	8,300
Materials and Supplies	0	1,500	0	1,500
Capital Outlay - New	0	21,700	0	21,700
Total Vocational	0	31,500	0	31,500
Adult/Continuing:				
Purchased Services	0	1,625	1,625	0
Materials and Supplies	0	375	0	375
Total Adult/Continuing	0	2,000	1,625	375
Total Instruction	\$122,259	\$171,912	\$126,128	\$45,784

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Local Grants Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Support Services:				
Pupil:				
Salaries and Wages	\$0	\$300	\$0	\$300
Purchased Services	1,043	1,043	900	143
Materials and Supplies	2,399	2,899	2,767	132
Capital Outlay - New	2,413	3,506	638	2,868
Total Pupil	<u>\$5,855</u>	<u>\$7,748</u>	<u>\$4,305</u>	<u>\$3,443</u>
Instructional Staff:				
Salaries and Wages	\$0	\$3,784	\$2,135	\$1,649
Fringe Benefits	0	1,147	288	859
Purchased Services	2,978	4,401	2,528	1,873
Materials and Supplies	1,975	6,524	4,776	1,748
Capital Outlay - New	0	4,250	4,245	5
Total Instructional Staff	<u>4,953</u>	<u>20,106</u>	<u>13,972</u>	<u>6,134</u>
Pupil Transportation:				
Purchased Services	0	22	0	22
Total Support Services	<u>10,808</u>	<u>27,876</u>	<u>18,277</u>	<u>9,599</u>
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	0	306	0	306
Purchased Services	1,061	1,061	0	1,061
Materials and Supplies	1,539	1,539	0	1,539
Total Extracurricular Activities	<u>2,600</u>	<u>2,906</u>	<u>0</u>	<u>2,906</u>
<i>Total Expenditures</i>	<u>135,667</u>	<u>202,694</u>	<u>144,405</u>	<u>58,289</u>
<i>Net Change in Fund Balance</i>	(54,767)	(50,304)	7,985	58,289
<i>Fund Balance Beginning of Year</i>	66,984	66,984	66,984	0
Prior Year Encumbrances Appropriated	<u>25,521</u>	<u>25,521</u>	<u>25,521</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$37,738</u>	<u>\$42,201</u>	<u>\$100,490</u>	<u>\$58,289</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Preschool Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$38,691	\$40,981	\$40,981	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Capital Outlay - New	580	580	521	59
Support Services:				
Pupil:				
Salaries and Wages	20,270	18,199	15,922	2,277
Fringe Benefits	4,821	4,240	3,408	832
Total Pupil	25,091	22,439	19,330	3,109
Instructional Staff:				
Salaries and Wages	0	4,466	3,376	1,090
Fringe Benefits	0	714	561	153
Total Instructional Staff	0	5,180	3,937	1,243
Total Support Services	25,091	27,619	23,267	4,352
Operation of Non-Instructional Services				
Community Services:				
Purchased Services	13,189	13,020	13,020	0
Materials and Supplies	0	157	157	0
Total Operation of Non-Instructional Services	13,189	13,177	13,177	0
<i>Total Expenditures</i>	38,860	41,376	36,965	4,411
<i>Net Change in Fund Balance</i>	(169)	(395)	4,016	4,411
<i>Fund Balance Beginning of Year</i>	226	226	226	0
Prior Year Encumbrances Appropriated	169	169	169	0
<i>Fund Balance End of Year</i>	\$226	\$0	\$4,411	\$4,411



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Peer Assistance Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$135,000	\$134,969	\$135,000	\$31
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	146,643	159,885	159,885	0
Fringe Benefits	33,645	36,610	36,610	0
Purchased Services	12,441	1,569	1,569	0
Materials and Supplies	2,457	100	100	0
Total Instruction	195,186	198,164	198,164	0
Support Services:				
Instructional Staff:				
Salaries and Wages	13,000	14,578	14,578	0
Fringe Benefits	3,347	3,645	3,645	0
Purchased Services	4,200	0	0	0
Materials and Supplies	685	0	0	0
Total Support Services	21,232	18,223	18,223	0
<i>Total Expenditures</i>	216,418	216,387	216,387	0
<i>Net Change in Fund Balance</i>	(81,418)	(81,418)	(81,387)	31
<i>Fund Balance Beginning of Year</i>	81,404	81,404	81,404	0
Prior Year Encumbrances Appropriated	14	14	14	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$31	\$31

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Teacher Development Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
<b>Revenues</b>				
Intergovernmental	\$45,760	\$45,760	\$45,760	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	73,454	41,178	33,400	7,778
Fringe Benefits	5,567	4,772	2,545	2,227
Purchased Services	0	9,792	9,792	0
Materials and Supplies	4,667	4,666	4,199	467
Total Instruction	83,688	60,408	49,936	10,472
Support Services:				
Pupils:				
Salaries and Wages	0	3,000	3,000	0
Fringe Benefits	0	795	795	0
Purchased Services	0	19,485	19,485	0
Materials and Supplies	0	984	0	984
Total Pupils	0	24,264	23,280	984
Operation of Non-Instructional Services				
Community Services:				
Purchased Services	1,746	762	0	762
<i>Total Expenditures</i>	85,434	85,434	73,216	12,218
<i>Net Change in Fund Balance</i>	(39,674)	(39,674)	(27,456)	12,218
<i>Fund Balance Beginning of Year</i>	35,139	35,139	35,139	0
Prior Year Encumbrances Appropriated	4,535	4,535	4,535	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$12,218	\$12,218

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VI Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$44,503	\$44,403	\$44,403	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	51,468	51,761	51,106	655
Operation of Non-Instructional Services				
Community Services:				
Purchased Services	1,175	0	0	0
Materials and Supplies	3,380	5,751	4,629	1,122
Capital Outlay - New	4,148	4,240	4,240	0
Total Operation of Non-Instructional Services	8,703	9,991	8,869	1,122
<i>Total Expenditures</i>	60,171	61,752	59,975	1,777
<i>Net Change in Fund Balance</i>	(15,668)	(17,349)	(15,572)	1,777
<i>Fund Balance Beginning of Year</i>	7,690	7,690	7,690	0
Prior Year Encumbrances Appropriated	9,659	9,659	9,659	0
<i>Fund Balance End of Year</i>	\$1,681	\$0	\$1,777	\$1,777

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Drug Free Schools Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
<b>Revenues</b>				
Intergovernmental	\$33,219	\$32,418	\$32,418	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	16,500	15,928	9,587	6,341
Fringe Benefits	3,669	4,555	2,316	2,239
Purchased Services	5,075	13,243	11,700	1,543
Materials and Supplies	5,000	2,463	2,339	124
Total Pupil	30,244	36,189	25,942	10,247
Instructional Staff:				
Salaries and Wages	500	500	0	500
Fringe Benefits	125	121	0	121
Purchased Services	2,000	525	125	400
Total Instructional Staff	2,625	1,146	125	1,021
Pupil Transportation:				
Salaries and Wages	300	800	570	230
Fringe Benefits	50	110	40	70
Purchased Services	225	269	135	134
Total Pupil Transportation	575	1,179	745	434
Total Support Services	33,444	38,514	26,812	11,702
Operation of Non-Instructional Services				
Community Services:				
Materials and Supplies	0	1,315	0	1,315
<i>Total Expenditures</i>	\$33,444	\$39,829	\$26,812	\$13,017

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Drug Free Schools Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Favorable (Unfavorable)
<i>Net Change in Fund Balance</i>	(\$225)	(\$7,411)	\$5,606	\$13,017
<i>Fund Balance Beginning of Year</i>	7,186	7,186	7,186	0
Prior Year Encumbrances Appropriated	225	225	225	0
<i>Fund Balance End of Year</i>	\$7,186	\$0	\$13,017	\$13,017

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Ohio Reads Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$84,821	\$84,822	\$84,822	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	17,585	19,442	18,482	960
Fringe Benefits	500	312	311	1
Purchased Services	23,991	20,805	19,603	1,202
Materials and Supplies	46,271	40,094	39,790	304
Other	1,670	2,195	2,195	0
Total Instruction	90,017	82,848	80,381	2,467
<i>Excess of Revenues Over (Under) Expenditures</i>	(5,196)	1,974	4,441	2,467
<b>Other Financing Uses</b>				
Advances Out	0	(8,100)	(8,100)	0
<i>Net Change in Fund Balance</i>	(5,196)	(6,126)	(3,659)	2,467
<i>Fund Balance Beginning of Year</i>	930	930	930	0
Prior Year Encumbrances Appropriated	5,196	5,196	5,196	0
<i>Fund Balance End of Year</i>	\$930	\$0	\$2,467	\$2,467

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP) and Actual  
 Educational Management Information Systems Fund  
 For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$21,850</u>	<u>\$22,891</u>	<u>\$30,964</u>	<u>\$8,073</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Central:				
Purchased Services	2,599	925	925	0
Materials and Supplies	2,500	4,292	1,179	3,113
Capital Outlay - New	<u>22,778</u>	<u>16,763</u>	<u>16,471</u>	<u>292</u>
<i>Total Expenditures</i>	<u>27,877</u>	<u>21,980</u>	<u>18,575</u>	<u>3,405</u>
<i>Net Change in Fund Balance</i>	(6,027)	911	12,389	11,478
<i>Fund Balance Beginning of Year</i>	16,052	16,052	16,052	0
Prior Year Encumbrances Appropriated	<u>5,928</u>	<u>5,928</u>	<u>5,928</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$15,953</u></u>	<u><u>\$22,891</u></u>	<u><u>\$34,369</u></u>	<u><u>\$11,478</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Learn and Serve America Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$11,500</u>	<u>\$6,954</u>	<u>\$11,500</u>	<u>\$4,546</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	6,000	6,000	5,948	52
Materials and Supplies	<u>5,500</u>	<u>5,500</u>	<u>1,549</u>	<u>3,951</u>
<i>Total Expenditures</i>	<u>11,500</u>	<u>11,500</u>	<u>7,497</u>	<u>4,003</u>
<i>Net Change in Fund Balance</i>	0	(4,546)	4,003	8,549
<i>Fund Balance Beginning of Year</i>	<u>4,546</u>	<u>4,546</u>	<u>4,546</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,546</u></u>	<u><u>\$0</u></u>	<u><u>\$8,549</u></u>	<u><u>\$8,549</u></u>



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Education for Economic Security Act Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$22,731	\$37,261	\$37,261	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	2,500	14,307	5,660	8,647
Fringe Benefits	600	3,557	863	2,694
Purchased Services	8,125	19,018	18,375	643
Materials and Supplies	13,348	27,776	26,506	1,270
Total Support Services	24,573	64,658	51,404	13,254
Operation of Non-Instructional Services				
Community Services:				
Materials and Supplies	0	511	0	511
<i>Total Expenditures</i>	24,573	65,169	51,404	13,765
<i>Net Change in Fund Balance</i>	(1,842)	(27,908)	(14,143)	13,765
<i>Fund Balance Beginning of Year</i>	26,066	26,066	26,066	0
Prior Year Encumbrances Appropriated	1,842	1,842	1,842	0
<i>Fund Balance End of Year</i>	\$26,066	\$0	\$13,765	\$13,765

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*School Professional Development Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$5,000	\$5,000	\$5,000	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Purchased Services	5,000	5,000	5,000	0
Support Services:				
Instructional Staff:				
Salaries and Wages	1,300	1,300	0	1,300
Fringe Benefits	320	320	0	320
Purchased Services	3,000	3,000	930	2,070
Materials and Supplies	380	380	0	380
Total Support Services	5,000	5,000	930	4,070
<i>Total Expenditures</i>	10,000	10,000	5,930	4,070
<i>Net Change in Fund Balance</i>	(5,000)	(5,000)	(930)	4,070
<i>Fund Balance Beginning of Year</i>	5,000	5,000	5,000	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$4,070	\$4,070

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Emergency Immigration Education Grant Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$3,050	\$2,940	\$3,050	\$110
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	700	700	700	0
Purchased Services	750	224	224	0
Materials and Supplies	1,651	1,115	1,101	14
Capital Outlay - New	0	1,600	1,508	92
Total Expenditures	3,101	3,639	3,533	106
<i>Net Change in Fund Balance</i>	(51)	(699)	(483)	216
<i>Fund Balance Beginning of Year</i>	648	648	648	0
Prior Year Encumbrances Appropriated	51	51	51	0
<i>Fund Balance End of Year</i>	<u>\$648</u>	<u>\$0</u>	<u>\$216</u>	<u>\$216</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Parent Mentor Grant Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$25,000	\$25,000	\$25,000	\$0
<b>Expenditures</b>				
Support Services:				
Instructional Staff:				
Salaries and Wages	12,865	12,033	10,982	1,051
Fringe Benefits	7,450	7,257	0	7,257
Purchased Services	1,712	2,854	1,873	981
Materials and Supplies	4,676	5,224	4,845	379
<i>Total Expenditures</i>	26,703	27,368	17,700	9,668
<i>Net Change in Fund Balance</i>	(1,703)	(2,368)	7,300	9,668
<i>Fund Balance Beginning of Year</i>	665	665	665	0
Prior Year Encumbrances Appropriated	1,703	1,703	1,703	0
<i>Fund Balance End of Year</i>	\$665	\$0	\$9,668	\$9,668

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*School Improvement Grant Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	<u>25,000</u>	<u>25,000</u>	<u>23,489</u>	<u>1,511</u>
<i>Net Change in Fund Balance</i>	(25,000)	(25,000)	(23,489)	1,511
<i>Fund Balance Beginning of Year</i>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$1,511</u></u>	<u><u>\$1,511</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Safe School HelpLine Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$8,421	\$8,421	\$8,421	\$0
<b>Expenditures</b>				
Current:				
Administration:				
Purchased Services	8,421	8,837	8,262	575
<i>Net Change in Fund Balance</i>	0	(416)	159	575
<i>Fund Balance Beginning of Year</i>	416	416	416	0
<i>Fund Balance End of Year</i>	<u>\$416</u>	<u>\$0</u>	<u>\$575</u>	<u>\$575</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title VIR Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$82,561	\$73,525	\$73,525	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	64,110	63,003	63,003	0
Fringe Benefits	18,451	16,098	16,098	0
Total Instruction	82,561	79,101	79,101	0
Support Services:				
Instructional Staff:				
Purchased Services	0	10,550	10,550	0
<i>Total Expenditures</i>	82,561	89,651	89,651	0
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(16,126)	(16,126)	0
<b>Other Financing Sources (Uses)</b>				
Advances In	0	8,958	8,958	0
<i>Net Change in Fund Balance</i>	0	(7,168)	(7,168)	0
<i>Fund Balance Beginning of Year</i>	7,168	7,168	7,168	0
<i>Fund Balance End of Year</i>	\$7,168	\$0	\$0	\$0

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Virtual Middle School Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$4,658	\$4,396	\$4,396	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	4,000	4,000	4,000	0
Fringe Benefits	658	658	658	0
<i>Total Expenditures</i>	4,658	4,658	4,658	0
<i>Net Change in Fund Balance</i>	0	(262)	(262)	0
<i>Fund Balance Beginning of Year</i>	262	262	262	0
<i>Fund Balance End of Year</i>	\$262	\$0	\$0	\$0



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Intervention Assistance Grant Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$14,906	\$14,906	\$14,906	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Other:				
Salaries and Wages	<u>14,906</u>	<u>14,906</u>	<u>14,906</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Debt Service Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes	\$1,582,593	\$1,579,891	\$1,581,910	\$2,019
Intergovernmental	120,000	134,343	134,343	0
<i>Total Revenues</i>	<u>1,702,593</u>	<u>1,714,234</u>	<u>1,716,253</u>	<u>2,019</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	860,000	860,000	860,000	0
Interest and Fiscal Charges	750,856	750,858	750,857	1
<i>Total Expenditures</i>	<u>1,610,856</u>	<u>1,610,858</u>	<u>1,610,857</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	91,737	103,376	105,396	2,020
<i>Fund Balance Beginning of Year</i>	<u>634,475</u>	<u>634,475</u>	<u>634,475</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$726,212</u></u>	<u><u>\$737,851</u></u>	<u><u>\$739,871</u></u>	<u><u>\$2,020</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Permanent Improvement Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
<b>Revenues</b>				
Taxes	\$1,196,769	\$1,172,539	\$1,177,078	\$4,539
Intergovernmental	178,000	166,870	166,873	3
<i>Total Revenues</i>	<u>1,374,769</u>	<u>1,339,409</u>	<u>1,343,951</u>	<u>4,542</u>
<b>Expenditures</b>				
Current:				
Instructional Staff:				
Capital Outlay - New	0	56,420	53,190	3,230
Capital Outlay - Replacement	0	200,000	197,659	2,341
Total Instructional Staff	<u>0</u>	<u>256,420</u>	<u>250,849</u>	<u>5,571</u>
Capital Outlay:				
Architecture and Engineering Services:				
Capital Outlay - New	114,960	118,540	118,538	2
Building Improvement Services:				
Capital Outlay - New	1,965,733	1,455,733	1,410,616	45,117
Capital Outlay - Replacement	15,000	0	0	0
Total Building Improvement Services	<u>1,980,733</u>	<u>1,455,733</u>	<u>1,410,616</u>	<u>45,117</u>
Total Capital Outlay	<u>2,095,693</u>	<u>1,574,273</u>	<u>1,529,154</u>	<u>45,119</u>
Debt Service:				
Principal Retirement	0	120,000	120,000	0
Interest and Fiscal Charges	0	7,320	7,320	0
Total Debt Service	<u>0</u>	<u>127,320</u>	<u>127,320</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,095,693</u>	<u>1,958,013</u>	<u>1,907,323</u>	<u>50,690</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(720,924)</u>	<u>(618,604)</u>	<u>(563,372)</u>	<u>55,232</u>
<b>Other Financing Sources</b>				
Proceeds of Sale of Fixed Assets	0	150,000	150,000	0
Advances In	0	73,600	73,600	0
<i>Total Other Financing Sources</i>	<u>\$0</u>	<u>\$223,600</u>	<u>\$223,600</u>	<u>\$0</u>

(continued)

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Permanent Improvement Fund (continued)*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<i>Net Change in Fund Balance</i>	(\$720,924)	(\$395,004)	(\$339,772)	\$55,232
<i>Fund Balance Beginning of Year</i>	537,229	537,229	537,229	0
Prior Year Encumbrances Appropriated	859,443	859,443	859,443	0
<i>Fund Balance End of Year</i>	\$675,748	\$1,001,668	\$1,056,900	\$55,232

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Building Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Interest	\$1,500	\$3,948	\$4,203	\$255
<b>Expenditures</b>				
Capital Outlay:				
Facilities Acquisition and Construction Services:				
Construction Services:				
Site Acquisition Services:				
Capital Outlay - New	0	73,345	65,452	7,893
Building Improvement Services:				
Capital Outlay - New	62,237	669	669	0
Total Expenditures	62,237	74,014	66,121	7,893
<i>Net Change in Fund Balance</i>	(60,737)	(70,066)	(61,918)	8,148
<i>Fund Balance Beginning of Year</i>	69,683	69,683	69,683	0
Prior Year Encumbrances Appropriated	669	669	669	0
<i>Fund Balance End of Year</i>	\$9,615	\$286	\$8,434	\$8,148

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*School Net Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$63,794	\$63,794	\$63,794	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	65,105	65,102	64,918	184
<i>Net Change in Fund Balance</i>	(1,311)	(1,308)	(1,124)	184
<i>Fund Balance Beginning of Year</i>	63	63	63	0
Prior Year Encumbrances Appropriated	1,248	1,248	1,248	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$3</u>	<u>\$187</u>	<u>\$184</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Textbook Subsidy Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	32,509	32,509	32,508	1
<i>Net Change in Fund Balance</i>	(32,509)	(32,509)	(32,508)	1
<i>Fund Balance Beginning of Year</i>	18,150	18,150	18,150	0
Prior Year Encumbrances Appropriated	14,359	14,359	14,359	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$1</u>	<u>\$1</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Raise the Bar Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$25,000	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	<u>26,045</u>	<u>26,045</u>	<u>26,045</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,045)	(26,045)	(26,045)	0
<i>Fund Balance Beginning of Year</i>	25,000	25,000	25,000	0
Prior Year Encumbrances Appropriated	<u>1,045</u>	<u>1,045</u>	<u>1,045</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$25,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>



**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Power Up Grant Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$96,150	\$197,814	\$197,814	\$0
<b>Expenditures</b>				
Capital Outlay:				
Architecture and Engineering Services:				
Services:				
Capital Outlay - New	40,775	142,439	142,439	0
<i>Excess of Revenues Over Expenditures</i>	55,375	55,375	55,375	0
<b>Other Financing Uses</b>				
Advances Out	0	(73,600)	(73,600)	0
<i>Net Change in Fund Balance</i>	55,375	(18,225)	(18,225)	0
<i>Fund Balance Beginning of Year</i>	5	5	5	0
Prior Year Encumbrances Appropriated	18,220	18,220	18,220	0
<i>Fund Balance End of Year</i>	<u>\$73,600</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Network Connectivity Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Central:				
Capital Outlay - New	<u>13,946</u>	<u>13,946</u>	<u>13,747</u>	<u>199</u>
<i>Net Change in Fund Balance</i>	(13,946)	(13,946)	(13,747)	199
<i>Fund Balance Beginning of Year</i>	148	148	148	0
Prior Year Encumbrances Appropriated	<u>13,798</u>	<u>13,798</u>	<u>13,798</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$199</u></u>	<u><u>\$199</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Interactive Video Lab Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$70,000	\$7,000	\$7,000	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	8,800	0	0	0
Fringe Benefits	2,126	0	0	0
Purchased Services	11,004	375	375	0
Capital Outlay - New	48,070	6,625	0	6,625
<i>Total Expenditures</i>	70,000	7,000	375	6,625
<i>Net Change in Fund Balance</i>	0	0	6,625	6,625
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$6,625	\$6,625

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Favorable (Unfavorable)
<b>Revenues</b>				
Sales	\$1,639,569	\$1,546,907	\$1,598,141	\$51,234
Interest	29,675	31,639	33,898	2,259
Operating Grants	318,550	281,036	281,036	0
Contributions and Donations	0	100	100	0
<i>Total Revenues</i>	<u>1,987,794</u>	<u>1,859,682</u>	<u>1,913,175</u>	<u>53,493</u>
<b>Expenses</b>				
Salaries:				
Food Service Operations	778,950	815,284	815,283	1
Fringe Benefits:				
Food Service Operations	245,000	247,000	246,955	45
Purchased Services:				
Food Service Operations	84,498	40,048	39,976	72
Materials and Supplies:				
Food Service Operations	767,037	936,425	936,378	47
Capital Outlay:				
Capital Outlay - New:				
Food Service Operations	100,000	3,521	2,768	753
Capital Outlay - Replacement:				
Food Service Operations	36,575	64,766	64,569	197
Total Capital Outlay	<u>136,575</u>	<u>68,287</u>	<u>67,337</u>	<u>950</u>
<i>Total Expenses</i>	<u>2,012,060</u>	<u>2,107,044</u>	<u>2,105,929</u>	<u>1,115</u>
<i>Net Change in Fund Balance</i>	(24,266)	(247,362)	(192,754)	54,608
<i>Fund Balance Beginning of Year</i>	747,112	747,112	747,112	0
Prior Year Encumbrances Appropriated	<u>33,140</u>	<u>33,140</u>	<u>33,140</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$755,986</u></u>	<u><u>\$532,890</u></u>	<u><u>\$587,498</u></u>	<u><u>\$54,608</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Uniform School Supplies Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Sales	\$68,000	\$60,908	\$60,908	\$0
<b>Expenses</b>				
Materials and Supplies:				
Regular Instruction	68,209	57,610	57,609	1
<i>Net Change in Fund Balance</i>	(209)	3,298	3,299	1
<i>Fund Balance Beginning of Year</i>	33,033	33,033	33,033	0
Prior Year Encumbrances Appropriated	209	209	209	0
<i>Fund Balance End of Year</i>	<u>\$33,033</u>	<u>\$36,540</u>	<u>\$36,541</u>	<u>\$1</u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP) and Actual*  
*Adult and Community Education Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Favorable (Unfavorable)
<b>Revenues</b>				
Tuition	\$935,000	\$890,650	\$899,771	\$9,121
<b>Expenses</b>				
Salaries:				
Adult/Continuing Instruction	22,260	18,788	18,787	1
Community Services	615,780	624,248	624,248	0
Total Salaries	638,040	643,036	643,035	1
Fringe Benefits:				
Adult/Continuing Instruction	3,838	1,903	1,843	60
Community Services	180,030	201,687	201,658	29
Total Fringe Benefits	183,868	203,590	203,501	89
Purchased Services:				
Adult/Continuing Instruction	102,277	90,013	90,011	2
Community Services	35,213	16,654	16,564	90
Total Purchased Services	137,490	106,667	106,575	92
Materials and Supplies:				
Adult/Continuing Instruction	7,298	6,952	6,945	7
Community Services	80,735	70,940	70,934	6
Total Materials and Supplies	88,033	77,892	77,879	13
Capital Outlay:				
Capital Outlay - New:				
Community Services	4,745	4,745	4,745	0
Other:				
Adult/Continuing Instruction	400	295	295	0
Community Services	5,000	4,350	4,301	49
Total Other	5,400	4,645	4,596	49
<i>Total Expenses</i>	1,057,576	1,040,575	1,040,331	244
<i>Net Change in Fund Balance</i>	(122,576)	(149,925)	(140,560)	9,365
<i>Fund Balance Beginning of Year</i>	276,994	276,994	276,994	0
Prior Year Encumbrances Appropriated	16,746	16,746	16,746	0
<i>Fund Balance End of Year</i>	\$171,164	\$143,815	\$153,180	\$9,365

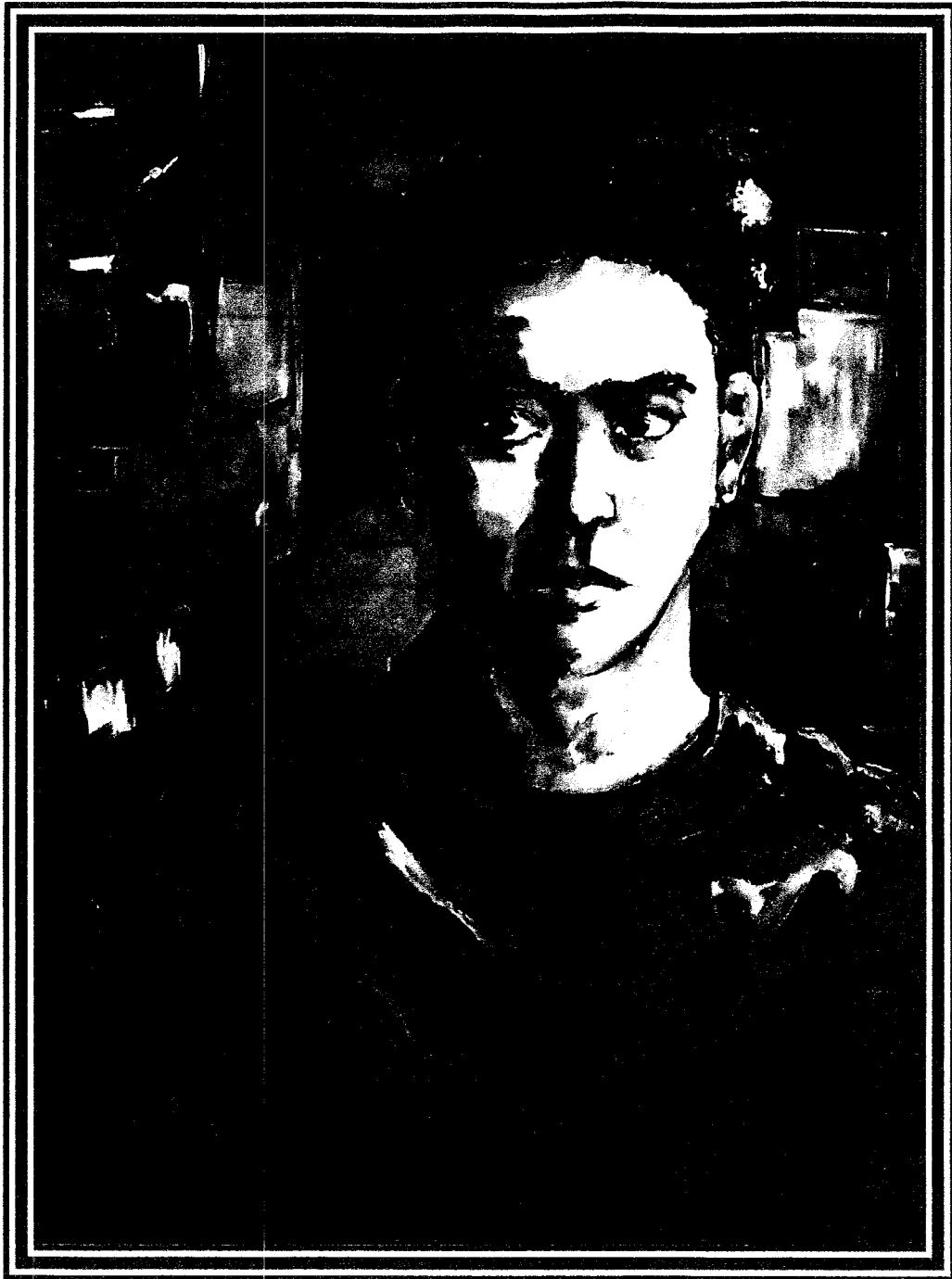
**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Self Insurance Fund*  
*For the Fiscal Year Ended June 30, 2001*

	Budgeted Amounts		Actual	Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$5,727,850	\$5,509,252	\$5,533,193	\$23,941
Interest	39,000	27,000	28,158	1,158
<i>Total Revenues</i>	<u>5,766,850</u>	<u>5,536,252</u>	<u>5,561,351</u>	<u>25,099</u>
<b>Expenses</b>				
Fringe Benefits:				
Central Support Services	5,759,825	5,167,326	5,163,049	4,277
Other:				
Central Support Services	<u>0</u>	<u>582,499</u>	<u>582,498</u>	<u>1</u>
<i>Total Expenses</i>	<u>5,759,825</u>	<u>5,749,825</u>	<u>5,745,547</u>	<u>4,278</u>
Net Change in Fund Balance	7,025	(213,573)	(184,196)	29,377
<i>Fund Balance Beginning of Year</i>	737,780	737,780	737,780	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$744,805</u></u>	<u><u>\$524,207</u></u>	<u><u>\$553,584</u></u>	<u><u>\$29,377</u></u>

**Berea City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Scholarship Trust Fund*  
*For the Fiscal Year Ended June 30, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	<u>\$675</u>	<u>\$694</u>	<u>\$694</u>	<u>\$0</u>
<b>Expenses</b>				
Other:				
Regular Instruction	0	580	580	0
Instructional Staff Support Services	<u>675</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	114	114	0
<i>Fund Balance Beginning of Year</i>	<u>13,187</u>	<u>13,187</u>	<u>13,187</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$13,187</u></u>	<u><u>\$13,301</u></u>	<u><u>\$13,301</u></u>	<u><u>\$0</u></u>

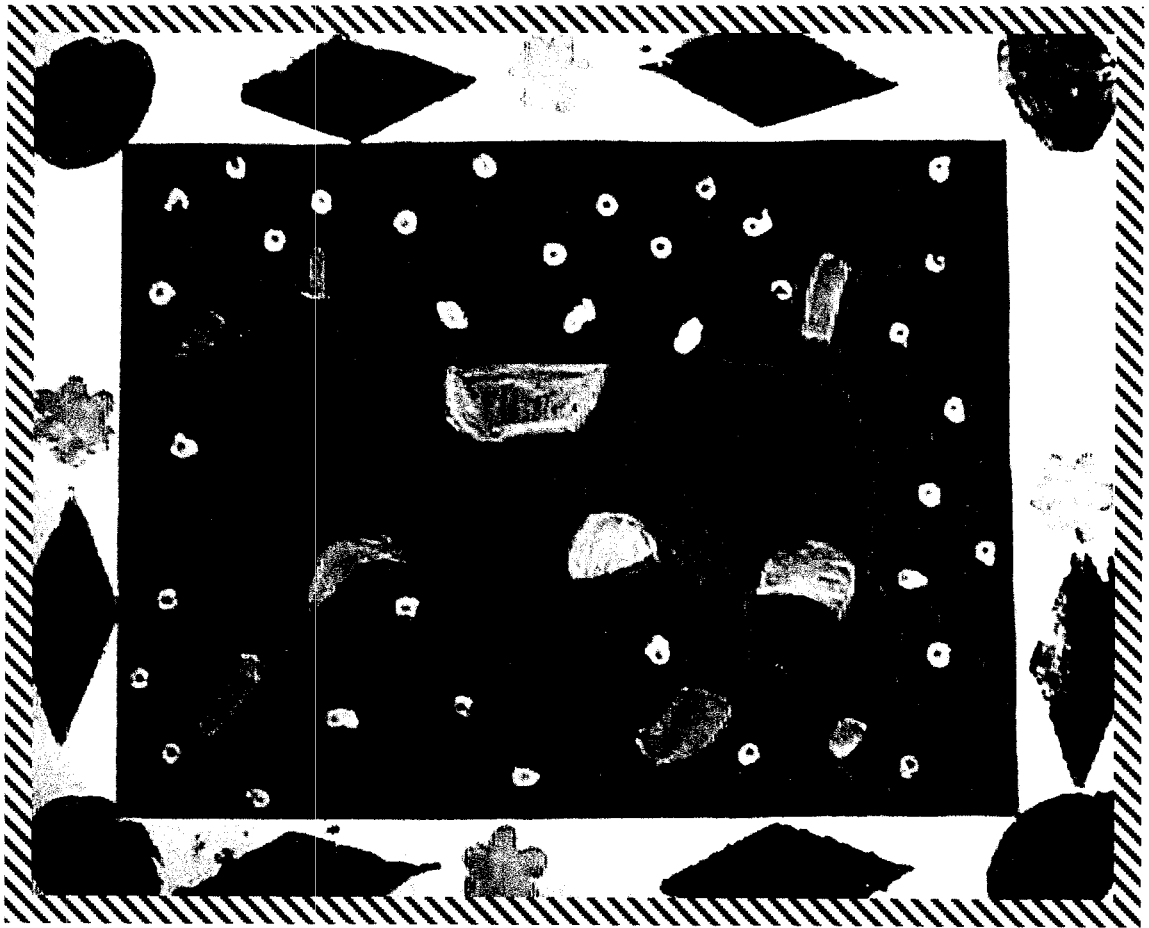




Dan Dreyer  
Midpark High School  
Art Instructor: Fred Graff

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# STATISTICAL SECTION



Brandon Ruprecht  
Big Creek Elementary School  
Art Instructor: Kathy Jadud

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## **Berea City School District**

### **Statistical Section**

The following statistical tables reflect social and economic data, financial trends and fiscal capacity of the School District.

**Berea City School District**  
*General Governmental*  
*Revenues by Source and Expenses/Expenditures by Function(1)*  
*Last Ten Fiscal Years*

	2001		2000		1999	
	Full Accrual	Modified Accrual	Full Accrual	Modified Accrual	Full Accrual	Modified Accrual
<b>Program Revenues</b>						
Charges for Services	\$1,783,264	N/A	\$2,184,997	N/A	\$1,727,320	N/A
Operating Grants and Contributions	2,526,655	N/A	2,516,392	N/A	2,102,624	N/A
Capital Grants and Contributions	348,293	N/A	158,345	N/A	775,059	N/A
<b>General Revenues</b>						
Taxes	53,626,281	\$52,182,145	45,832,741	\$45,832,741	47,740,108	\$47,740,108
Intergovernmental	12,552,799	15,234,294	11,118,645	13,656,012	11,234,905	14,018,580
Interest	1,009,744	1,005,985	742,868	723,544	752,749	729,351
Tuition and Fees	0	911,045	0	943,578	0	1,011,588
Extracurricular Activities	0	529,225	0	535,323	0	484,221
Payment in Lieu of Taxes	161,837	161,837	98,389	98,389	70,641	70,641
Rentals	0	213,429	0	188,421	0	223,143
Charges for Services	0	22,779	0	14,440	0	78,030
Contributions and Donations	0	207,470	0	130,475	7,351	89,585
Gain on Sale of Capital Asset	20,000	0	0	0	0	0
Miscellaneous	36,442	69,306	189,014	162,215	43,454	43,454
<i>Total</i>	<u>\$72,065,315</u>	<u>\$70,537,515</u>	<u>\$62,841,391</u>	<u>\$62,285,138</u>	<u>\$64,454,211</u>	<u>\$64,488,701</u>
<b>Expenses/Expenditures</b>						
Current:						
Instruction:						
Regular	\$31,242,817	\$29,918,386	\$28,341,349	\$27,435,354	\$29,246,237	\$29,356,082
Special	5,517,738	5,404,357	5,598,623	5,386,485	4,533,049	4,391,462
Vocational	512,130	533,760	426,912	424,944	494,566	543,317
Adult/Continuing	56,377	56,377	12,920	12,920	76,955	75,938
Support Services:						
Pupil	3,719,957	3,690,704	3,313,030	3,253,850	3,412,303	3,472,733
Instructional Staff	6,649,772	6,570,031	5,990,417	5,816,575	5,623,076	5,508,931
Board of Education	41,286	41,286	39,552	39,552	27,540	27,540
Administration	3,887,006	3,668,180	3,470,903	3,538,361	3,445,483	3,471,943
Fiscal	1,333,261	1,307,890	1,334,947	1,342,309	1,380,235	1,356,311
Business	1,094,132	1,082,213	864,912	824,504	935,820	924,106
Operation and Maintenance						
of Plant	8,533,754	8,404,779	8,531,623	8,395,640	7,497,937	7,277,633
Pupil Transportation	3,085,916	3,199,530	3,069,335	2,963,758	2,565,486	2,606,465
Central	2,602,684	1,330,705	1,108,849	1,126,049	979,137	953,300
Operation of Non-Instructional						
Services	744,017	781,129	608,592	624,239	573,336	597,269
Extracurricular Activities	1,523,604	1,544,442	1,404,059	1,404,696	1,333,741	1,329,481
Capital Outlay		1,251,527	0	1,434,938	0	1,686,387
Intergovernmental	262	262	8,704	8,704	7,514	7,514
Debt Service	755,802	1,166,940	825,457	1,222,081	843,331	1,194,279
<i>Total</i>	<u>\$71,300,515</u>	<u>\$69,952,498</u>	<u>\$64,950,184</u>	<u>\$65,254,959</u>	<u>\$62,975,746</u>	<u>\$64,780,691</u>

Source: School District Financial Records

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds for modified accrual and all governmental activities for full accrual

1998	1997	1996	1995	1994	1993	1992
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
\$45,255,176	\$46,701,920	\$44,655,490	\$42,824,939	\$36,629,543	\$33,841,200	\$33,004,610
13,116,068	12,211,533	12,621,253	12,195,025	10,716,999	10,718,880	10,231,358
1,102,064	1,138,272	819,157	898,046	712,288	351,557	434,218
1,146,034	1,107,645	1,127,012	649,828	617,460	302,657	741,615
420,141	609,686	537,894	542,797	411,976	496,836	573,841
N/A	N/A	N/A	N/A	N/A	N/A	N/A
166,313	159,545	126,829	155,477	196,568	163,297	167,224
10,310	3,133	40,928	84,134	165,237	220,954	166,507
154,527	87,481	96,189	124,579	165,037	91,900	93,050
0	0	0	0	0	0	0
386,654	105,098	76,044	41,217	33,939	151,132	136,545
<u>\$61,757,287</u>	<u>\$62,124,313</u>	<u>\$60,100,796</u>	<u>\$57,516,042</u>	<u>\$49,649,047</u>	<u>\$46,338,413</u>	<u>\$45,548,968</u>
\$28,943,088	\$26,100,943	\$25,104,953	\$23,462,734	\$21,803,898	\$24,049,668	\$23,493,392
3,400,272	4,065,687	3,885,824	3,400,093	3,089,146	2,893,846	2,729,466
438,641	498,285	134,967	268,976	384,092	719,279	535,993
64,741	73,121	28,479	26,720	27,686	22,834	23,129
3,214,074	2,829,738	2,573,600	2,355,963	2,259,743	2,467,495	2,201,027
5,237,374	4,823,192	4,040,371	3,537,511	3,007,965	2,889,386	2,866,209
27,041	36,483	42,135	40,287	33,270	19,497	56,330
3,411,741	3,265,813	2,902,489	2,694,072	2,707,058	3,028,321	2,750,860
1,171,319	1,186,141	1,179,912	987,126	899,060	807,325	982,028
872,065	860,090	957,623	767,583	580,337	598,097	636,507
7,108,016	6,876,512	6,411,999	5,854,590	5,424,449	5,457,489	5,375,836
2,999,688	2,710,642	2,536,613	2,540,958	2,028,859	1,974,819	2,011,229
911,451	971,485	725,367	1,299,464	664,470	662,052	659,147
449,712	487,342	341,709	400,246	6,313	13,791	1,195
1,264,580	1,248,584	1,080,584	953,980	826,455	971,066	973,082
3,872,203	1,609,684	689,919	9,083,819	6,630,305	1,230,487	920,432
2,998	178	32,346	132,303	24,678	21,003	6,090
1,435,207	2,885,574	1,090,954	4,811,795	2,568,590	189,551	297,863
<u>\$64,824,211</u>	<u>\$60,529,494</u>	<u>\$53,759,844</u>	<u>\$62,618,220</u>	<u>\$52,966,374</u>	<u>\$48,016,006</u>	<u>\$46,519,815</u>

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

Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collection	Percent of Current Levy Collected
2000	\$56,319,028	\$2,062,168	\$58,381,196	\$54,967,090	97.6%
1999	55,468,842	2,548,942	58,017,784	50,407,727	90.9
1998	48,638,195	3,650,397	52,288,592	47,163,054	97.0
1997	48,689,899	2,080,057	50,769,956	47,755,145	98.1
1996	48,350,805	2,548,410	50,899,215	47,694,375	98.6
1995	47,233,210	3,619,059	50,852,269	46,299,343	98.0
1994	45,736,108	2,952,483	48,688,591	44,420,281	97.1
1993	37,857,458	2,293,102	40,150,560	36,786,097	97.2
1992	36,459,314	2,096,486	38,555,800	35,564,159	97.5
1991	35,706,398	1,550,286	37,256,684	34,805,706	97.5

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because this is the manner in which the information is maintained by the County Auditor.

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State are reported as Intergovernmental Revenue.
- (2) Represents collection year. 2001 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.



Delinquent Collection	Total Collection	Total Collection As a Percent of Current Levy
\$1,193,856	\$56,160,946	99.7%
1,976,163	52,383,890	94.4
1,899,015	49,062,069	100.9
1,211,905	48,967,050	100.6
1,492,700	49,187,075	101.7
1,966,080	48,265,423	102.2
650,861	45,071,142	98.5
676,429	37,462,526	99.0
766,018	36,330,177	99.6
565,867	35,371,573	99.1

**Berea City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Calendar Years*

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2001	\$1,197,553,870	\$3,421,582,486	\$49,875,840	\$56,677,091
2000	1,027,815,310	2,936,615,171	55,967,350	63,599,261
1999	1,005,040,090	2,871,543,114	56,737,020	64,473,886
1998	1,003,703,030	2,867,722,943	56,081,630	63,729,125
1997	925,444,240	2,644,126,400	57,359,690	65,181,466
1996	916,893,060	2,619,694,457	57,581,770	65,433,830
1995	914,320,920	2,612,345,486	61,155,940	69,495,386
1994	808,445,250	2,309,843,571	60,329,740	68,556,523
1993	809,606,320	2,313,160,913	59,786,720	67,939,455
1992	795,116,020	2,271,760,057	59,510,610	67,625,693

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because this is the manner in which the information is maintained by the County Auditor.

(1) This amount is calculated based on the following percentages:

Real Estate is assessed at 35 percent of actual value.

Public utility personal is assessed at 88 percent of actual value.

Tangible personal property is assessed at 25 percent of actual value for 1993 through 2001

Tangible Personal Property		Total		Ratio
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value (1)	
\$235,165,084	\$940,660,336	\$1,482,594,794	\$4,418,919,913	34%
244,299,461	977,197,844	1,328,082,121	3,977,412,276	33
247,826,803	991,307,212	1,309,603,913	3,927,324,212	33
261,930,469	1,047,721,876	1,321,715,129	3,979,173,944	33
278,548,460	1,114,193,840	1,261,352,390	3,823,501,706	33
259,983,771	1,039,935,084	1,234,458,601	3,725,063,371	33
244,868,858	979,475,432	1,220,345,718	3,661,316,304	33
211,234,870	844,939,480	1,080,009,860	3,223,339,574	34
202,742,046	810,968,184	1,072,135,086	3,192,068,552	34
202,220,803	777,772,319	1,056,847,433	3,117,158,069	34

**Berea City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(per \$1,000 of Assessed Valuation)*  
*Last Ten Calendar Years*

Year	School Levy	County Levy	Berea City	Middleburg Heights City	Brookpark City	Polaris J.V.S.D.
2001	\$63.80	\$17.60	\$17.60	\$5.60	\$4.80	\$2.40
2000	63.90	16.70	17.70	5.60	4.80	2.40
1999	58.00	16.70	17.70	5.60	4.50	2.40
1998	57.90	18.00	17.80	5.60	5.50	2.40
1997	57.90	18.00	17.80	5.60	5.50	2.40
1996	57.00	18.00	17.80	5.90	5.50	2.50
1995	56.90	18.20	17.80	5.90	5.50	2.50
1994	57.00	17.50	18.30	5.90	5.50	2.50
1993	51.10	17.80	18.80	5.90	5.50	2.50
1992	50.20	17.80	19.10	6.30	5.50	2.50

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

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Debt Service Included in Total Levy			
School	County	City	Total
\$0.85	\$0.79	\$6.15	\$7.79
0.95	0.85	6.25	8.05
0.95	0.72	6.20	7.87
0.95	0.60	6.15	7.70
0.85	0.90	6.03	7.78
0.95	0.87	6.03	7.85
0.85	0.76	5.39	7.00
1.00	0.68	6.00	7.68
1.00	0.71	6.77	8.48
0.05	0.80	6.94	7.79

**Berea City School District**  
*Ratio of Net General Obligation Bonded Debt to  
Assessed Value and Net Bonded Debt Per Capita  
Last Ten Years*

<u>Year</u>	<u>Net General Obligation Bonded Debt</u>	<u>Assessed Value</u>	<u>Population</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
2001	\$11,290,474	\$1,482,594,794	55,730	0.76%	\$203
2000	11,828,866	1,328,082,121	59,420	0.89	199
1999	12,271,066	1,309,603,913	63,986	0.94	192
1998	12,748,031	1,321,715,129	62,590	0.96	204
1997	13,030,060	1,261,352,390	62,590	1.03	208
1996	13,350,237	1,234,458,601	60,702	1.08	220
1995	13,710,350	1,220,345,718	60,702	1.12	226
1994	13,864,828	1,080,009,860	60,702	1.28	228
1993	13,965,163	1,072,135,086	56,618	1.30	247
1992	0	1,056,847,433	56,618	0.00	0

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

**Berea City School District**  
*Computation of Legal Debt Margin*  
*June 30, 2001*

Assessed Valuation	<u>\$1,482,594,794</u>
Debt Limit - 9% of Assessed Value (1)	\$133,433,531
Amount of Debt Applicable to Debt Limit:	
General Obligation Bond	12,145,000
Less: Amount Available in Debt Service Fund	<u>(854,526)</u>
Amount of Debt Subject to Limit	<u>11,290,474</u>
Overall Debt Margin	<u>\$122,143,057</u>
Debt Margin - .10% of Assessed Value (1)	\$1,482,595
Amount of Debt Applicable	<u>\$0</u>
Unvoted Debt Margin	<u>\$1,482,595</u>

Source: Cuyahoga County Auditor and School District Financial Records

(1) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

**Berea City School District**  
*Computation of Direct and Overlapping General Obligation Bonded Debt*  
*December 31, 2000*

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
Berea City School District	\$12,145,000	100.00 %	\$12,145,000
Cuyahoga County	231,044,636	5.18	11,968,112
Regional Transit Authority	98,030,000	5.18	5,077,954
Berea City	16,692,024	94.04	15,697,179
Brookpark City	7,630,000	100.00	7,630,000
Middleburg Heights City	31,535,293	100.00	<u>31,535,293</u>
Total			<u><u>\$84,053,538</u></u>

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis (including School District) because that is the manner in which information is maintained by the County Auditor.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2001 collection year.



**Berea City School District**  
*Ratio of Annual Debt Service Expenditures For*  
*General Obligation Bonded Debt to General Governmental Expenditures*  
*Last Ten Fiscal Years*

Year	Principal	Interest	Total Debt Service	Total Governmental Fund Expenditures	Ratio of Debt Service to Governmental Fund Expenditures
2001	\$410,000	\$734,826	\$1,144,826	\$69,952,498	1.64%
2000	395,000	760,870	1,155,870	65,254,959	1.77
1999	350,000	785,113	1,135,113	64,780,691	1.75
1998	300,000	806,326	1,106,326	64,824,211	1.71
1997	275,000	852,326	1,127,326	60,529,494	1.86
1996	225,000	841,263	1,066,263	53,759,844	1.98
1995	200,000	855,076	1,055,076	62,618,220	1.68
1994	275,000	1,020,540	1,295,540	52,966,374	2.45
1993	80,000	3,430	83,430	48,016,006	0.17
1992	160,000	6,600	166,600	46,519,815	0.36

Source: School District Financial Records

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

Year	Cuyahoga County Population	Berea City Population	Middleburg Heights City Population	Brook Park City Population	School Enrollment	Unemployment Rate (1)
2001	1,393,978	18,970	15,542	21,218	7,809	4.30%
2000	1,373,000	19,051	17,504	22,865	7,814	5.0
1999	1,406,139	20,301	17,302	26,383	7,941	4.6
1998	1,398,169	19,960	16,813	25,817	7,946	3.9
1997	1,398,169	19,960	16,813	25,817	7,958	4.6
1996	1,398,169	19,500	14,702	26,500	7,997	4.7
1995	1,412,140	19,500	14,702	26,500	7,977	4.9
1994	1,412,140	19,500	14,702	26,500	7,879	5.3
1993	1,412,140	19,051	14,702	22,865	7,832	7.6
1992	1,412,140	19,051	14,702	22,865	7,846	6.3

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

(1) Represents Cuyahoga County.

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

Year (3)	Property Value (1) (Real Estate Only)	Industrial Employment	Financial Institution Deposits (000's) Banks	Value of Building Permits Issued
2000	\$1,027,815,310	N/A	\$61,942,764	\$52,934,621
1999	1,005,040,090	N/A	57,021,360	49,628,432
1998	1,003,703,030	N/A	56,770,353	47,928,289
1997	925,444,240	N/A	53,941,941 (2)	42,469,432
1996	916,893,060	N/A	24,628,923	38,923,621
1995	914,320,920	N/A	22,458,573	37,893,542
1994	808,445,250	N/A	20,885,453	39,598,388
1993	809,606,320	1,054,900	21,009,421	44,289,198
1992	795,116,020	921,200	19,379,280	91,515,099
1991	676,040,420	748,676	18,392,243	54,856,789

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

(1) Represents assessed value.

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

(3) Data is presented on a calendar year basis. 2001 information is not available.

**Berea City School District**

*Principal Taxpayers*

*Real Estate Tax*

*December 31, 2000*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
Cleveland Port Authority	\$48,624,620	4.06 %
Ford Motor Company	30,069,700	2.51
Islander Company	13,575,190	1.13
Southland Store Company	10,347,540	0.86
Southwest Medical Center	10,008,190	0.84
Techpark Ltd. Partnership	7,880,670	0.66
Sears, Roebuck, Inc.	5,189,450	0.43
Tower In the Park, Ltd.	4,014,430	0.34
Brook Park Land Development	3,749,520	0.31
Middlebrook Town Square Ltd.	<u>3,644,320</u>	<u>0.31</u>
Total	<u><u>137,103,630</u></u>	<u><u>11.45 %</u></u>
Total Real Estate Valuation	<u><u>\$1,197,553,870</u></u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 2001

**Berea City School District**  
*Principal Taxpayers*  
*Tangible Personal Property Tax*  
*December 31, 2000*

Name of Taxpayer	Assessed Value (1)	Percent of Tangible Assessed Value
Ford Motor Company	\$91,257,380	38.81 %
Marc Glassman Inc.	9,522,340	4.05
IBM Credit Corporation	3,928,170	1.66
Ken Mac Metals	3,347,900	1.42
R.R. Donnelley & Sons Co.	3,252,200	1.38
GE Information Services	2,805,790	1.19
Hawk Corporation	2,802,120	1.19
Sears Roebuck, Incorporated	2,594,580	1.10
Sunnyside Automotive	2,566,920	1.09
GSS Inc.	2,516,260	1.07
<b>Total</b>	<b>\$124,593,660</b>	<b>52.96 %</b>
<b>Total Tangible Assessed Valuation</b>	<b>\$235,165,084</b>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 2001

**Berea City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*December 31, 2000*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$26,582,660	53.30 %
Ameritech	9,827,600	19.70
Columbia Gas of Ohio, Inc.	6,142,700	12.32
East Ohio Gas, Inc.	2,314,180	4.64
AT & T Wireless	<u>1,245,780</u>	<u>2.50</u>
Total	<u>\$46,112,920</u>	<u>92.46 %</u>
Total Public Utility Assessed Value	<u>\$49,875,840</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 2001

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

Fiscal Year	General Fund Expenditures	Average Student Enrollment	Per Pupil Cost
2001	\$64,275,827	7,809	\$8,231
2000	59,855,230	7,814	7,660
1999	59,125,633	7,941	7,446
1998	57,246,101	7,946	7,204
1997	55,273,812	7,958	6,946
1996	49,786,027	7,997	6,226
1995	50,077,966	7,977	6,278
1994	43,436,260	7,879	5,513
1993	44,830,862	7,832	5,724
1992	43,647,399	7,846	5,563

Source: School District Financial Records.

**Berea City School District**  
*Teacher Education and Experience*  
 June 30, 2001

Degree	Number of Teachers	Percentage of Total
Bachelor's Degree	103	19.66 %
Bachelor + 15	46	8.78
Bachelor + 30	82	15.65
Master's Degree	237	45.23
Master's + 15	27	5.15
Master's + 30	4	0.76
Ph. D.	25	4.77
Total	524	100.00 %

Years of Experience	Number of Teachers	Percentage of Total
0 - 5	139	26.53 %
6 - 10	140	26.72
11 and over	245	46.75
Total	524	100.00 %

Source: School District Personnel Records





Beth Marek  
Berea High School  
Art Instructor: Mary Ann Linek

Chelsi Podrbik  
Riveredge Elementary School  
Art Instructor: Connie Stidham





STATE OF OHIO  
OFFICE OF THE AUDITOR  

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**BEREA CITY SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 17, 2002**